GULF INTERNATIONAL BANK (UK) LTD

Pillar 3 disclosures

31 December 2025

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Glossary

ALCO	Assets and Liabilities Committee
AROC	Audit and Risk Oversight Committee
BCBS	Basel Committee on Banking Supervision
BoE	Bank of England
NFRC	Non- Financial Risk Committee
CCoB	Capital Conservation Buffer
CCyB	Counter-cyclical buffer
CEO	Chief Executive Officer
CET 1	Common Equity Tier 1 Capital
CFO	Chief Finance Officer
CRD	Capital Requirements Directive
CQS	Credit Quality Step
CSA	Credit Support Agreement
ECAI	External Credit Assessment Institution
ECL	Expected Credit Loss
ESG	Environmental, Social and Governance
EU	The European Union
EXCO	Executive Committee
FCA	Financial Conduct Authority
Fed	Federal Reserve Board
FVTPL	Fair value through profit & loss
FX	Foreign exchange
GIB	Gulf International Bank BSC
GIB (UK)	Gulf International Bank (UK) Ltd
GMRA	Global Master Repurchase Agreement
ICAAP	Internal Capital Adequacy Assessment Process
IFRS	International Financial Reporting Standards
ILAAP	Internal Liquidity Adequacy Assessment
IRRBB	Interest rate risk in the banking book
ISDA	International Swaps and Derivatives Association
KRI	Key Risk Indicators
KSA	Kingdom of Saudi Arabia
LCR	Liquidity Coverage Ratio
MB	Management Body
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
MRT	Material Risk Takers
NRC	Nomination and Remuneration Committee
NSFR	Net Stable Funding Ratio
OLAR	Overall Liquidity Adequacy Rule
ORE	Operational Risk Event
PRA	Prudential Regulation Authority
RAS	Risk Appetite Statement

RCSA	Risk Control Self-Assessment
RMF	Risk Management Framework
RWA	Risk Weighted Assets
RWEA	Risk Weighted Exposure Amount
SDDT	Small Domestic Deposit Taker
sSA-CCR	Simplified Standardised Approach for Counterparty Credit Risk
SREP	Supervisory Review and Evaluation Process
TCR	Total Capital Requirement
TSCR	Total SREP Capital Requirement
UK-CRR	UK Capital Requirements Regulation
VaR	Value at Risk

1. Overview

1.1 Introduction

Gulf International Bank (UK) Limited ("GIB (UK)" or "the Bank" (LEI: 7N7YKE66OZ27KON72O26) is authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and the Financial Conduct Authority ("FCA"). The Bank is incorporated in England and Wales and has a branch in New York. It is a wholly owned subsidiary of Gulf International Bank B.S.C. (Bahrain).

The disclosures in this document have been prepared in accordance with the Disclosure (CRR) Part of the PRA Rulebook and as the PRA has otherwise directed.

1.2 Background

The purpose of the capital adequacy regime, as set out in the above framework, is to promote safety and soundness in the financial system. The prudential regulatory framework established by the Basel Committee on Banking Supervision, and implemented by the PRA within the UK, is structured around three pillars that are designed to promote sound risk and capital management:

- Pillar 1 defines minimum capital requirements that firms are required to maintain for operational, market and credit risk. Banks are required to meet a minimum Common Equity Tier 1 (CET 1) ratio of 4.5% of risk weighted assets (RWAs), a minimum Tier 1 ratio of 5.5% of RWAs and a total capital ratio of 8% of RWAs;
- Pillar 2 defines the Supervisory Review and Evaluation Process (SREP) that firms are required to maintain including a requirement to conduct an Internal Capital Adequacy Assessment Process (ICAAP); and
- Pillar 3 underpins market discipline through regulatory disclosure requirements that provide market participants with transparency in relation to a firm's regulatory capital and risk exposures.

1.3 Summary analysis

A high-level summary of the key capital and liquidity ratios for GIB (UK) is provided below. Further details on the capital ratios, risk weighted assets (RWAs), and the leverage ratio are presented in Section 5 and 6 of this document.

All figures disclosed in sections 1 – 6 are denominated in US dollars, GIB (UK)'s reporting currency.

1.3.1 Key metrics (UK KM1)

		$'000	$'000
		T - Current year	T-4 - Prior year
		31-Dec-25	31-Dec-24
	Available own funds (amounts)		
1	Common Equity Tier 1 (CET1) capital	448,279	435,465
2	Tier 1 capital	448,279	435,465
3	Total capital	448,279	435,465
	Risk-weighted exposure amounts		
4	Total risk-weighted exposure amount	2,012,480	1,963,743
	Capital ratios (as a percentage of risk-weighted exposure amount)		
5	Common Equity Tier 1 ratio (%)	22.27%	22.18%
6	Tier 1 ratio (%)	22.27%	22.18%
7	Total capital ratio (%)	22.27%	22.18%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)		
UK 7a	Additional CET1 SREP requirements (%)	4.05%	4.05%
UK 7b	Additional AT1 SREP requirements (%)		
UK 7c	Additional T2 SREP requirements (%)		
UK 7d	Total SREP own funds requirements (%)	12.05%	12.05%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)		
8	Capital conservation buffer (%)	2.50%	2.50%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)		
9	Institution specific countercyclical capital buffer (%)	0.12%	0.12%
UK 9a	Systemic risk buffer (%)		
10	Global Systemically Important Institution buffer (%)		
UK 10a	Other Systemically Important Institution buffer		
11	Combined buffer requirement (%)	2.62%	2.62%
UK 11a	Overall capital requirements (%)	14.67%	14.67%
12	CET1 available after meeting the total SREP own funds requirements (%)	10.22%	10.13%
	Leverage ratio		
13	Total exposure measure excluding claims on central banks	10,765,691	8,682,283
14	Leverage ratio excluding claims on central banks (%)	4.16%	5.02%
	Additional leverage ratio disclosure requirements		
14c	Average leverage ratio excluding claims on central banks (%)		
14d	Average leverage ratio including claims on central banks (%)		
14e	Countercyclical leverage ratio buffer (%)		
	Liquidity Coverage Ratio		
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	16,162,429	8,650,825
UK 16a	Cash outflows - Total weighted value	5,627,137	3,507,666
UK 16b	Cash inflows - Total weighted value	453,100	486,306
16	Total net cash outflows (adjusted value)	5,174,037	3,021,360
17	Liquidity coverage ratio (%)	312.38%	286.32%
	Net Stable Funding Ratio		
18	Total available stable funding	5,186,523	5,139,351
19	Total required stable funding	1,959,106	2,225,713
20	NSFR ratio (%)	264.74%	230.91%

Total capital

GIB (UK)'s audited profits were $13.9m in 2025 (2024: $24.0m).

Risk weighted assets

RWAs increased by $48.7m year-on-year, facilitated by the increase in available capital.

