



The bank built for game changers[®]

Clear.Bank[®]

Consolidated Annual Report and Accounts
of ClearBank Group Holdings Limited – 2025

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Unlocking our clients' potential



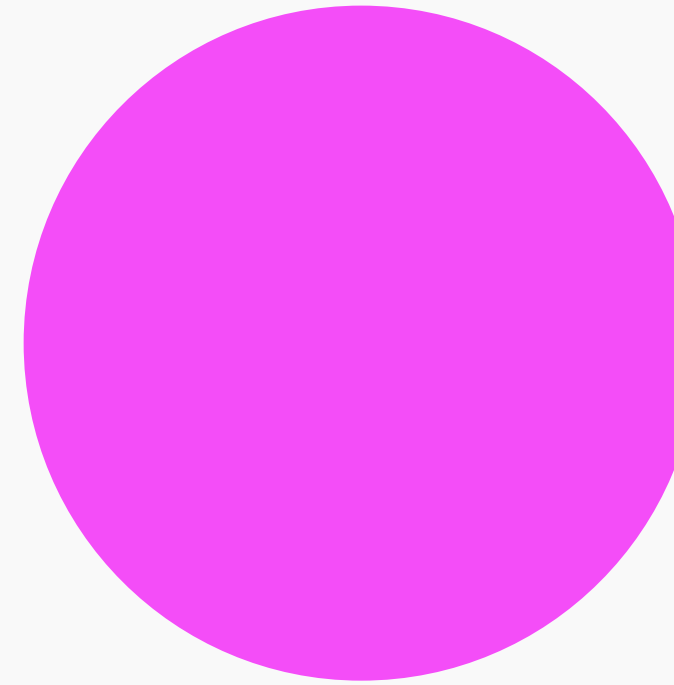
Our purpose and ambition

Our purpose

To unlock our clients' potential

Our ambition

To be the leading global provider of embedded banking and clearing solutions



2025 highlights



15 passported EU countries

£17.8bn of client deposits

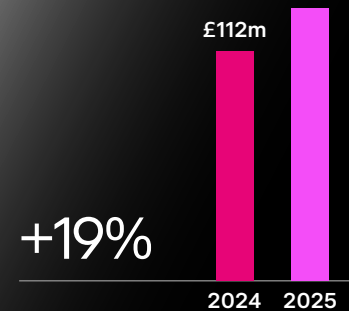
262m payments processed in 2025

279 clients

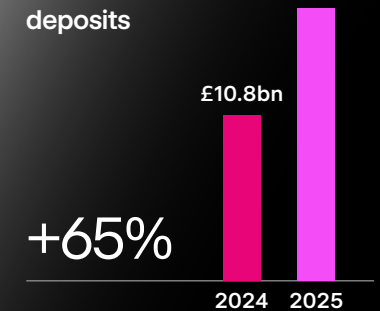
17m accounts

162 new colleagues in 2025

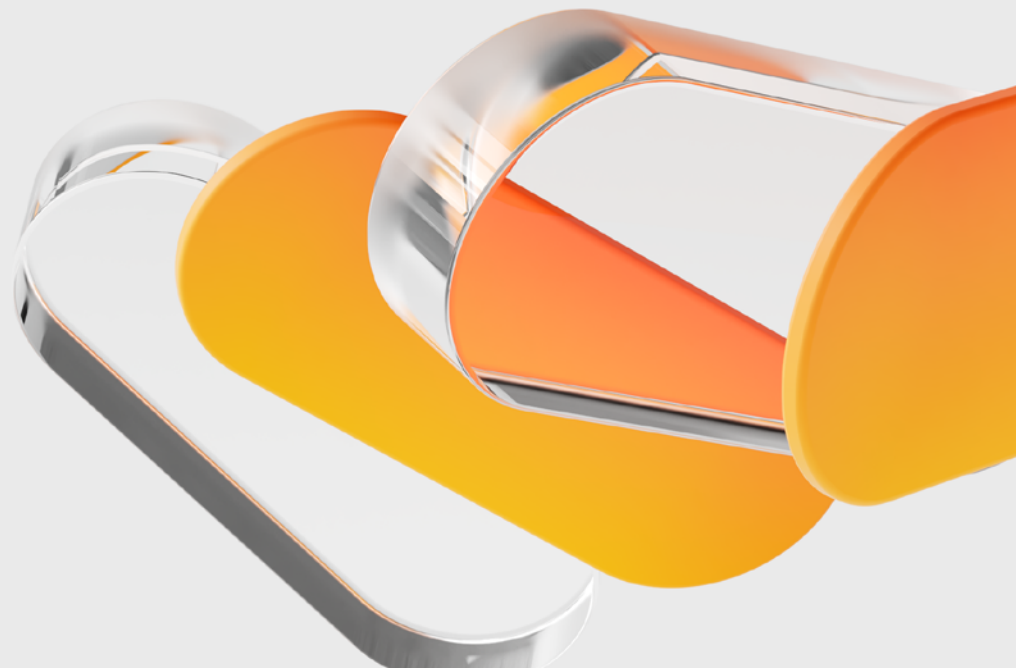
Revenue



Client deposits



Driven by technology, powered by people



Who we are

We're a tech-bank focused on creating the best and most sustainable banking and payments infrastructure in the world. We were built on the belief that banking and payments infrastructure would no longer slow down progress. Instead, it would be the catalyst that unlocks the potential to innovate. It would adapt to cater to different needs so a new era in financial services could begin.

ClearBank is a banking group with two fully regulated banks that are driven by the latest technology and powered by our talented people.

What we do

Our banking licences and real-time technology enable brands to offer secure accounts and payment clearing that enhance the customer experience.

We're committed to being a responsible business while driving transformation in financial services.

Trusted by leading brands



[See our case studies](#) →

A decade of innovation

10
years of
Clear.Bank

2016



Building the foundation of ClearBank

Obtain our UK banking licence from the PRA and FCA

Gain initial investment from PPF Group and CFFI UK Ventures

2017



The launch of ClearBank, the first new clearing bank in over 250 years

Launch agency banking services with direct access to all major UK payment schemes (FPS, Bacs, CHAPS)

2018



Live with our first client

Rapidly expanding our client base and payment volumes

2019



Our partnership with Tide

Awarded £60m from the RBS Alternative Remedies Package overseen by Banking Competition Remedies (BCR)

Launch FSCS-protected accounts, marking the beginning of embedded banking

2020



Evolving our business

Clear over 1m payments per week

Hold over £1bn of deposits at the Bank of England

Reach 100 client milestone

Awarded £25m from the RBS Alternative Remedies Package overseen by BCR

2021



Scaling embedded banking

Chip expands into embedded banking

Launch of FX and multi-currency services

#1 UK fastest-growing tech company featured on the Deloitte Fast 50

2022



Elevating our business

Raise £175m led by Apax Digital to accelerate our global expansion

Now a team of 500 employees

We rebrand

On the Deloitte Fast 50 for the second year

2023



Reach profitability

First full year of UK profitability

One of CNBC's top 250 global fintechs

Reach 200 clients milestone

For the third year, we're on the Deloitte Fast 50

2024



European expansion

Obtain our European banking licence from the DNB and ECB

Announce our Net Zero 2040 strategy

Launch flexible Cash ISAs

Our fourth year on the Deloitte Fast 50

2025



Product innovation

Onboard our first corporate embedded banking client in the UK

Reach 28 clients in Europe

Live with Target 2 (T2), SEPA Instant and SEPA Credit Transfer (SEPA CT)

Process our first live card transaction

Open a new Amsterdam office and a European branch in France

2026



Building momentum

Live with our new Group operating model

Open our new London office

Launching SEPA Direct Debit and SEPA Indirect in Europe

Launching our initial debit card proposition

Launching our digital assets solution with Circle

Future

Driving our strategy forward to unlock our clients' potential, globally

What sets us apart



Operational resilience

We protect against operational risk events by mirroring our cloud-native technology platform in separate zones within Microsoft Azure. This significantly reduces any potential service disruption to our clients.



Safe and here to stay

ClearBank is a banking group made up of two fully regulated banks based in the UK and Europe. We securely hold sterling client funds at the Bank of England and euro client funds at De Nederlandsche Bank (DNB) and the European Central Bank (ECB). This ensures that our clients and their customers can have peace of mind, knowing their money is safe.



Presence across the UK and EU

The combination of our European and UK banking licences enables us to serve our existing clients across both regions and attract new business. The successful integration of T2, SEPA Instant and SEPA CT ensure a seamless, efficient experience for our clients.



Market-leading proposition

Independent research shows our embedded banking proposition is viewed as high quality, is proven to deliver a significant ROI, and our team consistently receives praise for providing a seamless service to our clients.



Top client credentials

This year, we've onboarded game changing industry players, including PingPong, GoCardless, and TapTap Send, and launched our channel partnership with Plaid. We also went live with our first corporate embedded banking client, PayCaptain.



Our people and culture

We've created a business we're proud of and a culture our people love. ClearBank's culture is built on trust and through building trust we create an environment where people can innovate and challenge the status quo, deliver on our promises and exceed expectations. For ourselves, and our clients.



Cloud-based API

Our API is best in class and had never been done before – until we built it. By using the latest cloud technology, taking a highly resilient approach, and scaling consistently, we give our clients the opportunity to innovate at speed.

Chair's overview



The resilience of our business model continues to set ClearBank apart."

Tim Wade
Group Chair



Scaling an international business with clarity and purpose

It is a privilege to write my first statement as Group Chair of ClearBank, as we mark a decade of the business supporting innovation and growth.

Reflecting on another transformative year, I'm proud to highlight 12 months of sustained expansion of the Group and ongoing profitability for the UK bank. That included extending its offering to transaction banking and embedded banking for large-scale corporates.

While macroeconomic and geopolitical pressures continue to challenge the financial services industry and our clients, the resilience of our business model continues to set ClearBank apart.

That strength is underpinned by our client deposits being held safely at the Bank of England, the DNB and the ECB, as well as the reliability and scalability of ClearBank's infrastructure.

Together with ClearBank's brand reputation in the market and our ongoing focus on product innovation, market-leading services and client delivery, this year's results demonstrate the success of our proposition.

2025 was a strong year for ClearBank, as we executed our strategy at pace and with purpose. Our client base grew to 279, deposits at the UK bank reached £17.8bn, and we saw record transaction growth.

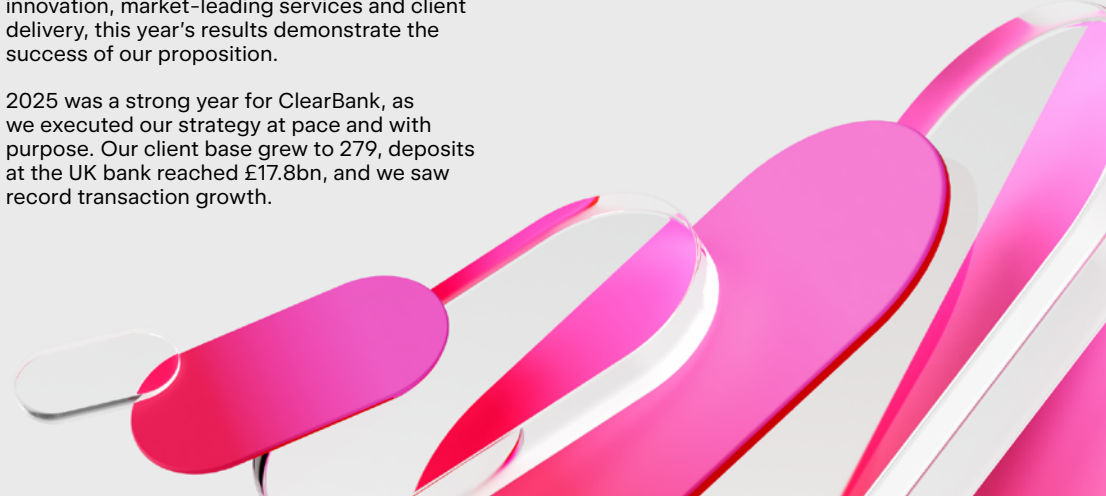
At the same time, we delivered on our international expansion, building the European bank and passporting into 15 countries.

Reinvesting for growth and innovation

Our strong financial performance and continued successful execution against our strategic objectives afford us the space to innovate and launch new products. In 2025, this included expanding our embedded banking proposition with new account types, including joint savings accounts and under-18s savings accounts, and serving a growing client base of leading fintechs and digital assets platforms.

Our exciting move into corporate transaction banking represents our commitment to offering a modernised alternative for businesses underserved by traditional banks, legacy banking systems and outdated processes. It also provides the Group with even greater growth opportunities, particularly for firms embracing embedded banking services to drive revenue, enhance customer loyalty and deliver new brand experiences.

Alongside this, ClearBank has continued its exploration of digital assets. Recognising the significant opportunities presented by digital assets, particularly in Europe, we've partnered with Circle, a global leader in stablecoins, initially focused on expanding distribution of EURC and USDC.



Chair's overview continued

Delivering leadership succession

As noted in the previous Annual Report, our new Group Chief Executive Officer (CEO), Mark Fairless, stepped into the role in March 2025, succeeding ClearBank co-founder Charles McManus. With his deep knowledge of our business built through his time as ClearBank's Chief Financial Officer (CFO), the Group has thrived under Mark's leadership, thanks to his passion for unlocking our clients' potential, his clear vision for growth and a sharp focus on strategic execution.

David Samper subsequently joined ClearBank as Group CFO, bringing 30 years of leadership across strategic finance, M&A and business transformation from senior roles at Newcastle Building Society, Sainsbury's Bank and NatWest Group. His expertise spanning finance, strategy and regulation strengthens our leadership team for our next phase of growth.

Outlook

ClearBank's client base continues to grow and our entry into new segments and markets offers even greater opportunities in 2026 and beyond. We are looking forward to 2026 with anticipation as our strategic investments across the business see further success in the UK and Europe and as we continue to innovate.

I want to thank every ClearBank colleague and hope you take immense pride in the achievements presented throughout this report. They are only possible because of your passion for innovation, dedication towards our clients and a determination to continually execute on our strategy.

I also thank my colleagues on the Group Board and the UK and European Boards for their invaluable contributions to ClearBank and for supporting me during my first year as Group Chair. In particular, I thank my predecessor, Peter Herbert, for his exceptional leadership.

Tim Wade
Group Chair



CEO's review



2025 has seen us start to deliver on our international potential."

Mark Fairless
Group Chief Executive Officer



A year of strategic growth

2025 marked a fantastic year for ClearBank and a year of strategic growth and transformation. It has been a privilege to take up the role of Group CEO, and I'm incredibly proud of the Group's achievements over the last 12 months.

We sharpened our strategic focus during the year, reinforced our purpose of unlocking our clients' potential and refined our mission – to be the leading global provider of embedded banking and clearing solutions.

Throughout the year, we made substantial progress, driving product innovation and our European expansion while continuing to invest in new systems, processes and exceptional talent.

As ClearBank has grown, we have purposely built our technology and capabilities to capitalise on the significant opportunities for expansion and disruption in a transforming financial services sector.

I'm delighted that our progress continues to be recognised externally. Of particular note, ClearBank was named as one of the world's top fintech companies in 2025 by CNBC, a strong endorsement of our global potential.

Launching our corporate proposition

One of the most exciting developments this year was the launch of our corporate banking proposition. It represents a new chapter in our evolution and brings a modern, differentiated proposition to corporate businesses, something that is harder to achieve with legacy banking infrastructure. Our focus is on large-scale businesses who are seeking speed, scalability and reliability – all areas where our solutions deliver.

With a constant focus on unlocking our clients' potential, we're already delivering innovative new services to corporates. A great example is our collaboration with PayCaptain, a payroll services provider, enabling employees to save a portion of their salary directly into a savings account. Powered by our embedded banking proposition, it offers the employees at PayCaptain's clients competitive interest rates and the additional peace of mind when building their deposits in FSCS-eligible accounts.

Growth across our core business

While corporates represent a major opportunity for us, financial services remain core to our business. In 2025, we deepened relationships with existing clients, which led to a 57% increase in annual scheme transaction volumes to 262m, and a 65% increase in deposits to £17.8bn.

The Group's statutory fee income grew by 38% to £60.9m in 2025, as we continued to see progress towards high-quality, recurring fee income. This now represents an increasing proportion of ClearBank's total revenue, reducing our exposure to interest rate volatility.

We welcomed significant new clients, including Airwallex, Kraken and PingPong – taking our total client base to 279. We also saw three existing financial services partners go live with our embedded banking services: Revolut, LemFi and Coinbase. Together, these enhanced relationships across diverse business models, represent a powerful vote of confidence in the strength, reliability and scalability of our platform.

We also launched new propositions to support growth, including joint savings accounts, and youth-focused savings products. As a result, we have seen FSCS-eligible deposits held securely for clients rise by 71% to £15.9bn.

Successfully scaling Europe

Our European business made substantial progress in 2025. We rolled out SEPA Instant, SEPA Credit Transfer, and T2 services, alongside Verification of Payee (VoP).

CEO's review continued

Since securing our licence in mid-2024, ClearBank Europe has passported into 15 countries and opened a new branch in France. By the end of the year, payment volumes had grown strongly, underscoring both client demand for our services and our execution capabilities.

We are now supporting a growing number of European clients – including Wallester and Zimpler and totalling 28 by the of 2025 – with the majority being new to the ClearBank Group.

While supporting UK clients with their European ambitions remains key to our expansion plans, we must also serve local firms in the region. Today, we're doing exactly that.

Our role in the evolution of payments

ClearBank continues to play an active role in shaping the future of payments. We're already working with leading firms, including Coinbase and Kraken, to deliver frictionless on- and off-ramps to fiat payment rails. The rapid growth of stablecoins is a catalyst for our strategy, and our partnership with Circle demonstrates our ambition to build the bridge between today's financial system and the next generation of money movement.

We are committed to remaining a pragmatic and reliable banking partner as digital assets evolve, focusing on compliant, secure and resilient solutions – expectations our clients rightly hold us to.

Looking to the future

2025 was a successful year as we continued to deliver on our international ambitions and set a clear path for the Group's future direction.

Our technology remains a core differentiator, and I'm delighted that Neil Drennan joined us as Group Chief Technology Officer. His experience includes Visa Cross-Border Solutions, 10x Banking and Amazon, and he will be instrumental in taking our engineering capabilities to the next level.

Our European leadership has also been strengthened with Tristan Kirchner appointed as the CEO of our European Bank. He has held senior positions at Uber payments, Barclays and Visa, and his expertise in scaling complex payments businesses will be vital as we continue to grow across the continent.

Before ending, I want to thank our previous Group Chair, Peter Herbert, for his guidance and dedication to the business, and I wish him all the best as he steps away from the role.

I'm delighted that Tim Wade will guide the Group through its next phase as Group Chair, and I look forward to working with him in 2026 and beyond, as we continue our journey.

Finally, a thank you to the entire ClearBank team. These results are a testament to your energy, dedication and belief in our mission. There is so much we can, and will, accomplish together.

Mark Fairless

Group Chief Executive Officer



A conversation with our CEO

Q&A



Mark Fairless
Group Chief Executive Officer

Q. 2025 was your first year as CEO. What were your highlights of the year?

It is the opportunity we have to scale our business and help our clients to achieve their ambitions. It meant a clear focus on rolling out new products and serving new sectors to realise that opportunity and take our business to the next level.

It also meant being purposeful in scaling our international expansion. It is a privilege to lead a high-quality, determined and proactive team as we reset our purpose and ambition, setting ourselves up for an even stronger 2026 and beyond.

That included extending our embedded banking proposition, and almost doubling the partners using us to power services for millions of UK SMEs and consumers.

Internationally, we've been focused on working with existing clients in these new markets. They need the same standard in Europe that they received from us in the UK, and as a result, we're now the partner of choice of larger institutions that want fewer, more capable partners. From there, we've won significant new business from European domestic firms who appreciate our high-quality, real-time capabilities.

One theme of this year's Annual Report is 'unlocking potential.' What does that mean to you, and for the Group's strategy?

It's what I believe in and it's our refreshed purpose. It underpins how we deliver modern account and payment services that firms can rely on to execute at speed and scale, without worrying about the underlying infrastructure that holds and moves money securely in real time.

This year, I've spent a lot of time with clients to understand their strategies and roadmaps and how we can help them achieve those goals.

What became clear to me through those conversations is the quality of our client relationships and their trust in us to deliver. That speaks volumes about our track record, the quality of our services and our ability to meet their evolving needs and unlock their potential.

The UK bank has delivered another year of strong performance and posted a profit for the third consecutive year. What were the drivers behind that success?

It starts with our clients. We've forged a reputation for high-quality, real-time and resilient services that power some of the biggest fintech brands in the UK. We're the premier bank that UK fintechs use to deliver on their ambition, ranging from those going through the bank or EMI authorisation process, to others rapidly scaling and now looking towards European expansion.

Many clients have grown with us through agency banking services, adding FX or multi-currency capabilities, or new account types to meet evolving needs, and then scaling those.

It's also a testament to the trust we've built and the reputation we continue to earn in the market that multiple clients, including Coinbase and LemFi, have evolved from our agency banking services to partner with us for embedded banking.

2025 is also the first full year for the Group's European business. How has that expansion progressed?

The word 'foundational' can be overused, but for us, it was all about ensuring we had the right services, structures and people to execute on our strategy. I'm incredibly proud of our achievements – passporting to 15 countries, opening our French branch, and processing well over a million transactions a month. In 2025, we welcomed 21 clients – taking us to 28 in total by the end of the year – and had more than 25 people, executing at scale to deliver on our vision of being a major regional bank.

With the SEPA Instant mandate coming into force, we're confident that our experience and real-time infrastructure, rather than APIs plugged into legacy back-end systems, will make us the most attractive banking partner across the eurozone. With a strong pipeline, I'm confident that our European growth will accelerate throughout 2026.

Finally, the first phase of our partnership with Circle focuses on expanding access to USDC and EURC. Circle's MiCA-compliant, fully reserved stablecoins within the EU. This positions ClearBank as a key infrastructure provider for financial institutions and fintechs seeking compliant multi-currency stablecoin solutions for payments, treasury and liquidity use cases.

A conversation with our CEO

Q&A continued

You've already referenced the strategic importance of embedded banking in the UK. How is the bank evolving that proposition and broadening its appeal?

Embedded banking supports some of the biggest and most successful fintechs. Our first partner, Tide, continues to go from strength to strength, serving nearly 800,000 UK SMEs, and Chip is redefining what a wealth management app can do.

That success continued across the partners that went live in 2025. Revolut is a global powerhouse that recognised we could deliver savings accounts, at scale, to complement its offering in the UK. LemFi is a highly ambitious firm with a clear mission to ensure migrants can access financial services and now, with us, build positive savings habits.

Capital on Tap is helping small businesses to do more with their money and earn competitive interest rates on their savings. Then we have one of the world's leading digital assets exchanges, Coinbase, launching that sector's first integrated fiat savings account.

In 2025, we significantly enhanced our embedded savings account options.

This included under-18 savings accounts and dedicated accounts for 16–17 year-olds to empower young people to manage their savings and learn financial independence.

We also expanded the embedded banking proposition to serve corporates. There's a movement across sectors, including travel and leisure and professional services such as accounting and payroll, that supports service innovation, delivering new revenue streams, and enhancing the customer experience. We are positioned to enable this embedded revolution, where financial services are offered at the point of need.

The UK bank announced services for large-scale corporate brands. This is a significant shift, so why now?

It's a big move, but also a logical one. The bank already serves around 14% of the UK SME market through its partners, including Tide and Capital on Tap, securely holding billions in deposits and processing millions of payments daily across the platform.

For larger-scale corporates, we saw that the old ways weren't fit for purpose, mired in outdated systems and processes. With ClearBank, on the other hand, firms can modernise their underlying payments and accounts processes and focus on building capabilities, rather than managing costs.

Returning to your earlier point around scalability as the business grows, how has ClearBank tackled that?

ClearBank has grown substantially over the last few years, and as we continue to grow, we must ensure we keep innovating without losing what makes us a great place to work and a trusted partner to work with.

I'm proud of our high-trust, collaborative culture, and we must protect it. We also need to ensure the scalability of our systems and processes with ever-growing volumes, maintaining the necessary oversight and rigour without adding duplication or unnecessary friction.

That means focusing on fewer, core priorities that align to purpose and ambition. That has enabled us to successfully deliver significant projects, such as European growth, the expansion of our embedded banking proposition, the launch of transaction banking and corporate embedded banking.

It also means investing in our internal functions and systems to support a scaling business and harness the benefits of AI to automate and streamline processes. For example, we implemented a new platform for our FP&A teams to enhance our internal management reporting and forecasting. We also introduced a new people platform, a new talent acquisition solution and a new benefits platform that enable our People team to focus on higher value work.

Are there any developments during 2025 that you're most excited about?

I've been particularly pleased with how we've developed in 2025 in terms of our EU expansion, product development and entry into the corporate sector.

But for me, it's the opportunities presented by digital assets. Stablecoins have the potential to transform the industry, particularly cross-border payments.

As a bank with international ambitions, we must continually innovate and implement the technology that makes payments simpler and faster, with increased interoperability across borders. Circle is a stablecoin leader, and our partnership with them in the UK and EU highlights our strength, scalability and cross-border reach.

It also reflects our mission to help unlock our clients' potential to build innovative propositions.

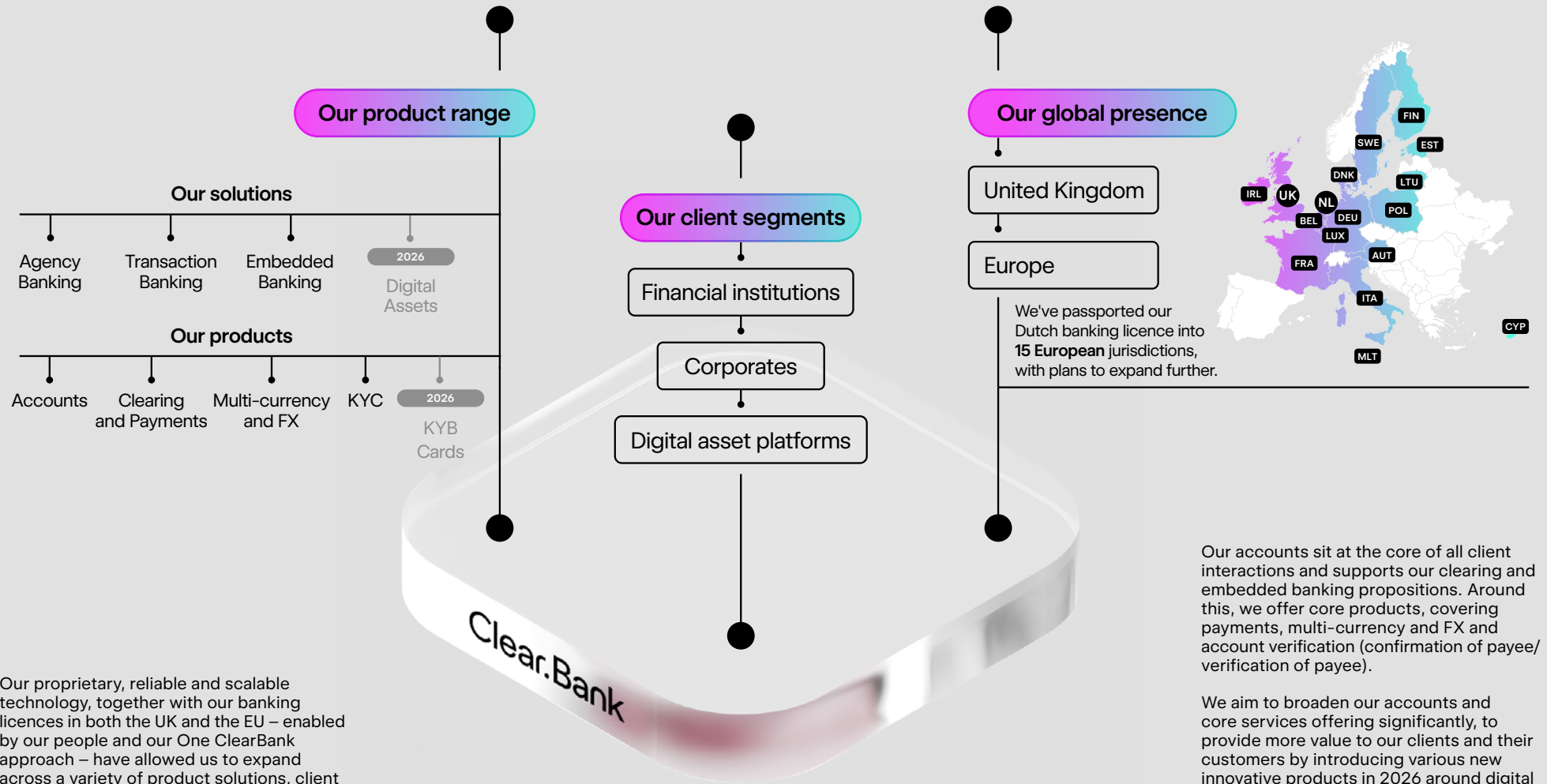
What are your priorities and areas of focus for the coming year?

Building on what we achieved through product innovation, and delivering the resilient, high-performing services that set us apart.

Our 2026 roadmap is extensive and bold, and delivering that is a priority. We're broadening our embedded banking offering to include cards and new account types. We will continue to enhance our SEPA and multi-currency solutions for European clients, offering new services such as Circle's USDC and EURC stablecoins. Scaling our corporate clients and bringing on new corporate transaction and embedded banking partners.

But crucially, delivering all of this while maintaining and enhancing a culture that enables us to reach our goals.

Business model



Our proprietary, reliable and scalable technology, together with our banking licences in both the UK and the EU – enabled by our people and our One ClearBank approach – have allowed us to expand across a variety of product solutions, client segments, and geographies.

Our accounts sit at the core of all client interactions and supports our clearing and embedded banking propositions. Around this, we offer core products, covering payments, multi-currency and FX and account verification (confirmation of payee/ verification of payee).

We aim to broaden our accounts and core services offering significantly, to provide more value to our clients and their customers by introducing various new innovative products in 2026 around digital assets and transaction banking.

Strategy overview

Our strategy

Purposely expanding our:

Global presence

We aim to be the #1 provider of embedded banking and clearing solutions across multiple jurisdictions – UK, Europe, the US and beyond.

Client segments

We want to expand beyond financial institutions – enabling fintechs, financial institutions, digital asset companies and corporates to offer the best payment experiences to their customers.

Product range

Innovation must be at the heart of what we do. Our products will cover full fiat and digital assets clearing as well as full service embedded banking propositions, including secure, transactional, interest-bearing accounts, with cards and multi-currency capabilities.



A 'One ClearBank' approach

Through collaboration and consistent communication, we are able to propose a One ClearBank offering to our clients to unlock their potential.

Our client-centric approach will put forth the full range of products and services that our capabilities enable in a powerful, unified way.



Scalability

We make significant efforts in scaling our processes via business optimisation, and will continue to do so to ensure that we build for the future scale and growth we expect.

We strive to strike the right balance between bespoke client features and driving forward on innovative propositions.



Risk management and high resilience

We are a banking group made up of two regulated banks based in the UK and Europe. We securely hold sterling client funds at the Bank of England and euro client funds at the DNB and the ECB.

We protect against operational risk events by mirroring our cloud-native technology platform in separate zones within Microsoft Azure. This minimises any potential service disruption to our clients.



Sustainability

We believe in a balanced approach to growth, making decisions today that create a better tomorrow for everyone. We have an ambitious growth strategy, investing across every line of our business without compromising our sustainable approach to expansion.



People culture and values

We've created a business we're proud of and a culture our people love. Our culture is built on trust and through building trust we create an environment where people can innovate and challenge the status quo, deliver on our promises and exceed expectations. For ourselves, and our clients.

Our culture pillars



Succeed as one



Build trust together



Grow with the challenge



Care like we mean it



Clear a bold new path



Unlocking potential in our clients



Launching SME savings accounts in under six months

An embedded savings account purpose-built for SMEs, combining market-leading interest rates, instant access, no fees, and no deposit restrictions.