Total SREP capital requirement (TSCR)

The TSCR was 12.05% in 2024 and remained same for the year 2025.

2. Disclosure policy

2.1 Scope of disclosure

All financial information presented in this Pillar 3 document is stated as of 31 December 2025, our financial year-end with the prior year end comparatives shown where applicable. These disclosures have not been subject to external audit except where they are equivalent to those prepared under accounting requirements for inclusion in the annual report and accounts. Disclosures here are in addition to those set out in the GIB (UK) financial statements presented in accordance with International Financial Reporting Standards (IFRS) and the disclosures are based on the information included within the Bank's regulatory return submissions for the year end unless otherwise stated.

2.2 Basis of preparation

2025 Pillar 3 Disclosures are prepared in accordance with the requirements of Part 8 of the Capital Requirements Regulation (UK CRR). The Bank maintains a Pillar 3 Disclosure Policy to support compliance with the Disclosure section of the PRA Rulebook.

The disclosures are presented using the prescribed disclosure templates in the PRA Rulebook. Row and column references are based on those prescribed in the PRA templates.

All figures and narrative are as of 31 December 2025. Comparative information is disclosed based on the previously disclosed reporting period as prescribed in the PRA Rulebook. The previously disclosed reporting period was the year ending 31 December 2024.

GIB (UK) prepares its prudential returns and disclosures from the basis of the financial statements.

GIB (UK) is not classed as a large institution or an SDDT and is non-listed and hence permitted a derogation (UK CRR art 433c (2)) from the full disclosure requirements but are required to disclose the information set-out in this document, on an annual basis.

As a result of this, GIB (UK) is classified as a "other – non listed" firm.

2.3 Frequency of disclosure, media and location

GIB (UK) will publish its Pillar 3 disclosures document on an annual basis, in accordance with article 433c (2) of the UK CRR, on the publicly accessible website www.gibuk.com

2.4 Board responsibility for risk management and disclosures

A core objective for the Bank is the effective management of risk. The responsibility for identifying and managing the principal risks rests with the Board of Directors, who are also responsible for setting the strategy, risk appetite and controls framework.

In accordance with Part 8 of the UK CRR, and the Bank's Disclosure Policy, GIB (UK) is required to ensure that external disclosures portray its risk profile comprehensively. The Directors have considered the adequacy of the Pillar 3 disclosures in relation to these requirements and are satisfied that the risk management systems put in place are adequate with respect to GIB (UK)'s risk profile and strategy.

2.5 Future regulatory developments

On 20 January 2026, the PRA published PS1/26 “Implementation of Base 3.1: Final Rules” finalising the PRA's implementation of the Basel 3.1 Pillar 1 framework.

As part of the PRA’s data exercise, GIB (UK) has forecasted it’s expected RWAs under Basel 3.1 (as at 31 December 2025). Based on the banks current balance sheet structure and lending portfolio, the bank expects to benefit from the reduction in risk weights on CQS 2 rated entities in which it lends to.

The Bank continues to monitor proposals on Environmental, Social and Governance (ESG) across all three pillars of regulation, supervision and disclosure. Any new requirements will be incorporated into future Pillar 3 documents.

2.6 Prudential consolidation

GIB (UK) is a single entity and the scope of disclosures in the financial statements and the prudential returns is identical.

3. Corporate Governance (UK OVB)

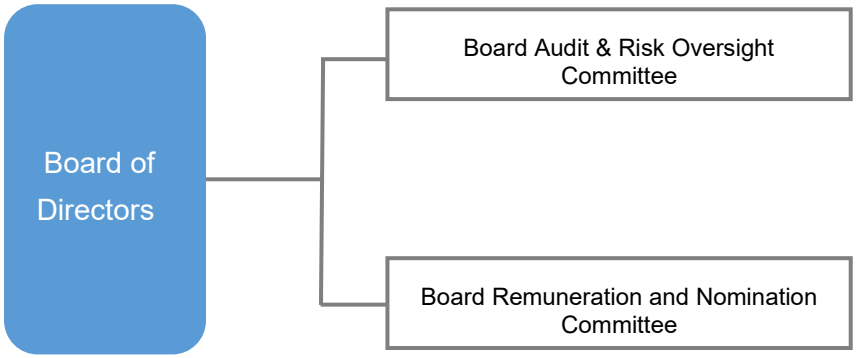
3.1 Corporate structure

GIB (UK) is a fully owned subsidiary of Gulf International Bank B.S.C. (GIB) (registered in Bahrain), which is itself owned by the Public Investment Fund of Saudi Arabia (97.2%) and the Kuwait Investment Authority (0.73%), Ministry of Finance UAE (0.438%), Qatar Holding Company (0.73%), Bahrain Mumtalakat Holding Company (0.438%) and the Oman Investment Authority (0.438%).

3.2 Governance structure

GIB (UK) has a comprehensive governance framework as set out below.

3.2.1 Board Committees



3.2.2 Board of Directors

The Board of directors are collectively responsible for the leadership, culture and long-term sustainable success of GIB (UK). It is accountable for setting the strategic direction of the Bank,

whilst also ensuring that its obligations to its customers, employees, regulators, shareholders and other key stakeholders are met.

The Board is also responsible for providing oversight and monitoring the business against the approved strategy, risk appetite and budget, providing challenge and advice to Executive Management as required, to enable GIB (UK) to meet its strategic objectives and goals.

The Board is largely composed of non-executive directors to ensure its independence from management and, consequently, to ensure independent judgement on issues brought before it.

Specific Board responsibilities include, but are not limited to, the appointment of directors, the review of financial performance and risk profile of GIB (UK), the approval of GIB (UK)'s strategy and business plans, its financial statements and of the Internal Capital Adequacy Assessment Process (ICAAP), the Internal Liquidity Adequacy Assessment Process (ILAAP), Pillar 3 disclosures, the Recovery Plan, the Resolution Pack and the Solvent Exit Analysis.

As at 31 December 2025, the number of other directorships held by Board Members, disclosed in accordance with Article 432(2) of Part 8 of the UK-CRR, are set out below:

Director	Position	Number of directorships
Abdulaziz Al-Helaissi	Chair – Non-independent Non-executive Director	6
Sara Abdulhadi	Non-independent Non-executive Director	1
Turki Al-Malik	Independent Non-executive Director	12
Abdulla Al-Zamil	Non-independent Non-executive Director	11
Ralph Campbell	Chief Financial Officer	3
Soha Nashaat	Independent Non-executive Director	4
Katherine Garrett-Cox	Chief Executive Officer	9
Carolyn Aitchison	Independent Non-executive Director	5
Gary Withers	Independent Non-executive Director	7

3.2.3 Audit and Risk Oversight Committee (AROC)

The AROC is a non-executive committee of the Board chaired by an Independent Director and is responsible for assisting the Board on:

- Any matters relating to the Bank's financial affairs;
- The effectiveness of the risk control and compliance framework, ensuring that it remains aligned with the Board's risk appetite; and
- Ensuring the Board has the management information it needs.