Capital on Tap is on a mission to provide SMEs with financial services tailored to their specific needs. The firm is focused on making the lives of small business owners easier by providing fast, flexible and accessible financial solutions that help them manage spending, access credit and streamline operations.

While its core product is a business credit card, the firm recognised that many customers were dissatisfied with traditional banking products. Seeing a gap in the market, Capital on Tap set out to change that, partnering with ClearBank to deliver flexible savings accounts.

Capital on Tap and ClearBank launched the Capital on Tap Instant Savings account from the initial idea to a live product in under six months, demonstrating their agility in bringing financial products to market at speed and scale. A phased launch enabled the company to gather and implement user feedback, providing a polished product and fostering anticipation and loyalty among its existing customers.

The Instant Savings account sets itself apart through a combination of features that directly address small businesses' unique needs and pain points. There has been significant customer uptake, and as of June 2025, tens of thousands of existing customers have opened an account, attracting around £500m in deposits.

Embedded banking

“

Our savings proposition, powered by ClearBank, represents a fundamental shift in how small businesses can manage their finances. By combining high-interest savings with our existing credit solutions, we're creating a comprehensive financial ecosystem that directly addresses the market gap for integrated business banking services.”

Alex Miles

Chief Operating Officer, Capital on Tap



Unlocking potential in our clients

LEMFI

Savings that support immigrants to build financial freedom

Founded in 2021, LemFi is building the future of financial services for immigrants across the globe. Initially focused on remittance, LemFi has helped over two million people across Europe and North America send funds to families in 30 emerging markets. The company is now expanding to become a full-service financial hub for immigrants.

LemFi and ClearBank have worked together since 2023, using our agency banking solution to power its e-wallet offering in the UK to provide African immigrants with an alternative to traditional banking. It chose ClearBank for its strong reputation in facilitating robust payments and advanced banking infrastructure, supporting local virtual accounts and access to secure UK payment rails.

In 2025, the collaboration evolved into our embedded banking solution and its Instant Access Savings Accounts launch in the UK, marking a significant expansion in the firm's mission to build a complete financial ecosystem for the global immigrant community.

By working with ClearBank and its embedded banking solution, LemFi can offer competitive interest rates to its customers while maintaining the flexibility of instant access to their savings. Customers also benefit from earning daily interest on their savings, which is paid monthly, directly within the LemFi app.

//

Many of our users already demonstrate strong saving habits – they just need the right tools to do it confidently and securely in their new country. By embedding savings into LemFi, we're helping our customers send money to family and friends and also build stability in their new homes."

Rian Cochran
Co-Founder, LemFi

Agency banking



Embedded banking

01 – Domestic agency banking

- **September 2022:** LemFi enter into an agreement with ClearBank for UK agency banking services (replacing their incumbent provider)
- Access to safeguarding accounts, virtual accounts and domestic payment schemes is key to support the LemFi Business



02 – Product set expansion

- **June 2025:** Expansion to multi-currency and FX product expands the LemFi offering and provides end users access to a broader range of functionality
- Providing equivalent services to the GBP proposition allows LemFi to offer a consistent service in multiple currencies



03 – Embedded banking

- **Aug 2025:** Provision of retail savings accounts to end customers
- Ability to offer true bank-grade products to users, increase client interactions and provide interest on deposits – all services that resonate with a typically underbanked customer segment



04 – International expansion

- Future potential to expand the product offering by providing equivalent solutions for LemFi customers in Europe

Unlocking potential in our clients

coinbase

Powering the first fiat savings accounts at a digital asset exchange

As leading digital assets exchange Coinbase looked to build complementary services, it has partnered with ClearBank to launch fiat savings accounts. Launched in November 2025, it marked a significant milestone in the UK's financial landscape as it is the first time instant access savings accounts will be available directly through a digital assets exchange.

The new savings accounts mark an evolution in ClearBank's successful, long-standing collaboration with Coinbase in its most significant international market outside the US. ClearBank has been powering Coinbase's GBP on/off ramps and wallets since 2019 through a single API, delivering access to the UK's Faster Payments System (FPS) and CHAPS.

The partnership has improved the customer experience of real-time fiat deposits, providing millions of Coinbase customers with vital protections and seamless fiat infrastructure during a period of significant growth for the business.

The latest evolution in the partnership delivers embedded savings accounts, marking a major step in bridging the gap between traditional finance and the digital economy. It also expands Coinbase's substantial commitment to the UK, which is already its largest international market.

Through our embedded banking solution, Coinbase's savings accounts offer its customers the ability to earn high interest rates on GBP cash balances while offering FSCS protection for eligible balances up to £120,000. The companies anticipate that introducing instant savings accounts on the Coinbase platform will provide consumers with enhanced protection for their wealth, while supporting seamless interaction between traditional and digital currencies.

Agency banking

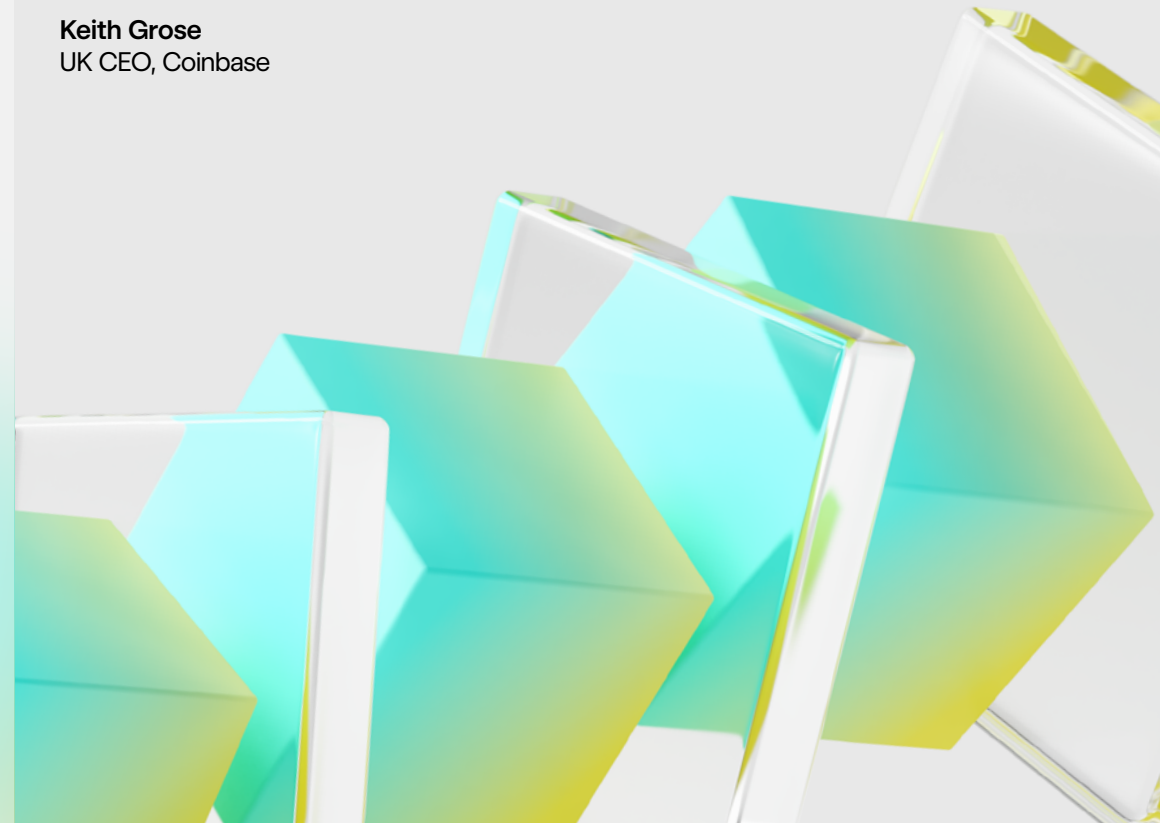


Embedded banking

“

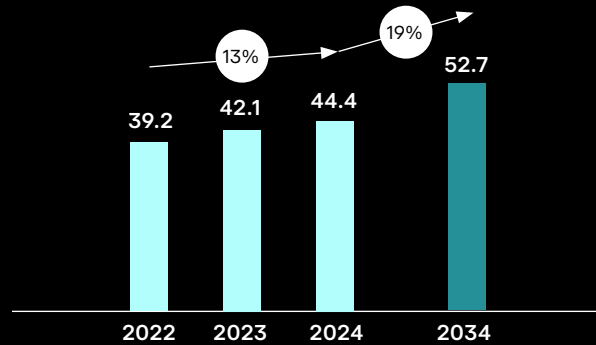
ClearBank's banking solutions have helped us build our reputation as a licensed, trusted provider that offers integrity and safety to our millions of customers in the UK. We are excited to extend this further by introducing unique embedded banking options.”

Keith Grose
UK CEO, Coinbase



UK market trends

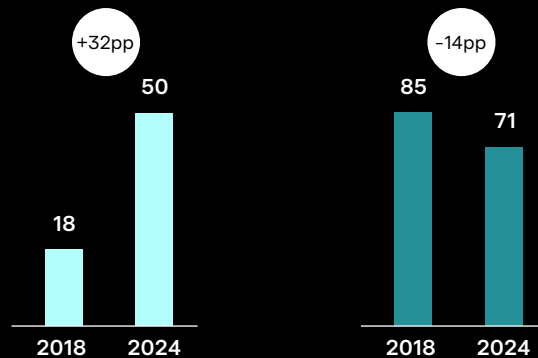
UK payment volumes (excl. cash)¹ billions



Fintech sector growth¹

Reach of digital native financial providers %

Share of consumers holding their main debit card with big six banks %



Embedded banking

The UK is one of the leading markets in the world for fintech innovation, attracting more capital to the sector than any other country, except for the US. According to Innovate Finance's 2024 report, the UK attracted \$3.6 billion in fintech investment, maintaining its position as the top fintech hub in Europe, and second worldwide. This places the UK ahead of other major markets such as India, Singapore, France and Germany.

The growth in this sector has led to a broad ecosystem of fintech players acquiring significant market share from the large incumbent banks. They provide a range of financial services to an increasingly wide array of client categories and segments, from individual consumers through to large corporates and SMEs. These fintech players often need to offer embedded FSCS-protected accounts to their end users but do not have the banking licence and/or a truly reliable technological capability which would allow them to do so.

There is also evidence globally that corporate (i.e. non-financial) companies are increasingly adopting embedded banking and embedded finance solutions to better serve their clients. Both small and large enterprises are integrating embedded banking into platforms across the retail, payroll, e-commerce, real estate, accounting, insurance and supply chain sectors to control financial interactions, thus increasing customer satisfaction and retention.

ClearBank's offering to fintech players has become well established over the years as being exceptionally reliable and providing excellent levels of service. It launched its offering to corporate clients in September 2025, and onboarded its first new corporate client, PayCaptain.

Clearing

In 2024, the UK recorded 44.4 billion payments (excl. cash) up from 42.1 billion in 2023, with debit cards remaining dominant at 26.1 billion transactions. Contactless payments reached 18.9 billion, while Faster Payments and remote banking rose to 5.6 billion, surpassing cash, which continued to decline to 4.4 billion.

By 2034, overall payment volumes are forecast to grow by nearly a fifth from their 2024 levels. Card payments are projected to account for 67% of all transactions and cash usage will decline to 4%, while remote banking is to grow to 8.5 billion payments.

This reflects a broader shift toward digital engagement, with mobile banking overtaking online banking – 75% of UK adults now use mobile apps, and 88% engage in remote banking, indicating widespread adoption across demographics. All consumers increasingly prefer digital, instant and embedded payment experiences, driving demand for mobile-first, real-time solutions.

The National Payments Vision was announced in 2024 setting out the UK government's ambition for a world-leading payments ecosystem. The transition from Open Banking to Open Finance and Open Data expands the scope of financial integration, creating opportunities for fintechs with API-driven infrastructure and fraud prevention technologies like Confirmation of Payee.

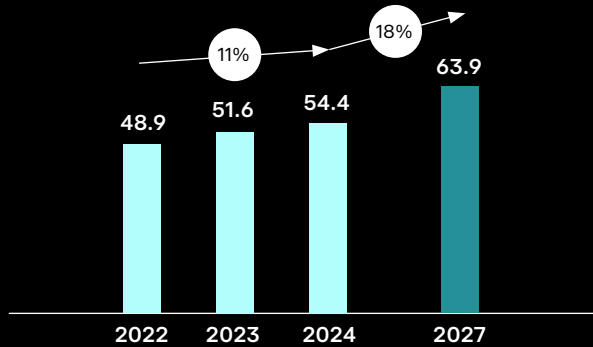
ClearBank processed 256 million UK scheme transactions in 2025, a 53% increase from 2024, driven by Faster Payments. Its cloud-native, scalable platform positions it as a key enabler of the UK's digital payments sector evolution, supporting fintechs with secure, flexible, and innovation-ready access to payment rails and services.

¹ According to UK Payment Markets 2025 report, by UK finance.

EU market trends

EU payment volumes¹

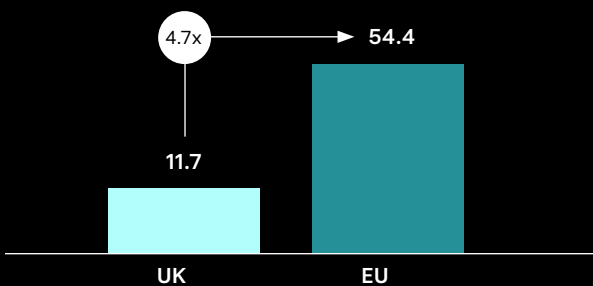
billions



EU vs. UK clearing market comparable size¹

Including credit transfers and direct debits, excluding cash and card payments

billions



Payments

The European clearing market represents an opportunity c.4.7x the size of the UK market, with 2024 transaction volume – covering credit transfers (including SEPA instant credit transfers) and direct debits – reaching 54.4 billion payments. By 2027, payment volumes are forecast to grow by c.18% from their 2024 levels.

In 2025, digital payments surged across Europe, driven by regulatory changes (PSD3, Instant Payments Regulation) and consumer demand for faster, mobile-first solutions. Non-cash transactions grew at high single-digit rates, with cards still dominant, but digital wallets and account-to-account (A2A) payments gaining share. SEPA was further extended to new countries with cross-border payments increasingly settled in real time.

While most of the clearing solutions are offered by incumbent banks, their offering rarely includes API-first technology for the fast and seamless integration often needed by fintechs.

By securing direct access to the European payment schemes (T2, SEPA CT and SEPA Instant) as well as its SEPA Indirect capability, ClearBank is leveraging its unique business model and API to compete effectively in the European market. ClearBank is also capitalising on the significant experience and performance established in the UK market to capture clients in the EU.

Digital assets

The MiCA regime to regulate digital assets has positioned the EU as a global leader in crypto regulation, creating a harmonised framework for investor protection, market integrity and passporting rights for CASPs (Crypto-Asset Service Provider). MiCA became fully applicable across all 27 EU member states on 30 December 2024, after a phased rollout.

Stablecoin rules (Asset-Referenced Tokens and E-Money Tokens) started on 30 June 2024, whilst general crypto-asset and CASP rules started on 30 December 2024. By mid-2025, over 40 CASP licences had been issued across the EU. The supply of euro-denominated stablecoins surged by 168% in 2025, reaching €425 million, up from €158 million at the beginning of the year. It is anticipated that euro-denominated stablecoins will grow to €570 billion by 2030, equivalent to 2.2% of total eurozone bank deposits, with some estimates reaching more than €1 trillion.

Digital wallets usage has accelerated in 2025. Over 20% of consumers in Germany now use wallets weekly, with hybrid wallets (of fiat and crypto) gaining traction, supported by MiCA and PSD3.

The ECB has moved forward discussions on the digital Euro, a proposed central bank digital currency (CBDC). As payments shift online and cash use declines, the ECB wants to ensure people can still use risk-free, public money in digital form. A legislative framework is still needed for this to launch, which is expected to be created in the coming years.

ClearBank already counts several CASPs as clients in the EU. Thanks to its partnership with Circle and its relentless focus on innovation, it is poised to take advantage of the latest developments in digital assets.

¹ According to latest European Central Bank (ECB) data, at the time of publishing.

Our products



Our commitment to client engagement fuels everything we do and powers our continued success."

Andrew Crocombe
Interim Chief Product Officer



Driving innovation through building quality products

2025 was a defining year for our product development, as we pursue our ambition to become the leading global provider of embedded banking and clearing solutions.

We led with innovation and placed our clients at the heart of everything we did, staying true to our purpose of unlocking our clients' potential and delivering meaningful impact across ClearBank.

By the end of 2025, we had grown to 279 clients, up from 258 in 2024, with 9 of those using our embedded banking solutions – including the launch of our first corporate embedded banking client, PayCaptain, marking a new step into the corporate segment. Further enhancements are in development to support this expansion during 2026 as we partner to deliver real-time payments and banking to support growth, efficiency and transformed customer experiences.

During the year, we also sharpened our strategic focus – refining our five-year product vision, aligned to four key pillars: trust, interoperability, innovation, and resilience, all supported by our client-centric approach.

We recalibrated our 'Product North Star' and realigned our strategic direction, enabling sharper prioritisation and stronger cross-team alignment. This focus drives us to stay true to our purpose and continuously drive innovation in everything we do.

Client engagement remains at the heart of our approach and is critical to our success. We deepened relationships with existing clients whilst unlocking exciting opportunities with new accounts. Through meaningful conversations, we shaped ideas to better meet evolving needs and client demand. We're now closer to our clients than ever, and proud of the progress we have made to date.

Powering fintech growth

Our embedded banking solution continues to set the standard in the UK market – attracting interest from leading fintech providers. Over the past year, we've seen strong growth in our embedded banking offering, supported by increased activity from new partnerships with Revolut, Coinbase and Lemfi. This has significantly expanded the number of end customers using the proposition.

Fuelling this momentum, our Instant Access Savings Account solution saw substantial growth in deposits, while our Cash ISA proposition experienced record uptake. Together, these trends reinforce our commitment to helping consumers across the UK save and manage their finances more effectively.

Throughout 2025, we continued to enhance our propositions, introducing exciting features and expanding access to new customer segments. A key milestone was the launch of our under-18 savings accounts and dedicated accounts for 16–17 year-olds, empowering young people to manage their savings independently. This milestone reaffirms our commitment to financial education, providing young people with the tools and confidence to begin their savings journey and develop essential money management skills.

Additionally, as part of our commitment to helping UK consumers save more effectively, we introduced our joint savings accounts, enabling two or more adults to manage shared savings, support common financial goals and simplify household budgeting.

Our products continued

Product strategy pillars

The four pillars of our product strategy

Trusted

Underpins client relationships at every level, ensuring the willing adoption and success of innovative financial solutions

Interoperable

Seamless integration to a connected ecosystem of innovative and client-centric financial solutions

Innovative

Continuous development and integration to relevant, innovative solutions, essential to achieving our vision of a world-leading product suite

Resilient

Our services are robust and always available. Customers can rely on our products to work seamlessly

Underpinned by our client-centric approach

Our products continued

Our payments

Our innovative and resilient cloud-based platform, known for its industry-leading performance, has fuelled growth in our established payments business. We processed a total of 256m UK payment scheme transactions (up from 167m in 2024) across all payment methods.

Supporting this, we continue to invest significantly in our payment processing capabilities, delivering both mandatory industry changes, including updates to our CHAPS customer channels to ensure we capture additional data as mandated by the Bank of England, and enhancements to our payments proposition for all clients. Our Payment Tracker capability has strengthened self-service for clients and reduced the need for manual support, contributing to greater efficiency across our operations.

ClearBank Europe

Marking a significant milestone in ClearBank's growth journey, our payment connectivity for solutions and services went fully live in Europe in April 2025 and has seen rapid growth since. Underpinning this launch, we successfully rolled out three core payments products for European clients – SEPA Instant, SEPA CT and T2, followed by the launch of the Verification of Payee (VoP) service in October.

Looking ahead, we plan to introduce new propositions that will broaden access to SEPA for clients. These developments will help us better connect the UK and European markets and demonstrate our 'One ClearBank' approach in action, while expanding our product offering and strengthening our cross-border payment capabilities.

Since our European go-live, we processed over 6.4m transactions, reaching more than a million monthly transactions by December 2025.

In total, we have processed nearly €3bn in value, reaffirming our commitment to scaling our European proposition and providing European fintechs with access to high-quality clearing solutions.

We're proud to close the year with 28 live clients and a significant pipeline aligned to both our current and future product suite.

Our innovation

Demonstrating our commitment to innovation, we actively sought ways to incorporate AI into our operations to further our innovation ambition and drive efficiencies across our processes. We introduced five key AI value streams that underpin our strategy to harness AI for greater operational efficiency and exceptional client experience. These value streams span a range of internal and external use cases: from enhancing internal tooling to client-facing innovations.

Expanding our innovation agenda beyond AI, the rapidly evolving fintech landscape has seen digital assets emerge as a key driver of transformation. At ClearBank Europe, we're capitalising on this opportunity by investing in a resilient digital asset infrastructure, which we're building in partnership with Circle.

This includes enabling seamless movement between traditional money and digital assets, as well as supporting secure exchange between different digital currencies. This capability forms an important building block for our broader payments infrastructure, helping lay the groundwork for faster and more efficient international transactions.

In addition, we're expanding our digital asset infrastructure and product portfolio through the Circle Payment Network (CPN). This strategic development will broaden our product suite, facilitate faster cross-border payments via stablecoins, and deliver more cost-effective foreign exchange solutions.

We're thrilled to share that development is under way on our new cards proposition, set to launch this year.

We are starting by offering a UK debit card to customers of our embedded banking clients, with plans to expand the proposition over the course of the year in response to strong customer demand.

Andrew Crocombe
Interim Chief Product Officer



Our people



We're passionate about enabling our people to develop and perform at their best."

Roshini Dhaliwal
Group Chief People Officer



Unlocking the talent of our people

Our people remain at the heart of our success. In 2025, we continued to invest in the colleague experience, ensuring our teams are empowered, supported and equipped to deliver on our ambitious goals.

Investing in technology to empower our people

This year, we made significant strides in automating and scaling our colleague technology and harnessing the capabilities of AI, launching three core colleague systems – a new human resources information system (HRIS), a talent acquisition solution and a benefits platform. The implementation of our new HRIS platform, Dayforce, has transformed the way we support our people – streamlining and automating key parts of the colleague life cycle. This investment has accelerated our onboarding process for new joiners and improved the efficiency of our core people processes, increasing the capacity within our People team to focus on what matters most: supporting our colleagues.

We introduced Ashby as our new talent acquisition platform, to drive improvements across our hiring process. With Ashby, we have enhanced the quality of our data and leveraged insights to inform action, ensuring we attract and retain the very best talent. Our new candidate and hiring manager experience survey demonstrates that we have created a market-leading hiring experience – one that is efficient, transparent and truly people-centric.

Alongside this we've introduced a new benefits platform called ThanksBen, empowering our colleagues to manage their benefits in the way that works for them and providing greater visibility of their benefits package.

We've also enhanced our benefits offering, introducing new opportunities for colleagues in response to their feedback, including the introduction of Holiday Buy and Sell to help them better balance their professional and personal lives.

Bringing our employee value proposition to life

Building on the launch of our employee value proposition last year, 2025 saw us bring this to life in meaningful ways, ensuring that our culture pillars are embedded into our day-to-day culture. We delivered impactful training on the concept of growth mindset, encouraging colleagues to embrace continuous learning and adaptability. Our investment in feedback training and tools has equipped our line managers to "care like they mean it," fostering a culture of open communication and genuine support. Teams across the business have also delivered knowledge-sharing sessions to deepen understanding of our business and ensure our clients remain at the heart of everything we do.

We championed internal mobility through career change panels, spotlighting colleagues who have successfully transitioned careers to showcase what's possible at ClearBank. These stories inspire others and reinforce our commitment that every colleague can grow and thrive in our organisation. This has been evident in meaningful ways; in 2025, 20% of all roles were filled by internal talent, highlighting the breadth of opportunities available to colleagues. We have also taken steps to embed our culture into our hiring processes, introducing a new culture interview framework aligned to our employee value proposition (EVP) to ensure we strengthen our culture with every hire. We've championed employee referrals to leverage the strength of our collective network, resulting in 18% of new hires coming via referrals.

Our people continued

Chelsea Griggs is a Social Impact Director at ClearBank.

She explains why our culture comes through so strongly in everything we do.

Chelsea Griggs
Social Impact Director



With a background in culture and engagement, I've seen a lot of companies try really hard to nail down a workplace environment and set of values that feel representative of the business – but in reality, most don't get it right!

Values work best when they are organic – which means that writing five words on the wall and forcing everyone to recite them daily just doesn't work to build a great workplace culture. ClearBank, however, gets it right! Our values and culture are a fluid, living thing – a melting pot of all of the diverse and brilliant people we have here. The values aren't forced, and in fact some people might not be able to reel them all off if you asked – but it doesn't matter, because you can feel them!



Our values and culture are a fluid, living thing."

We continue to capture colleague feedback on a regular basis, via our bi-monthly employee engagement survey, which is supported by functional champions who help to drive clear action in response to feedback themes. This year, we have responded to colleague feedback in meaningful ways; amongst them, a deeper focus on internal communications and enhancing understanding of our strategy, as well as forging new partnerships, including with Ravio, to deepen our access to real-time market data insight.

This is just the beginning. In 2026, we will introduce a new job levelling framework, supported by tools and training, as we continue to focus on helping our people be the best versions of themselves.

Developing leaders for the future

Our annual leadership event this year focused on "Unlocking Our Potential as One ClearBank." Leaders from across the business came together to explore how to lead in an ambitious, fast-scaling company. The event centred on our new purpose, strategies for getting the best from our talent and raising the bar on our ambitions. Leaders also had the opportunity to deepen their understanding of core industry trends such as digital assets and AI, and to learn from external speakers who have successfully navigated the challenges of scaling high-growth organisations.

Promoting our people

We continue to promote and develop our internal talent. In 2025, 134 of our employees were promoted or transitioned into different roles, leveraging their skillset, talent and career aspirations. We also saw our first internal transfer to the EU from the UK reflecting the opportunities created as we expand throughout Europe. Moreover, three individuals were promoted to our senior leadership team. These promotions demonstrate our ongoing commitment to grow our talent and reflect all the opportunities ClearBank has to offer.

Investing in our people and enhancing their experience

We continued to strategically grow our workforce through 2025, both in the UK and Europe, welcoming more than 160 new joiners and investing in key areas to support our future growth. This expansion has supported the Group in its global ambitions and in scaling the business. It has included continued investment in key leadership roles across our Group, UK and EU Executive teams to drive the next phase of our growth with new products and into new market segments.



Our people continued

Diversity, equity and inclusion (DE&I)

At ClearBank, we believe diversity drives innovation, inclusion fosters belonging and equity enables opportunity. In 2025, we continued to embed these principles into our culture, guided by our refreshed DE&I strategy and roadmap. Our efforts centred around four strategic pillars: breaking down barriers; holding up the mirror; building a culture of inclusion; and data-driven, people-focused.

Over the past year we have continued to strengthen our approach to gender diversity across the business. 34% of our senior management roles are currently held by women. Among these, 43% of UK Executive Committee roles are now held by women, including our UK Chief Executive Officer, with 67% female representation on the UK Board and 50% on the Europe Board. We continue to strive for stronger gender balance across all levels of the organisation.

Improving our gender pay gap remains a key priority. In line with the UK Government's reporting methodology, the median gender pay gap for our reportable entity, ClearBank Limited, increased slightly from 21.2% in 2024 to 22.0% in 2025. The median gender pay gap across the Group widened from 20.0% in 2024 to 24.5% in 2025. The gap continues to reflect underrepresentation of women in more highly-paid, specialist areas and senior roles.

We made progress in a number of key areas, including increasing the number of women in senior positions and increasing female representation in departments which historically were underrepresented. For example, the proportion of women in the upper quartile pay bracket rose from 27% in 2024 to 29% in 2025. We expect these improvements to make a positive difference going forward. ClearBank continues to support the Women in Finance Charter, which promotes the advancement of women in financial services.

Our internal DE&I network, Dimensions, continues to play a vital role in shaping our culture. In 2025, the network refreshed its structure and delivered quarterly focus events including Pride, Black History Month and International Women's Day. We also launched two new employee resource groups – Pause, supporting colleagues navigating menopause, and VIBRANT, our LGBTQ+ network.

To support inclusive leadership, we introduced new learning programmes including mentoring through our ClearWomen network and regular guest speakers on key DE&I topics. These initiatives are helping us build awareness, engagement and capability across the organisation.

ClearBank's DE&I journey is ongoing. We are committed to learning, listening and evolving – and to creating a workplace where everyone feels respected, supported and able to thrive.

Outlook

This is just the beginning. In 2026, we will introduce an enhanced performance framework and a new job levelling framework, as we continue to focus on enabling our people to grow and develop. These initiatives continue to build on our culture pillars, translating them into behaviours that enable real results and ensuring our people are set up for success to grow with the challenge at ClearBank.

Roshini Dhaliwal Group Chief People Officer



Sustainability

Long-term value creation

At ClearBank, sustainability is not a standalone initiative, it is a core business priority that underpins our long-term strategy and shapes how we create value for all stakeholders. We recognise that building a resilient, responsible business is essential to our commercial success, and ensures we support the transition to a more sustainable financial system.

In 2025, we continued to embed sustainability across our operations, governance and strategic decision making. Our ambition remains clear: to lead by example in financial services, applying our innovation, influence and partnerships to accelerate progress towards a low-carbon, inclusive economy.

Embedding sustainability

ClearBank's sustainability governance continues to mature, reflecting our commitment to transparency and accountability. In 2025, we introduced our detailed sustainability strategy to the commercial strategy process and completed our materiality assessment to better understand

our environmental, social and governance (ESG) impacts, risks and opportunities across our value chain. This was informed by the European Sustainability Reporting Standards (ESRS) and EU Corporate Sustainability Reporting Directive (CSRD), identifying climate, DE&I, privacy and security, and sustainability products as strategic value topics.

Human rights


We are resolute in our commitment to human rights. Our code of conduct guides our decision making and our equal opportunities policy is informed by the Equality and Human Rights Commission and the Department for Work and Pensions codes of practice. ClearBank's whistleblowing policy encourages employees to disclose wrongdoing. We are diligent in our client and supplier oversight and only deal with third parties that operate in a manner consistent with our values.

Anti-bribery and anti-corruption


We invest substantially in financial crime controls across the Group, including bribery and corruption. We conduct due diligence and screening for our clients and suppliers and their owners or controllers. Our employees are trained regularly on identifying and managing conflicts of interest and we record and oversee all gifts and entertainment across the Group.

Our strategic focus areas


Our sustainability strategy is structured around six stakeholder pillars:

 **Environment**
Bold climate action, leading by example

See page 27 →

 **People**
Growth, inclusion and wellbeing

See page 23 →

 **Clients**
Enabling client sustainability through innovative products


See page 15 →

 **Communities**
Uplifting vulnerable and underserved communities

See page 28 →

 **Suppliers**
Shared vision, ambitious collaboration

See page 41 →

 **Governance**
Transparency, accountability and trusted leadership

See page 43 →

2025 highlights

- Embedded sustainability deeply into our commercial strategy
- Completed our sustainability materiality assessment
- Strengthened our ethical AI governance
- Invested 1,984 hours in community projects

78%

reduction in carbon intensity per payment (Scope 1, 2 and 3) on 2022 baseline year

36

tCO₂e Azure emissions avoided through carbon efficiency gains

2,462

vulnerable people supported, through our CALM partnership

24%

increase in volunteering hours YoY

Sustainability continued

Environment

Our Net Zero commitments

75% reduction
in carbon intensity per payment processed

2035 core business decarbonised

Scope 1, 2 & 3 emissions including Azure but excluding other suppliers and our clients

2040: Net Zero

across our value chain. 97% reduction in carbon intensity per payment processed (Scope 1, 2 & 3)

Invest in resilience

Invest in accelerating sustainability innovation

2028: Bring sustainable products to market

Influence for change

80%: four key suppliers adopted science-based Net Zero targets by 2027



2025: Launch Sustainability Partnerships to support value chain sustainability

The impacts of climate change are being felt today, with the most vulnerable people worst affected. We recognise the urgency to act now, as the opportunity to limit the worst effects of climate change diminishes. Our ambition is not only to decarbonise our business, but to apply our innovation and influence to shifting financial services towards a more sustainable future.