The Committee seeks appropriate assurances from management, the internal and external auditors, the Chief Risk Officer, Chief Legal and Compliance Officer and the Money Laundering Reporting Officer.

3.2.4 Remuneration and Nomination Committee

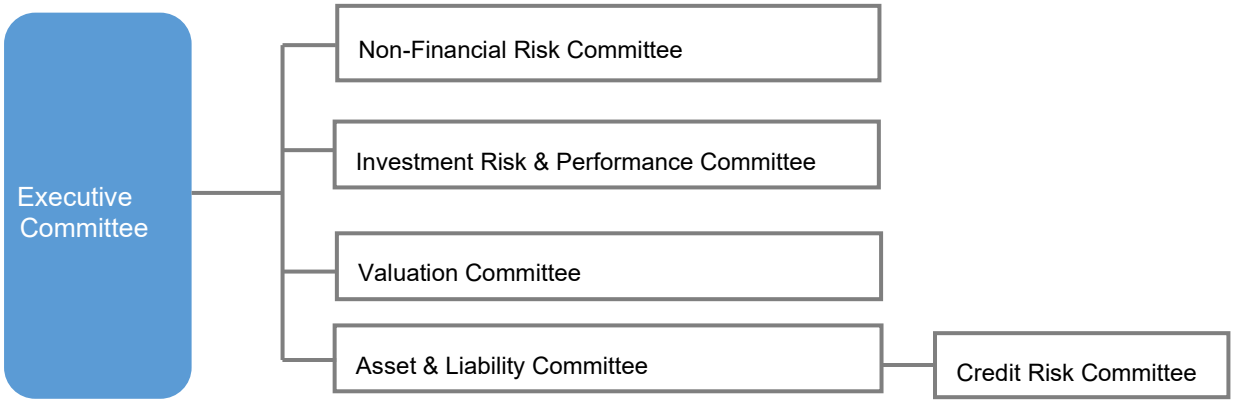
The Remuneration and Nomination Committee is a non-executive committee of the Board chaired by an independent director. The purpose of the Nomination and Remuneration Committee is to:

- Lead the process for director nominations, ensure plans are in place for orderly succession to both the Board and senior management positions and oversee the development of a diverse plan for succession; and
- Oversee the design of, and recommend to the Board, an overall remuneration policy for GIB (UK) that is aligned with its long-term business strategy, its business objectives, its risk appetite and culture, and which recognises the interests of relevant stakeholders. It oversees the implementation of, and reviews, remuneration and related policies and the alignment of incentives and rewards with culture.

3.3 Executive Management

3.3.1 Executive Committee (ExCo)

The purpose of the Executive Committee ("ExCo") is to maintain a reporting and control structure whereby all line operations and other management committees of GIB (UK) are accountable to the executive directors to ensure that all areas of the business are adequately managed, with particular emphasis on business development.



3.3.2 Non-Financial Risk Committee (NFRC)

The NFRC is responsible for supporting the ExCo in the identification, assessment, monitoring, and management of its material risks in line with the Board-approved Risk Appetite.

3.3.3 Assets and Liabilities Committee (ALCo)

The purpose of the Assets & Liabilities Committee ("ALCo") is to support the CFO in the management of GIB (UK)'s capital and in the identification, management and control of the Bank's balance sheet risks. It is responsible for the implementation of the asset and liability strategy and policy (including limits) for the Bank's balance sheet.

3.3.4 Credit Risk Committee (CRC)

The Credit Risk Committee reports into and supports the ALCO with the identification, management and control of the Bank's credit risk. It is responsible for the implementation of the credit risk management policy for the Bank's balance sheet exposures and for reviewing and approving new credit facilities, changes to existing credit limits and renewals.

All Governance Committees operate to agreed and documented terms of reference, objectives, authorities and responsibilities. The terms of reference are maintained by each committee Chair and are re-approved on an annual basis.

3.4 Diversity

GIB (UK) believes that a truly diverse workforce, combined with an inclusive culture, is key to maximising business effectiveness. Therefore, the Bank aims to select, recruit, develop and promote talented and engaged people, and encourage the use of their wide range of skills, experiences and perspectives, in the furtherance of our business. This holds equally for our Board of Directors.

An effective board needs to include individuals with a mix of skills and experience that are up to date and cover the major business areas in order to make informed decisions and provide effective oversight of risk management. Furthermore, more diverse management bodies can help to improve strategic decision making and effective risk-taking by incorporating a broader range of views, opinions, experiences, perceptions, values and backgrounds.

A more diverse management body and an inclusive environment reduce 'group think' and 'herd behaviour' and promotes creativity and innovation, both of which support the organisation to enhance client service.

The issue of diversity is not limited to gender; it also concerns the age, professional, educational and socio-economic background, and ethnicity/colour and geographical provenance of the members of the management body as well as welcoming differing physical abilities and cognitive divergences. All these factors are important aspects to achieving a balanced composition of the management body.

GIB (UK)'s policy is to ensure that the above aspects of diversity are systematically and thoroughly taken into account in determining its management body. Specifically, this includes:

- Attraction of diverse talent in our recruiting practices;
- Retention of diverse talent through our succession planning; and
- Developing our diverse talent through learning and development opportunities.

Furthermore, GIB (UK) pays particular regard to ensuring that diverse views, opinions and ways of thinking are encouraged as part of the ongoing operation and discussions of the management body, thereby supporting constructive debate and challenge on the range of issues facing the firm.

GIB (UK) has set the following quantitative targets, in line with the FCA's 2022 Policy Statement:

- At least 40% of the board are women (including those self-identifying);
- At least one of the senior Board positions is a woman; and
- At least one member of the Board is from a non-White ethnic minority background.

The Board, with support from the Nomination and Remuneration Committee, is responsible for compliance with this policy, or, where there are gaps, to explain why. In particular, the Board recognises that a change of a single individual could have a sizeable impact relative to the targets.

4. Risk Management (UK OVA)

GIB (UK)'s Risk Management Framework ("RMF") covers policies, procedures, limits, and comprehensive risk measurement and management information systems for the identification, control, monitoring and reporting of financial and non-financial risks.

GIB (UK) is required to comply with the risk management policies of the GIB Group however, GIB (UK) maintains its own governance framework and RMF reflecting both its business model and the external environment. GIB (UK) ensures that its business lines are supported through its own policies and procedures.

In line with the PRA requirement for an independent risk management function, GIB (UK) operates the model of separate lines of defence. Each line plays a distinct role in building a robust internal control environment, combining processes and structures that reinforce corporate governance:

- **First line:** Business (Treasury & Banking and Asset Management) and support functions, are risk takers and control owners, and responsible for the ongoing identification and management of their risks. They must operate within the established risk appetite and policies, design and maintain effective controls, implement risk mitigation plans, and promptly remediate issues where risks materialise.
- **Second line:** The Risk and the Compliance functions, are independent oversight functions and both have an independent reporting line into the AROC. They maintain a framework supporting risk management and provide oversight and challenge of the business risk-taking activities.
- **Third line:** Internal Audit, provides independent assurance to senior management, the Board of directors and shareholders on the design and operating effectiveness of internal controls. The function is complemented by a third-party internal audit service provider and reports directly to the AROC. Internal Audit operates under an approved mandated and maintains its independence. During the year, Internal Audit delivers a risk-based internal audit plan that contributes to the Bank's control environment. Please refer to the Internal Audit Charter for more details on the Internal Audit Function and its standards, including independence and authority.

In addition to the three lines of defence, external auditors and regulators act as independent external assurance providers, offering oversight and challenge rather than participating in the management of internal processes:

- External Audit: provides independent assurance to senior management, board of directors and shareholders on the firm's financial reporting as well as the systems that support it. The main role of the external audit is the review of financial statements to verify that they are a valid as well as a reasonable account of both past financial performance and current financial position and that are consistent with a suitable financial reporting framework. External Audit reports independently to the AROC.
- Regulators: They apply and monitor rules designed to increase transparency and accountability in various areas, such as capital requirements, financial reporting etc. They set the expectations for organisations to follow that are enforced via a continuous process of inspection, review, reporting, and applicable penalties.

4.1 Risk control functions

GIB (UK) has dedicated Risk and Compliance functions, independent of business units, headed by the Chief Risk Officer (CRO) and Chief Legal and Compliance Officer (CLCO), who both report to the CEO from a management perspective, the Chair of the AROC from an independence perspective, and the Group CRO and the Group Chief Compliance Officer from a functional perspective.

The Risk function carries out the following activities:

- Developing, implementing, and managing GIB (UK)'s Risk Management Framework;
- Facilitating the development and revisions of the risk appetite (which in turn is approved and owned by the Board), as well as overseeing that risks are managed in line with its Risk Appetite;
- Supporting Risk Assessments (including Key Risks, Emerging Risks, and Department Risk & Control Self-Assessment) to identify the material risks faced, covering all business and support functions;
- Overseeing development, reviewing, and implementing of Risk policies and procedures. Monitoring adherence to limits, triggers of early warning indicators and compliance with ratios to maintain alignment with regulatory requirements and internally set parameters;
- Overseeing Finance's prudential planning through the coordination of the ICAAP, ILAAP, Recovery Plan and maintenance of a resolution pack; and
- Inputting into the annual mandatory staff and Board training plan covering key risk processes. Leading the delivery of the risk training plan with support from HR to source external training providers.

The Compliance function carries out the following activities:

- Monitoring adherence to applicable laws and regulations across GIB (UK)'s business activity, taking into account UK and other regulatory requirements and tracking recommendations through to completion;
- Providing updates to Board and Management on regulatory change management, compliance monitoring and regulatory training, as well as addressing any reporting needs to meet regulatory requirements;
- Establishing and maintaining an effective regulatory change management framework to identify, assess and support the implementation of new regulatory requirements by the first line of defence;
- Ensuring regulatory communications are answered promptly, liaising with the regulators regarding Senior Managers certification and approval, and regulatory visits and tracking implementation of regulatory recommendations; and
- Overseeing development, reviewing, and implementing of Compliance policies and procedures.

4.2 Management of key risks

4.2.1 Credit risk (UK CRA)

Credit risk is the risk that a customer, counterparty or an issuer of securities or other financial instruments fails to perform under its contractual payment obligations thus causing GIB (UK) to suffer a financial loss.

Credit risk faced by GIB (UK) arises through two broad categories, counterparty risk and issuer risk:

i. Counterparty credit risk is the risk that a counterparty fails to fulfil its contractual obligations as they fall due, as a result of the deterioration in its credit status, including default and/or insolvency; and

ii. Issuer risk is the risk that the issuer of a security defaults on its obligations to pay coupons or the principal due on the security, as a result of deterioration in its credit status, including default and/or insolvency.

GIB (UK) is exposed to counterparty credit risk in respect to its foreign exchange transactions, un-cleared derivative transactions and reverse repo transactions. GIB (UK) is also exposed to issuer risk through positions held on the hold-to-maturity investment portfolio. Where appropriate, GIB (UK) seeks to minimise its credit exposure using a variety of techniques including, but not limited to, the following:

- All money market placement, derivative and reverse repo transactions are conducted with highly rated financial institutions;
- Only undertaking transactions in derivatives, foreign exchange instruments, repos and reverse repos on the terms of industry standard documentation, such as ISDAs and CSAs and GMRAs, respectively;
- Obtaining high-quality collateral (subject to haircut); and
- Investing in senior unsecured bonds issued by entities (including financial institutions, sovereigns, supranationals and multilateral development banks) of high credit quality.

GIB (UK) has established risk appetite levels that are within the overarching parameters set out in the GIB Group Risk Appetite policy and are adjusted to comply with both UK regulatory requirements and the Bank's business model. This results in an assessment of credit risk determined by varying tolerance levels based on factors including, but not limited to, product type, geographic location, credit quality and tenor. These appetite metrics form the basis upon which maximum exposure limits are derived as part of the governance framework to measure, mitigate and manage credit risk within the GIB (UK)'s risk appetite.

GIB (UK) maintains a Credit Risk Management Policy, which includes a risk based internal credit assessment process, that provides internal credit risk ratings for approval of credit limits. Group-wide credit limit setting and approvals are conducted within the Board-approved guidelines, and the measurement, monitoring and control of credit exposures is undertaken on a Group-wide basis in a consistent manner.

In line with the Credit Risk Management Policy all counterparties are subject to an annual credit review process (and more frequently if required) and credit profiles are monitored through an internal credit-monitoring tool, which tracks changes in external credit ratings and credit default swap spreads, where such market data is available.

The utilisation of credit risk limits is monitored by Group Credit Administration under an intra-group service agreement, and any breaches are escalated to GIB (UK) Treasury and Risk.

The GIB (UK) Credit Risk Committee reports on credit risk to the ALCO and to the AROC on a quarterly basis.

4.2.2 Provisions

IFRS 9 requires GIB (UK) to record an allowance for expected credit losses (ECL) for all loans and other debt financial assets not held at fair value through profit and loss (FVTPL). The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk in which case the allowance will be for the lifetime ECL.