In 2025, our efforts have centred on developing our understanding of climate risks, engaging with our high-emission suppliers, investing in low-carbon technology and developing opportunities to unlock our clients' sustainability opportunities. We remain on track to achieve our Net Zero targets, but we recognise that the greatest challenges lie ahead.

Transition plan and targets

ClearBank's Net Zero Transition Plan continues to guide our decarbonisation strategy, aligning with the UK Transition Plan Taskforce (TPT) framework and the Science Based Targets initiative (SBTi). It provides a clear and credible roadmap for reducing emissions across our operations and value chain, while supporting long-term climate resilience.

Decarbonisation

In 2025, we advanced our decarbonisation strategy through investment in operational efficiency, supplier and employee engagement, and establishing accountability through detailed quarterly reporting.

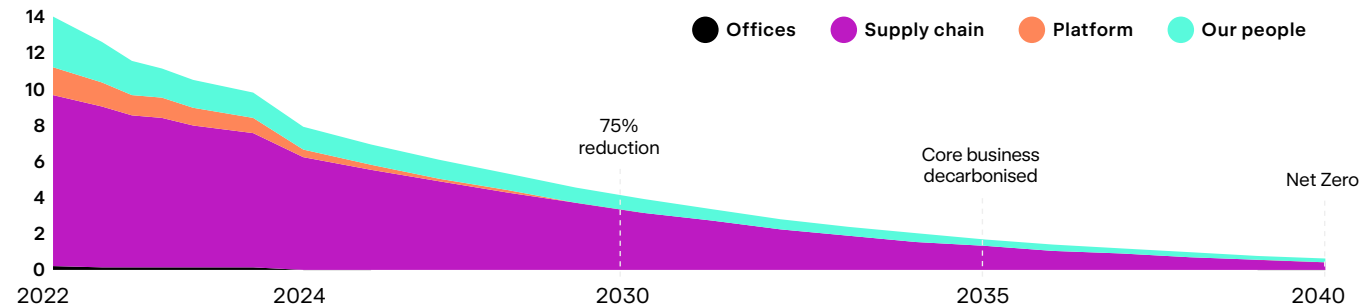
Carbon emissions per payment reduced YoY by 56% and per employee by 7.7%. We're also developing product level activity emissions reporting, with the goal of providing clients with insights to influence sustainability behaviour by 2026. In partnership with Microsoft, we avoided approximately 36 tonnes of CO₂ equivalent (tCO₂e) of Azure emissions during 2025. This reflects substantial efficiency gains in our cloud architecture as we continue to transition towards lower-carbon digital infrastructure.

Azure carbon intensity has fallen by 90% since our 2022 baseline (measured per £1m payment volume), demonstrating a step-change in the carbon efficiency of our platform as transaction volumes scale. We also achieved an absolute emissions reduction of 25% compared with 2024 (from 145 tCO₂e to 109 tCO₂e) and a 53% reduction compared with our 2022 baseline.

Collaboration and advocacy

We believe that systemic challenges demand systemic solutions. In 2025, ClearBank continued to play an active role in shaping the future of sustainable finance through our contributions to Bankers for Net Zero and Project Perseus, supporting efforts to automate emissions reporting and unlock green lending opportunities for SMEs.

Net Zero transition



Sustainability continued



Communities

In 2025, we deepened our commitment to making a positive difference in the communities we serve and rely upon, with a continued focus on inclusion, wellbeing and empowerment.

This year we developed our Social Impact strategy, focusing on community level intervention that is authentic to our core mission and creates lasting change in communities.

Community impact

In 2025, we continued to embed community impact into our decision making and product development, ensuring that our business contributes meaningfully to the people and places we serve. We expanded our partnership with the Campaign Against Living Miserably (CALM), helping to fund up to 3,750 potentially life-saving calls to their crisis helpline. Through our "Bigger than ClearBank" benefit, our employees delivered 1,984 hours to community projects during 2025, as well as hosting 22 young people through the Social Mobility Business Partnership, which provided valuable exposure to careers in financial services. In 2026, we will focus on delivering on our Social Impact strategy.

Data privacy and security

Privacy and data protection are integral to our products and services. We are committed to transparency and fairness in the use of personal information and continued to improve controls in 2025. We maintain a strong security framework, underpinned by security aware employees who are regularly updated.

Responsible AI

Financial Institutions have increased their reliance on data-driven decision making and AI, and as large language models and agentic AI transform all businesses, responsible use of AI is in a critical phase. We advocate high ethical standards to all our stakeholders and have developed three guiding principles for our use of AI: Accountability, Transparency and Fairness. These principles are based on the foundations that any application of AI must be ethical and explainable. As we build transformational AI in 2026, we will continue to advocate for responsible AI and invest in robust controls.

3,750

Potentially life-saving calls funded through our partnership with CALM

1,984

Hours volunteered through our Bigger Than ClearBank scheme

22

Young people hosted through the SMBP scheme



Clients and suppliers

Our clients and suppliers are an extension of our business, and we are accountable for our social and environmental impacts through our value chain. As a trusted partner, we aim to support our clients and suppliers in achieving shared sustainability goals.

Engagement and oversight

We engaged with our top suppliers to determine their emissions profiles and Net Zero targets, driving alignment on our collective Net Zero ambitions. We issued commercial Net Zero commitments to all of our high and very high-risk suppliers, with commercial commitments being a key pillar of our engagement going into 2026.

In 2025, we completed a sustainability risk assessment against our full client portfolio. We developed sustainability due diligence to embed into our client onboarding process. In partnership with EcoVadis, we strengthened our supplier sustainability oversight with in-depth due diligence.

Internally, we enhanced our governance frameworks to ensure ESG risks are consistently monitored and addressed. This includes integration of ESG indicators into our enterprise risk reporting and improved cross-functional accountability for ESG performance.

At ClearBank we recognise that our greatest opportunity for impact is through our core business. As an innovator and a responsible business, we aim to harness our strengths for positive impact. In 2025, we strengthened our sustainability strategy as we identified client and product opportunities as part of our broader commercial strategy.

In 2026, we will focus on developing our sustainability partnerships and pursuing commercial sustainability opportunities in collaboration with our clients.

Climate-related financial disclosures

Managing climate risks, impacts and opportunities

ClearBank is compliant with the mandatory UK Climate-related Financial Disclosure regulation.

Governance

The ClearBank Board sets the ESG risk appetite, including climate risk, and delegates monitoring of ESG risks to the Board Risk Committee. Climate risk indicators are reviewed by the Executive Risk Management Committee bi-monthly. The Head of Sustainability is responsible for identifying climate risks and opportunities, in collaboration with business functions and the Head of Strategic Risk.

The Board reviews climate risks and opportunities annually and monitors sustainability metrics and progress quarterly, including climate risk and Net Zero transition indicators. Climate risk and opportunity are included in the sustainability policy. The Group Chief Risk Officer is accountable for our approach to climate risks and opportunities including the Net Zero Transition Plan. Discretionary executive remuneration is linked to sustainability performance, including climate-related metrics, through the bank's scorecard process.

Strategy

ClearBank supports hybrid working and has limited dependence on physical assets. We do not hold material credit or investment positions and as a result ClearBank is much less exposed to climate risk than typical banks.

Our climate risk assessment identified no material climate risks in the short (0–5 years) and medium (6–15 years) term. Over the longer term (>15 years) severe but very unlikely climate risks, such as extreme flooding, have potential to impact outsourcing and business continuity risk by disrupting assets that our suppliers depend upon.

ClearBank's established business continuity and supplier oversight controls mean there is currently no impact to risk appetite, and we continue to invest in climate-related monitoring.

Sustainability has been reaffirmed as a strategic enabler in 2025. This priority shapes strategy and governance at all levels of the Group. In 2025, we refined our Net Zero Transition Plan, developed our double materiality assessment and strengthened the sustainability focus in our commercial strategy.

Climate risks inform our capital planning through the ICAAP process, with no capital requirement required to accommodate climate risk in 2025. We have identified no material impacts to ClearBank's financial results or business continuity over the short and medium term. As climate risks and opportunities evolve at pace, we will continue to monitor their impacts on our financial performance.

Risk management

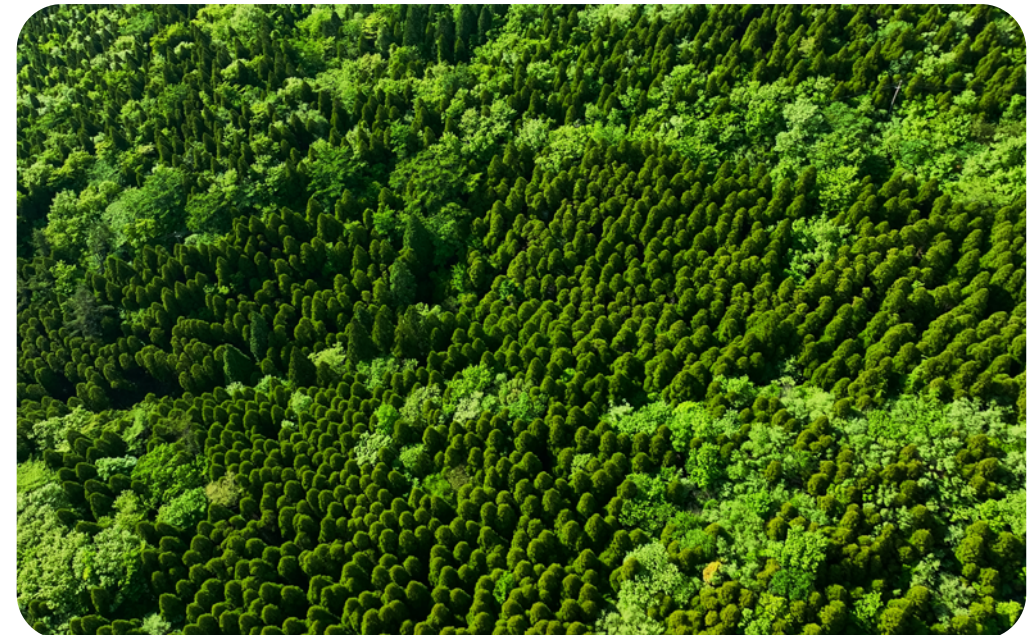
Climate risks are assessed and managed according to our ERMF, ensuring consistency across risk types. Climate risks and opportunities are identified through our annual materiality assessment, and we consider how climate risks impact our appetite for other risks across the Risk Taxonomy.

Our climate risk assessment is informed by UK and EU regulatory guidance and industry best practice. We have considered risk scenarios described by the Climate Financial Risk Forum over short, medium and long-term time horizons. ClearBank has not published scenarios in full due to the lack of material impact to our business.

Metrics and targets

We measure our Azure emissions monthly, enabling regular reporting to Executive and Board Risk committees. Quarterly carbon accounting for the whole business has been informing KRIs and risk reporting in 2025. Our technology emissions are a key focus as we scale. We report on product-based Azure carbon intensity and architecture sustainability, as well as green software development training across teams.

In 2024, we set science-based Net Zero targets against our 2022 baseline footprint, targeting 2040 Net Zero. We are committed to a reduction in Scope 1, 2 and 3 emissions of 75% by 2030 and 97% by 2040. By 2035, we aim to reduce core business emissions by 97%, inclusive of Azure over which we have significant control, but excluding other suppliers and clients. Our targets are measured by carbon intensity per payment processed, following best practice for a rapidly growing company like ours. We are currently on track to achieve our goals. Our Sustainability Partnerships programme launched in 2025 aims to encourage at least 80% of our key suppliers to adopt science-based targets by 2027.



Climate-related financial disclosures continued

Streamlined Energy and Carbon Reporting (SECR)

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 implement the Government's policy on Streamlined Energy and Carbon Reporting (SECR). ClearBank meets the mandatory reporting criteria for SECR legislation. See also our climate-related disclosures (page 29).

2025 SECR	2025	2024	2022 (baseline)
Total energy consumption (kWh)	482,396	124,591	138,922
Emissions from combustion of gas (Scope 1)	–	–	–
Market-based emissions from purchased gas & electricity (Scope 2) ^{1,4}	33.0	47.2	29.2
Emissions of upstream activities (Scope 3)	2,048	1,972	2,015
Total emissions	2,081	2,019	2,044
Payment volume (PV, million) ²	725	309	155
Payments carbon intensity ratio (tCO ₂ e/PV) ³	2.9	6.5	13.2
FTE ⁵	866	786	519
FTE carbon intensity ratio (tCO ₂ e/FTE)	2.4	2.6	3.9

1 Market-based emissions reflect adoption of renewable energy certificates in 2025. Location-based Scope 2 emissions were 100.2 tCO₂e reflecting local grid energy mix.

2 Includes internal transfers between ClearBank clients in addition to scheme payments.

3 Payment volume is considered a better indicator of ClearBank's growth than FTE. FTE intensity is included for ease of comparison with our peers.

4 2024 emissions have been corrected to reflect updated data quality and alignment with recognised carbon-accounting standards.

5 FTE for the purposes of SECR is inclusive of contractors and outsourced providers.

SECR reporting has been prepared in accordance with the Greenhouse Gas (GHG) Protocol Corporate Standard, combining both activity and spend input data and leveraging independent data sources such as Defra, Exiobase and AIB to estimate emissions. Shared office space energy usage has been allocated according to square footage. We continue to produce zero Scope 1 emissions.

In 2025, we invested in renewable energy certificates for our London office. We use energy certificates to match our electricity usage to renewable energy, reducing our emissions by 67.2 tCO₂e. Today this regulated system is annualised, which means companies can match their energy use with renewable energy produced at any point in the year regardless of when they consume the power. However, we are adopting market-leading standards in matching at least 90% of our electricity use to renewable electricity on an hourly basis. With support from Big Clean Switch and Granular Energy, we have applied assumptions to achieve this with imperfect data, and in 2025 we will focus on improving the accuracy of our hourly energy matching commitment.

Scope 3 emissions make up the vast majority of ClearBank's GHG emissions, with purchased goods and services being ClearBank's largest category of emissions. In 2025, ClearBank reduced Scope 3 carbon intensity (Scope 3 emissions/PV) by 56%. Absolute Scope 3 emissions increased by 3.9% compared to 2022 (baseline year), as the business grew rapidly with payment volumes increasing by 135% over the same period.

Both absolute emissions and emissions intensity are on track for achieving our near-term and long-term Net Zero commitments. See page 27 for our decarbonisation activity in 2025.

Non-financial and sustainability information statement

The policies and standards governing ClearBank's approach under each area are noted below.

Environmental matters

Sustainability, pages 26–28

Environmental, Social and Governance Policy
Procurement Policy

Employees

Our people, pages 23–25

Conduct Rules Policy
Diversity, Equity and Inclusion Policy
Employee Benefit Policy
Environmental, Social and Governance Policy
Family Leave Policy
Remuneration Policy
Speak Up (Whistleblowing) Policy

Respect for human rights

Sustainability, pages 26–28

Anti-Harassment Policy
Data Life cycle and Data Privacy Policies
Modern Slavery Statement

Anti-corruption, anti-bribery

Sustainability, page 26

Conduct Risk Policy
Conflict of Interest Policy
Financial Crime Compliance Policy
Gifts and Entertainment Register
Personal Account Dealing Policy

Description of business model

Business model, page 13

Description of principal risks and impact of business activity

Risk management, pages 35–39

Non-financial key performance indicators (KPIs)

Key performance indicators, page 31

Key performance indicators (KPIs)

We saw significant growth across the majority of our financial and performance metrics in 2025.

Fee income (pro forma)

Revenue generated from platform fees and net transaction income

+37%



Spread-based fee income

Fee-like income based on a fixed interest spread

+96%



Payment volumes

Total number of scheme payments, excluding internal transactions

+57%



Accounts

Total number of real and virtual accounts across all customers

+33%



Customer deposits

Customer balances held by ClearBank

+65%



2025 Group CET1 ratio

50%



Financial review



We have delivered exceptional growth in high-quality, recurring revenue streams."

David Samper
Group Chief Financial Officer



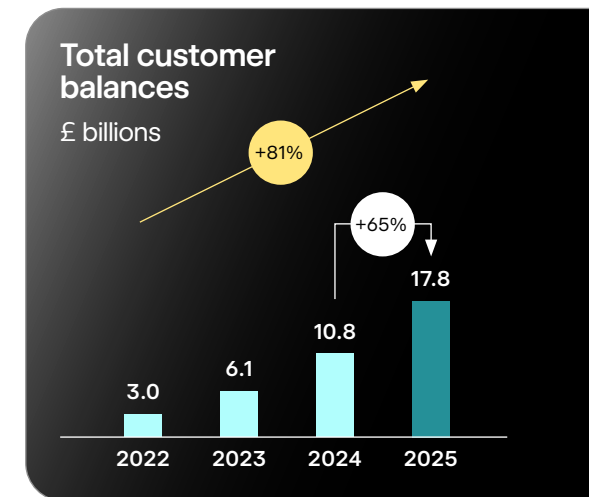
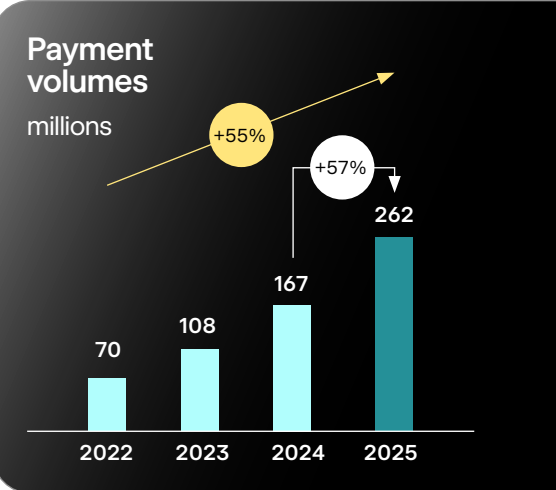
Driving sustainable growth and high-quality revenue: A transformational year for ClearBank Group

Introduction

This year has been a landmark year for ClearBank. As Group CFO, I am proud to present a review that not only reflects our robust financial performance but also tells the story of a business scaling with purpose, innovating for the future, and establishing itself as a leading global provider of embedded banking and clearing solutions, serving clients across the UK and Europe.

ClearBank's purpose is to unlock our clients' potential by providing innovative, market-leading financial solutions. We have delivered exceptional growth in high-quality, recurring revenue streams and expanded our European footprint and product range. We have continued to automate and optimise our processes, leveraging AI and cloud technology to drive efficiency and resilience – all while maintaining a prudent approach to risk and capital management. Our results this year are a testament to the strength of our business model, the resilience of our people and the trust our clients place in us.

Amid a turbulent macroeconomic environment and declining interest rates, ClearBank continued to advance its financial objective to grow recurring statutory revenue streams with 46% of revenue comprising fee income vs interest income (2024: 39%).



% Compound Annual Growth Rate (CAGR)

Financial review continued

Pro forma results are presented below to reflect underlying performance on a consistent basis. Revenue comprises spread-based fee income, fee income and interest income calculated using a 3% normalised base rate, aligned to the long-term average Bank of England rate.

Fee income¹ of £62.1m was 37% higher year-on-year, bolstered by platform fees from new and existing clients and growth in transaction income, with scheme transaction volumes reaching 262m, up from 167m in 2024 – a 57% increase. Spread-based fee income, a key indicator of high-quality, recurring revenue, increased by 96% to £25.9m (2024: £13.2m).

The UK bank continued its third consecutive year of profitability, generating profit before tax of £12.2m (2024: £8.0m), an increase of 53%. This strong performance, combined with a reduction in UK capital requirements, unlocked the UK bank's ability to pay its first dividend to the Group enabling further investment in ClearBank Europe.

During the year, 61 new clients were onboarded, bringing the total client base to 279 across the UK and Europe (2024: 258).

Performance highlights: Delivering on our strategic ambition Revenue

Total statutory revenue increased by 18% year-on-year to £132.7m (2024: £112.1m). This was driven by a 38% increase in net fee income to £60.9m (2024: £44.2m), reflecting strong underlying volume growth, particularly across transaction fees, account fees and the FX/MCCY proposition. Scheme transaction volumes rose to 262m (2024: 167m), while the number of accounts increased by 33% to 17.1m (2024: 12.9m).

Interest income increased by 6% to £71.0m (2024: £67.1m), supported by continued growth in customer balances across both UK and European clients, despite a declining interest rate environment.

This growth was underpinned by our strategic partnership with Revolut, continued relationships with Tide and TrueLayer, and extended partnerships with Coinbase and LemFi. Customer balances increased by 65% year-on-year to £17.8bn (2024: £10.8bn).

Fee income, including spread-based income of £88.0m (2024: £58.4m), now represents 72% of total pro forma revenue compared to 64% in 2024.

Statutory results	2025 £'000	2024 £'000
Net interest income	70,963	67,110
Net fee income	60,915	44,189
Other income	806	787
Total income	132,684	112,086
Operating expenses	(148,934)	(122,035)
Operating loss	(16,250)	(9,949)

Pro forma results	2025 £'000	2024 £'000	Year-on-year	
			£'000	%
Fee income ¹	62,119	45,205	16,914	37%
Spread-based fee income ^{2,3,4}	25,879	13,181	12,698	96%
Fee income inc. spread-based income	87,998	58,386	29,612	51%
Net interest income (normalised 3%) ^{3,4}	33,612	32,470	1,142	4%
Total revenue (normalised 3%)	121,610	90,856	30,754	34%
Cost of goods sold (COGS)	(24,694)	(17,375)	(7,319)	(42%)
Gross profit	96,916	73,481	23,435	32%
Other operating costs (cash basis)	(120,204)	(108,520)	(11,684)	(11%)
EBITDA (cash basis)	(23,288)	(35,039)	11,751	34%

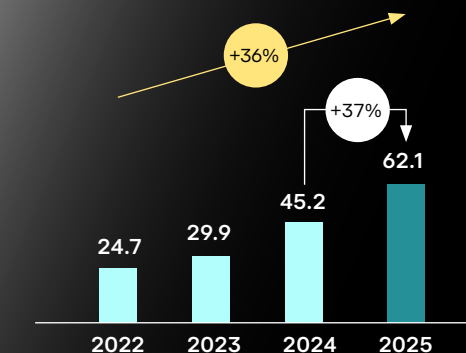
- 1 Fee income in the pro forma results excludes transaction screening costs, which is included in statutory net fee income.
- 2 Spread-based fee income is on a fixed interest spread basis and excluded from net interest income (normalised).
- 3 The difference between statutory net interest income and the combined total of spread-based fee income and net interest income (normalised) represents excess net interest income above the 3% normalised rate.
- 4 The 2024 spread-based fee income has been revised from £9.2m stated in the 2024 annual report, as £4m of MCCY revenue has been reclassified from net interest income (normalised) to spread-based fee income. There is no impact on total pro forma revenue (normalised).

Spread-based fee income grew significantly from £13.2m in 2024 to £25.9m, demonstrating our success in shifting towards more stable, recurring revenue streams less sensitive to interest rate movements.

Statutory performance measures are reported on page 68. Further details on Alternative Performance Measures (APMs) are available in the appendix on page 97.

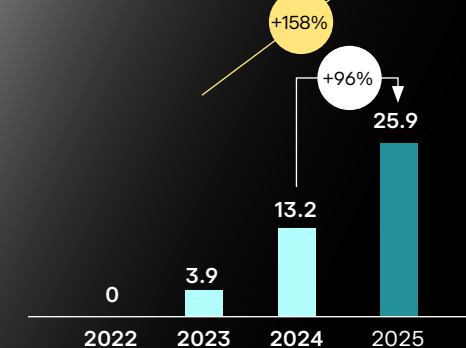
Fee income¹

£ millions



Spread-based fee income

£ millions

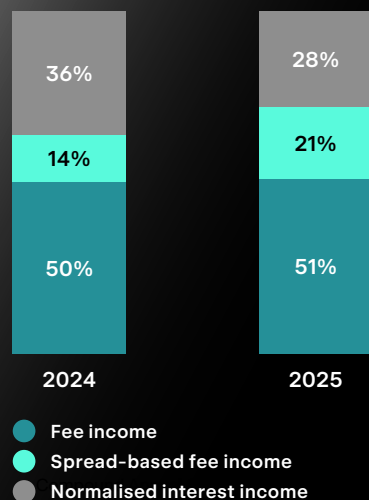


Spread-based fee income is 0 in 2022 as there were no spread-based contractual agreements in place

% Compound Annual Growth Rate (CAGR)

Financial review continued

Pro forma revenue composition



Costs

ClearBank has continued to invest in strengthening our ability to deliver compliant growth and maintain a scalable cost base.

On a statutory basis, the Group incurred total operating expenses of £148.9m (2024: £122.0m), with staff costs accounting for 53% of the total. The year-on-year increase reflects an 8% rise in headcount⁵ from 716 to 772, driven by continued strategic investment in technology, product and control functions.

Total statutory operating expenses were contained to a 22% increase year-on-year, materially below the 38% growth in net fee income. Based on pro forma results, cost of goods sold increased by 42%, comparing favourably to pro forma total fee income growth of 51% year-on-year and resulting in gross profit growth of 32%.

Other operating costs (cash basis) of £120.2m (2024: £108.5m), excluding cost of goods sold, increased by only 11%, significantly below the total normalised revenue growth of 34%. The outcome demonstrates strong operating leverage, scalability and margin resilience, delivering positive jaws and an EBITDA (cash basis) improvement of 34%.

UK

ClearBank UK delivered another year of strong and resilient financial performance, with profit before tax of £12.2m. The business continued to scale effectively, with high-quality revenue growth significantly outpacing costs, underpinned by strong fee-based income, rising customer balances and substantial increases in transaction activity.

Statutory revenue grew to £128.4m (2024: £109.3m), up 17%, supported by strong performance across embedded banking, agency banking and FX/MCCY products. Statutory fee income increased 34% to £59.1m (2024: £44.1m), shifting the UK further toward a more stable, recurring, fee-driven model. Transaction volumes were up 53% to 256m, with strong adoption across FPS, BACS and CHAPS and open banking enabled account-to-account flows. Customer balances rose 65% to £17.8bn.

Despite increased operational scale and complexity, the UK business continued to demonstrate strong cost efficiency. Total statutory operating costs increased by 15% year-on-year to £115.8m (2024: £101.0m), reflecting the benefits of efficiency gains, the scalability of the UK operating model and ongoing delivery of the Group-wide optimisation programme. Targeted investment was sustained across technology, research and development and core platform capabilities.

Europe

This year marked the first full year of operations for ClearBank Europe, following the award of our European banking licence in July 2024. Our European business saw strong momentum.

We went live with three core payment schemes – SEPA Instant, SEPA Credit Transfer and T2 – and launched Verification of Payee (VoP) in Q4.

We passported into 15 European markets and opened a new branch in France, further strengthening our continental presence with a strong pipeline for 2026. We onboarded 21 clients in Europe, with a strong mix of UK-based fintechs expanding into the region and new domestic European clients. This brings the total number of European clients to 28 (2024: 7).

European payment volumes grew rapidly, with average monthly transactions surpassing one million by year-end, totalling 6.4m for 2025 (2024: 70). We closed the year with £38m in client deposits, securely held at the DNB and the ECB.

Our European cost base reached £15.8m, in line with investment plans. We expect this investment to support scalable Group growth and reinforce ClearBank's standing as a regional leader in clearing services.

Capital, liquidity and balance sheet

At year-end, the Group's CET1 ratio stood at 50% (2024: 67%), reflecting capital optimisation and the deployment of capital in support of the Group's next phase of growth. During the year, the 2024 Internal Capital Adequacy Assessment Process (ICAAP) resulted in a reduction in required capital within the UK bank, enabling surplus capital to be upstreamed to the Group and redeployed to support European expansion. While the ICAAP also introduced an additional capital requirement at Group level, the Group continued to operate with significant regulatory headroom, providing flexibility to fund growth while maintaining a robust capital buffer.

High Quality Liquid Assets (HQLA) totalled £17.8bn (2024: £11bn), with growth aligned to customer balance increases. At the balance sheet date, £446m (2024: £325m) of non-sterling investments were held in highly liquid money market funds backed by leading government securities. This growth reflects the expansion of our FX/MCCY proposition and higher non-sterling deposit balances from clients.

We continue to prioritise safeguarding client funds at the Bank of England for UK operations and at the DNB and the ECB for our European entity, maintaining minimal exposure to risk-weighted assets.

Outlook

At ClearBank, everything begins with our clients. Our purpose-led approach ensures we listen, learn and adapt to meet their evolving needs. As our clients grow, innovate and navigate change, we deliver solutions that keep pace with a financial services landscape shaped by technological progress and regulatory developments. ClearBank's unique model is built on real-time technology, regulatory strength and client centricity. This positions us at the forefront of transformation.

Looking ahead, ClearBank is exceptionally well placed for sustained growth. Key drivers include revenue expansion from existing business, the launch of new products in the pipeline (Cards, UK/EU SEPA, EU Multicurrency), corporate Target Addressable Market (TAM) opportunities, and EU expansion, including digital asset initiatives. This will be supported by a scalable cost base through business optimisation and efficiency gains, while maintaining the right level of investment across the Group.

Our strong client pipeline, growing European footprint, and focus on high-quality, recurring revenue streams provide a solid platform for continued success.

In closing, I would like to thank our clients, colleagues and partners for their trust and commitment. The achievements of 2025 are the result of collective effort, shared ambition and a clear vision for the future. As we continue our journey, I am confident that ClearBank will go from strength to strength, delivering innovation, resilience and value for years to come.

David Samper
Group Chief Financial Officer

⁵ Includes fixed term contract (FTC) contractors and partners, but excludes outsourced providers where services are provided via third-party agreements or on a statement of work (SOW) basis.

Risk management

Demonstrating risk management and high resilience

Our approach to risk management

ClearBank Group's approach to risk management is anchored in the Enterprise Risk Management Framework (ERMF) established by the parent company, ClearBank Group Holdings Limited. This framework ensures robust governance and oversight across the Group. Where necessary, UK and European banks develop local policies to comply with local regulations, assessed case by case. The ERMF provides a clear, consistent approach to managing all risks and controls within the boundaries of the Board's risk appetite, underpinned by a strong risk culture and the 3 Lines Model, aligned to industry best practice.

The risk management vision for ClearBank remains focused on the following principles

- **Dynamic real-time**
- **Insightful**
- **Multi-dimensional**
- **Automated**
- **Forward-looking, proactive**
- **Integrated**
- **Tailored**
- **Data enabled**

The 3 Lines model

ClearBank operates a 3 Lines Model, which supports the risk management framework by enhancing accountability and ownership, effective collaboration and efficient coordination of risk, control and assurance activities which act as a critical enabler for our growth.

Risk culture

A strong risk culture underpins our ERMF, maintained through core values, risk principles, training and leadership setting the tone from the top. This ensures consistent, effective risk management across the Group. Enhancements have been made to our Remuneration Framework to further reinforce the importance of risk management in our colleagues' overall performance.