- **Stage 1:** For financial instruments where there has been no significant increase in credit risk since initial recognition, and that were not credit-impaired on origination, GIB (UK) recognises an allowance based on the 12-month ECL;
- **Stage 2**: For financial instruments where there has been a significant increase in credit risk since initial recognition but that are not credit-impaired, GIB (UK) recognises an allowance for the lifetime ECL; and
- **Stage 3**: For credit-impaired financial instruments, GIB (UK) recognises the lifetime ECL.

Lifetime ECL (stage 2 and 3) is a probability-weighted estimate of credit losses and is determined based on the difference between the present value of all cash shortfalls. The cash shortfall is the difference between all contractual cash flows that are due to the Bank and the present value of the recoverable amount at the reporting date.

Provisions for credit-impairment are recognised in the Income statement and are reflected in an allowance account against debt securities at amortised cost, and placements.

As at 31 December 2025 GIB (UK) has a Stage 1 expected credit loss provision balance of $1,102k (2024: $666k) on placements and securities. GIB (UK) has zero ECL for stage 2 and 3.

4.2.3 Market risk (UK MRA)

Market risk is defined as the risk of losses arising from adverse movements in market prices.

GIB (UK) takes no positions with 'trading intent' (defined as a position taken with the intent of short-term resale or with the intention of benefiting from actual or expected short-term price differences between buying and selling prices, or from other price or interest rate variations). Financial instruments are presumed to be held until maturity and are therefore designated as banking book. Interest rate and foreign exchange rate derivatives and forward FX transactions are only entered into to hedge interest rate and FX risk arising in the banking book. As a USD-functional currency firm, GBP expenses may also be hedged using FX derivatives.

The Bank is exposed to interest rate and foreign exchange risk, and these risks are actively managed within limits, using hedging instruments such as interest rate and FX swaps. Hedging is undertaken by Treasury where appropriate to manage exposures within approved limits.

Market risk due to FX is measured using a VaR methodology. VaR is calculated daily by Group Finance under an intra-group Service Agreement. Interest rate risk is assessed according to the PRA's IRRBB guidance.

As of 31 December 2025, GIB UK invests seed capital into its own investment funds to support them whilst they build a track record. These are equity and fixed income investment funds and GIB hedges the investments using equity futures to mitigate its sensitivity to changes in market prices. As the hedges do not always cancel profit or loss from the seed investment perfectly a residual profit or loss can result from the combination of seed investments and corresponding hedges.

If an amber or red market risk appetite threshold is triggered, GIB (UK) Risk will report this to the ALCO and AROC on a quarterly basis.

4.2.4 Operational risk (UK ORA)

The Bank defines Operational Risk as the risk of loss arising from inadequate or failed internal processes, people and systems or from external events, whether intentional, unintentional or natural. This includes legal risk but excludes strategic and reputational risks.

Operational Risk arises across business lines through the normal course of business, and is generally deemed higher for new, complex or manual processes.

Control Model

GIB (UK) has implemented a structured framework for the ongoing management of operational risk in line with the Operational Risk Management Policy.

The Operational Risk control model covers the following components:

- Operational Risk Event (ORE) data collection and analysis;
- External event data collection and analysis;
- Key Risk Indicators (KRIs);
- Risk and Control Self-Assessments (RCSAs);
- Scenario Analysis; and
- Risk Mitigation Action Plan tracking.

This model is tailored to meet GIB (UK)'s needs and sets out the requirements for the key stakeholders to perform their roles and fulfil their responsibilities.

The operational risk processes underpinning the Bank covers two different and complementary viewpoints:

- **Preventative Controls** - The "ex-ante"/forecast point of view, which involves identifying, assessing, and prioritising potential operational risks to enable their mitigation. Under these controls, risk is managed in a proactive and preventive way by the risk entities exposed. Operational risk management is integrated into the day-to-day decision-making process and is focused on the analysis of the causes of operational risk to enable its mitigation; and
- **Detective Controls** - The "ex-post"/actual point of view. This involves assessing the exposure to Operational Risk and measuring its consequences, i.e., the historical cost of the events that have occurred. Under these controls, operational risk management uses tools associated with the consequences of operational risk not only to complement its management, but also to feed the calculation of capital use for operational risk exposure.

RCSA overview, inherent vs residual risk distribution

A comprehensive RCSA programme is undertaken covering both front office and support functions as well as the second line of defence. The NFRC has oversight of the assessment and controls in place to identify high risk or emerging risks to GIB (UK).

Each Business Unit is responsible for maintaining their RCSA in-line with the Operational Risk Management Policy.

The RCSA methodology for identification of operational risks is set out by Risk in the Operational Risk Management Policy and the resulting risks are assessed using a likelihood and impact assessment matrix, which assigns a Low, Medium, High and Very High rating.

The Risks identified through the RCSA process are mapped to the Basel risk taxonomy to allow further trend analysis and links to other Operational Risk artefacts such as Operational Risk Events.

Key Risk Indicators (KRIs)

Business functions, supported by Operational Risk, define and maintain KRIs to monitor operational risk in line with the Risk Appetite Statement.

The frequency and thresholds for each KRI are agreed with Operational Risk. Financial Risk Indicators are endorsed by the ALCO, and all are endorsed by the NFRC prior to AROC endorsement and Board approval.

KRIs are monitored at the relevant frequency as outlined in the framework. Any amber or red trigger for a Board level KRI is escalated to the Chair of the AROC when highlighted by the business to Risk. All triggers are also reported through the Risk dashboard to the NFRC (monthly) and AROC (quarterly).

Where a KRI breaches its defined threshold, the relevant owner, in consultation with Risk, is responsible for implementing appropriate risk mitigation actions.

Operational Risk Events (OREs)

Operational risk events arise when operational risk materialises, either because of a breakdown in a process or failure to follow control procedures, a failure or absence of a control or an external cause. Some operational risk events have either a financial or non-financial impact (e.g.,

regulation, Customers, Staff and Reputation) whilst others do not have an impact but have the potential to do so (near misses).

In GIB (UK), all operational risk events regardless of the value of the operational loss are formally reported and investigated, these include all loss events as well as:

Near-Miss Events

An incident which had the potential to cause damage to the Bank but did not materialise due to an action of a 'non-routine' nature being taken (i.e., an action occurred outside the standard controls in place to manage the risk).

Boundary Event

A boundary event is an event triggered through another risk category (i.e., credit, market or liquidity risk) which includes an element of operational risk to which a loss might be attributed.

If a control inside GIB (UK) works as designed and picks up and prevents a potential error, it is not considered an operational risk event.

Reporting and escalation

All staff are required to report operational risk events to their Department Head and Risk within 24 hours of identification.

An initial investigation is undertaken by the First Line of Defence (1LoD) to determine the cause of the event and identify any immediate actions required to minimise impact on GIB (UK) and its clients.

All OREs must be recorded using the prescribed template, including root cause analysis and proposed preventative actions, as soon as practicable following identification.