Enterprise Risk Management Framework

Risk management principles

Risk governance, oversight and frameworks

Risk appetite

Risk taxonomy

Risk management process

Identify

Assess

Monitor + report

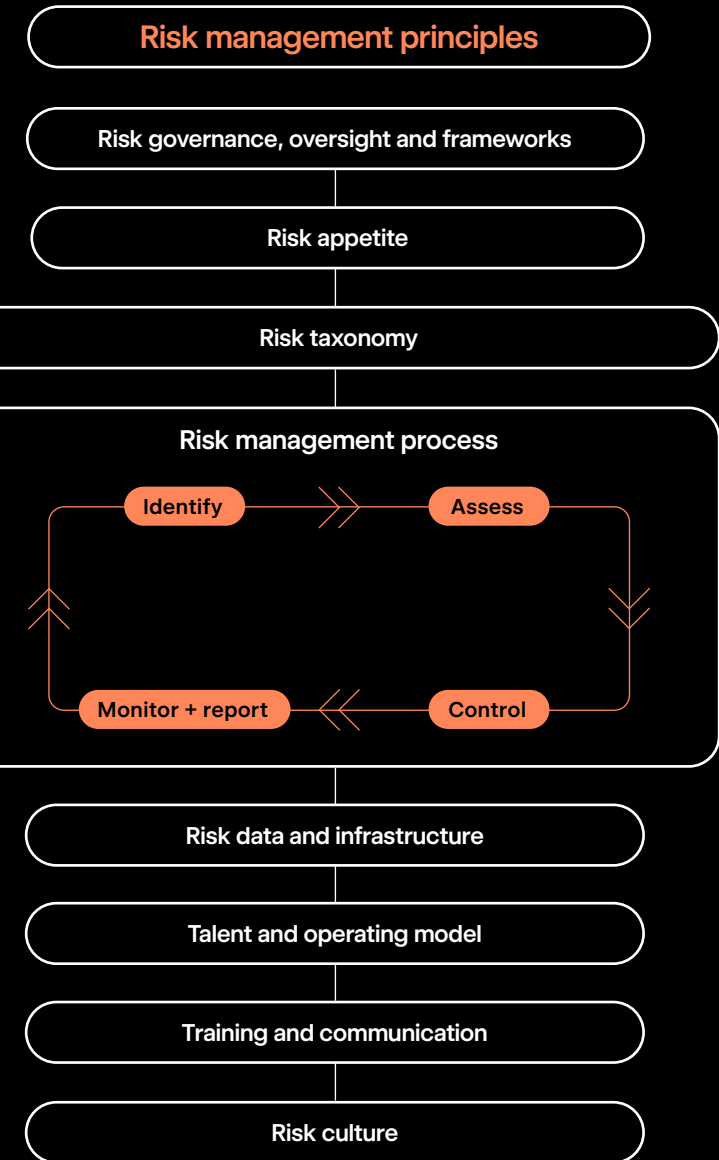
Control

Risk data and infrastructure

Talent and operating model

Training and communication

Risk culture



Risk management continued

Continuing to strengthen our risk and control environment

Key highlights of 2025

During 2025, the Group continued to strengthen its risk management capabilities which included the formulation of the Risk Evolution Plan. This programme is dedicated to ensuring that all aspects of ClearBank's ERMF continue to evolve and act as an enabler for the business strategy and support best-in-class risk processes and risk function.

During 2025, the Group defined its end-state Target Operating Model (TOM) which ensures that the Group structure is set up to support ClearBank's purpose, strategy and ambition as a global business. This includes the centralisation of the Risk Function to ensure a consistent approach to repeatable risk management activities which support the UK and EU entities. Risk management and resilience is fundamental to delivery of the transformation. The enhanced operational structure will ensure that strong risk foundations combined with enhancements under the Risk Evolution Plan continue to be a core driver and facilitator of ClearBank's growth.

During 2025, ClearBank strengthened its commitment to Artificial Intelligence (AI) as a fundamental enabler of its strategy. In doing so, the AI Accelerator programme has been launched with virtual teams spanning all entities and functions, focusing on how AI can create business value and outcomes, supported by risk management and governance.

Whilst we recognise that AI is in its relative infancy, we are confident that AI can be a key enabler for our strategy, supporting colleagues and clients across a broad spectrum of use cases. We have a dedicated AI Risk & Governance workstream which ensures risk considerations are embedded within strategic growth in this area.

We continue to grow our embedded banking client base, ensuring partners are onboarding in an efficient and comprehensive way. In order to support efficiencies and scalability, we have made further updates to the operating model based on learnings from our client implementation projects this year and, to support these updates, have developed a suite of consistent processes to underpin the operating model. We have also introduced a new project management tool to enhance our programme governance across embedded banking.

We continue to recognise the importance of the FSCS and maintaining a strong control environment to ensure our compliance and reporting is of the highest standard.

Outlook

The outlook and priorities for 2026 will include enhancing the risk foundations of ClearBank as it continues to expand in a safe and sustainable way.

The next phase of the TOM will embed a more clearly defined, scalable organisational structure that supports ClearBank's strategic growth while strengthening risk management across the Group. This phase will embed explicit roles, responsibilities and governance mechanisms to ensure effective oversight, aligned with the Enterprise Risk Management Framework and Group risk appetite.

From a risk perspective, a key priority is to ensure that the TOM delivers simplified processes, robust controls and transparent decision-making, supported by strong second-line challenge and ongoing risk assessment. We will also streamline operational processes across the Group and its subsidiaries to reinforce clear accountability, safeguard independence between first and second line activities, and maintain a resilient and well-controlled operating environment.

Improvements made during 2025 relating to Financial Crime systems and controls will further embed and we will continue to strengthen our approach to operational risk management through the next phase of our Risk Evolution Plan which focuses on GRC enhancements and approach to RCSAs.

We will continue to champion our AI Accelerator programme and ensure that we expand and utilise AI in an effective way for our clients and colleagues.

Risk management continued





Principal risks

Principal risks refer to risks that pose the most material threat to the achievement of our strategic objectives. At the beginning of the year, under the strategic direction of the Group's new Chief Risk Officer and Head of Enterprise Risk Management, nine principal risks were identified and agreed by the Board. The Group's principal risks support more efficient aggregation of risks for governance and reporting purposes, better clarity on first line ownership for risk and alignment to Executive accountabilities, whilst also more closely aligning with peers and best practice.






Key risk	Change in risk profile	Commentary
<p>Strategic risk</p> <p>The risk that the ClearBank business model does not deliver the expected financial and non-financial benefits to its clients, shareholders and wider stakeholders.</p> <p>This may be as a result of poor decision-making, substandard execution of decisions, inadequate resource allocation, or from a failure to effectively respond to changes in the business/market environment or changing customer behaviour and technological expectations.</p>		<p>We conduct regular and comprehensive reviews of our strategy which factors in the global geopolitical situation and the macroeconomic environment. This includes tracking our client pipeline and attrition, controlling costs and adherence to budget.</p> <p>Supporting the Group's expansion, an extensive programme of work was undertaken during the year to design a Group Target Operating Model which supports simplification and scalability. Following Board approval, the revised operating model was implemented on 31 December 2025.</p> <p>The ways of working, driven by our behaviour and culture pillars, are key to make this a success. We win together by maintaining a One ClearBank approach – one team, working towards the same purpose and ambition.</p> <p>Notwithstanding the external challenges, we are of the view that we are well positioned to achieve our strategic objectives.</p>
<p>Financial risk</p> <p>The risk that ClearBank does not have the financial resilience to support its strategy and growth objectives. This includes ensuring sufficient levels of capital and liquidity are held, as well as managing exposure to risks including interest rate risk, market risk and credit risk.</p>		<p>Management has successfully carried out the annual ICAAP and ILAAP assessments through a thorough and collaborative effort. The scenarios are tested on a range of time horizons to ensure that ClearBank remains financially resilient throughout its five-year planning and going concern assessment periods. These evaluations indicate that ClearBank possesses sufficient capital and liquidity to endure both macroeconomic and microeconomic stresses. Additionally, necessary management actions can be taken to address any potential breaches of capital or liquidity requirements.</p> <p>In 2025, the establishment of the Model Risk function and the implementation of Second Line Independent Model Reviews (IMRs) added an extra layer of oversight and assurance regarding the adequacy of the models used for ICAAP and ILAAP. The IMRs did not reveal any significant issues. The Group boasts extensive subject matter expertise to support these assessments, as evidenced by the comprehensive review, challenge, and input from diverse individuals within the working group and calibration sessions.</p> <p>Stress modelling outputs were rigorously reviewed by multiple subject matter experts (SMEs), with active participation from Executive Management throughout the process. This included oversight at the Board level, showcasing robust review and governance practices.</p>

Risk management continued

Key risk	Change in risk profile	Commentary
<p>Operational risk</p> <p>The risk of potential for loss or disruption from failures in internal processes, systems or human actions. It encompasses legal failures, payment scheme non-compliance, resilience failures, process inefficiencies and external events. To mitigate these risks we maintain robust controls and foster a culture of risk-awareness, and operational resilience to safeguard integrity and stakeholder confidence.</p>		<p>Operational risk is actively managed in accordance with the Enterprise Risk Management Framework, which includes regular Risk and Control Self-Assessments (RCSAs), control testing and targeted mitigation strategies. These efforts provide clear visibility into our risk exposure and enable timely interventions to strengthen the control environment and maintain alignment with our risk appetite.</p> <p>Key enhancements included the implementation of the Operational Continuity in Resolution (OCIR) framework, which has advanced our operational resilience and improved our ability to manage disruptions.</p> <p>Significant investment in automation has driven greater efficiency and accuracy in Financial Reporting & Tax, with streamlined processes supporting scalability and business growth.</p>
<p>Third party and outsourcing risk</p> <p>The risk of impact or loss resulting from failures in assessing, managing or overseeing third-party and outsourcing relationships – including suppliers, intra-group entities and embedded banking partners. This includes risks arising during onboarding, ongoing oversight and exit of arrangements.</p>		<p>ClearBank operates a comprehensive Third Party Risk Management (TPRM) and Outsourcing framework designed to ensure regulatory compliance, operational resilience, and proportionate oversight across all external and intragroup service arrangements. Third Party and Outsourcing remains a priority, given the criticality of key supplier relationships. We have strengthened supplier onboarding and oversight, improving workflow efficiency and visibility across supplier management. We will continue to prioritise robust processes and controls in 2026.</p>
<p>Cyber, data and technology risk</p> <p>The risk of impact or loss arising from failures in identifying, managing, or overseeing threats to the confidentiality, integrity, and availability of systems and data, and insufficient strategic oversight of technology and data assets. This includes risks stemming from internal vulnerabilities, external threats, third-party dependencies, rapid technological change, and failures in systems, infrastructure or emerging technologies.</p>		<p>Our cyber controls remain robust, supported by mature patching protocols and advanced threat detection capabilities that position us well against an evolving threat landscape. Technology remains a critical focus due to its central role in enabling business operations. System availability and performance have been strong, underpinned by scalable and future-proof infrastructure aligned with our growth plans. Risks around data continue to be a key focus, with robust standards, processes and governance maintained to a high standard to support continued growth and scale.</p>
<p>Financial crime risk</p> <p>Risk of facilitating business, or failure to maintain adequate controls, that gives rise to illicit activity or the movement of funds derived from the proceeds of crime.</p>		<p>An extensive control improvement plan has been successfully completed during the year. This included an end-to-end process review to simplify and improve client experience through the use of optimisation, enhanced client onboarding practices, strong collaboration with the 2nd line, strong recruitment in the Financial Crime Operations team and accelerated training and development for existing colleagues. Internal Quality Control and Assurance measures over client onboarding and screening have significantly improved throughout the year. We resolved gaps, improving the effectiveness and efficiency of ClearBank's sanctions screening systems and undertook an external data mapping validation exercise to confirm their robust set up, with all high priority actions closed or on track.</p>

Risk management continued

Key risk	Change in risk profile	Commentary
<p>Compliance and conduct risk</p> <p>The risk that ClearBank fails to comply with relevant regulatory requirements or fails to maintain a constructive relationship with the regulators. This includes the risk that ClearBank fails to deliver good customer outcomes and prevent customer harm, which could result in regulatory censure, financial penalty and/or reputational damage.</p>		<p>Compliance risk is mitigated in a number of ways including horizon scanning for changes in regulatory and financial crime requirements, and tracking regulatory change actions to closure ensuring we are and do remain compliant and that customers continue to be protected. This also includes regular oversight and control testing activities to demonstrate compliance and identify any processes or controls that may require strengthening.</p> <p>We maintain robust processes to oversee compliance and conduct outcomes through our embedded banking oversight governance process. This ensures that we have a level of assurance that good customer outcomes are provided through our embedded banking partners.</p> <p>Our relationships with our regulators in the UK and EU have remained transparent and constructive.</p>
<p>People risk</p> <p>The risk refers to the potential for loss or disruption arising from gaps in workforce capacity, capability or conduct. It encompasses risks linked to how effectively an organisation attracts, retains, engages and manages its people – especially in roles critical to strategic delivery.</p>		<p>People risk has continued with a positive trajectory throughout the year. Significant progress was made during 2025 relating to the recruitment of key senior roles which support the capabilities required to achieve the next phase of growth.</p> <p>We regularly monitor colleague engagement and have observed an increase in the overall Group engagement score across the year, and have observed participation rates at an all-time high.</p> <p>One of the key supporting factors for implementing a review and redesign of our Target Operating Model was feedback from our colleagues who urged for greater clarity and execution of accountabilities and more efficient ways of working across the Group.</p>
<p>Model risk</p> <p>The risk of loss or adverse consequences resulting from decisions based on inadequate or poorly understood models or misused models.</p>		<p>The rollout of our Model Risk Management (MRM) framework in 2025 has been both comprehensive and impactful. It included the implementation of key policies and procedures, the establishment of an Independent Model Review (IMR) function, a centralised model inventory, and the formation of the Model Risk Oversight Committee (MROC). Building on this foundation, we are now developing an AI Strategy to introduce governance guardrails and validation protocols for AI SaaS solutions and emerging agentic AI technologies, ensuring their responsible and secure deployment.</p>

Section 172 statement

The Directors recognise their duty under section 172 of the Companies Act 2006 to promote the success of the Company for the benefit of its member, while having regard to the interests of stakeholders and the long-term consequences of decisions. This statement explains how the Board considered these factors during 2025.

During the year, the Group Board made decisions that reflect its commitment to long-term shareholder value, responsible governance and sustainable growth. Decisions were taken after careful consideration of the interests of stakeholders, and the need to foster business relationships and maintain high standards of business conduct, in order to enable the Company's long-term success.

The Group's key stakeholders include employees, clients, suppliers, investors and the environment in which we operate.

With the continuous and rapid growth of the Group, the number of stakeholders has increased, not only in the UK but across multiple geographic locations. The Directors recognise the need to engage with as many stakeholders as practically possible. Engagement often takes place via the Executive Directors and at the operational level, which allows connection with a larger number of stakeholders across jurisdictions. The Group Board recognises that the business can only grow and sustain itself through understanding the views and needs of the Group's key stakeholders.

The Group aims to be a business where people want to invest and for which people wish to work. We explain how the Group engages with stakeholders within the next pages of the Strategic Report whilst setting out the work of the Group Board in the Corporate Governance section. The obligation to act fairly between members of the company under s172(1)(f) is not applicable to the Company as the Company has a sole shareholder.

Clients

Why we engage

The Group's clients are central to ClearBank's purpose: enabling innovation and growth through embedded banking and payments solutions. We continue to grow alongside our clients and strive to understand their evolving needs, collaborating to ensure our products remain relevant and competitive in a rapidly changing financial ecosystem. See Our strategy (page 14) and Our products (page 20).

How we engage

Engagement is continuous and multi-channel. In 2025, the Group hosted client forums, fintech dinners, and our Client Summer Social, alongside participation in industry events such as Money20/20 and UK Fintech Week. The Group also hosted a Client Advisory Board for the second time. Our Client Success team provides proactive support to each of our clients, leveraging data insights to enhance service delivery and resilience.

Principal decisions taken

Within the Group, strategic investments in payments infrastructure and multicurrency capabilities were approved, and enhancements made to digital asset functionality. The launch of debit card services and optimisation programmes were endorsed to improve client experience and scalability. The Group Board also supported ClearBank's investments to better serve the Corporate segment. Approval for strategic investment in technology resilience was given to ensure a robust infrastructure and future-proofing against emerging risks.

The Group Board approved a new Target Operating Model to support a transformation programme to achieve organisational goals and to continue optimally serving our clients.

Section 172 statement continued

People

Why we engage

Our people drive ClearBank's success. Engagement ensures we foster a culture of inclusion, innovation, and wellbeing, critical for attracting and retaining talent in a competitive market. By endorsing a new operating model focused on talent density and making strategic leadership appointments, the Board considered the long-term success of the Group and the interests of employees. These actions support sustainable growth and ensure the Group is well-positioned for future challenges, directly aligning with s172's emphasis on long-term consequences and employee interests. See Our people (page 23).

How we engage

The Group's use of colleague engagement surveys, the hosting of all-employee events such as ClearBank Connect, regular touchpoints including a weekly stand-up, periodic leadership offsites, and skip-level meetings to shape people-related strategy, provide examples of how the Group engages with its employees. This approach ensures that multiple opportunities are provided for employees to provide feedback, and this feedback is central to decision making. In 2025, initiatives focused on simplifying ways of working, empowering teams and strengthening internal recruitment capability.

Principal decisions taken

The Group endorsed a new operating model to improve talent density, a strategic lever for growth and performance, alongside leadership appointments to accelerate transformation and deliver strategic enterprise, value and product delivery. Succession planning and professional development have been key areas of focus. The Group approved investments in professional development and wellbeing programmes. These decisions were directly informed by feedback from engagement surveys and leadership forums, reflecting a commitment to employee growth and wellbeing.

The principal decisions made by the Group Board demonstrate careful consideration of long-term impact, employee interests, and stakeholder engagement, thereby fostering a high-performing, inclusive, and supportive culture – key drivers of organisational success and statutory compliance.

Suppliers

Why we engage

The Board recognises that suppliers are integral to delivering secure, scalable banking services and to the long-term success of the Group. In fulfilling its duties under section 172 of the Companies Act 2006, the Board considers the interests of suppliers alongside those of other stakeholders and ensures that supplier relationships are managed in a way that promotes resilience, compliance, and innovation across our technology and operational ecosystem. See Sustainability; clients and suppliers (page 28).

How we engage

The Group maintains structured governance over supplier relationships through regular performance reviews, risk committees, and collaborative forums. In 2025, the Board oversaw the strengthening of third-party assurance processes and the introduction of new tools for SaaS discovery and control testing, reflecting its commitment to robust supply chain management and regulatory expectations.

When making decisions, the Board carefully considers the impact on suppliers and the wider ecosystem. For example, the Group approved enhancements to outsourcing arrangements and operational resilience frameworks, including OCIR compliance and improvements to supplier risk reporting. These decisions were made with a view to ensuring the continuity of critical services, supporting the Group's long-term strategy, and meeting regulatory requirements.

Principal decisions taken

The Board's approval of the Group Recovery Plan and the Solvency Winddown Plan, both of which incorporated feedback from regulatory authorities and enhancements to OCIR, demonstrates a clear focus on the long-term sustainability of the Group and the interests of suppliers as critical partners in service delivery, promoting long-term success, continuity of service and regulatory compliance.

The Board has taken steps to clarify its oversight role in subsidiary appointments and supplier-related matters, ensuring that governance structures support effective decision-making and accountability.

In all its principal decisions relating to suppliers, the Board has had regard to the likely consequences of decisions in the long term, including the resilience and sustainability of the Group's supply chain, fostered relationships with suppliers that are based on trust, transparency and mutual benefit, ensured that supplier engagement supports the Group's regulatory obligations and the interests of other stakeholders, including clients and employees, and considered the impact of decisions on the Group's reputation and its ability to deliver secure, reliable services.

Section 172 statement continued

Environment

Why we engage

ClearBank recognises its responsibility to minimise environmental impact and contribute to sustainability goals, and the importance of community engagement as a core element of its sustainability and stakeholder strategy. Engagement ensures our approach aligns with stakeholder expectations and regulatory developments. See Sustainability; environment (page 27).

How we engage

We engage through sustainability task forces, industry forums and voluntary initiatives such as corporate volunteering days. In 2025, teams participated in environmental projects at Horsenden Farm and Southwark Park, reinforcing our commitment to community and support for biodiversity initiatives.

Principal decisions taken

Environment and ESG governance: In 2025, the Group Board approved the Group Sustainability Policy (replacing the UK ESG Policy) to embed environmental and social considerations across the Group's commercial strategy, product life cycle governance and supplier management. The Board approved the 2025 Sustainability Targets, noted strong progress including a ~39% reduction in carbon intensity versus the prior year, and mandated enhanced supplier oversight, including the integration of Net Zero contractual terms with key suppliers. The Board also supported EU local addenda to the Sustainability Policy to incorporate environmental and climate risk factors into client onboarding and portfolio monitoring.

Community and stakeholder engagement: The Board approved community engagement programmes within the Group's ESG commitments and integrated community impact considerations into strategic planning and risk management frameworks, reflecting the Board's duties to promote long-term success while having regard to the interests of stakeholders, the community and the environment.

The Board approved enhancements to risk management and sustainability commitments, reinforcing the Group's approach to responsible business and long-term value creation.

The strategic report was approved by the Board on 9 April 2026 and signed on its behalf by:

Mark Fairless

Group Chief Executive Officer

Corporate Governance

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Board of Directors

Meet the Board

“ The Group Board recognises that high standards of corporate governance throughout the Group are essential for the delivery of ClearBank’s strategic objectives, regulatory compliance and stakeholder value.”

Committee membership:

- Chair of Committee
- A Group Audit Committee
- Ri Group Risk Committee
- N Group Nomination Committee
- Re Group Remuneration Committee



Tim Wade

Group Chair and Independent Non-Executive Director



Appointed

November 2023

Background

Tim Wade has spent 40 years in professional services and financial services, which included being a Partner at Arthur Anderson and Chief Financial Officer of Colonial Limited. He has worked in Australia, Singapore and London with companies involved in retail and wholesale banking, pensions, wealth management and wholesale insurance.

For the past 18 years Tim has acted as a Non-Executive Director, specialising in Audit Committee Chair roles for various companies which include VirginMoney, Royal Bank of Canada (RBC) Europe, Macquarie Bank International, Monitise plc, QBE Insurance and Friends Life.



Richard Anderson

Independent Non-Executive Director



Appointed

November 2023

Background

Richard Anderson is an experienced Non-Executive Director with a background as a Chartered Accountant and as a risk management consultant.

Throughout his audit and consulting career he has worked with a range of organisations, from large global corporations through to small start-ups, INGOs and not-for-profit organisations, both in the UK and across multiple geographies. As a Non-Executive Director, Richard has a wealth of experience in payments, fintechs and banks. He is a former Chair of the Institute of Risk Management and a former partner at PwC.



Susanne Hannestad

Independent Non-Executive Director



Appointed

November 2023

Background

Susanne Hannestad is an experienced international Non-Executive Board Director and Executive Director across the industries of financial services, financial technology, financial inclusion, cards, payments and insurance.

Susanne is a Non-Executive Director at Triodos Bank N.V. (publ), Zimpler AB, Crunchfish AB (publ) and Monty Mobile Ltd. She was also a former Executive Director at Nordea based in the Nordic and the Baltic. She was an Advisory Board Director at Mastercard Europe.

Board of Directors continued

**Mel Carvill**

Non-Executive Director

Appointed

November 2022

Background

Mel Carvill has extensive international experience in the financial services industry and has held senior roles at PPF since 2009. He has been on a ClearBank Group entity board since 2016.

He currently serves as Non-Executive Chairman of Lion Finance Group plc and Vice Chairman of Aviva-Cofco Life Insurance, China, and a number of smaller companies.

Mel previously held numerous senior positions in Generali Group for over 20 years including Head of Western Europe, North and South America and the Middle East.

**Charles McManus**

Co-founder and Non-Executive Director

Appointed

October 2022

Background

Charles McManus is a Non-Executive Director and international banking professional with over 30 years of experience in financial services including global investment banking, wealth management and retail banking.

Prior to founding ClearBank in 2015, Charles was the Group Chief Financial Officer of RBS Ulster Bank Group until 2013, before which he spent 13 years with the Royal Bank of Canada (RBC). His time with RBC included being the Global Head of Product Control and culminated in his role as Chief Financial Officer of Europe and Asia.

**Mark Fairless**

Group Chief Executive Officer and Executive Director

Appointed

February 2023

Background

Mark Fairless is an Executive Director with over 19 years spent in the financial services industry, bringing extensive experience in strategic leadership and in delivering enterprise and functional transformation.

Prior to joining ClearBank in 2023 as its Chief Financial Officer, Mark was the Chief Financial Officer of the M&G Heritage Business and previously held senior management roles at Santander UK and Barclays Investment Bank. In May 2022, he also became a finance trustee of Bore Place (Home of Commonwork Trust), a non-profit organisation committed to exploring ways of living sustainably.

**David Samper**

Group Chief Financial Officer and Executive Director

Appointed

July 2025

Background

David is an Executive Director bringing over 30 years of leadership experience in financial services across strategic finance, M&A, business transformation and international growth.

Prior to joining ClearBank, David served as Group Chief Financial Officer at Newcastle Building Society, where he led a transformative growth strategy that doubled the Society's assets and successfully delivered its merger with Manchester Building Society. He previously held senior management roles at Sainsbury's Bank, RBS and Ernst & Young.

Group Board and Committee structure

Group Board function

The Group Board is responsible for the leadership and governance of the Company and for promoting the long-term sustainable success of the Group. In reviewing and approving the Company's strategy and risk appetite, the Group Board is cognisant of its regulatory obligations as well as its statutory responsibilities to stakeholders, including the Company's clients, employees, investors, suppliers, the wider community and the environment.

The Group Board has the responsibility to oversee the internal control framework, and to test the effectiveness and efficiency of operations, financial controls, and compliance with applicable laws and regulations. It is also responsible for ensuring that the executive maintains effective risk management across the Company, enabling the delivery of strategy and business performance within the approved risk appetite and risk control framework.

The Group Board's Terms of Reference include a formal schedule of matters specifically reserved for its decision, reviewed at least biennially.

Group Board Committees

The Group Board has established four Board Committees and invested them with delegated authority for certain matters.

These are the:

- Group Audit Committee (GAC)
- Group Risk Committee (GRC)
- Group Remuneration Committee (GRemCo)
- Group Nomination Committee (GNomCo)

Each Board Committee has written Terms of Reference, reviewed at least biennially, outlining the role of the Committee, its responsibilities, and the extent of authority delegated by the Group Board. Where required, matters are considered by Committee members and recommendations made to the Group Board for consideration and approval. Time is allocated at Group Board meetings for the Group Board to receive updates from Committee meetings. Reports for the Group Board's Committees are set out in further detail later in this section.

Executive Committees

The Group Board has delegated responsibility for the day-to-day operations of the Company to the Group Chief Executive Officer (CEO) who is supported by the Group Executive Committee (the GExCo). In turn, the GExCo has established executive subcommittees including the Group Enterprise Risk Management Committee (GERMC) and the Group Asset & Liability Committee (GALCO).

The GExCo, GERMC and GALCO meet regularly and report to the Group Board and/or Group Board Committees.

The Group Board agenda in 2025

The Group Board utilised its meetings to provide leadership, monitor progress of strategic objectives, oversee business activities and as a mechanism for Directors to discharge their duties under section 172 of the Companies Act. The Group Board's time was split between strategic, risk, financial, commercial, people and governance matters. In September 2025, the Group Board along with the subsidiary boards of ClearBank Limited and ClearBank Europe N.V. attended a strategy offsite day where detailed discussions took place regarding strategic priorities for 2026.

Each Group Board meeting followed a tailored agenda agreed in advance by the Group Chair and the Group CEO.

An annual calendar of Board meetings was scheduled to ensure that matters received due consideration, allowing periodic review in line with financial and regulatory cycles and to coincide with relevant key dates and events. The Group Board had deep-dive sessions on some core areas of the business including product development, AI, corporate and embedded banking partnerships and client onboarding. These deep dive sessions enabled the Group Board to contextualise its understanding of business performance and provided opportunity to review key priorities, risks, opportunities and challenges linked to the different business areas.

During the year, the Board considered and approved a revised Group end-state TOM to support the Group's purpose, ambition and strategy, and to scale the business as One ClearBank with a strong client focus. As a result, on 31 December 2025 the Company, as parent entity of the Group, entered into a Business Transfer Agreement (BTA) with its UK subsidiary. The TOM resulted in the Group centralised shared services model reflected in intra-group service arrangements between the ClearBank entities. In turn certain assets and centres of excellence were transferred from the UK subsidiary, ClearBank Limited, to the Company, enabling an agile Group-wide operating model to be established, one that is scalable for the next phase of our journey. Revised governance arrangements to reflect the Group-wide operating model have been put in place, with further optimisation of governance and oversight arrangements to be implemented in the first half of 2026. Please refer to page 94 for further details about the transaction.

The Group Board received detailed papers, including updates on business performance and regulatory interactions in advance of each Board meeting. In addition to scheduled or routine items, the Group Board also considered key issues that impacted the Group as they arose. The Group Chair has considered the 2026 annual Board Plan and ensure the Board continues to prioritise the balance between strategic, regulatory and operational oversight matters, ensuring there is sufficient time built into agendas for these key areas.

Details of individual Directors' attendance at scheduled Board and Committee meetings during the year can be found on page 48.

Group Board and Committee structure continued

Key Board activities during the year

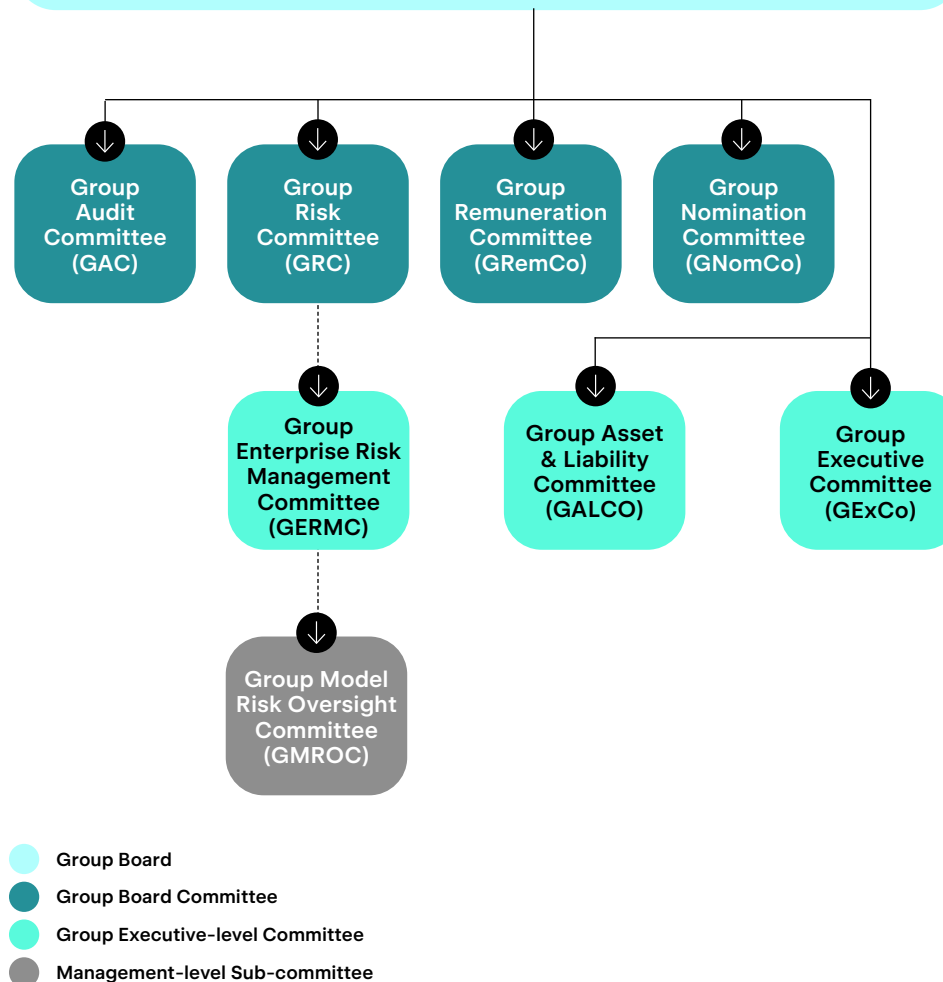
A summary of Board activities and principal decisions taken in 2025 is presented below:

- The Board oversaw the successful transition to a new Group Chair, new Group CEO and the appointment of a new Group CFO
- The Board dedicated time to supporting the work of the Group's DE&I and sustainability agendas, including progress towards Net Zero targets
- Agreeing the Group strategy and monitoring performance
- Considering the strategic aims and performance of the business
- Approving capital optimisation
- Receiving updates on people strategy and employee value approach
- Overseeing expansion plans in Europe
- Monitoring risk and approving risk appetite
- Approving the Enterprise Risk Management Framework
- Approving submissions to demonstrate compliance with key regulations including ICAAP and ILAAP
- IT, cyber, disaster recovery, and business continuity planning, and associated projects
- Approving policies in accordance with the Company's Policy Framework
- Overseeing the progress of major change programmes
- Approving the Company and subsidiaries 2026 budget and business plan
- Monitoring performance against budgets
- Approval of key remuneration policies
- Overseeing Board composition including updating the Board skills matrix and reviewing succession planning

Standing items

At every meeting, the Group Board receives and discusses updates from the Group CEO and Group CFO on the performance and results of the Group. The Group Chief Risk Officer and Group General Counsel have standing invitations and provide updates on their respective functions.

Board of Directors of ClearBank Group Holdings Limited



Group Board activities

Group Board Composition

During this reporting period the composition of the Group Board of Directors changed, with Peter Herbert stepping down as Chair of the Board in September 2025 and Tim Wade moving from Senior Independent Director to being appointed as Chair from September 2025. Mark Fairless moved from his role as Group CFO and commenced as Group CEO and Charles McManus stepped down as CEO and became a Non-Executive Director on the Group Board. David Samper was appointed to the Group Board in July 2025 as Group CFO.

The Group Board is composed of seven Directors, being the independent Group Chair, two further Independent Non-Executive Directors, a Non-Executive Director, a Non-Executive Investor Director and two Executive Directors.

Group Board and Committee attendance

The table below shows each Director's attendance at scheduled Group Board and Group Board Committee Meetings held during the year, as well as ad-hoc meetings when these were required.

Attendance ¹	Group Board	Group Audit Committee	Group Risk Committee	Group Remuneration Committee	Group Nomination Committee
Peter Herbert	2/6	–	1/3	3/6	2/3
Tim Wade	13/13	5/5	4/5	7/8	3/4
Richard Anderson	13/13	5/5	5/5	8/8	4/4
Susanne Hannestad	12/13	5/5	4/5	8/8	4/4
Mel Carvill	10/13	–	–	–	–
Charles McManus	13/13	–	–	–	–
Mark Fairless	13/13	–	–	–	–
David Samper	8/8	–	–	–	–

¹ Attendance is only reported above for Directors who were members of the relevant Board Committees. Peter Herbert's and David Samper's attendance figures are reported for the part periods they were Board members in 2025.

Approved by the Board of Directors and signed on behalf of the Group Board on 9 April 2026 by:

Tim Wade
Group Chair



Group Audit Committee report



Tim Wade
Group Chair and Independent
Non-Executive Director

Members of the Group Audit Committee

Tim Wade

Group Chair and Independent
Non-Executive Director (Chair)

Richard Anderson

Independent Non-Executive Director

Susanne Hannestad

Independent Non-Executive Director

The Group Audit Committee is a key element of the Company's corporate governance framework. Its primary responsibilities include monitoring the integrity of the Group's financial statements, overseeing internal and external audit processes, and ensuring the effectiveness of internal control systems.

The Committee operates under delegated authority from the Group Board and monitors and reviews the Company's financial reporting, internal control systems, the internal audit function and the external auditor, to ensure the maintenance of robust governance and compliance with regulatory requirements.

Key highlights of 2025

In 2025, the Committee continued to provide rigorous oversight of the Group's financial reporting. The Committee's work reflected a dynamic operating environment, with a focus on operational resilience, technology risk and regulatory compliance. Key priorities included strengthening internal controls, overseeing the implementation of finance automation, and addressing emerging risks such as AI governance and third-party dependencies.

Financial reporting developments featured prominently, including successful deployment of new finance automation systems and enhancements to software capitalisation controls. The Committee also reviewed tax reporting processes and FATCA/CRS compliance, mitigating potential regulatory risks. Internal audit updates highlighted assurance over IT governance, remuneration, and oversight of embedded banking partners, alongside planning for audits on operational resilience and payment operations. Collectively, these initiatives underscore the Committee's commitment to strong governance and proactive risk oversight in support of ClearBank's strategic objectives.

Responsibilities of the Group Audit Committee

The GAC's purpose is to support the Group Board in overseeing the Group's financial reporting and internal control environment. This includes:

- Overseeing the integrity of the Group's financial statements and compliance with accounting standards and regulatory requirements and recommending the FY25 Annual Report and Accounts to the Group Board for approval
- Reviewing key accounting judgements, estimates and going concern assessment for the FY25 financial statements
- Monitoring the effectiveness of internal control systems
- Safeguarding the independence and performance of the Internal Audit function
- Overseeing the relationship with the external auditor, including the approval of audit and non-audit fees, monitoring of independence, evaluation of audit effectiveness, and reviewing the FY25 Management Letter and any associated actions
- Recommending the reappointment of the statutory auditors to the Group Board for approval and approving the fees associated with the appointment
- Reviewing and approving the Group Internal Audit Charter and the Internal Audit Plan
- Overseeing whistleblowing arrangements

Group Audit Committee report continued

Composition and governance

The GAC is made up of three Independent Non-Executive Directors, all with recent and relevant financial services and accounting experience in the banking and financial services industry.

Standing invitees include the Group Chief Financial Officer, Group Chief Risk Officer, Chief Internal Auditor and the external auditor.

Meetings and areas of focus

The GAC met regularly throughout 2025, maintaining a robust schedule of meetings with both the Chief Internal Auditor and the external auditor in attendance.

Financial reporting

The Committee closely monitored the Group's financial performance, focusing on the integrity of the annual audited financial statements, key accounting policies and management judgements. The GAC reviewed the clarity and completeness of disclosures to ensure compliance with accounting standards and regulatory requirements. In support of this, the Committee received updates on the financial reporting landscape, including upcoming changes in accounting and corporate disclosure requirements.

Finance automation initiatives were successfully implemented, reducing manual intervention and strengthening control environments. These enhancements improved efficiency and data integrity across reporting cycles, supporting the delivery of accurate and timely financial statements.

Tax compliance remained a priority, with proactive measures taken to address FATCA and CRS obligations to minimise exposure to regulatory risk. The Committee reviewed emerging tax legislation and supported management's approach to maintaining robust governance over tax reporting processes.

Arrangements have been established to enable the GAC to satisfy itself that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable. These arrangements ensure that the disclosures provide stakeholders with the necessary information to assess the Group's financial position, performance, strategy and business model.

Internal audit

Internal Audit provided independent assurance over the adequacy and effectiveness of the Group's risk management and control framework. Reports covering IT governance, the two ICAAPs for the regulated UK group and the regulated European entity, respectively, the Group and Finance Transformation programmes, remuneration, oversight of our embedded banking partners, and the operational resilience and payment operations in our European entity were reviewed, noting improvements in control maturity and remediation of prior findings.

These audits reinforce confidence in the Group's ability to manage operational and financial risks effectively.

The Committee approved a refreshed Internal Audit Plan for 2025, prioritising audits of operational resilience, payment operations and transformation. This plan reflects a risk-based approach and incorporates enhanced Group-wide coverage to address emerging threats and regulatory expectations.

A key development during the year was the adoption of a new audit management tool in support of improving audit efficiency, enabling deeper insights, and supporting continuous monitoring of controls. The Committee welcomed these enhancements as part of a broader strategy to strengthen internal audit capability.

External audit

The GAC oversaw the relationship with the external auditor and considered their suitability, expertise and availability of resources and the ongoing arrangements for executing the Group-wide audit. The Committee approved the terms of engagement and remuneration for the external auditor. After discussing the nature and scope of the audit and reviewing the effectiveness of the external auditor's risk assessment, in December 2025 the Committee approved the audit plan including the IT audit plan for 2026.

Throughout its course, the Committee monitored the effectiveness of the external audit process, reviewed the findings of the auditors' work and ensured the resolution of any key issues arising during the audit.

The Committee evaluated the performance of the external auditor, considering quality indicators, timeliness and responsiveness. Based on this assessment, the Committee concluded that the audit had been conducted to a high standard and continued to provide assurance over the integrity of the Group's financial reporting. Looking ahead, the Committee will maintain its focus on auditor effectiveness and evolving regulatory requirements impacting audit scope and reporting.

Significant accounting judgements and estimates

The GAC reviewed significant matters involving accounting judgements and estimates, including those with the potential to have a material effect on the Group's consolidated financial statements. These matters were discussed with management and the auditors during the year and at the conclusion of the year-end audit.

The accounting judgements and sources of estimation uncertainty outlined on the next page are those identified as having the potential to have a significant effect on the consolidated statement of financial position in the next 12 months.

Internal controls

The Committee maintained oversight of the Group's internal control environment, including IT and physical security, data management and supplier management. The GAC also reviewed the Group's whistleblowing arrangements, with the Chair acting as Whistleblowing Champion.

Other areas of focus

During the year, the GAC closely monitored the capitalisation of internally generated software and the enhancements to processes and controls being delivered collaboratively between Finance and Technology.

The GAC also received updates on the Finance Transformation Programme, which continued to deliver enhancements to the Finance function, including automation of critical processes and improvements in operational efficiency.

Group Audit Committee report continued

Conclusion

I would like to thank management and my Committee colleagues for their support and commitment to maintaining a robust governance structure for finance and controls.

This will be my last report as GAC Chair. The Board has invited Polly Williams to join as Independent Non-Executive Director and GAC Chair, subject to regulatory approval. Polly will bring significant financial services experience to the Board and we look forward to her joining in early 2026.

This report was approved on behalf of the Group Audit Committee on 9 April 2026.

Tim Wade

Chair of the Group Audit Committee

Matter	Accounting judgement or estimates	Key considerations	Role of the Committee	Conclusion
IAS 38: Capitalisation of intangible assets	Accounting judgement	<p>Appropriate application of the recognition criteria including assessing whether future economic benefits derived from the asset are sufficient to recover the costs capitalised.</p> <p>Assessing methodologies, controls and processes governing the estimates used in determining the amount of time spent directly on development.</p>	We considered management's capitalisation policy and we satisfied ourselves that the procedures performed by management to apply the recognition requirements for internally developed intangibles were robust and comprehensive.	We concluded that the capitalised assets were appropriate and accurate at the year end, and the procedures in place were sufficiently robust to ensure the correct application of the IFRS.
IAS 36: Impairment of internally developed intangible assets	Accounting judgement	Assessing the judgements on the obsolescence of the internally developed software and its ability to generate positive cash flows for the business.	We considered management's paper on the internal and external indicators of impairment and satisfied ourselves that the procedures performed by management to identify these indicators were robust.	We concluded that the determination of the indicators of impairment were sufficient and appropriate, and therefore the assets have been impaired where necessary.

Group Risk Committee report



Richard Anderson
Independent Non-Executive Director

Members of the Group Risk Committee

Richard Anderson

Independent Non-Executive Director (Chair)

Susanne Hannestad

Independent Non-Executive Director

Tim Wade

Group Chair and Independent Non-Executive Director

The Group Risk Committee's principal roles and responsibilities are to support the Group Board in establishing risk appetite and in its oversight of risk management across the Group. The identification, management and mitigation of risk are fundamental to the success of the Group.

I am pleased to present my report to you as Chair of the GRC for the year ended 31 December 2025.

Key highlights of 2025

2025 was a year of significant progress and consolidation for the GRC, as it continued to strengthen the Group's risk management and governance framework. The Committee oversaw a broad agenda, including the evolution of the Group's Risk Framework and Taxonomy, enhancements to the Risk Appetite Statement and the approval of key policies to support regulatory compliance and operational resilience. The GRC received a Group CRO report at each meeting which provides a view of the risk profile across all of the principal risks. This was supplemented by 1st line presentations on key risk areas including Financial crime, Third party and outsourcing and People risk as we continue to push accountability for risk ownership. Each meeting also receives a focused update from the UK and EU Chief Risk Officers.

The Committee's work was further marked by robust engagement with regulatory requirements, ongoing oversight of the ICAAP process and a commitment to supporting the Group's transition to its Target Operating Model, all of which contributed to a strong foundation for future growth and stability.

During the year, the GRC held a Strategic Risk session which deep dived into a number of pressing topics such as the geo-political environment and macro economy, the UK and EU regulatory outlook and a fintech and competitor analysis. This session acted to support the Board in the development of the medium to long-term strategy with extensive discussion on strategic risk, before seeking Board approval.

Risk management and high resilience is a key enabler to our strategy and has stayed at the top of the Group Board's agenda. We are pleased to receive regular updates on the enhancements to our risk management capability through the delivery of the Group-wide Risk Evolution Plan.

Responsibilities of the Group Risk Committee

The GRC's purpose is to assist the Group Board in carrying out its responsibilities in relation to the oversight of risk across the Group. This includes the following activities:

- Reviewing and advising the Group Board on the Group's risk appetite, tolerance and strategy
- Reviewing and advising the Group Board on the suitability and effectiveness of the Group's ERMF
- Reviewing and advising the Group Board on the Group's compliance with prudential and conduct regulatory requirements
- Safeguarding the independence of and overseeing the performance of the Group's Risk Function including the sufficiency of resources
- Advising the Group Board on the risk aspects of proposed changes to strategy and strategic transactions
- Monitoring and reviewing the effectiveness of the Group's risk management and risk-related internal control systems
- Overseeing adherence to the Group's risk principles, policies and standards
- Reviewing exceptions and breaches to Group Board-approved policies
- Overseeing the risks associated with the Group's complex and material financial models
- Reviewing reports from the UK bank and Europe bank's respective Money Laundering Reporting Officers (MLROs) and the adequacy and effectiveness of the Group's financial crime controls
- Reviewing the Group's ICAAP, Strategic Capital Plan and Resolution and Recovery Plan and recommending them to the Group Board for approval
- Ensuring future risks are anticipated in terms of their potential impact on the business through regular horizon scanning exercises

Group Risk Committee report continued

Composition and governance

GRC is made up of three Independent Non-Executive Directors, all of whom have recent and relevant financial services experience and extensive experience of corporate risk matters in the banking and financial services industry. The Board is satisfied that the Committee members have the skills and competence required to fulfil the Committee's duties and responsibilities set out within its Terms of Reference. Standing invitees to the GRC include the Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Risk Officer and Chief Internal Auditor. The Chair of the GRC is a member of the other Board Committees.

The Group Chief Risk Officer is accountable to the GRC and has a reporting line of responsibility into the Chair of the GRC.

Meetings and areas of focus

The GRC had its first full year of meetings, following its constitution in October 2024, where it maintained a strong emphasis on comprehensive risk oversight and governance throughout 2025.

One of the key areas of focus for the GRC was reviewing and noting the ongoing developments in the Group Risk Framework, such as updates to the Risk Evolution Plan, the bank's strategic programme to enhance effectiveness, scalability and future-readiness of its risk management framework across the Group.

Other areas the GRC consistently focused on were Group risk oversight and reporting, where regular discussions took place on the overall risk profile and most pressing issues facing the Group.

Each meeting included deep dive sessions on key risk areas and the Committee maintained a strong focus on regulatory engagement and compliance, including oversight of the ICAAP/ILAAP process with recommendations to the Group Board for approval, monitoring the Group's transition to the new governance structure and operating model, and continued attention to operational resilience, financial crime, information security and cyber security risks.

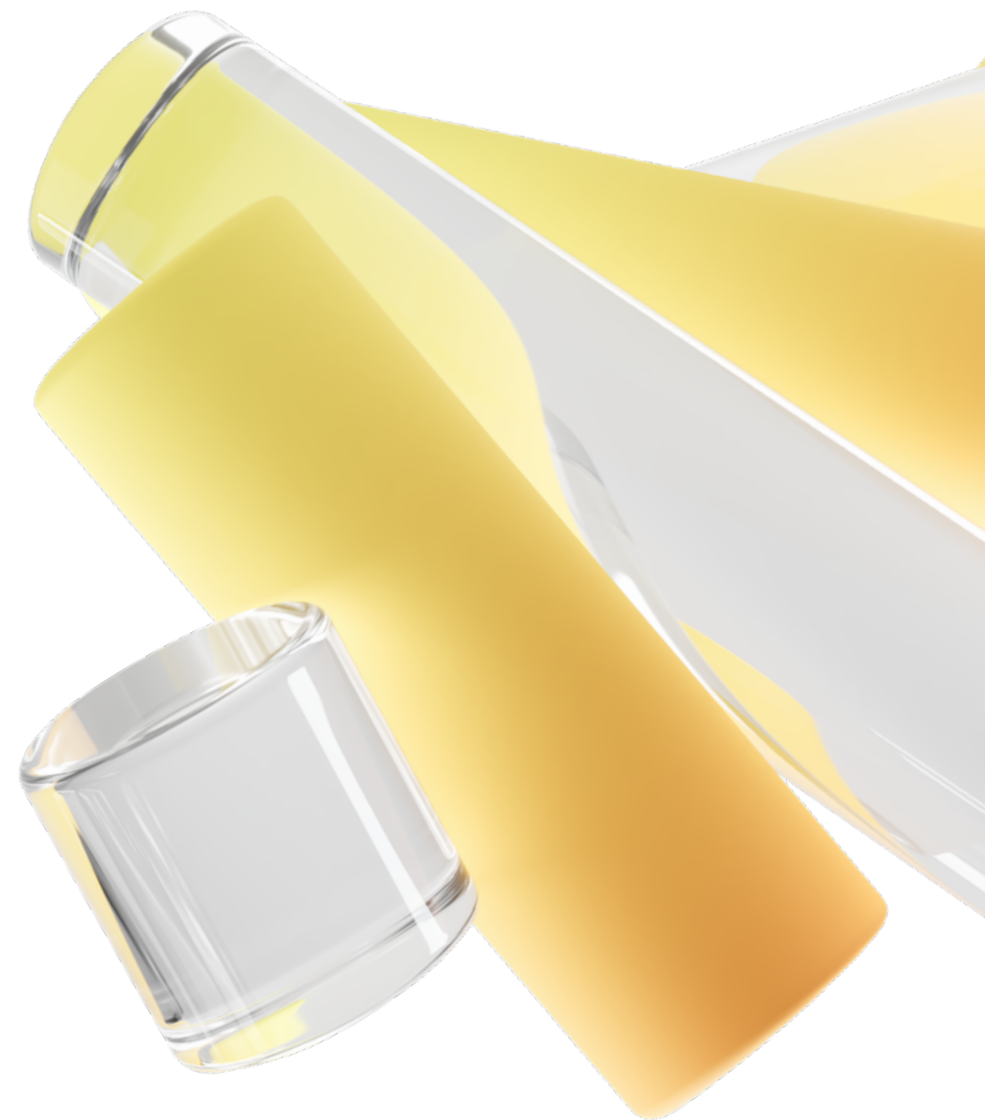
2025 was marked by the continued maturation of the Group's governance arrangements, with the GRC firmly established as a central pillar of risk oversight. The Committee's agenda reflected a balance of strategic, regulatory and operational risk topics, with a strong emphasis on continuous improvement, regulatory compliance and alignment with the Group's Target Operating Model.

The collaborative efforts of the Group Board members and management were instrumental in progressing key initiatives, strengthening the Group's risk culture and ensuring readiness for future challenges. The GRC looks forward to building on these achievements in 2026, with a busy agenda ahead and a continued commitment to robust risk management and governance.

I would like to thank my fellow Board colleagues for their support during this pivotal year for the Group and I look forward to working with them on the GRC's busy agenda ahead in 2026.

This report was approved on behalf of the Group Risk Committee on 9 April 2026.

Richard Anderson
Chair of the Group Risk Committee



Group Remuneration Committee report



Susanne Hannestad
Independent Non-Executive Director

Members of the Group Remuneration Committee

Susanne Hannestad

Independent Non-Executive Director (Chair)

Richard Anderson

Independent Non-Executive Director

Tim Wade

Group Chair and Independent Non-Executive Director

The Group Remuneration Committee has delegated responsibility from the Group Board for reviewing the performance of the Executive Directors and the remuneration of the Directors and other senior executives.

I am pleased to present the GRemCo report for the year ended 31 December 2025. During the year there was a change in the Committee's Chair as I succeeded Tim Wade as Chair of the GRemCo in October 2025.

I would like to record my thanks to him for his contribution to the Committee's work during the first part of the year. Since my appointment, my focus has been on ensuring continuity whilst leading the Committee through its oversight of a refreshed remuneration framework aligned with our strategy, regulatory expectations and our commitment to fair and transparent reward principles. The following sections set out the responsibilities of the Committee, its composition, and the key areas of focus in 2025.

Responsibilities of the Group Remuneration Committee

The GRemCo's purpose is to assist the Group Board in carrying out its responsibilities in relation to the oversight of remuneration matters across the Group. This includes the following activities:

- Overseeing the annual review and approval of the Group's Remuneration Policy, ensuring continued alignment with regulatory requirements and best practice
- Reviewing and approving the remuneration framework for senior executives, including fixed and variable pay, performance metrics, pensions and benefits
- Overseeing workforce remuneration and related policies. Remuneration schemes should include appropriate ratios between fixed and variable components of total remuneration
- Monitoring the implementation of fair and transparent reward principles to attract, motivate, and retain high-calibre employees

- Ensuring that remuneration practices promoted the long-term interests of the Group and its stakeholders, and support the Group's long term remuneration strategy, risk appetite and regulatory compliance.
- Determining the fees for ClearBank Group Holdings Limited's Directors, ensuring that compensation aligns with ClearBank Group Holdings Limited's policies and market standards.
- Ensuring that changes to pay and all other incentives including annual bonuses and any share awards are clear, concise and, as much as is practicable, measurable to ensure those who are included understand the overarching policies and goals they are being set.

Composition and governance

GRemCo is made up of three Independent Non-Executive Directors. Where appropriate, GRemCo consults external advisers on remuneration and regulatory issues to align with the strategic aims of the Group and regulatory compliance requirements. Standing invitees to GRemCo include the Group Chief Executive Officer, the Group Chief Financial Officer (from July 2025), and the Group Chief Human Resources Officer.

Group Remuneration Committee report continued

Meetings and areas of focus

The Committee met throughout 2025 to oversee and advise on matters relating to executive remuneration, reward frameworks and governance.

As already mentioned in the preceding Committee reports, during the year a number of executive appointments were made to ensure we have the capabilities required to deliver on ClearBank's strategic priorities. The Committee reviewed and approved these executive recruitment packages.

The Committee's work was guided by its responsibility to ensure that remuneration policies remain aligned with ClearBank's strategic objectives, regulatory requirements and the long-term interests of stakeholders.

During the year, the Committee considered the proposal of a revised bonus model, a performance rating framework and a benefits proposal, all of which sought to strengthen the link between pay and performance in support of ClearBank's strategy.

Given ClearBank's regulatory status, the Committee monitored developments in remuneration regulation, in particular the publication of the PRA/FCA policy statement on remuneration reform, and approved ClearBank's response to this as it pertains to its Material Risk Taker population.

GRemCo remains committed to transparency and fairness in ClearBank's remuneration practices. Its decisions during 2025 reflect a balanced approach that supports ClearBank's strategic priorities, regulatory obligations, and the creation of sustainable long-term value for shareholders and stakeholders.

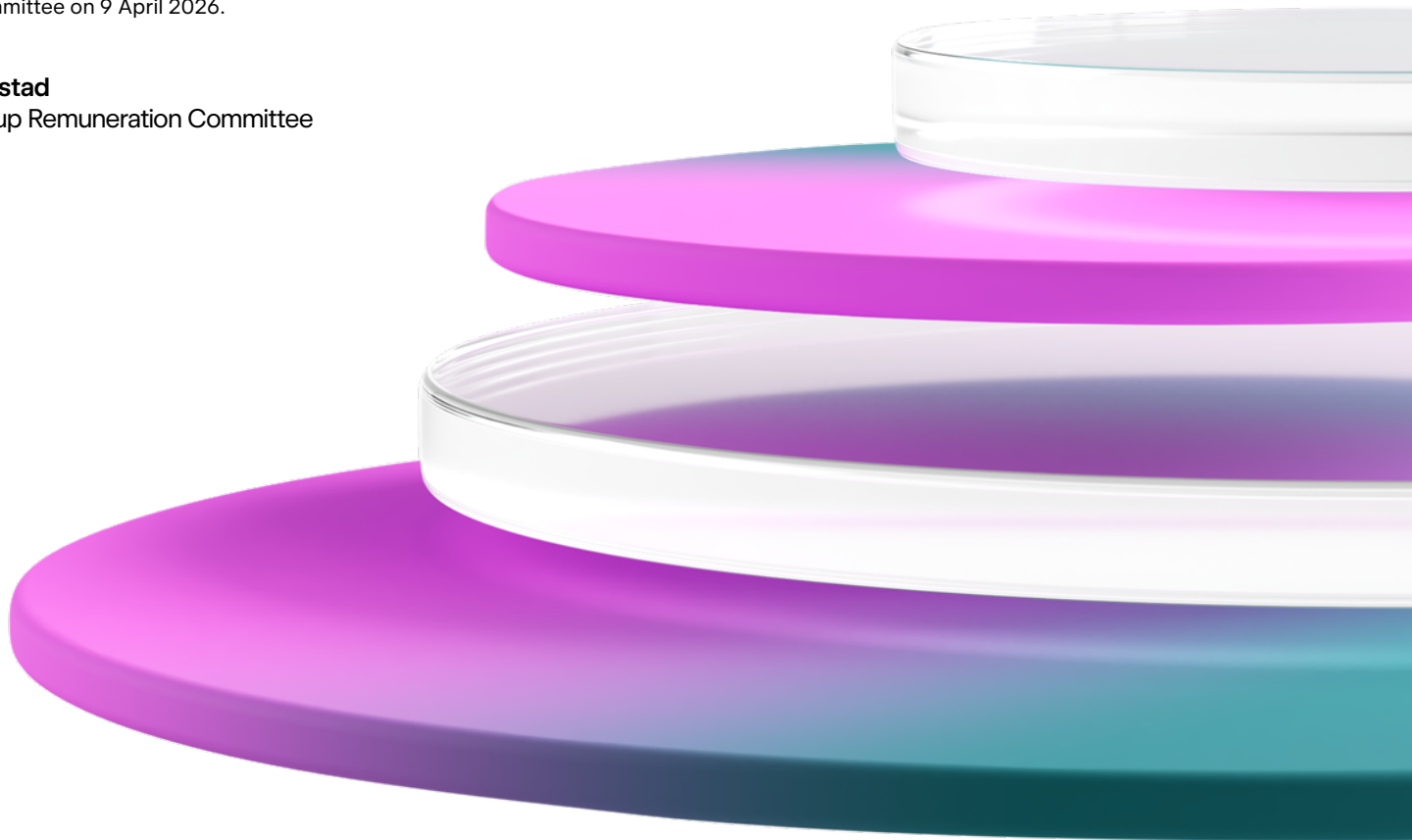
Conclusion

I would like to thank my fellow Committee members, the Executive, and the wider team for their support and commitment to maintaining a robust and effective remuneration framework for the Group.

This report was approved on behalf of the Group Remuneration Committee on 9 April 2026.

Susanne Hannestad

Chair of the Group Remuneration Committee



Group Nomination Committee report



Tim Wade
Group Chair and Independent
Non-Executive Director

Members of the Group Nomination Committee

Tim Wade

Group Chair and Independent
Non-Executive Director (Chair)

Richard Anderson

Independent Non-Executive Director

Susanne Hannestad

Independent Non-Executive Director

The Group Nomination Committee has delegated responsibility from the Group Board to lead the process for appointments and to ensure plans are in place for orderly succession to the Group Board and senior management, as well as reviewing the structure, size and composition of the Group Board on a regular basis.

The Committee continued to play a pivotal role in supporting the Group Board's effectiveness and governance framework throughout 2025. Its primary focus remained on ensuring that the composition of the Group Board and its Committees reflects the skills, experience and diversity required to deliver ClearBank's strategic objectives and regulatory obligations.

The work the Committee has undertaken has played a key role in Group Board make-up and succession planning and has included oversight of key processes in appointing Group Board members. This has required thoughtful collaboration, careful judgement, and a steadfast commitment to strengthening both our leadership and the values that define our organisation.

Particular focus was placed on maintaining an appropriate balance between independent and executive representation, and ensuring the Board collectively possesses the capabilities required for effective governance and oversight. These considerations informed the recruitment process for an Independent Non-Executive Director and Chair of the Audit Committee, with a strong emphasis on enhancing Board diversity with this key appointment.

Responsibilities of the Group Nomination Committee

- Reviewing and recommending changes to the composition of the Group Board and its Committees to ensure continued effectiveness
- Promoting diversity in gender, social and ethnic backgrounds, and cognitive strengths in all Board and senior management appointments
- Leading the process for appointments to the Group Board and senior management positions
- Overseeing succession planning for Group Board and senior management roles, ensuring robust plans are in place for orderly transitions
- Monitoring and reviewing the Group's corporate governance framework, ensuring alignment with regulatory expectations and best practice

Composition and governance

GNomCo is made up of three Independent Non-Executive Directors.

Standing invitees to GNomCo include the Group Chief Executive Officer and Group Chief People Officer.

Meetings and areas of focus

The GNomCo met regularly throughout 2025, with meetings focused on:

- Succession planning for the Board and senior management
- Oversight of Executive and Non-Executive Director appointments and transitions
- Review of Board and Committee composition and effectiveness
- Consideration of diversity and inclusion in all appointments
- Monitoring of the Group's governance arrangements and regulatory compliance
- Review and update of the Group Board skills matrix to ensure it captures the Board's long-term needs and strategy
- Overseeing the appointment of Mark Fairless as Group Chief Executive Officer, following the resignation of Charles McManus, who was appointed as a Non-Executive Director
- Approving the appointment of Gareth Cronin as permanent Group Chief Risk Officer, following a period as Interim
- Supporting the recruitment and appointment process for key senior management positions across the Group, including the Chief Financial Officer and Chief Technology Officer and other executive roles

Group Nomination Committee report continued

During the year, the Committee oversaw succession planning for key Group Board and senior management roles, ensuring robust pipelines for leadership positions.

The Committee reviewed the structure and membership of the Board and its Committees, confirming alignment with evolving regulatory expectations and best practice standards.

GNomCo has committed to leveraging the Board skills matrix to guide the ongoing development of Directors. This includes identifying and addressing training needs to ensure Directors are equipped to fulfil their fiduciary and regulatory responsibilities.

Through these activities, GNomCo reaffirmed its commitment to maintaining high standards of governance and transparency, supporting the Board in delivering sustainable growth and safeguarding stakeholder interests.

In addition the Committee considered external developments in corporate governance and assessed their implications for ClearBank's governance framework.

Conclusion

I would like to thank my fellow Committee members, the Executive, and the wider team for their support and commitment to maintaining a robust and effective governance structure for the Group.

This report was approved on behalf of the Group Nomination Committee on 9 April 2026.

Tim Wade

Chair of the Group Nomination Committee



Directors' report



Mark Fairless
Group Chief Executive Officer

The Directors present their report and the consolidated financial statements of ClearBank Group Holdings Limited for the year ended 31 December 2025.

The Group consolidated financial statements have been prepared in accordance with UK-adopted international financial reporting standards (IFRS). The Company financial statements have been prepared in accordance with Financial Reporting Standard (FRS) 101.

Principal activities

The principal activities of the Group are the development of a clearing bank platform and provision of business banking services to support financial institutions, fintechs and corporate businesses in the UK and in Europe. The principal activity of the Company, ClearBank Group Holdings Limited, is to operate as a centralised shared service company, pursuant to intra-group service arrangements relating to the provision of such services.

Results and dividends

The results of the Group for the year are set out in the consolidated statement of comprehensive income on page 68. No dividend was declared or paid by the Company during 2025 (2024: £nil).

2025 key events

Board and governance developments

A comprehensive review and update of the Group's Target Operating Model was undertaken, led by the Group Chief Risk Officer. This included extensive workshops and interviews across the organisation, aiming to enhance clarity, consistency, and collaboration.

The Board approved the appointment of a new Group Chief Financial Officer and noted changes in Board and executive roles, including interim appointments.