An Event Owner is assigned to each ORE and is responsible for completing an impact assessment in accordance with the defined impact classification matrix. The Event Owner may sit within either the First or Second Line of Defence, depending on the nature of the event. Events are rated as low, medium, or high, considering both financial and non-financial impacts, including potential exposure where relevant.

Risk (Second Line of Defence) reviews all ORE reports and, where appropriate, provides challenge and input, including engagement with relevant stakeholders and enhancement of the report where required.

A summary of OREs, including medium and high-rated events and relevant mitigation actions, is reported to the NFRC and to the AROC on a quarterly basis via the Risk dashboard. Where required, additional detail or deep-dives may be provided on request.

Historical Losses

Historically, GIB (UK) has seen a low level of operational events and losses. Over the last 10 years, the historical average loss amount is $14,749 (calculated as the total value of losses divided by the number of operational loss events). The highest single loss was $300,000.

4.2.5 Liquidity and Funding Risk

Liquidity risk is the risk that sufficient funds are not available to meet GIB (UK)'s financial obligations when they fall due. GIB (UK) financial obligations arise from doing business as a financial institution, for example paying our depositors, posting margin, or paying operational expenses.

Funding risk is the risk that the bank is not able to attract deposits or obtain the funding required to purchase income generating assets.

GIB (UK)'s liquid resources are primarily comprised of:

- Cash; and
- A liquidity buffer that consists of eligible buffer assets, as defined under the UK regulatory framework, including central bank deposits and qualifying marketable securities

GIB (UK) also has an asset monetization programme where an asset's liquidity is tested by utilising the Fed's repo facility, posting securities in exchange for liquid funds or undertaking bilateral repo trades with third parties. This test is performed at least annually, and results are presented to ALCO.

GIB (UK) maintains a Liquidity Risk Management Policy to ensure that the Bank has access to adequate funds to meet its obligations, even under adverse conditions. In normal conditions, the objective is to ensure that there are sufficient funds available not only to meet current financial commitments but also to provide the flexibility to capitalise on opportunities for business expansion. These objectives are met through the application of a prudent mix of liquidity controls.

Liquidity stress testing is performed and reported to Senior Management on a daily basis via the OLAR calculation *(which reports the bank's surplus over its Pillar 2 requirement),* and these parameters are reviewed on an annual basis as part of the ILAAP.

GIB (UK) Risk reports on liquidity risk to the ALCO and to the AROC on a quarterly basis.

4.2.6 Credit Concentration Risk

Credit Concentration Risk is the risk of losses arising from concentrations of exposures due to imperfect diversification.

GIB (UK)'s Treasury desk operates under Credit and Concentration limits prescribed in GIB (UK)'s RAS, which is approved by the Board. The risk appetite defines the instrument limits tenors and jurisdictions that GIB (UK) can invest in.

Credit concentration risk is reported quarterly to ALCO and the AROC.

4.2.7 Interest Rate Risk in the Banking Book (IRRBB)

Interest rate risk is the potential adverse impact on the Bank's future cash flows from changes in interest rates associated with banking book items.

The differing interest rate risk characteristics of GIB (UK)'s assets and liabilities when Treasury accepts deposits with a certain maturity in a certain currency and places them at different maturity and/or in a different currency may give rise to the following risks:

- Duration risk arising when the re-pricing of banking products (assets and liabilities) is mismatched across time buckets;
- Basis risk arising when banking book positions re-price in relation to different reference interest rates; and
- Optionality arising from any discretion customers and counterparties have in respect of their contractual relations with the bank, including prepayment risk on fixed rate loans and deposits (not material in GIB's business model).

IRRBB is monitored and assessed daily in line with the guidance set out in the PRA Rulebook.

4.2.8 Business and Strategic Risk

Business risk is the risk to the bank's business model caused by uncertainty in the macroeconomic environment, with specific consideration given to earnings volatility and cost overruns in severely adverse conditions. Business risk is managed with a long-term focus and is assisted by careful development of business plans, appropriate management oversight and an embedded corporate governance framework. Strategic risks are those that are most consequential to the organisation and threaten to its ability to meet its purpose and deliver its vision.

As of 31 December 2025, GIB (UK) has two principal lines of business:

(i) Treasury and Banking; and

(ii) Asset Management.

Our Treasury and Banking business is very clearly driven by our customers' requirements. If these requirements reduce to a position where revenues do not cover the costs generated, then the Bank would need to reduce costs. The main business risk facing Treasury is the narrow business model and the small depositor base, and hence it is vulnerable to changes in demand from clients.

Building an active asset management business that focusses on sustainability at the heart of its investor offering was the Bank's key strategic focus during 2025.

For passive mandates, the main business risk is the vulnerability of revenues to asset values. When asset values fall, we need to process a broadly similar number of transactions whilst receiving fees calculated on the basis of lower asset values.

The main strategic risks are those associated with the development of new clients, products, and embedding sustainability across the business. As GIB (UK) looks to diversify its products, there is a risk that it misjudges the value proposition for clients, inadequately assesses target market needs, or is unable to leverage distribution channels effectively. In fulfilling its vision to be a responsible investment provider there is a risk of reputational damage if GIB (UK) fails to live up to its vision, either through its own actions or via association with the wider Group. Further, GIB (UK) maintains a Key and Emerging Risk Register and monitors current and emerging risks, which is reviewed quarterly.

4.2.9 Conduct Risk

Conduct Risk is the risk that the actions of a firm lead to client detriment, poor client outcomes or negative impact on market stability. It arises when employees do something they should not do, or do not do something they should be doing, and can be driven by poor organisational culture.

GIB (UK) through its Code of Conduct and Culture Framework has established a risk culture that not only addresses the risk of misconduct but also highlights clear accountability for actions through a preventive approach.

GIB (UK) has embedded Conduct Risk in its Risk Management framework and has incorporated behaviour and conduct in its annual performance appraisal and certification processes.

GIB (UK) Risk department reports conduct risk indicators, including any Human Resources or market conduct issues, to the NFRC and to the AROC and the Board on a quarterly basis.

4.2.10 Group Dependency Risk

GIB (UK) outsources a number of operations to GIB B.S.C. Group companies and manages this risk through 'Service Level Agreements', that are reviewed annually. GIB (UK) acknowledges and accepts the significant reliance on Group to support the business model for GIB (UK) Treasury and Banking activities.

Group companies support the following activities:

- Credit Risk - All exposures are monitored by Group against agreed credit limits for GIB (UK);
- Market risk - Group measures and reports VaR exposures for FX positions using Murex. This includes the stress testing of positions and VaR back testing;
- Operations - Operations staff based in KSA support the Treasury and Banking activity; and
- Systems and Data - GIB (UK) are reliant on Group for accounting, treasury and banking systems and data.

GIB (UK) recognises that it places significant reliance on the GIB B.S.C. Group as an outsourced services provider.