Strategic and business initiatives

The Board received regular updates on the Group's key strategic initiatives and received monthly reporting to ensure continued oversight and delivery. Progress was made on the Group's EU expansion, with updates provided on regulatory engagement, operational readiness, revenue targets and the appointment of key personnel in the European business.

The Board considered and approved the outcomes of a substantive reward review led by the Chief People Officer, including strategic changes to remuneration structures.

Risk, technology, and operations

The Board reviewed and monitored the Group's enterprise risk management framework, with actions assigned to ensure alignment with evolving regulatory requirements and best practice.

An AI demonstration pilot was initiated, with the Board agreeing to integrate this into a broader AI framework discussion.

The Board received regular updates on platform performance, technology SLAs/SLOs and operational resilience, including the impact of new engineering hires on the product roadmap.

People and culture

The Board maintained oversight of succession planning, people metrics, and internal mobility, including tracking the proportion of vacancies filled internally and sharing leadership offsite feedback.

The Board continued to monitor and support diversity, equity, and inclusion initiatives, and reviewed progress on key people-related actions.

During the year, the Group granted a total of 7,816 employee share options (2024: 29,280). The awards are subject to the service-based vesting condition that the employees remain in employment of the Group until the end of the agreed vesting period. Further details of share-based payments can be found in Note 22 on page 89.

Share capital

Details of the share capital, together with details of shares allotted during the year, is disclosed in Note 17 to the consolidated financial statements on page 86.

Directors' report continued

Going concern statement

In line with International Accounting Standard 1 (IAS 1) Presentation of Financial Statements, the financial statements are prepared on a going concern basis, as the Directors are satisfied that the Group has the resources to continue in business for at least 12 months from the date of approval of the financial statements.

In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including the current macroeconomic and geopolitical uncertainties, where we do not see any material impact, either directly as a business or indirectly through our partners, on the current state of the balance sheet, projections of profitability, cash flows, capital resources and the longer-term strategy of the business.

The capital and liquidity plans, including stress tests, have been reviewed by the Directors. The forecasts and projections show that it will be able to operate at adequate levels of both liquidity and capital for the foreseeable future, including under a range of stressed scenarios. After making due enquiries, the Directors believe that the Group has sufficient resources to continue its activities for the foreseeable future and to continue its expansion, and has sufficient capital to enable it to continue to meet its regulatory capital requirements as set out by the PRA and the DNB.

Post balance sheet events

There were no significant post balance sheet events in respect of the Group.

Future developments in the business and research and development activities

Section 414A of the Companies Act 2006 requires the Directors to present a strategic report in the Annual Report and Accounts. This report can be found on pages 2 to 42.

The Company has chosen, in accordance with section 414C(11) of the Companies Act 2006, and as noted in this Directors' report, to include certain matters in its strategic report that would otherwise be disclosed in this Directors' report.

This includes an indication of likely future developments, which is provided throughout the strategic report, and of research and development activities, which can be found on pages 20 to 22 (Our products).

Directors

The Directors holding office during the year ended 31 December 2025 and at the date of the report were as follows:

- Peter Herbert (resigned on 4 September 2025)
- Tim Wade
- Richard Anderson
- Susanne Hannestad
- Mel Carvill
- Charles McManus
- Mark Fairless
- David Samper (appointed on 24 July 2025)

Further details relating to the Directors are provided on pages 44 to 45 and on the ClearBank website.

Directors' statement on auditors

To the best of the Directors' knowledge at the time of this report's approval, all relevant audit information has been disclosed to the auditor in connection with preparing its report. Each Director, after consulting with other Directors and the Company's auditor, has taken all necessary steps to ensure they are informed of any pertinent audit information and has confirmed that the auditor is also aware of this information.

Financial instruments and financial risk management

The Group holds financial instruments on its balance sheet, including cash deposits held at the central banks, short-term receivables and amounts due to customers classified as financial liabilities. Refer to Note 20 of the consolidated group financial statements for further details.

None of these financial instruments are used for the purposes of financial risk management, and the vast majority are held at amortised cost, which therefore does not cause exposure to price risk. See Note 21 the notes to the consolidated group financial statements for more details on financial risk management.

The Group has assessed there is limited credit risk associated with the financial assets held at amortised cost and has recognised immaterial Expected Credit Losses (ECL) under IFRS 9. The Group's banking deposits are subject to variable interest rates. More details of the Group's financial instruments can be found in Notes 20 and 21.

Branches

The Group operates a branch outside the United Kingdom through its subsidiary, ClearBank Europe N.V. This branch is located in France. The activities of this branch are consistent with the Group's principal business activities.

Policies concerning people with disabilities

ClearBank seeks to ensure all employees are treated equally, fairly and in line with the Equality Act 2010. We ensure all employees can realise their full potential and our policies and procedures fully support our disabled colleagues. We actively take positive measures by way of reasonable adjustments and processes to ensure employees are fully supported.

As an employer, we are responsive to the needs of our employees. As such, should any employee become disabled during their time with us, we will actively support them and make reasonable adjustments to their working environment where possible, to keep the employee with the business. It is ClearBank's policy that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to those of other employees.

Other statutory and regulatory information

The following disclosure required pursuant to Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as updated by Companies (Miscellaneous Reporting) Regulations 2018 have been disclosed in the Strategic report on pages 2 to 42 in accordance with Section 414C of the Companies Act 2006, as the Directors consider the matters to be of strategic importance to the Group:

- Engagement with employees (Sch. 7, Para 11 and 11A 2008/2018 Regs) – pages 23 to 25
- Engagement with suppliers, customers and others in a business relationship (Sch. 7, Para 11 B 2008/2018 Regs) – pages 40 to 42.

Directors' indemnities

The Directors who served on the Group Board up to the date of this report have benefited from qualifying third-party indemnity provisions by virtue of deeds of indemnity entered into by the Directors and the Company. The deeds indemnify the Directors to the maximum extent permitted by law and by the Articles of Association of the Company, in respect of liabilities (and associated costs and expenses) incurred in connection with the performance of their duties as a Director of ClearBank Group Holdings Limited and any associated company, as defined by section 256 of the Companies Act 2006. The indemnity does not cover claims arising from fraud or dishonesty.

Streamlined Energy and Carbon Reporting (SECR)

Please refer to page 30 in the Strategic report for this information.

Mark Fairless

Group Chief Executive Officer

Statement of Directors' responsibilities



Mark Fairless
Group Chief Executive Officer

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable laws and regulations.

Company law in the UK requires the Directors to prepare consolidated financial statements for each financial year. Under that law, they are required to prepare consolidated financial statements in accordance with UK adopted international financial reporting standards (IFRS). Parent company-only financial statements may be produced under Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework, as permitted by Company law.

Under Company law, the Directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing the consolidated financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether they have been prepared in accordance with UK adopted IFRS.
- Assess the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the Group's auditors are unaware.

The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This version ensures that the responsibilities and requirements are clearly stated for the consolidated financial statements of the Group.

Approved by the Board of Directors and signed on behalf of the Board on 9 April 2026 by:

Mark Fairless
Group Chief Executive Officer

Financial Statements

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Independent auditor's report

to the members of ClearBank Group Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of ClearBank Group Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise of the following:

Group	Parent Company
Consolidated statement of comprehensive income	Companies Act exemption taken for Company statement of comprehensive income
Consolidated statement of financial position	Company statement of financial position
Consolidated statement of changes in equity	Company statement of changes in equity
Consolidated statement of cash flows	FRS 101 exemption taken for Company statement of cash flows
Notes 1 to 27 to the consolidated financial statements	Notes 28 to 37 to the Company financial statements
Material accounting policy information	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group and the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining the Directors' assessment of the going concern assumption applied in the financial statements and evaluating the appropriateness of Directors' method of assessing going concern in light of the current macroeconomic environment, inflationary pressures, as well as our understanding of the Group's strategy, forecasts, Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) submissions and Prudential Regulation Authority (PRA) minimum capital requirements;
- challenging the Directors' assumptions and judgements (for example, budgeted revenues and costs) applied within the forecast for consistency with our understanding of the business, observations of historic trends, and other corroborative information (for example, customer pipeline reports);
- testing the sensitivity of certain assumptions applied in the forecast through independent sensitivity analysis;
- confirming the arithmetical accuracy of the forecasts;
- considering the historical accuracy of forecasts through comparison of actual results with prior years forecasts;
- assessing whether additional funds are required to execute the base assumptions in the Group's business plan, sensitising those assumptions in consideration of subsequent events, and reviewing fundraisings executed to date to supporting documentation; and
- assessing the adequacy and appropriateness of the Directors going concern disclosures ensuring these reflect the key judgements and estimates.

Independent auditor's report continued

to the members of ClearBank Group Holdings Limited

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Parent Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		2025	2024
Key audit matters	Capitalisation of software development costs	✓	✓
Materiality	Group financial statements as a whole		
	£1.980m (2024: £1.669m) based on 1.5% (2024: 1.5%) of Net Revenue (being Net Interest Income plus Net Fee Income)		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion. For the purpose of our group audit, the group consisted of one component in total. This was comprised of three legal entities, being ClearBank Group Holdings Limited, ClearBank Limited and ClearBank Europe N.V.

For the component in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included procedures on the entire financial information of the component, including performing substantive procedures and tests of operating effectiveness of controls.

The group operates a centralised IT function that supports IT processes for certain entities. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

How Climate change affected the scope of our audit

The Group has determined that climate change does not currently have a material impact on its operations. Our work on the assessment of potential impacts of climate-related risks on the Group and Parent Company's operations and financial statements included:

- enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report; and
- review of the minutes of Board and Audit Committee meeting and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in Strategic Report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report continued

to the members of ClearBank Group Holdings Limited

Key audit matter

Capitalisation of software development costs – £ 15.7 million (2024: 24.1 million)

The accounting policy and judgements in respect of the capitalisation of the software development expenses are disclosed in note 2.3 and in note 3 respectively, of the consolidated financial statements.

Further information on the balance is included in note 15 of the consolidated financial statements.

Software development costs in respect of internally generated software are recognised as an intangible asset only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Inherent within the capitalisation of costs to intangible assets, relates to the judgement in the determination of the capitalisation rate which drives existence of the asset. The judgements include: the determination of projects that meet the capitalisation criteria as stipulated by IAS 38; as well as in the determination of the percentage of time that is to be capitalised to these projects.

Due to the level of judgement involved and the materiality of the balance, this was considered to be a significant risk and key audit matter.

How the scope of our audit responded to the risk

We evaluated the design and implementation of relevant controls related to software development, specifically:

- the requirement for management approval for production release of work items therefore indicating the existence of projects included in capitalised costs; and
- the review and approval of monthly capitalisation rates by senior members of staff, confirming that the rates applied are appropriate and reflect only those costs that meet the capitalisation criteria under IAS 38. This control is further supported by Management and Board level oversight activities performed over the capitalisation figures.

We performed testing over the operating effectiveness of these controls.

We obtained a breakdown of the software costs capitalised and reviewed the Group's methodology and accounting policy for capitalisation. We have assessed whether this is in line with the capitalisation requirements of the applicable accounting standards.

We have enquired with individuals who performed development in the period to corroborate our understanding and the breakdown of costs that have been capitalised.

For contractor and supplier costs capitalised, we have agreed a sample of costs to invoices, and where relevant, workings supporting the percentage capitalised.

For staff costs related to the software development, we have audited the Group's payroll and agreed amounts capitalised to the underlying payroll reports.

We assessed the population of individuals within relevant technology teams who capitalise time, and those who do not. For both groups, we traced individuals to the audited payroll and headcount listings and evaluated their roles to determine whether their responsibilities were consistent with capitalisable or non capitalisable activity.

For software costs, we agreed a sample of costs to invoices and the amount allocated to internally developed intangibles.

For the samples tested above, we assessed whether the costs capitalised met the capitalisation requirements of the applicable accounting standards.

We have assessed future economic benefits attributable to the capitalised software development costs based on the forecasts used to support the going concern assumption and the deferred tax asset recoverability, as well as revenues generated to date.

We developed an independent expectation of a theoretical maximum capitalisation rate by reference to the number of working days in the year and our understanding of the entity. Using this benchmark, we analysed the full population of staff subject to capitalisation to identify if individuals displayed average capitalisation which exceeded this level.

We performed sensitivity analysis to quantify the reduction in capitalisation rates that would be required for material misstatement to arise. This allowed us to assess the sensitivity of the balance to reasonably possible changes in management's judgement.

We have challenged management's assessment of impairment indicators relating to intangible assets by reviewing projects in development to which no costs were capitalised in the year. We also considered why this is not indicative of a requirement for impairment.

Key observations:

Based on the work performed, we did not identify any matters to suggest that the capitalisation of the software development costs of projects did not meet the capitalisation criteria as stipulated by IAS 38 nor that the determination of the percentage of time that is to be capitalised to these projects was inappropriate.

Independent auditor's report continued

to the members of ClearBank Group Holdings Limited

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2025 £k	2024 £k	2025 £k	2024 £k
Materiality	1,980	1,669	1,980	1,669
Basis for determining materiality	1.5% of Net revenue, being Net Interest Income plus Net Fee Income.		1.75% of Net Assets, capped at group materiality.	
Rationale for the benchmark applied	Net Revenue is the most relevant benchmark for users of the financial statements in this for-profit Group. This benchmark is aligned to that used by the main trading entity of the Group, ClearBank Limited.		Materiality was capped at Group materiality for the purposes of the audit.	
Performance materiality	1,485	1,251	1,485	1,251
Basis for determining performance materiality	75% of the above materiality levels based on our risk assessment together with our assessment of the Group's and Parent Company's overall control environment and history of misstatements.			
Rationale for the percentage applied for performance materiality	Various criteria were considered in order to determine the performance materiality threshold, such as past significant misstatements, management's historic response to proposed adjustments, the complexity of the audit, and the brought forward adjustments from prior periods.			

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £99k (2024: £83k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the 'Consolidated Annual Report and Accounts' other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report continued

to the members of ClearBank Group Holdings Limited

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company'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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and management.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the industry in which it operates;
- discussion with management, those charged with governance, members of the Audit Committee, Members of the Board of Directors, Members of Internal Audit and personnel in the legal department; and
- obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to include: the Companies Act 2006, relevant tax legislation, and UK adopted International Accounting Standards for the Group and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework, for the Parent Company. Non-Compliance with these laws and regulations could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- enquires of management, the Audit Committee and the Board of Directors whether there were any litigations and claims, or instances of non-compliance with laws and regulations;

Independent auditor's report continued

to the members of ClearBank Group Holdings Limited

- enquires of the legal team of the Group and the Parent Company;
 - review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
 - review of correspondence with regulators, including the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) for any instances of non-compliance with laws and regulations;
 - meeting with the PRA;
 - discuss with the local statutory auditor regarding their assessment of any instances of non-compliance with relevant local laws and regulations;
 - review of financial statement disclosures and agreeing to supporting documentation;
 - involvement of tax specialists in the audit; and
 - review of legal expenditure accounts to understand the nature of expenditure incurred;
- detecting and responding to the risks of fraud; and
 - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
 - discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
 - performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
 - considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be Management Override of Controls and Capitalisation of Software Development Costs.

Our procedures in respect of the above included:

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance, including the Audit Committee and the Board of Directors, and Internal Audit regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
 - in addressing the risk of fraud through management override of controls, testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
 - involvement of forensic specialists in the audit to review our risk assessment on fraud risks identified;
 - in response to the risk of fraud in the capitalisation of software development costs, the procedures performed in the 'Key Audit Matter' section above;

- understanding all the relevant systems and processes, including the design and implementation of key controls and testing the operating effectiveness of IT General Controls in areas carrying a significant risk of material misstatement; and
- assessing significant estimates made by management for bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

We were appointed by the Directors of ClearBank Group Holdings Limited on the 11 May 2023 to audit the financial statements for the period ended 31 December 2024 and subsequent financial periods.

Our total uninterrupted period of engagement is 4 years, covering the periods ended 31 December 2022 to 31 December 2025.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stefan Beyers (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
London, UK
9 April 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of comprehensive income for the year ended 31 December 2025

	Notes	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Interest income	5	625,779	425,289
Interest expense	5	(554,816)	(358,179)
Net interest income		70,963	67,110
Fee income	5	66,183	47,141
Fee expenses	5	(5,268)	(2,952)
Net fee income		60,915	44,189
Other income	5	806	787
Total income		132,684	112,086
Staff costs	6	(78,740)	(67,335)
Depreciation	13	(2,265)	(1,693)
Amortisation of intangibles	14	(15,706)	(11,643)
Impairment	14	(936)	(1,584)
Other operating expenses	7	(51,287)	(39,780)
Operating expenses		(148,934)	(122,035)
Operating loss		(16,250)	(9,949)
Other losses		(354)	(165)
Finance costs		(106)	(130)
Loss for the year before taxation		(16,710)	(10,244)
Taxation	9	945	(74)
Loss for the year after taxation		(15,765)	(10,318)
Other comprehensive income/(loss)			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		1,788	(767)
Other comprehensive income/(loss)		1,788	(767)
Total comprehensive loss for the year		(13,977)	(11,085)

The accompanying notes form an integral part of the financial statements.

Consolidated statement of financial position as at 31 December 2025

	Notes	As at 31 Dec 25 £'000	As at 31 Dec 24 £'000
Assets			
Cash and cash equivalents	10	17,956,976	10,961,293
Collateral placed		509	1,368
Receivables	11	17,296	10,408
Current tax asset		1,563	753
Right-of-use asset	12	549	2,111
Property, plant and equipment	13	–	34
Intangible assets	14	51,683	52,670
Deferred tax asset	15	39,779	35,426
Total assets		18,068,355	11,064,063
Liabilities			
Customer deposits		17,826,803	10,818,568
Other payables	16	27,067	20,708
Lease obligations	12	1,256	2,219
Deferred income		390	277
Total liabilities		17,855,516	10,841,772
Equity			
Called up share capital	17	2	2
Share premium	18	224,403	224,403
Capital contribution reserve		11,942	9,188
Retained losses		(24,512)	(10,518)
Translation reserve		1,004	(784)
Total equity		212,839	222,291
Total equity and liabilities		18,068,355	11,064,063

The accompanying notes form an integral part of the financial statements.

Company registration number: 14254435

The financial statements were approved by the Board on 9 April 2026.

Mark Fairless
Group Chief Executive Officer

David Samper
Group Chief Financial Officer

Consolidated statement of changes in equity for the year ended 31 December 2025

	Share capital ¹ £'000	Share premium £'000	Capital contribution reserve £'000	Retained earnings or (losses) £'000	Translation reserve £'000	Total equity £'000
As at 1 January 2024	2	189,403	3,511	3,598	(17)	196,497
Loss for the year	–	–	–	(10,318)	–	(10,318)
Other comprehensive loss	–	–	–	–	(767)	(767)
Issue of share capital ¹	–	35,000	–	–	–	35,000
Share-based payments	–	–	5,677	76	–	5,753
Tax on share-based payments	–	–	–	(3,874)	–	(3,874)
As at 31 December 2024	2	224,403	9,188	(10,518)	(784)	222,291
Loss for the year	–	–	–	(15,765)	–	(15,765)
Other comprehensive income	–	–	–	–	1,788	1,788
Share-based payments	–	–	2,754	(1,187)	–	1,567
Tax on share-based payments	–	–	–	2,958	–	2,958
As at 31 December 2025	2	224,403	11,942	(24,512)	1,004	212,839

¹ During 2024 the Company, ClearBank Group Holdings Limited, issued 35 million Ordinary Shares for £1.00 each with a nominal value of £0.00001 which increased the share capital by £350.00.

The accompanying notes form an integral part of the financial statements.

Consolidated statement of cash flows for the year ended 31 December 2025

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000		Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Cash flows from operating activities			Cash flows used in investing activities		
Loss for the year after tax	(15,765)	(10,318)	Purchase of property, plant and equipment	(29)	(5)
Adjustments for non-cash items			Purchase of intangible assets	(15,655)	(24,091)
Depreciation of property, plant and equipment	63	68	Net cash used in investing activities	(15,684)	(24,096)
Depreciation of right-of-use asset	2,202	1,624	Cash flows from financing activities		
Amortisation of intangible assets	15,706	11,643	Proceeds from issue of Ordinary Shares	–	35,000
Impairment of intangible assets	936	1,584	Direct costs paid for lease acquisition	(24)	–
Share-based payment expense	1,567	5,753	Principal paid on lease liabilities	(1,579)	(1,567)
Tax (benefit)/charge	(945)	74	Net cash (used in)/generated from financing activities	(1,603)	33,433
Net interest income	(70,963)	(67,110)	Net increase in cash and cash equivalents	6,999,904	4,700,109
Other income	(798)	(678)	Cash and cash equivalents at beginning of the year	10,961,293	6,258,123
Foreign currency differences	30	18	Effect of foreign exchange rate changes	(4,221)	3,061
Operating cash flows before changes in working capital	(67,967)	(57,342)	Cash and cash equivalents at end of the year	17,956,976	10,961,293
Cash flows from changes in working capital					
Decrease/(increase) in collateral	859	(16)			
Decrease in loans and advances to banks	–	19,525			
Increase in receivables	(6,288)	(1,877)			
Increase in payables	6,359	46			
Increase/(decrease) in deferred income	113	(6,167)			
Increase in customer deposits	7,006,677	4,654,971			
Foreign currency differences	5,979	(3,846)			
Cash generated from operations	6,945,732	4,605,294			
Interest received	625,779	425,289			
Interest paid	(553,258)	(341,945)			
Tax (paid)/received	(1,062)	2,134			
Net cash generated from operating activities	7,017,191	4,690,772			

Notes to the consolidated financial statements

1. Basis of preparation

1.1. General information

These are the consolidated financial statements of ClearBank Group Holdings Limited (the 'Company') and its subsidiaries (together, the 'Group'). The separate financial statements of the Company are also reported and are presented after the consolidated financial statements of the Group. The Company operates as a centralised shared services company in the United Kingdom, pursuant to intra-group services arrangements relating to the provision of such services.

The Company is a private limited company limited by shares which is registered in England and Wales and incorporated under the Companies Act 2006. The address of the registered office is ClearBank, Level 27, Broadgate Tower, Primrose Street, London EC2A 2EW.

1.2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Financial Reporting Standards (IFRS). The Company's financial statements have been prepared under Financial Reporting Standard (FRS) 101.

The financial statements are presented in pounds sterling, the functional and presentational currencies of the Group and the Company, rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

In accordance with section 408 of the Companies Act 2006, the Company has taken advantage of the legal dispensation not to present its own statement of comprehensive income or income statement. The amount of loss for the financial year dealt with in the financial statements of the Company is disclosed in the statement of changes in equity.

1.3. Statement of Compliance

The Company financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraph 38 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based Payment;
- the requirements of IFRS 7 Financial Instruments;
- the requirements of paragraph 91 to 99 of IFRS 13 Fair Value Measurement; and
- the requirements of paragraphs 52-58 of IFRS 16 Leases.

The Directors have approved these disclosure exemptions for the Company.

1.4. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, which are entities controlled by the Company, made up to 31 December 2025.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect returns.

If facts and circumstances indicate that there are changes to one or more of the three elements of control listed above, the Company reassesses whether or not it controls an investee. Subsidiaries are consolidated when the Company obtains control and are deconsolidated from the date that control ceases. Uniform accounting policies are applied consistently across the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The principal subsidiaries of the Company as at 31 December 2025 which have been included in the consolidated financial statements are the following :

Name of subsidiary	Principal activity	Jurisdiction	Ownership
ClearBank Limited	Business banking	United Kingdom ¹	100%
ClearBank Europe N.V.	Business banking	Netherlands ²	100%

1 Registered office: Level 27, Broadgate Tower, Primrose Street, London EC2A 2EW, United Kingdom.

2 Registered office: Stadhouderskade 85, 1073 AT Amsterdam, The Netherlands.

1.5. Going concern

In assessing going concern, the Directors have considered the current consolidated statement of financial position, the Group's financial projections, longer-term strategy of the business and the capital and liquidity plans, including stress tests. The period of assessment is at least 12 months from the date of signing these financial statements. The Directors have also considered the minimum capital requirements set by the Prudential Regulation Authority (PRA) and are satisfied that the Group will be able to meet its ongoing capital obligations. The Directors have also considered the current market uncertainty and macroeconomic challenges as a result of geopolitical conflicts and instability, rising trade tensions and evolving fiscal environment, where we do not see any material impact, either directly as a business or indirectly through our clients and partners, and do not consider this will have a significant impact on the Group.

Please see page 59 in the Directors' Report for further discussion on the assessment of the going concern basis.

The Group's business model remains largely unchanged and all sterling customer funds continue to be held at the Bank of England. In addition, all euro customer deposits from clients in Europe are held at De Nederlandsche Bank (DNB) and the European Central Bank (ECB). The nature of the Group's business model means that capital is managed in a prudent and risk-averse way, maintaining limited exposure to risk-weighted assets (RWAs) and ensuring a strong capital position.

The Group has prepared the financial statements on a going concern basis.

Notes to the consolidated financial statements continued

1. Basis of preparation continued

1.6. Business Transfer Agreement

On 31 December 2025, the Company entered into a Business Transfer Agreement (BTA) with its UK subsidiary, ClearBank Limited, as part of the Group's end-state Target Operating Model to support its purpose, ambition and strategy and to scale the business as One ClearBank. Under the BTA, ClearBank Limited transferred specified business functions and assets to the Company at net book value (NBV) through a business combination under common control as defined by IFRS 3 Business Combinations.

There is no impact of the BTA transaction on the Group consolidated financial statements. The effects of the BTA on the Company's financial statements are summarised in Note 28 to the Company financial statements.

2. Material accounting policies

The material accounting policies used in the preparation of these financial statements, as set out below, have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

2.1. Revenue recognition

Revenue from contracts with customers is recognised in accordance with the five-step model of IFRS 15 Revenue from Contracts with Customers. The Group first identifies a customer contract represented by a mutually-signed agreement. The distinct performance obligations within each contract are then identified, followed by the transaction price as determined based on the consideration specified in the contract. The transaction price is then allocated to the identified performance obligations based on their relative standalone selling prices. Revenue is recognised as, or when, the performance obligations are satisfied, which for ClearBank's fee income streams happens at both a point-in-time (transaction and agency banking services) and over time as the related services are provided to customers (online banking and IT services).

Performance obligations and timing of revenue recognition

Revenue is recognised as the control of services are transferred to the customer, using the amount that the Group expects to be entitled to in exchange for the services. Depending on whether performance obligations expressed in the customer contracts are fulfilled, revenue is recognised either over time, in a manner that best reflects the entity's performance of those obligations, or at a point in time, when control of the services is transferred to the customer. The Group recognises revenue for fees on an over time basis if any of the following criteria are met:

- the customer concurrently receives and consumes the benefits provided by the Group's performance as the Group performs its obligation; or
- the Group's performance creates or enhances a customer-controlled asset; and
- the Group's performance does not create an asset with an alternative use, and the Group has a right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time (when control transfers) for performance obligations that do not meet the criteria for recognition of revenue over time.

Income streams

Revenue from customer contracts is split into two main income streams:

(i) Transaction fee income (IFRS 15)

Transactional fee income is recognised at the point in time when transactional banking services, i.e. in and out-bound transactions and foreign exchange transactions, are successfully completed, being the point in time the service is transferred to the customer.

(ii) Non-transaction fee income (IFRS 15)

These are sub-categorised into the following:

Monthly fees

This category includes a fixed monthly charge for the use of banking services provided by the Group such as actual and virtual account fees, access to online banking services and variable monthly charges for the number of active and virtual accounts incrementally added in the month. Monthly fee income is recognised as revenue over the period the customers' account services are provided, i.e. on an over time or a pro-rata basis.

Implementation fees

One-off implementation fees are charged to customers for set up and onboarding, based on transaction prices set out in the customers' contracts. Onboarding fees are recognised over time on a right-to-consideration basis.

Due diligence fees

Due diligence services include risk assessments, know-your-client (KYC), anti-money laundering and politically exposed person checks. These fees are charged to the customer at the point in time when the checks have been completed.

Accrued and deferred income

Where fees are received in arrears of providing the contracted services, the income is accrued in the statement of comprehensive income as services are provided over the relevant contracted period and recognised as accrued income in the statement of financial position. The accrued income is derecognised from the statement of financial position when the fees are received.

Where fees are received in advance of providing the contracted services, the income is deferred and recognised as a contract liability in the statement of financial position and released to the statement of comprehensive income as services are provided over the relevant contracted period.

Determining the transaction price

Most of the Group's revenue is derived from contracts which specify fixed fees for services and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed fees.

Allocating amounts to performance obligations

For all customer contracts, each service type has a fee attached. The contract price is the standalone selling price of specific services provided in such contracts.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

2.1. Revenue recognition continued

Practical exemptions

The Group has taken advantage of the practical exemptions provided by IFRS 15:

- to expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less; and
- to recognise revenue in the amount to which the Group has a right to invoice corresponding with the performance completed to date.

Interest income (IFRS 9)

Interest income and expense are recognised in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest method (EIR) in accordance with IFRS 9, except for those classified at fair value through profit or loss. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the expected life of the financial instrument. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or when appropriate, a shorter period, to the gross carrying amount of a financial asset or to the amortised cost of a financial liability, including premiums and discounts that are an integral part of the overall return.

2.2. Tax

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to income tax payable in respect of previous years.

Research and Development (R&D) tax credit claims under the UK small and medium-sized entity (SME) scheme are recognised as income tax credits in the statement of comprehensive income. R&D tax credits under the large company scheme are recognised as other income or against the R&D expense in line with the requirements of IAS 20 Government Grants and Disclosure of Government Assistance.

Deferred tax

Deferred taxes are calculated according to the balance sheet method and are measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items recognised directly in equity or in other comprehensive income. In certain circumstances, as permitted by accounting guidance, deferred tax balances are not recognised. Deferred tax on share-based payments (SBP) is recognised in the statement of comprehensive

income to the extent of the related cumulative SBP expense; any excess deferred tax is recorded directly in equity. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to do so and they relate to income taxes levied by the same tax authority.

2.3. Intangible assets

Purchased and internally developed software

Several factors are taken into account when considering whether purchased software, licences and internally developed software meet the recognition criteria in IAS 38 Intangible Assets.

Where for example a third-party provider retains ownership of the software, this will not meet the control criterion in the standard (i.e. the power to obtain benefits from the asset) and the costs will be expensed as incurred.

Where it is capitalised, purchased and internally developed software is held at cost less accumulated amortisation and impairment losses. Such software is recognised in the statement of financial position if, and only if, it is probable that the relevant future economic benefits attributable to the software will flow to the Group and its cost can be measured reliably.

For internally developed software, costs incurred in the research phase are expensed, whereas costs incurred in the development phase are capitalised, subject to meeting specific criteria as set out in the relevant accounting guidance. These criteria include:

- demonstrating the technical feasibility, the intention and the ability to complete the asset for use or sale;
- how the intangible asset will generate probable future economic benefits, for example the usefulness of the asset if it is to be used internally;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful life of the relevant software.

Previously expensed software costs are not retrospectively capitalised.

Amortisation is charged on the following basis:

Banking software	Straight line over 5 years
Software licences	Straight line over the lower of 5 years or the licence period

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

2.3. Intangible assets continued

Impairment testing for intangible assets

For intangible assets with finite lives, impairment charges are recognised where evidence of impairment is observed. If an indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is calculated as the higher of fair value less costs to sell and value in use.

If the recoverable amount of an intangible asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense in the statement of comprehensive income immediately.

An impairment loss recognised in earlier periods is reversed if there is a change in the estimates used to determine the intangible assets' recoverable amount since the last impairment loss was recognised. When this is the case, the carrying amount of the intangible is increased to the newly estimated recoverable amount with a reversal of impairment loss. The newly estimated recoverable amount cannot be greater than the original cost.

2.4. Lease obligations

Lease liabilities are calculated at the present value of the lease payments that are not paid at the commencement date. The Group uses an incremental borrowing rate (IBR) which reflects the fixed rate at which the Group could borrow an amount similar to the value of the right-of-use (ROU) asset, in the same currency, for a similar term, and with similar collateral.