4.3 Risk culture

Underpinning the effectiveness of the RMF is a strong risk culture that sets the tone for the Bank and influences the risk consciousness of employees as they conduct their daily activities and pursue business objectives.

The risk culture of GIB (UK) seeks to ensure that all business functions and employees consider risk management, and consult appropriately with the Risk Function, during the development of any key business initiatives such as new products.

4.4 Adequacy of risk management arrangements

The Board is ultimately responsible for reviewing the Bank's systems and controls and the effectiveness of the arrangements around these. However, such arrangements are designed to mitigate, not eliminate risk and therefore can provide only reasonable, but not absolute, assurance against fraud, material losses or financial misstatements.

The Bank has developed an RMF which is reviewed and approved every 18 months by the Board, to provide guidance to the business on how risks should be managed and to ensure that the bank's risk management systems and controls are adequate.

The Board considers that its risk management arrangements, including its risk management systems and controls, are adequate with regards to the Bank's profile and strategy.

5. Own funds

5.1 Composition of own regulatory funds (UK CC1)

Own funds as at 31 December 2025 are summarised below.

The Bank's regulatory capital consists entirely of CET 1 capital made up of fully paid-up ordinary shares, audited retained earnings and other reserves.

The Bank is a wholly owned subsidiary of Gulf International Bank B.S.C. (the parent Company) incorporated in the Kingdom of Bahrain.

		31-Dec-25 $'000	Ref.
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	250,000	
	of which: called up share capital	*250,000*	a
2	Retained earnings	213,084	b
3	Accumulated other comprehensive income (and other reserves)	8,414	c
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**471,498**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments	(237)	
8	Intangible assets (net of related tax liability)	(68)	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	324	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(21)	
15	Defined-benefit pension fund assets (negative amount)	(23,217)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	(23,219)	
29	**Common Equity Tier 1 (CET1) capital**	**448,279**	
60	**Total Risk exposure amount**	**2,012,480**	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	22.27%	
62	Tier 1 (as a percentage of total risk exposure amount)	22.27%	
63	Total capital (as a percentage of total risk exposure amount)	22.27%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	14.67%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical buffer requirement	0.12%	
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)***	10.22%	
Amounts below the thresholds for deduction (before risk weighting)			
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	1,964	

Notes:

The references identify balance sheet components in table CC2 – Reconciliation of regulatory capital to balance sheet which are used in the calculation of regulatory capital.

* Represents, as a percentage, the level of CET1 capital left available to meet buffer requirements after subtracting the minimum amount of CET1 capital required to meet total Pillar 1 plus Pillar 2A capital requirements, also referred to as total SREP own funds requirements. The minimum CET1 requirement is equivalent to 4.5 per cent of risk weighted assets (Pillar 1) plus the additional CET1 SREP requirement (56.25 per cent of the Pillar 2A capital requirement). However, as GIB (UK)'s capital instruments qualify exclusively as CET 1 it must use CET 1 capital to meet the minimum

requirements beyond the extent to which the regulations mandate. The surplus reported takes this into account.

5.2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements (UK CC2)

		31-Dec-25 $'000	Ref.
Assets - *Breakdown by asset class according to the balance sheet in the published financial statements*			
1	Cash and cash equivalents	13,858,303	
2	Placements with banks	3,942,292	
3	Trading securities	157,317	
4	Derivative financial asset	66,838	
5	Debt securities at amortised cost	2,634,985	
6	Property, plant and equipment	2,237	
7	Right-of-use assets	7,837	
8	Other assets	159,938	
9	Current tax receivable	1,483	
10	**Total assets**	**20,831,230**	
Liabilities - *Breakdown by liability class according to the balance sheet in the published financial statements*			
1	Deposits from banks	1,076,079	
2	Deposits from customers	19,161,886	
3	Derivative financial liability	12,565	
4	Deferred tax liability	5,612	
5	Other liabilities	103,590	
6	Current tax liabilities	-	
7	**Total liabilities**	**20,359,732**	
Shareholders' Equity			
1	Share capital	250,000	a
2	Capital contribution	2,279	b
3	Retained earnings	210,805	b
4	Cashflow Hedge Reserve	(324)	c
5	Pension reserves	8,738	c
	Total shareholders' equity	**471,498**	

		$'000 31-Dec-25
1	Shareholders' equity	**471,498**
2	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	324
3	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(21)
4	Intangible assets net of any related deferred tax liability	(68)
5	Pension asset net of any related deferred tax liability	(23,217)
6	Prudential valuation adjustment	(237)
7	**CET1 capital**	**448,279**

Notes:

The table has been prepared using information available from GIB (UK)'s accounting balance sheet as the basis for the calculation of the Bank's regulatory own funds as presented in table CC1. Minor timing differences may arise between the disclosures and the statutory accounts. These differences do not materially affect the overall presentation of the Bank's financial position or risk profile.

The references (a) to (h) identify regulatory balance sheet components that link initially to items disclosed in table CC1, prior to the application of regulatory definitions and adjustments per the rules for calculating own funds.

Deferred tax assets that do not rely on future profitability and result from temporary timing differences have not been deducted from deferred tax liabilities in the calculation of own funds but are risk weighted.

6. Own funds requirements

6.1 Pillar 1 approach

The Bank calculates its Pillar 1 own funds requirements using the following approaches:

Risk category	Pillar 1 approach
Credit risk	Standardised approach under the Credit Risk part of the PRA Rulebook and Chapter 2, Title II, Part Three of the UK-CRR
Counterparty risk	The Simplified standardised approach for counterparty credit risk under the Counterparty Credit Risk (CRR) part of the PRA Rulebook and Section 4 of Chapter 6 of Title II, Part Three of the UK-CRR
CVA risk	The standardised method under the Credit Valuation Adjustment (CRR) part of the PRA Rulebook and section 4 of Chapter 6 article 384, Title VI, Part Three of the UK-CRR
Operational risk	The standardised approach under the Operational Risk (CRR) part of the PRA Rulebook Chapter 3, Title III, Part Three of the UK-CRR
Market risk: - Foreign exchange risk	Standardised approach under the Market Risk Part of the PRA Rulebook and Chapter 3, Title IV, Part Three of the UK-CRR

Capital requirements are actively managed and regulatory ratios, including leverage, are a key factor in GIB (UK)'s internal risk appetite management.

6.2 Pillar 1 capital requirements (UK OV1)

The following table sets out the total risk-weighted exposure amounts and the corresponding total own funds requirement determined in accordance with Article 92, to and broken down by the different risk categories set out in Part Three of the CRR.