The discount rate is based on a quoted swap rate and by adding a credit margin that reflects the secured nature of the lease obligation. The Group assesses at the lease commencement date whether it is reasonably certain to exercise any extension options and thereafter reassesses whether it is reasonably certain to exercise the options if there is a significant event or a significant change in circumstances within its control.

2.5. Foreign currency translation

Transaction and balances

Transactions in a foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Monetary items in the statement of financial position denominated in a foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition. Non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign currency differences arising on translation are recognised in other operating expenses. Gains and losses arising from foreign currency transactions offered to clients are also recognised in other gains or losses.

Translation of Group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated from their functional currency into sterling, the Group's presentational currency, using the closing exchange rate. Income and expenses are translated using the daily exchange rates as of the dates of transactions occurring.

Exchange differences arising on the translation of Group companies are recognised in other comprehensive income. If the Group disposes of the foreign operation, the cumulative amount of the exchange differences recognised in other comprehensive income and accumulated in the separate component of equity (i.e. the translation reserve) relating to that foreign operation is recognised in profit or loss when the gain or loss on disposal is recognised.

2.6. Financial instruments

Financial instruments (other than derivatives)

Financial instruments cover a wide range of financial assets including cash and cash equivalents, financial investments, collateral received and trade receivables. Financial instruments also cover financial liabilities including customer deposits, trade payables and lease obligations.

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to receive cash flows have expired or been forfeited by the Group, or alternatively, when there is a transfer of control based on whether the Group transfers or retains substantially all the risks and rewards of ownership. A financial liability is derecognised when, and only when, the liability is extinguished.

Classification and measurement of financial assets and financial liabilities

Initial measurement

A financial asset is initially measured at fair value plus, for an item not at fair value through the profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Under IFRS 9, for the purpose of subsequent measurement, a financial asset is classified on initial recognition as measured at: amortised cost; fair value through other comprehensive income (FVOCI)-debt instrument; FVOCI-equity investment; or FVTPL. The classification of financial assets depends on (i) the purpose for which they were acquired, (ii) the business model in which a financial asset is managed, and (iii) its contractual cash flow characteristics. This classification determines the subsequent measurement basis.

The following accounting policies apply to the subsequent measurement of financial assets.

Category	Accounting policies
Financial assets at FVTPL	These financial assets are subsequently measured at fair value. Net gains and losses, including interest and dividend income, are recognised in the statement of comprehensive income.
Amortised cost	These financial assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of comprehensive income. Any gain or loss on derecognition is recognised in the statement of comprehensive income.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

2.6. Financial instruments continued

Business model assessment

The Group assesses the objective of a business model in which an asset is held at a portfolio level because this best represents the way the business is managed and information is reported to management. The assessment considers the stated portfolio policies and objectives. It is important to determine whether management's strategy in holding the financial asset is to earn contractual interest revenue or to realise cash flows through the sale of the assets. The frequency, volume and timing of sales in prior periods may be reviewed, along with the reasons for such sales and expectations about future sales activity. This helps management determine whether financial assets should be measured at fair value.

Financial assets are not reclassified subsequent to their initial recognition, except when the Group changes its business model for managing financial assets, in which case the reclassification is applied prospectively. Reclassifications are expected to occur infrequently.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are SPPI on the principal amount outstanding on specified dates.

Financial assets at FVTPL

All other financial assets that are not measured at amortised cost or FVOCI are classified as measured at FVTPL. In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group's interests in equity securities are designated at FVTPL, as they are part of groups of financial assets which are managed and whose performance is evaluated on a fair value basis. These investments are recognised at fair value initially and subsequently, with changes in fair value recognised in investment return in the statement of comprehensive income.

The fair value of quoted financial investments is based on the value within the bid-offer spread that is most representative of fair value. If the market for a financial investment is not active, the Group establishes fair value by using valuation techniques such as recent arm's-length transactions, reference to similar listed investments, discounted cash flow or option pricing models.

The Group recognises purchases and sales of financial investments on trade date, which is the date that the Group commits to purchase or sell the assets. The costs associated with investment transactions are included within expenses in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise on-demand deposits and short-term money market fund (MMF) investments that are readily convertible to a known amount of cash. All cash and cash equivalents are classified as at amortised cost which means they are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method and are subject to the impairment requirements outlined later in this section.

Financial liabilities and equity

Management also determines the classification of financial liabilities at initial recognition. The Group classifies its financial liabilities as measured at either amortised cost or FVTPL. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are measured at amortised cost using the effective interest method.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Trade payables and receivables

Due to the short-term nature of trade payables and receivables, their carrying amount is considered to be the same as their fair value.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

2.6. Financial instruments continued

Investments in subsidiaries

Investments in subsidiary undertakings by the Company are initially stated at cost. Subsequently, investments in subsidiary undertakings are stated at cost less provision for impairment. An investment in a subsidiary is deemed to be impaired when its carrying amount is greater than its estimated recoverable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements. All impairments are recognised in the statement of comprehensive income as they occur. The carrying cost is reviewed at each statement of financial position date by reference to the income that is projected to arise therefrom. Impairments are subsequently reversed if the recoverable amount exceeds the carrying value.

Impairment of financial assets

IFRS 9 requires the use of an 'expected loss' accounting model for credit losses which results in earlier recognition of expected credit losses (ECL). The impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Financial assets at amortised cost include cash and cash equivalents, collateral balances and trade receivables. Under IFRS 9, credit loss allowances are measured on each reporting date according to a three-stage ECL impairment model.

Application of the impairment model

The Group applies IFRS 9's ECL model using the simplified approach to trade receivables, accrued income and other receivables. The simplified approach requires the recognition of a lifetime ECL allowance on day one. The Group's financial assets held at amortised cost also comprise cash and cash equivalents with the Bank of England, the DNB, the ECB and other credit institutions, collateral placed with payment schemes, and high-grade investment securities. The Group deems the likelihood of default across these counterparties as low and does not recognise a provision against the carrying balances.

ECLs for financial assets at the reporting date are measured as the difference between the gross carrying amount and the present value of estimated future cash flows. ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The measurement of ECLs considers information about past events and current conditions, as well as supportable information about future events and economic conditions. The Group's impairment methodology for estimating the ECLs takes into account forward-looking information in determining the appropriate level of allowance. The nature of the Group's billing model, where transaction and other fees are deducted directly from customer deposit accounts shortly after they become due, means that the Group's trade receivables and hence ECL are immaterial, with no further ECL-related disclosures considered necessary by management.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Customer default

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. The definition of 'credit-impaired' is aligned with the Group's definition of default. The Group defines a financial asset as in default when it meets one or more of the following criteria:

1. 90 days past due.
2. The client's outstanding balance is in excess of their mandated minimum balance (MMB) i.e. their collateral.

Write-off

Financial assets are written off (either partially or in full) when there is no realistic prospect of the amount being recovered. This is generally the case when the Group concludes that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Deposits from customers

Deposits from customers are initially measured at fair value, which is normally the proceeds received net of any directly attributable transaction costs incurred. Subsequent measurement is at amortised cost, using the effective interest rate method. Amounts represent cash held on account to support customer transactions and the MMB. A corresponding asset in connection to these amounts is maintained within cash and cash equivalents.

The Group receives and accepts collateral in the form of cash and it is recognised when placed with the Group. The cash is held in the MMB account and is a requirement of becoming a client of the Group. The MMB account is held separately from other operational client funds and is held throughout the term of the contract. The collateral received from clients is disclosed as part of customer deposits in the statement of financial position.

2.7. Share capital

Shares are classified as equity instruments when there is no contractual obligation to deliver cash or other assets to another entity on terms that may be unfavourable. The value of the Company's share capital consists of the number of Ordinary Shares in issue multiplied by their nominal value. The difference between the proceeds received on issue of the shares and the nominal value of the shares issued is recorded in share premium.

2.8. Employee benefits

Defined contribution pension

The Group operates a defined contribution scheme which has been established for eligible employees of the Group. The Group makes contributions to members' pension plans but has no further payment obligations once the contributions have been paid.

Under a defined contribution plan, the Group's legal or constructive obligation is limited to the amount it agrees to contribute to a pension fund and there is no obligation to pay further contributions if the fund does not hold sufficient assets to pay benefits. Contributions in respect of defined contribution schemes for current service are expensed in the statement of comprehensive income as staff costs and other employee-related costs when incurred.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

2.8. Employee benefits continued

Employee share-based payments

The Group operates equity-settled share-based remuneration plans for its employees. This involves an award of shares or share options in the ultimate parent company, CB Growth Holdings Limited. None of the Group's plans are cash-settled.

The Group accounts for these plans as group share-based payment arrangements in accordance with the requirements of IFRS 2. As the receiving entity of employee services, the Group recognises share-based remuneration expense with respect to its employees awarded shares or share options in the statement of comprehensive income. It recognises corresponding credits in the capital contribution reserve as a component of the statement of changes in equity.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability, sales growth targets and performance conditions).

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

The amount recognised as an expense for non-market conditions and related service conditions is adjusted each reporting period to reflect the actual number of awards expected to be met. The amount recognised as an expense for awards subject to market conditions is based on the proportion that is expected to meet the condition as assessed at the grant date. No adjustment is made to the fair value of each award calculated at grant date.

The capital contribution reserve is transferred to retained earnings upon exercise of the share options and where options with market-based performance condition lapse, or are forfeited.

2.9. Government and equivalent grants

Recognition of the Capability and Innovation Fund grant income in the statement of comprehensive income is dependent on the Group satisfying certain criteria. Where the criteria haven't been satisfied, the grant is initially recognised as deferred income in the statement of financial position. When the criteria for retention have been satisfied, the deferred income balance is released to the statement of comprehensive income and set against the relevant associated costs, or set against the internally developed software intangible asset purchased. The amount of cash flow associated with purchase of intangible assets presented in the statement of cash flows is shown net of grant income deducted.

Capability and Innovation Fund grants received on capital expenditure are deducted in arriving at the carrying amount of eligible assets purchased. The benefit of the grant income is recognised in the statement of comprehensive income as the asset is amortised over its useful life.

3. Accounting judgements and significant estimates

The preparation of financial statements in conformity with IFRS requires management to exercise judgement in applying accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements.

Critical accounting estimates and judgements are those that involve the most complex or subjective assessments and assumptions. Management uses its knowledge of current facts and circumstances and applies estimation and assumption setting techniques that are aligned with relevant actuarial and accounting guidance to make predictions about future actions and events. Actual results may differ significantly from those estimates.

The Group Audit Committee reviews the reasonableness of judgements and assumptions applied and the appropriateness of material accounting policies adopted in the preparation of these financial statements. Judgements disclosed below are those made by management in the application of the Group's accounting policies. As required by IAS 1 Presentation of Financial Statements, estimates are differentiated as those judgements which relate to management assumptions about the future and have other sources of estimation uncertainty.

A. Accounting judgements

3.1. Capitalisation of intangible assets

Development expenditure represents expenditure incurred in relation to the internal development of the banking platform to support the services and products of the Group. Management exercises judgement in determining which platform development costs meet the IAS 38 Intangible Assets criteria for capitalisation and lead to future economic benefits sufficient to recover the costs capitalised. This includes judgements as to the amount of time spent directly on development of new software or significant improvement of the existing systems.

3.2. Impairment of internally developed intangible assets

Management makes judgements on the obsolescence of the internally developed software and its ability to generate positive cash flows for the business. In accordance with IAS 36 Impairment of Assets, this assessment considers the internal and external indicators of impairment that could indicate the carrying value of internally developed software intangibles is materially misstated.

B. Significant estimates

Significant estimates are those with a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year. The following was considered by management as a significant estimate within the scope of IAS 1:

3.3. Amortisation of internally developed software

The capitalised assets are amortised over the useful economic lives of these assets. The useful economic life over which internally developed software is amortised is determined by the expected duration of the intangible assets which is determined with reference to past experience, and management's future expectation of developments in technology in the financial payments landscape. Management have estimated the capitalised internally developed software to have a useful economic life of five years.

Notes to the consolidated financial statements continued

3. Accounting judgements and significant estimates continued

B. Significant estimates continued

3.3. Amortisation of internally developed software continued

Consequently, during the year, internally developed software was amortised over five years from going live. The amortisation for the year was £15.7 million (2024: £11.6 million). A reduction in the average amortisation period by one year would increase the amortisation expense for the year by £5.3 million (2024: £4.3 million).

The consolidated financial statements also include other areas of judgement and accounting estimates. While these do not meet the definition of significant accounting estimates under IAS 1, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or can be subject to longer-term uncertainties.

4. New standards, amendments to standards and interpretations adopted in the financial statements

There are no new standards, amendments and interpretations issued by the IASB that are effective for the first time for periods beginning on or after 1 January 2025 that have a material effect on the Group, as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies so have not been discussed in detail in the notes to the financial statements. The mandatory amendments for reporting periods starting 1 January 2025 are the following:

- Amendments to IAS 21 (The Effects of Changes in Foreign Exchange Rates) – Lack of Exchangeability

There is no impact to the Group from these amendments.

Certain new standards, interpretations and amendments to existing standards have been published by the IASB and endorsed by the UK Endorsement Board that are mandatory for annual reporting periods beginning on or after 1 January 2026. These are the following:

- Amendments to IFRS 9 (Financial Instruments) and IFRS 7 (Financial Instrument Disclosures) – Amendments to the Classification and Measurement of Financial Instruments Assessment

Similarly, for reporting periods starting 1 January 2027:

- New standard: IFRS 18 Presentation and Disclosure in Financial Statements
- New standard: IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group has not early adopted these standards, amendments and interpretations and it is currently assessing the impact of these amendments.

5. Income

Net interest income

Interest income and expenses shown below all relate to financial instruments held at amortised cost and are measured using the effective interest rate.

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Interest received on cash and cash equivalents	625,764	425,150
Other interest received	15	139
Interest paid on customer deposits	(554,816)	(358,179)
Total net interest income	70,963	67,110

Net fee income

Net fee income represents fees receivable from transactional and agency banking services provided to clients, less fee expenses. Net fee income relates to services provided to clients in the UK and the European Union and is stated net of value added tax (where applicable).

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Transaction fee income	25,614	17,141
Non-transaction fee income	40,569	30,000
Total fee income	66,183	47,141
Fee expenses	(5,268)	(2,952)
Net fee income	60,915	44,189

Other income

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
R&D tax credits	798	678
Other income	8	109
Total other income	806	787

Notes to the consolidated financial statements continued

5. Income continued

Timing of revenue recognition

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Over time	40,569	30,000
Point in time	25,622	17,250
Total¹	66,191	47,250

¹ This excludes R&D tax credit income of £798k (2024: £678k).

6. Staff costs

The aggregate remuneration of employees and Directors during the year was:

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Salaries and wages	65,025	52,880
Social security costs	8,556	6,096
Retirement obligations	3,592	2,606
Share-based payments	1,567	5,753
Total	78,740	67,335

Employee numbers

The average number of persons employed by the Group (including Directors) during the year was:

	31 Dec 25 No.	31 Dec 24 No.
Management	35	30
Operations	196	177
Product and Technology	217	220
Sales and Marketing	62	53
Support and Control Functions	157	152
Total average number of employees during the year	667	632

7. Operating expenses

Loss for the year has been arrived at after charging/(crediting):

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Share-based payment charge	1,567	5,753
Other staff costs	77,173	61,582
Professional fees	17,161	15,669
IT and software	16,734	12,831
IT contractors	3,003	2,376
Scheme costs	1,075	1,305
Depreciation	2,265	1,693
Amortisation of intangibles	15,706	11,643
Impairment of intangibles	936	1,584
(Gain)/loss on foreign exchange	(23)	3
Irrecoverable VAT	8,823	4,444
Expenses recharged	400	–
Other expenses	4,114	3,152
Total	148,934	122,035

8. Auditor's remuneration

Included in operating expenses are fees paid to the Group's auditor. These can be categorised as follows (excluding VAT):

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Fees for audit services		
Fees for audit of the Company's financial statements	92	88
Fees for audit of the subsidiary ClearBank Limited	522	379
Fees for audit of the subsidiary ClearBank Europe N.V.	195	99
Total audit fees	809	566
Fees for non-audit services		
Interim profit verification of the subsidiary ClearBank Limited	55	55
Country-by-country reporting	1	1
Total	865	622

Notes to the consolidated financial statements continued

9. Tax

This note analyses the income tax credit/(charge) recognised in the consolidated statement of comprehensive income for the year and the various factors that have contributed to the composition of the charge.

The Group published its tax strategy on the ClearBank website, which complies with the requirements for each UK tax resident company to publish a tax strategy for the year ended 31 December 2025, under paragraph 16(2) Schedule 19 of the Finance Act 2016.

a) Tax charged to the consolidated statement of comprehensive income

The total tax credit/(charge) for the year comprises:

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Current tax		
Current tax on loss for the year	(225)	(225)
Adjustments in respect of prior years	(225)	(288)
Total current tax	(450)	(513)
Deferred tax		
Origination and reversal of timing differences	1,369	1
Adjustments in respect of prior years	26	438
Total deferred tax	1,395	439
Total tax credited/(charged) to the consolidated statement of comprehensive income	945	(74)

b) Reconciliation of the total income tax credit/(charge)

The tax credit/(charge) shown in the consolidated statement of comprehensive income differs from the tax credit/(charge) that would apply if all profits/(losses) had been taxed at the UK corporation tax rate. Reconciliations between the tax credit/(charge) and the accounting profit/(loss) multiplied by the UK corporation tax rate for the years ended 31 December 2025 and 31 December 2024 are as follows:

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Loss on ordinary activities before tax	(16,710)	(10,244)
Tax at UK standard rate of 25% (2024: 25%)	4,178	2,561
Effects of:		
Adjustments in respect of prior years	(199)	150
Non-deductible expenses	(147)	(163)
Non-taxable income	1	–
Deferred tax unrecognised	(3,390)	(2,002)
Share-based payments	368	(646)
Effect of overseas tax rates	130	64
Effect of group relief, other reliefs and charges	4	(38)
Total tax credited/(charged) to the consolidated statement of comprehensive income	945	(74)

There are no material uncertainties within the calculation of corporation tax. The tax provisions are based on tax legislation in the relevant jurisdictions and have not required any judgements or material estimates.

The UK subsidiary intends to claim for UK R&D tax relief under the RDEC scheme for the accounting period ended 31 December 2025 resulting in an estimated RDEC tax credit of £900k, in addition to an £800k RDEC tax credit relating to the accounting period ended 31 December 2024, which will be offset against the current year tax liability.

Notes to the consolidated financial statements continued

10. Cash and cash equivalents

	31 Dec 25 £'000	31 Dec 24 £'000
Cash at central banks	17,501,455	10,620,918
Cash at commercial banks	8,404	13,948
Treasury investments	447,002	326,339
Other cash	115	88
Total	17,956,976	10,961,293

Of the cash and cash equivalents amount held by the Group, £17.8 billion (2024: £10.8 billion) relates to customer deposits. Treasury investments are money market fund holdings that constitute highly liquid Constant Net Asset Value (CNAV) funds, all of which are backed by high-grade government securities.

11. Receivables and other assets

	31 Dec 25 £'000	31 Dec 24 £'000
Receivables		
Trade receivables	155	328
Prepayments	7,606	4,878
Accrued income	198	189
Other receivables	8,814	3,021
Net VAT receivable	523	1,992
Total	17,296	10,408

Other receivables include temporary overdrawn customer balances of £6.2 million (2024: £1.7 million) which are fully collateralised, and leasehold property deposits of £1.2 million (2024: £0.6 million).

12. Leases

Right-of-use assets

	Buildings £'000
As at 1 January 2024	952
Additions	2,783
Depreciation charge	(1,624)
At 31 December 2024	2,111
Additions	698
Depreciation charge	(2,202)
Disposal	(58)
At 31 December 2025	549

Lease obligations

	Buildings £'000
As at 1 January 2024	1,003
Additions	2,783
Interest expense	82
Lease payments	(1,649)
At 31 December 2024	2,219
Additions	675
Interest expense	89
Disposal	(59)
Lease payments	(1,668)
At 31 December 2025	1,256

Notes to the consolidated financial statements continued

12. Leases continued

Lease obligations continued

	Buildings Year ended 31 Dec 25 £'000	Buildings Year ended 31 Dec 24 £'000
Analysed as:		
Amounts due for settlement within 12 months	1,054	1,434
Amounts due for settlement after 12 months	202	785
	1,256	2,219

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are managed by the Group's finance functions. The Group's lease liabilities as of 31 December 2025 comprise leases entered into for office premises. Leases typically run for a period between one and two years and the average remaining lease term is 1.21 years (2024: 1.62 years).

In 2025, as part of the Group's strategic expansion plans to drive scalable growth, both the Company and its subsidiary ClearBank Europe N.V. signed new leased office spaces in London (lease commencing on 1 January 2026) and Amsterdam (lease commenced in 2025), respectively.

The Group's obligations under leases are secured by the lessor's rights over the leased premises. The present value of the Group's lease obligations as at 31 December 2025 is estimated to be £1.3 million (2024: £2.2 million). The maturity analysis of the undiscounted cash flows constituting lease liability payments is shown in Note 21.

All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Interest rates are fixed at the contract date, unless certain modifications or reassessment occur.

The Group leases IT equipment and data centre space with contract terms of no more than one year. These leases are both short term and low value, for which the Group has elected not to recognise right-of-use assets and lease obligations. The expense relating to both short-term and low-value lease items recognised in the consolidated statement of comprehensive income during the period was £0.9 million (2024: £0.7 million).

13. Property, plant and equipment

	Computer equipment £'000	Office equipment £'000	Leasehold improvements £'000	Total £'000
Cost				
As at 1 January 2024	1,708	219	336	2,263
Additions	–	5	–	5
Disposals	(841)	–	–	(841)
As at 31 December 2024	867	224	336	1,427
Additions	–	29	–	29
Disposals ¹	(867)	(253)	(336)	(1,456)
As at 31 December 2025	–	–	–	–
Accumulated depreciation				
As at 1 January 2024	1,678	152	336	2,166
Depreciation charge for the year	21	47	–	68
Disposals	(841)	–	–	(841)
As at 31 December 2024	858	199	336	1,393
Depreciation charge for the year	9	54	–	63
Disposals ¹	(867)	(253)	(336)	(1,456)
As at 31 December 2025	–	–	–	–
Net book value				
As at 31 December 2025	–	–	–	–
As at 31 December 2024	9	25	–	34

¹ In 2025, the Group wrote off all fully depreciated property, plant and equipment assets.

Notes to the consolidated financial statements continued

14. Intangible assets

	Software costs £'000	Other intangibles £'000	Total £'000
Costs			
As at 1 January 2024	71,503	1,445	72,948
Additions	24,091	–	24,091
Impairment	(1,584)	–	(1,584)
As at 31 December 2024	94,010	1,445	95,455
Additions	15,655	–	15,655
Impairment	(936)	–	(936)
Disposal ¹	–	(558)	(558)
As at 31 December 2025	108,729	887	109,616
Accumulated amortisation			
As at 1 January 2024	30,558	584	31,142
Charge for the year	11,398	245	11,643
As at 31 December 2024	41,956	829	42,785
Charge for the year	15,474	232	15,706
Disposal ¹	–	(558)	(558)
As at 31 December 2025	57,430	503	57,933
Net book value			
As at 31 December 2025	51,299	384	51,683
As at 31 December 2024	52,054	616	52,670

¹ In 2025, the Group wrote off all fully amortised intangible assets.

The following table splits out the significant intangible assets:

	31 Dec 25		31 Dec 24	
	Carrying value £'000	Amortisation period remaining (months)	Carrying value £'000	Amortisation period remaining (months)
Core banking infrastructure	1,639	5	6,138	25
Core payment schemes	15,552	36	15,353	47
CRM functionality	10,036	42	8,264	51
Embedded banking	3,788	36	2,850	50
International infrastructure	8,566	43	8,408	54
Multi-currency functionality	6,166	28	7,078	41
Security	1,834	27	2,374	41
Other	4,102	20	2,205	32
Total	51,683		52,670	

Grant income

Included in the cost of internally developed software is £8.1 million (2024: £8.1 million) of grant income from the Capability and Innovation Fund. During the period, £1.6 million (2024: £1.6 million) was released to the consolidated statement of comprehensive income as amortisation on internally developed software. £1.5 million (2024: £3.1 million) is still to be amortised over the remaining useful lives of the relevant internally developed software assets.

Impairment losses recognised in the period

The Group's annual impairment review over intangible assets identified some intangible assets as no longer having future economic benefit. The recoverable amounts were calculated as £nil based on their value in use. This review led to the recognition of an impairment charge of £0.9 million (2024: £1.6 million) in the Consolidated Statement of Comprehensive Income.

15. Deferred tax assets and liabilities

Deferred income taxes are calculated on all temporary differences at the tax rate applicable to the jurisdiction in which the timing differences arise.

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Deferred tax asset	41,584	37,888
Deferred tax liability	(1,805)	(2,462)
Net deferred tax asset	39,779	35,426

Notes to the consolidated financial statements continued

15. Deferred tax assets and liabilities continued

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable. On the basis of all available evidence it is considered more likely than not that there will be suitable taxable profits against which the reversal of the deferred tax asset can be deducted. The movement on the recognised deferred tax assets account is as follows:

	Tax losses £'000	Fixed assets £'000	Share-based payments £'000	Other temporary differences £'000	Total DTA £'000	s1308 CTA2009 claim £'000	Total DTL £'000
At 1 January 2024	31,312	465	10,255	131	42,163	(3,302)	(3,302)
Credit/(charge) to the income statement relating to prior periods	(306)	68	–	–	(238)	675	675
Credit/(charge) to the income statement	(681)	(81)	581	18	(163)	165	165
Credit/(charge) to equity	–	–	(3,874)	–	(3,874)	–	–
At 31 December 2024	30,325	452	6,962	149	37,888	(2,462)	(2,462)
Credit/(charge) to the income statement relating to prior periods	(560)	–	7	5	(548)	574	574
Credit/(charge) to the income statement	745	(94)	626	9	1,286	83	83
Credit/(charge) to equity	–	–	2,958	–	2,958	–	–
At 31 December 2025	30,510	358	10,553	163	41,584	(1,805)	(1,805)

Deferred tax recognition

A net deferred tax asset has been recognised in respect of all UK unused tax losses and temporary timing differences as it is considered probable that there will be sufficient future profits in the UK against which the Group can offset the future benefit.

The following table shows the unrecognised deferred tax assets in the Group. These relate entirely to overseas balances and are unrecognised on the basis that there are currently insufficient future profits forecast overseas and there is no legally enforceable right to offset against UK profits. There is no expiry date for these carried forward losses.

	Gross amount 31 Dec 25 £'000	Tax effect 31 Dec 25 £'000	Gross amount 31 Dec 24 £'000	Tax effect 31 Dec 24 £'000
Deductible temporary differences				
Overseas subsidiary undertaking	668	167	668	172
Tax losses				
Overseas subsidiary undertaking	30,500	7,625	18,016	4,648
Unrecognised deferred tax asset		7,792		4,820

16. Other payables

	31 Dec 25 £'000	31 Dec 24 £'000
Accruals	16,229	13,319
Employment taxes and social security costs	2,445	2,176
Intercompany payables	900	633
Other payables	7,493	4,580
Total	27,067	20,708

Intercompany payables of the Group comprise £897k (2024: £630k) deposits and £3k (2024: £3k) accrued interest payable by ClearBank Limited (the UK subsidiary bank) to CB Growth Holdings Limited, the ultimate parent of the Group.

Other payables include customer funds pending clearance of £4.2 million (2024: £3.3 million), supplier account trade payables of £2.6 million (2024: £0.7 million) due within 30 days and pensions payable of £0.7 million (2024: £0.6 million).

Notes to the consolidated financial statements continued

17. Share capital

Company

Allotted, issued and fully paid	2025 Number	2024 Number	2025 £	2024 £
Ordinary Shares of £0.00001 each				
At 1 January	224,404,415	189,404,415	2,244	1,894
Issued during 2024	–	35,000,000	–	350
Issued during 2025	–	–	–	–
At 31 December	224,404,415	224,404,415	2,244	2,244

18. Share premium

Company

Issued shares	2025 £'000	2024 £'000
At 1 January	224,403	189,403
Issued during 2024	–	35,000
Issued during 2025	–	–
At 31 December	224,403	224,403

19. Capital management

As at 31 December 2025, capital resources were made up of CET1 capital, the highest quality of capital, consisting of ordinary share capital, associated share premium and allowable reserves. The Group's objectives when managing capital are to: (i) safeguard the Group's ability to continue as a going concern and thereby to provide returns for shareholders and benefits for other stakeholders; (ii) maintain a strong capital base and utilise it efficiently to support the development of its business; and (iii) comply with the regulatory capital requirements set by the PRA. The Group undertakes an internal capital adequacy assessment process (ICAAP) on at least an annual basis. During the periodic supervisory review and evaluation process (SREP), the PRA assesses the Group's ICAAP and sets the total capital requirement (TCR). Capital adequacy and the use of regulatory capital are monitored by the Group's management and Board. The Group is required to maintain appropriate levels of capital in accordance with total capital requirements issued by the PRA. During the current year and prior period, the Group complied with the externally imposed capital requirements to which it is subject by the PRA. For more information on the Group's capital management, please refer to the Pillar 3 Disclosures which can be found on the ClearBank website.

	31 Dec 25 £'000	31 Dec 24 £'000
Share capital	2	2
Retained losses	(24,512)	(10,518)
Share premium	224,403	224,403
Capital contribution reserve	11,942	9,188
Translation reserve	1,004	(784)
Less ineligible assets:		
Intangibles	(51,683)	(52,670)
Deferred tax	(29,192)	(28,208)
CET1	131,964	141,413
Net Equity	212,839	222,291

20. Financial instruments

The Group's financial instruments principally comprise of cash and cash equivalents, receivables, customer deposits and payables. All these arise as a result of the Group's normal operations. The Group does not enter into transactions for hedging purposes and there are no instruments held for trading. The analysis of financial assets and liabilities into their categories as defined in IFRS 9 Financial Instruments is set out in the following tables. The majority of the Group's financial assets and liabilities continue to be measured at amortised cost. The Group considers the carrying amount of these financial assets to approximate fair value.

The Group has immaterial interests in equity securities which are classified as financial assets mandatorily held at FVTPL, as they are financial assets which are managed and whose performance is evaluated on a fair value basis. These equity securities are categorised as Level 1 under the IFRS 13 fair value hierarchy, as there are quoted prices in active markets available. All gains and losses on measuring the financial assets at each reporting date are included in the statement of comprehensive income for the year. There were immaterial fair value impacts to the statement of comprehensive income associated with the financial assets mandatorily held at FVTPL presented below.

Notes to the consolidated financial statements continued

20. Financial instruments continued

Categories of financial instruments

	At 31 December 2025		
	Fair value mandatorily at FVTPL £'000	Amortised cost £'000	Total £'000
Financial assets			
Receivables and other assets	139	8,262	8,401
Cash and cash equivalents	–	17,956,976	17,956,976
Total financial assets	139	17,965,238	17,965,377
Financial liabilities			
Customer deposits	–	17,826,803	17,826,803
Other payables	–	24,622	24,622
Lease obligations	–	1,256	1,256
Total financial liabilities	–	17,852,681	17,852,681

	At 31 December 2024		
	Fair value mandatorily at FVTPL £'000	Amortised cost £'000	Total £'000
Financial assets			
Receivables and other assets	113	4,793	4,906
Cash and cash equivalents	–	10,961,293	10,961,293
Total Financial assets	113	10,966,086	10,966,199
Financial liabilities			
Customer deposits	–	10,818,568	10,818,568
Other payables	–	18,809	18,809
Lease obligations	–	2,219	2,219
Total financial liabilities	–	10,839,596	10,839,596

21. Financial risk management

Risk is an inherent part of the Group's business activities. The Group seeks to identify, assess, monitor and manage each of the various types of risk involved in its business activities in accordance with defined policies and procedures.

The key focus of financial risk management for the Group is ensuring that the proceeds from its financial assets are sufficient to fund the obligations arising from its clearing, settlement and business banking operations. The main financial risk arising from the Group's financial instruments is therefore intra-day liquidity risk. In addition, the Group is exposed to limited credit risk and market risks (such as price and interest rate risks) which are not considered to be material. The Group's exposure to liquidity, credit and market risks along with management's objectives, policies and processes for managing those risks are discussed below.

Liquidity risk

Liquidity risk is the risk that the Group is not able to meet its financial obligations as they fall due, or can do so only at excessive cost. In general, the Group's business model of placing customer funds as cash at central banks which are repayable on demand significantly reduces the Group's overall liquidity risk.

On a day-to-day basis, the Group maintains adequate levels of liquidity, ensuring that there is sufficient liquidity to meet foreseeable and unexpected needs. Policies and procedures are in place to manage liquidity risk. Limits for the level and the type of liquidity and deposit funding balances are set by the Board Risk Committees of the Group's subsidiaries. Independently, the Finance, Treasury and Risk departments monitor compliance with these limits. The level of liquidity is monitored on a daily basis to ensure there are sufficient liquid assets at all times to cover cash flow movements and fluctuations in funding, enabling the Group to meet all financial obligations and to support anticipated asset growth.

The table below sets out the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The vast majority of the Group's total financial assets of £18.0 billion constitute cash and cash equivalents repayable on demand.

Notes to the consolidated financial statements continued

21. Financial risk management continued

As at 31 December 2025	Repayable on demand £'000	Within 1 month £'000	1 to 3 months £'000	3 months to 1 year £'000	1–5 years £'000	5+ years £'000	Total financial liabilities £'000
Financial liabilities							
Customer deposits	17,813,369	–	–	13,434	–	–	17,826,803
Other payables	897	9,152	13,992	581	–	–	24,622
Lease obligations	–	132	342	602	204	–	1,280
Total financial liabilities	17,814,266	9,284	14,334	14,617	204	–	17,852,705
As at 31 December 2024							
Financial liabilities							
Customer deposits	10,795,534	–	–	23,034	–	–	10,818,568
Other payables	630	5,859	11,116	1,204	–	–	18,809
Lease obligations	–	129	259	1,130	795	–	2,313
Total financial liabilities	10,796,164	5,988	11,375	25,368	795	–	10,839,690

Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty fails to meet its contractual obligations to repay the Group in accordance with agreed terms.

The Group's credit risks arise principally through exposure to its clients that results in fees receivable, which is immaterial. The Group's policy of collecting monthly fees through automated payment deductions from clients' deposit accounts on the second day of the following month, and for transactional fees on the day after the transaction occurs, minimises its exposure to credit risk. The Group does not provide any credit facilities which are not fully collateralised to its customers and is therefore not exposed to associated credit risks.

The Group considers the maximum exposure to credit risk to be the carrying amount of all financial assets.

Credit within our treasury operations

Credit risk exists where the Group has acquired securities or placed cash deposits with other financial institutions as part of its treasury assets portfolio. Management considers the credit risk of treasury assets to be relatively low as the Group places the vast majority of funds at central bank institutions. A small proportion of funds in foreign currency is held at global credit institutions which are investment-grade and therefore poses minimal credit risk. Some of those funds are invested in highly-liquid money market funds, specifically CNAV funds, all of which are backed by government-issued securities, therefore also carrying minimal credit risk. The subsidiaries manage and control credit risk by setting limits on the amount of risk they are willing to accept for individual counterparties and monitoring exposures in relation to such limits. No assets are held for hedging purposes or actively traded. Certain liquid assets are held as part of the Group's liquidity buffer.

Risk within customer receivables

As discussed in Note 2.6, the Group holds collateral from clients in the form of cash in an MMB account. The MMB account is held separately from clients' operational accounts and it is required to be held throughout the term of the contract. The collateral is held to cover fees, charges and other payment outflows owed to the Group in the event of a client not maintaining sufficient operational account funds to settle these transactions. As mentioned earlier, the Group does not lend, advance funds or offer uncollateralised overdraft facilities to clients and therefore has no direct credit exposure to its customers.

At year end, the total cash held as MMB was £13.4 million (2024: £23.0 million) which is included within total customer deposits in the statement of financial position.

Market and interest rate risk

Market risk is the risk that changes in market prices, such as interest rates, will affect income or the value of the Group's assets and liabilities. The objective of the Group's market risk management strategy is to manage and control market risk exposures within acceptable parameters to ensure solvency while optimising the return on risk.

Interest rate risk is the risk of financial loss through unhedged or mismatched asset and liability positions that are sensitive to interest rate changes. The Group's banking deposits are subject to variable interest rates at the central banks where its deposits are held and earn interest; as a result, changes in interest rates could have an impact on the net interest income recognised in the financial year. The Group, therefore, has commercial arrangements with its customers that are based on net interest margin rather than fixed interest income, which serves to mitigate the risk on the Group's income as a result of base rate fluctuations. This has been a strategic focus of management in 2024 and 2025 with an increasing number of customers having contractual terms that are on a fixed spread basis, leading to higher-quality income.

Notes to the consolidated financial statements continued

21. Financial risk management continued

Market and interest rate risk continued

Management have performed a sensitivity analysis relating to interest rates and have determined a 100 basis point increase or decrease in the Bank of England base rate would have had a +£6.7 million or -£6.3 million annualised impact, respectively, on 2025 performance (2024: +/-£18.4 million). The asymmetric impacts of rising versus falling interest rate moves are due to the effects of contractual interest share agreements in place. For the purposes of this analysis, the components of net interest income were flexed on a monthly basis using monthly average rates while balances with significant customers were considered individually. This sensitivity analysis is based on the assumption of no management action being taken, such as passing the interest impact onto the Group's customers.

Capital risk

Capital risk is the risk that the Group has insufficient capital to cover regulatory requirements and/or support its growth plans. The subsidiary banks operated in line with their capital risk appetite as set by their respective Boards and above their regulatory capital requirements throughout the year ended 31 December 2025 and 2024.

A key component of management's approach to capital management is to ensure that the Group's and the subsidiaries' policies are aligned with the Group's overall strategy, business plans and risk appetite.

Foreign exchange (FX) risk

The Group has exposure to FX risk in respect of its subsidiary in the Netherlands (ClearBank Europe N.V.) which has a functional and reporting currency of euros. FX risk also materialises within the Group's UK subsidiary (ClearBank Limited) through the generation of non-sterling profit and loss (predominantly net interest income). This is monitored and rebalanced through spot trades on a monthly basis, executed by Treasury, to avoid the accumulation of material positions.

22. Share-based payments

Share-based payments – Options

The Company and its subsidiaries, ClearBank Limited and ClearBank Europe N.V., are part of an equity-settled Group SBP scheme for remuneration of their employees. Options under this scheme allow holders to acquire Ordinary Shares in the Group's ultimate parent, CB Growth Holdings Limited (CBGH), upon vesting. The options will become exercisable upon a change in control event, which is considered to be the earlier of CBGH being acquired by another entity or an Initial Public Offering.

Under the Group SBP arrangement, the Company, ClearBank Limited and ClearBank Europe N.V. are the receiving entities of the share option schemes held by their respective employees, with CBGH being the issuing and settling entity in all instances. As the receiving entities under the Group SBP scheme, the Company, ClearBank Limited and ClearBank Europe N.V. recognise SBP expenses in their statements of comprehensive income with a corresponding offset in equity, representing the capital contribution from CBGH.

The following options and awards have been granted to the Group's employees and remain outstanding:

Exercise price (£)	2025 No.	2024 No.
0.00001	197,233	192,724
3.74	2,800	2,800
34.00	3,803	3,803
66.36	15,642	15,679
66.41	1,562	1,562
72.00	5,580	5,580
146.13	8,365	8,851
Total	234,985	230,999

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
Outstanding as at 1 January	12.90	230,999	11.69	231,577
Granted	–	7,816	13.02	29,280
Exercised	–	–	–	–
Forfeited	(19.18)	(3,830)	(3.69)	(29,858)
Outstanding as at 31 December	12.37	234,985	12.90	230,999

The fair value of options granted during the period is determined by reference to the fair value of the equity instrument granted as measured on the option grant date. The fair value of the options granted subject to non-market performance conditions are determined using a Black-Scholes model. The fair value of the options granted subject to market performance conditions are determined using a Monte Carlo simulation. The inputs into the models have an immaterial effect on the option fair value and therefore have not been presented.

Notes to the consolidated financial statements continued

22. Share-based payments continued

Share-based payments – Growth shares

The Group introduced a new growth share incentive structure for certain employees during 2024 through a separate class of equity shares issued by CB Growth Holdings Limited, the ultimate parent. Growth shares are classified as equity-settled awards under IFRS 2, with the valuation date aligned to the issue dates for accounting purposes. Growth shares represent an equity investment that entitles participants to a proportion of any gains above a predetermined hurdle rate upon an exit event and vest over a four-year period, with 25% vesting annually.

Under IFRS 2, growth shares are measured at their grant-date fair value, calculated as the difference between the accounting value and the tax value of the shares. The accounting value has been determined using a Monte Carlo Simulation (MCS) model, which estimates the expected fair value of the growth shares based on simulated future equity value outcomes, the associated entitlements under the capital structure, and discounting to the valuation date at a risk-free rate. The tax value is assessed using the unrestricted market value (UMV), determined for UK tax purposes using a probability-weighted expected returns methodology (PWERM). The resulting difference – MCS-derived accounting value less PWERM-derived tax value – represents the IFRS 2 grant-date fair value on which the Group's share-based payment charge is based.

	2025 No.
Outstanding as at 1 January	–
Granted	179,204
Forfeited	(12,750)
Outstanding as at 31 December	166,454

During the year ended 31 December 2025, £1.6 million (2024: £5.8 million) was charged to the consolidated statement of comprehensive income in relation to share-based payments.

23. Related party transactions

On the statement of financial position date, the Group's subsidiaries included ClearBank Limited and ClearBank Europe N.V., both of which are 100% owned by the Company. During the period, ClearBank Limited held bank deposits placed by CB Growth Holdings Limited, the ultimate parent entity of the Group.

	CB Growth Holdings Limited 2025 £'000	CB Growth Holdings Limited 2024 £'000
Nature of related party relationship	Ultimate parent	Ultimate parent
Intercompany deposits held by the Group	900	633
Expenses recharged to the Group	(400)	–

During 2025, the Group was recharged £400k of legal fees and insurance costs (2024: £nil) which were incurred on its behalf by the ultimate parent company, CB Growth Holdings Limited.

Transactions with other related parties

During the year, the Group paid consultancy service costs totalling £nil (2024: £500k) to CB Investment Growth Limited, an entity controlled by the significant shareholders of the Group's ultimate parent, CB Growth Holdings Limited, which provided key management personnel services to the Group.

Transactions with key management personnel, remuneration and other compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director. Key management personnel for the Group have been determined to be the Directors and members of Executive management, in role over the course of the year. The figures below are for the consolidated Group.

Key management personnel compensation

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Salaries and wages ¹	9,283	6,790
Social security costs	1,122	716
Retirement obligations	440	350
Termination benefits	410	–
Shared-based payments	900	870
Total	12,155	8,726

¹ The year-on-year increase in transactions with key management personnel primarily reflects the impact of changes in the composition of the Executive Committee.

Notes to the consolidated financial statements continued

23. Related party transactions continued

Transactions with key management personnel, remuneration and other compensation continued

Aggregate Directors' remuneration

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Salaries and wages	4,521	3,263
Social security costs	474	303
Retirement obligations	136	90
Termination benefits	347	–
Shared-based payments	254	282
Total	5,732	3,938

In 2025, two Directors (2024: two) were a member of the Group's defined contribution scheme. During the year, no UK Director's qualifying services shares were received or receivable under long-term incentive schemes.

Remuneration of the highest paid UK Director

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 24 £'000
Salaries and wages	706	544
Social security costs	103	73
Retirement obligations	10	–
Total	819	617

During the year, the highest paid UK Director did not exercise any share options.

24. Post-employment obligations

The Group operates defined contribution pension schemes for its UK and Europe employees. Participants receive a monthly pension supplementary to their salaries. The Group pays contributions to separately administered pension schemes. The Group has no further payment obligations once the contributions have been paid. The contributions are presented in staff costs in the consolidated statement of comprehensive income. The pension cost charge for the year was £3.6 million (2024: £2.6 million).

25. Contingent liabilities and commitments

There were no contingent liabilities as at 31 December 2025 and at 31 December 2024.

26. Events after the reporting date

There were no material events in relation to the Group subsequent to the year end.

27. Ultimate controlling party

CB Growth Holdings Limited, a company incorporated in Jersey, is the ultimate parent and controlling party as at 31 December 2025.

Company statement of financial position as at 31 December 2025

	Notes	As at 31 Dec 25 £'000	As at 31 Dec 24 £'000
Assets			
Cash and cash equivalents	29	34,607	48,909
Receivables	30	9,606	2,316
Intangible assets	31	51,683	–
Investment in subsidiaries	32	174,036	155,699
Total assets		269,932	206,924
Liabilities			
Other payables	33	9,925	3,226
Total liabilities		9,925	3,226
Equity			
Called up share capital	17	2	2
Share premium	18	224,403	224,403
Capital contribution reserve		3,347	3,068
Retained earnings/(losses)		32,255	(23,775)
Total equity		260,007	203,698
Total equity and liabilities		269,932	206,924

The Company has taken exemption under Companies Act Section 408 (4) to not disclose the Company statement of comprehensive income. The Company profit for the year ended 31 December 2025 was £55.6 million (2024: £10.4 million loss).

The accompanying notes form an integral part of the financial statements.

Company registration number: 14254435

The financial statements were approved by the Board on 9 April 2026.

Mark Fairless

Group Chief Executive Officer

David Samper

Group Chief Financial Officer

Company statement of changes in equity for the year ended 31 December 2025

	Share capital £'000	Share premium £'000	Capital contribution reserve £'000	Retained earnings or (losses) £'000	Total equity £'000
As at 1 January 2024	2	189,403	–	(13,379)	176,026
Loss for the year	–	–	–	(10,396)	(10,396)
Issue of share capital	–	35,000	–	–	35,000
Share-based payments	–	–	3,068	–	3,068
As at 31 December 2024	2	224,403	3,068	(23,775)	203,698
Profit for the year	–	–	–	55,604	55,604
Share-based payments	–	–	279	426	705
As at 31 December 2025	2	224,403	3,347	32,255	260,007

The accompanying notes form an integral part of the financial statements.

Notes to the Company financial statements

28. Business Transfer Agreement

Overview of the transaction

On 31 December 2025, the Company entered into a Business Transfer Agreement (BTA) with its UK subsidiary, ClearBank Limited, as part of the Group's end-state Target Operating Model to support its purpose, ambition and strategy and to scale the business as One ClearBank. Under the BTA, ClearBank Limited transferred specified business functions and assets to the Company at NBV through a business combination under common control as defined by IFRS 3 Business Combinations. In total, 425 employees transferred from ClearBank Limited to the Company, whilst one employee transferred from the Company to ClearBank Limited.

Business assets transferred and consideration

The purchase price for the BTA equalled the aggregate NBV of the business assets transferred, as summarised below:

Business assets	BTA value £'000	Post completion true up £'000	Total value £'000
Information technology	53,516	(1,888)	51,628
Business intellectual property – ClearBank website	56	–	56
Marketing assets	22	–	22
Total	53,594	(1,888)	51,706

The BTA value of the business assets of £53.6 million was determined based on the NBV at 30 November 2025. Following completion of the BTA on 31 December 2025, the purchase price remained outstanding at completion as an interest-free, unsecured intercompany loan payable on demand by ClearBank Limited. A dividend payable of £53.6 million by ClearBank Limited was immediately declared on the same day (31 December 2025) post completion of the BTA, offsetting the intercompany loan receivable from the Company for the transaction.

Post completion of the BTA, the business asset values have been trued up to reflect the final 31 December 2025 NBVs, with a reduced purchase price resulting in £1.9 million being recognised as an intercompany balance receivable by the Company which will be settled post year end in 2026 in accordance with the terms and conditions of the BTA.

Deferred tax effects

Under UK tax succession rules, brought forward tax losses of £55.9 million were transferred to the Company on 31 December 2025 for nil consideration as part of the BTA alongside the transferring business assets and employees. Similarly, future taxable benefits in relation to share-based payments and future tax obligations in relation to intangible assets transferred to the Company for nil consideration. The Company has not recognised a net deferred tax asset for these items as it is currently anticipated that the future taxable benefit will be surrendered via group relief to ClearBank Limited for nil consideration.

Apportioned operating expenditure

The BTA led to certain operational balances transferring from ClearBank Limited to the Company as part of the apportionment clauses of the BTA. Prepayments and accrued purchases for supplier contracts originally held by ClearBank Limited were moved to the Company, ensuring continuity of service without disruption. Bonus and other staff-related accruals for employees who transferred to the Company were also included, with the Company assuming responsibility for settling these accrued balances post year-end.

A summary of the apportionments is provided below:

	£'000
Prepayments	5,094
Staff costs accruals	(4,464)
Intercompany payable	630

The net apportionments have been netted against the £1.9 million post-completion true up to leave a net £1.3 million intercompany receivable from ClearBank Limited at 31 December 2025. The receivable is an interest-free, unsecured intercompany loan payable on demand by ClearBank Limited.

Financial statements impact

The BTA has impacted the following areas of the Company's financial statements:

- Intangible assets – see Note 31
- Share-based payments – See Note 34

29. Cash and cash equivalents

	31 Dec 25 £'000	31 Dec 24 £'000
Cash at commercial banks	34,607	48,909
Total	34,607	48,909

The cash and cash equivalents amount held by the Company represent deposits with ClearBank Limited which eliminate upon consolidation of the Group.

Notes to the Company financial statements continued

30. Receivables and other assets

	31 Dec 25 £'000	31 Dec 24 £'000
Receivables		
Intercompany receivables	3,159	1,800
Prepayments	5,805	478
Other receivables	642	38
Total	9,606	2,316

Intercompany receivables constitute recharged expenses due from ClearBank Limited and ClearBank Europe N.V., the Company's wholly owned subsidiaries, and at 31 December 2025, £1.3 million receivable in relation to the Business Transfer Agreement which also increased prepayments by £5.1 million. See Note 28 for further details. Other receivables include leasehold property deposits of £595k (2024: £nil) in relation to the new UK office premises with the lease commencing on 1 January 2026.

31. Intangible assets

Cost	Software costs £'000	Other intangibles £'000	Total £'000
At 1 January 2025	–	–	–
Acquired under Business Transfer Agreement	51,299	384	51,683
At 31 December 2025	51,299	384	51,683
Accumulated amortisation			
At 1 January 2025	–	–	–
At 31 December 2025	–	–	–
Net book value			
At 31 December 2025	51,299	384	51,683
At 1 January 2025	–	–	–

The Company acquired intangible assets at NBV from its UK subsidiary, ClearBank Limited, as part of the Business Transfer Agreement which took effect on 31 December 2025. See Note 28 for further details.

The following table splits out the intangible assets by product classification:

	31 Dec 25	
	Carrying value £'000	Amortisation period remaining (months)
Core banking infrastructure	1,639	5
Core payment schemes	15,553	36
CRM functionality	10,036	42
Embedded banking	3,788	36
International infrastructure	8,566	43
Multi-currency functionality	6,165	28
Security	1,834	27
Other	4,102	18
Total	51,683	

32. Investment in subsidiaries

Company	Investment in ClearBank Limited £'000	Investment in ClearBank Europe N.V. £'000	Total £'000
Costs			
As at 1 January 2024	102,630	19,874	122,504
Additions	12,000	21,195	33,195
As at 31 December 2024	114,630	41,069	155,699
Additions	–	18,337	18,337
As at 31 December 2025	114,630	59,406	174,036
Provision for impairment			
As at 31 December 2024 and 2025	–	–	–
Net book value			
As at 31 December 2025	114,630	59,406	174,036
As at 31 December 2024	114,630	41,069	155,699

In February 2025, the Company invested €22 million into its wholly-owned subsidiary, ClearBank Europe N.V., by way of capital injection subscribing to 22,000,000 ordinary shares of €0.01 each issued by the subsidiary.

Notes to the Company financial statements continued

32. Investment in subsidiaries continued

The principal subsidiaries of the Company as at 31 December 2025 which have been included in the consolidated financial statements are:

Name of subsidiary	Principal activity	Jurisdiction	Ownership
ClearBank Limited	Business banking	United Kingdom ¹	100%
ClearBank Europe N.V.	Business banking	Netherlands ²	100%

¹ Registered office: Level 27, Broadgate Tower, Primrose Street, London EC2A 2EW, United Kingdom.

² Registered office: Stadhouderskade 85, 1073 AT Amsterdam, The Netherlands.

Both ClearBank Limited and ClearBank Europe N.V. are considered material subsidiaries of the Company by virtue of their strategic importance to the Group.

ClearBank Limited generated a profit after tax of £12.4 million (2024: £6.5 million) for the year ended 31 December 2025, reduced to £0.1 million after one-off tax charges of £12.3 million in relation to the Business Transfer Agreement. As at 31 December 2025, ClearBank Limited had an aggregate amount of capital and reserves totalling £78.5 million (2024: £148.4 million).

ClearBank Europe N.V. generated a loss of €15.1 million for the year ended 31 December 2025 (period ended 31 December 2024: €23.1 million). As at 31 December 2025, ClearBank Europe N.V. had aggregate capital and reserves totalling €33.6 million (2024: €26.2 million).

33. Other payables

	31 Dec 25 £'000	31 Dec 24 £'000
Accruals	9,134	2,360
Employment taxes and social security costs	627	517
Intercompany payables	–	109
Other payables	164	240
Total	9,925	3,226

Accruals include accrued staff costs payable of £7.7 million (2024: £1.7 million) of which £4.5 million (2024: £nil) relates to balances acquired from the Company's UK subsidiary, ClearBank Limited, as part of the Business Transfer Agreement which took effect on 31 December 2025. See Note 28 for further details.

34. Share-based payments

Share-based payments – options

The following options and awards have been granted to the Company's employees and remain outstanding:

Exercise price (£)	2025 No.	2024 No.
0.00001	83,604	81,489
3.74	1,000	300
34.00	932	932
66.36	6,963	3,638
66.41	318	–
72.00	3,112	899
146.13	4,473	4,230
Total	100,402	91,488

Share-based payments – Growth shares

The Group introduced a new growth share incentive structure for certain employees during 2024, including those employed by the Company, through a separate class of equity shares issued by CB Growth Holdings Limited, the ultimate parent. Growth shares are classified as equity-settled awards under IFRS 2 (i.e. participants receive shares rather than cash), with the valuation date aligned to the issue dates for accounting purposes. Growth shares represent an equity investment that entitles participants to a proportion of any gains above a predetermined hurdle rate upon an exit event and are expected to vest over a four-year period, with 25% vesting annually.

For further details on share options and growth shares, please refer to Note 22 of the consolidated financial statements.

35. Contingent liabilities and commitments

There were no contingent liabilities as at 31 December 2025 and at 31 December 2024.

36. Events after the reporting date

As part of the Group's strategic growth plans, the Company signed a new office lease in 2025 with a lease commencement date of 1 January 2026, which resulted in £5.9 million of right-of-use assets and £5.6 million of lease obligations being recognised in the Company's statement of financial position after the balance sheet reporting date.

37. Ultimate controlling party

CB Growth Holdings Limited, a company incorporated in Jersey, is the ultimate parent and controlling party as at 31 December 2025.

Appendix

Alternative performance measures

The Alternative Performance Measures (APMs) below are used for management reporting to the Executive Committees across the Group and for updating the ultimate shareholders (investors) on a monthly basis. These APMs are closely linked to our business strategy and scaleable growth objectives, with a focus on generating high quality revenue based on reoccurring fees and delivery of operational efficiency metrics.

1. Spread-based fee income

Spread-based fee income is calculated by extracting the portion of net interest income for the year which is derived on the basis of a fixed interest spread, as defined in certain client contracts.

Spread-based fee income conveys the portion of interest income that is fixed and not subject to change from fluctuating interest rates. It is therefore more alike to recurring fee income from clients, rather than variable net interest income, so is useful to present as part of total fee income. Because of the fixed and repeated nature of the income, independent of the external interest rate environment, management consider it to be 'higher quality' income which leads to a more consistent revenue performance of the business generated by key underlying drivers.

As spread-based fee income is not a standardised measure under IFRS, the APM may not be comparable across other companies.

Reconciliation	2025 £'000	2024 £'000
Net interest income (IFRS basis)	70,963	67,110
Less: net interest income not on fixed spread basis	(45,084)	(53,929)
Spread-based fee income¹	25,879	13,181

2. Net interest income normalised at 3%

Net interest income normalised at 3% represents the Group's reported net interest income adjusted to reflect a standardised base interest rate of 3%, applied consistently to interest earning client deposits and treasury investment. This adjustment removes the impact of short term volatility in market interest rates, enabling performance to be assessed on a like for like basis across periods by isolating the underlying structural contribution of deposit balances, client activity and margin arrangements.

The Group's reported net interest income is inherently sensitive to movements in central bank interest rates given the nature of its deposit based business model. Normalising net interest income to a 3% rate allows management and investors to better understand the underlying performance of the business independent of the prevailing interest rate environment. In particular, it enhances comparability between periods, supports assessment of sustainable earnings capacity, and provides insight into how changes in balances, revenue mix and contractual spreads contribute to performance, rather than reflecting temporary macroeconomic conditions.

Net interest income normalised at 3% is not a measure defined or specified under IFRS. IFRS requires interest income and expense to be recognised using the effective interest method based on actual contractual terms and prevailing interest rates, rather than a standardised or assumed rate. As a result, this APM may not be comparable with similarly titled measures used by other companies. In addition, by design, the measure excludes the full impact of actual interest rate movements and therefore does not provide a complete picture of the Group's reported financial performance or exposure to interest rate risk. The Group's performance should be considered primarily by reference to IFRS reported net interest income together with this APM.

Reconciliation	2025 £'000	2024 £'000
Net interest income (IFRS basis)	70,963	67,110
Less: net interest in excess of a 3% normalised basis	(37,351)	(34,640)
Net interest income (normalised 3%)	33,612	32,470

3. EBITDA (cash basis)

EBITDA (cash basis) represents the Group's earnings before interest, taxation, depreciation and amortisation, measured on a cash basis. It is calculated as total income less cash operating costs incurred during the period, excluding non cash items, namely share based payment charges, depreciation and amortisation, and excluding capitalised expenditure deductions. Cash operating costs include expenditure across cost of goods sold, technology, people, regulatory and other operating activities required to operate and scale the Group. The measure is consistent with the Group's internal management reporting and reflects the cash operating profitability generated by the business during the period.

The Group uses EBITDA (cash basis) as a key indicator of underlying operating performance, operating leverage and scalability. By focusing on cash earnings and excluding non-cash accounting charges, the measure provides management and investors with a clearer view of the Group's ability to generate operating cash returns as revenues scale. It supports comparison between periods and is used internally for budgeting, performance assessment and strategic decision making.

EBITDA (cash basis) is not a measure defined or specified under IFRS. IFRS does not define EBITDA, and IFRS-reported profit includes depreciation, amortisation, share based payments, interest and taxation, all of which are excluded from this APM. As a result, the measure may not be comparable with similarly titled measures used by other companies and does not provide a complete picture of the Group's reported profitability or cash flows. The Group's performance should therefore be considered primarily by reference to IFRS reported profit and cash flow information, together with this APM.

Reconciliation	2025 £'000	2024 £'000
Operating loss (IFRS basis)	(16,250)	(9,949)
Less: net cash expenditure	(7,038)	(25,090)
EBITDA (cash basis)	(23,288)	(35,039)

¹ The 2024 spread-based fee income has been revised from £9.2m stated in the 2024 annual report, as £4m of MCCY revenue has been reclassified from net interest income (normalised) to spread-based fee income. There is no impact on total pro forma revenue (normalised).

Appendix continued

4. Management reporting – segment split

The Group is outside the scope of Segmental Reporting under IFRS 8; however, a non-IFRS based summary is presented below for the Group's three segments: ClearBank UK, ClearBank Europe and the Parent Company.

Year ended 31 December 2025	ClearBank UK £'000	ClearBank Europe £'000	Parent Company £'000	Consolidated Group £'000
Net interest income	68,531	1,195	1,237	70,963
Net fee income	59,070	1,845	–	60,915
Other income	806	–	–	806
Total income	128,407	3,040	1,237	132,684
Operating expenses	(116,222)	(15,945)	(17,227)	(149,394)
Profit/(loss) before taxation	12,185	(12,905)	(15,990)	(16,710)
Taxation	(12,084)	–	13,029	945
Profit/(loss) after taxation	101	(12,905)	(2,961)	(15,765)

Year ended 31 December 2024	ClearBank UK £'000	ClearBank Europe £'000	Parent Company £'000	Consolidated Group £'000
Net interest income	64,361	654	2,096	67,111
Net fee income	44,149	39	–	44,188
Other income	787	–	–	787
Total income	109,297	693	2,096	112,086
Operating expenses	(101,278)	(8,560)	(12,492)	(122,330)
Profit/(loss) before taxation	8,019	(7,867)	(10,396)	(10,244)
Taxation	(1,478)	–	1,404	(74)
Profit/(loss) after taxation	6,541	(7,867)	(8,992)	(10,318)

Glossary

ALCO	Asset and Liability Committee	IASB	International Accounting Standards Board
APM	Alternative Performance Measures	IBAN	International Bank Account Number
API	Application Programme Interface	ICAAP / ILAAP	Internal Capital / Liquidity Adequacy Assessment Process
APP	Authorised Push Payment	IFRICs	IFRS Interpretations Committee
BaaS	Banking-as-a-Service	IFRS	International Financial Reporting Standards
Bacs	Bankers Automated Clearing System	ISO	International Standards Organisation
CBDC	Central Bank Digital Currency	LCR	Liquidity Coverage Ratio
CET1	Common Equity Tier 1	MiCA	Markets in Crypto-Assets Regulation
CGU	Cash-Generating Units	MMB	Minimum Mandated Balance
CHAPS	Clearing House Automated Payment System	NSFR	Net Stable Funding Ratio
ClearBank®	ClearBank Group Holdings Limited, unless otherwise stated means the Company	OCIR	Operational Continuity in Resolution
CoP	Confirmation of Payee	PRA	Prudential Regulation Authority
DE&I	Diversity, Equity and Inclusion	PSD2	Payment Services Directive 2
DNB	De Nederlandsche Bank	RDEC	Research and Development Expenditure Credit
EBT	Employee Benefit Trust	ROU	Right-of-Use
ECB	European Central Bank	SEPA	Single Euro Payments Area
ECL	Expected Credit Losses	SMEs	Small and Medium-sized Enterprises
EMI	Electronic Money Institution	SPPI	Solely Payments of Principal and Interest
ERMIC	Enterprise Risk Management Committee	SREP	Supervisory Review and Evaluation Process
ERMF	Enterprise Risk Management Framework	TARGET	Trans-European Automated Real-time Gross Settlement Express Transfer
EU	European Union	TOM	Target Operating Model
EXCO	Executive Committee	VAT	Value Added Tax
FPS	Faster Payment System		
FRS 101	Financial Reporting Standard 101 Reduced Disclosure Framework		
FSCS	Financial Services Compensation Scheme		
FTE	Full Time Equivalent		
FVOCI	Fair Value Through Other Comprehensive Income		
FVTPL	Fair Value Through Profit or Loss		
GAC	Group Audit Committee		
GNomCo	Group Nomination Committee		
GRemCo	Group Remuneration Committee		
GRC	Group Risk Committee		
GDPR	General Data Protection Regulation		

Key information

Registered office address

ClearBank
Level 27
Broadgate Tower
Primrose Street
London
EC2A 2EW

Independent auditors

BDO LLP
55 Baker Street
London
W1U 7EU

Solicitors

Herbert Smith Freehills Exchange
House
Primrose Street
London
EC2A 2EG

Company registered number

14254435



Clear.Bank

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ClearBank
Level 27
Broadgate Tower
Primrose Street
London
EC2A 2EW