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		$'000	$'000	$'000
		T - Current year	T-4 - Prior year	T - Current year
		31-Dec-25	31-Dec-24	**31-Dec-25**
1	Credit risk (excluding CCR)	**1,701,543**	1,704,126	136,123
2	Of which the standardised approach	**1,701,543**	1,704,126	136,123
3	Of which the foundation IRB (FIRB) approach			
4	Of which slotting approach			
UK 4a	Of which equities under the simple riskweighted approach			
5	Of which the advanced IRB (AIRB) approach			
6	Counterparty credit risk - CCR	**69,386**	60,089	5,551
7	Of which the standardised approach			
8	Of which internal model method (IMM)			
UK 8a	Of which exposures to a CCP			
UK 8b	Of which credit valuation adjustment - CVA	**17,334**	15,040	1,387
9	Of which other CCR	**52,052**	45,049	4,164
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap)			
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)			
19	Of which SEC-SA approach			
UK 19a	Of which 1250%/ deduction			
20	Position, foreign exchange and commodities risks (Market risk)	**26,766**	819	2,141
21	Of which the standardised approach	**26,766**	819	2,141
22	Of which IMA			
UK 22a	Large exposures			
23	Operational risk	**214,785**	198,710	17,183
UK 23a	Of which basic indicator approach			
UK 23b	Of which standardised approach	**214,785**	198,710	17,183
UK 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)			
25				
26				
27				
28				
29	**Total**	**2,012,480**	1,963,743	**160,998**

6.3 Use of External Credit Assessment Institutions ("ECAI")

GIB (UK) uses ratings assigned by the following three PRA approved ECAI's: Standard & Poor's Rating Group, Moody's Investors Services and Fitch Group when calculating the credit risk requirements under the standardised approach to rated counterparties. External credit assessments have been applied for the following classes of exposures: central governments, multilateral development banks, institutions, corporates, shares in CIUs (the look-through approach), equity and other assets to determine the relevant CQS and consequent risk weight.

6.4 Pillar 2 capital requirements

Pillar 2a capital is held for risks that are either not captured, or not fully captured, under the Pillar 1 calculations. GIB (UK) undertakes an ICAAP, which involves a forward-looking assessment to ascertain the Pillar 2 capital requirement.

A Pillar 2a capital requirement sets out the additional regulatory capital as determined by the PRA, through the issuance of a firm specific Total Capital Requirement (TSCR), following a review of the ICAAP, as part of the Supervisory Review and Evaluation Process (SREP). The Pillar 2A requirement must be met with at least 56.25% CET 1 capital. It is expressed as a percentage of RWAs.

As at 31 December 2025, the Bank's Total Capital Requirement (Pillar 1 + Pillar 2A), set by the PRA remains same as 2024 at 12.05%.

The PRA has not set an additional supervisory buffer.

6.5 Capital buffers

The Bank is required to hold additional capital in the form of CRD IV capital buffers. These buffers must be met entirely with CET 1 capital.

6.5.1 Capital Conservation Buffer (CCoB)

The CCoB, at 2.5% of RWAs, applies to banks and has been developed to ensure capital buffers are available which can be drawn upon during periods of stress if required.

6.5.2 Countercyclical Buffer (CCyB)

The CCyB is intended to protect the banking sector against potential losses when excess credit growth is associated with an increase in system wide risks. The CCyB is a charge on relevant credit exposures defined as lending to exposure classes (g) to (q) as defined in CRR article 112.

GIB (UK) is not engaged in extending credit to the wider economy, consequently the CCyB only applies to a proportion of its activities. The charge is applied to 3.6%[1](2024: 6.1%) of its total credit exposures making up 24.9%[2] (2024: 32.0%) of credit risk weighted assets.

In each jurisdiction the relevant authority (the Bank of England in the UK) sets an individual CCyB rate based on their assessment of systemic risks in that jurisdiction. Accordingly, each institution calculates a specific CCyB based on a weighted average of the CCyB rates for each jurisdiction in which it has an exposure. As of 31 December 2025, GIB (UK) had a CCyB of $2.5m (2024: $2.4m) and hence a weighted average CCyB rate of 0.12% (2023: 0.13%).

6.6 Leverage ratio (LR)

The leverage ratio is defined as the ratio of Tier 1 capital to the total leverage ratio exposure measure. The leverage ratio exposure measure applies an equal weighting to all assets and therefore provides a complementary capital framework which is not exposed to the inherent errors and uncertainties in measuring risk by assigning risk weights.

The UK Leverage Framework that has applied to the Bank since 1 January 2022 excludes qualifying central bank claims from the exposure measure as set out in the FPC's 2015 Policy Statement. This exclusion ensures that the framework does not act as a barrier to the effective implementation of monetary policy measures or as a disincentive for institutions to use central bank liquidity facilities.

GIB (UK)'s leverage ratio as at 31 December 2025 was 4.16% (2024: 5.02 %).

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[1] *Calculated as total CCYB exposures of $731m divided by total credit risk exposures of $20.433bn.*

[2] *Calculated as total CCYB RWAs of $424m divided by total credit risk RWAs of $1.704bn.*

7. Remuneration

The Remuneration Part of the PRA Rulebook provides proportionality exemptions for qualifying firms. During 2025, GIB (UK)'s net foreign exchange position exceeded 3.5% of own funds on certain occasions and, accordingly, the firm did not meet the small CRR firm conditions. Consequently, GIB (UK) is required to comply with the applicable remuneration disclosure requirements.

7.1 General

GIB (UK) is regulated by both the PRA and the FCA and is subject to the regulations on remuneration from the UK Financial Services Regulators - primarily the FCA Remuneration Code and the PRA Remuneration Regulations as aligned, under the Disclosure (CRR) Part of the PRA Rulebook, to the Capital Requirements Regulation (Article 450).

This statement sets out the disclosures required under the requirements as they apply to the Bank and this narrative reflects our disclosure as part of REMA 1 to 4.

The average number of permanent staff employed by the Bank during the year ending 31 December 2025 was 123 (in 2024 this was 129).

7.2 Decision making process

Per Article 450(1) (a), GIB (UK) has a Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. Its terms of reference are as follows:

7.2.1 Membership

The Committee consists of not fewer than two non-executive directors appointed by the Board, one of whom shall be appointed Chair of the NRC by the Board. Executive Directors of GIB (UK) are not eligible to be members of the Committee. The Chair of the Board is not eligible to be Chair of the Committee. The Chair should have been a member of a Remuneration Committee for a minimum of twelve months prior to their appointment as Chair.

7.2.2 Duties

The Committee is responsible for:

- Leading the process for Director Nominations, ensuring plans are in place for orderly succession to both the Board and senior management positions, and overseeing the development of a diverse pipeline for succession; and
- Overseeing the design of, and recommending to the Board, an overall remuneration policy for GIB UK that is aligned with its long-term business strategy, its business objectives, its risk appetite and its culture, and one that recognises the interests of relevant stakeholders. It oversees the implementation of, and reviews, remuneration and related policies and the alignment of incentives and rewards with culture.

7.2.3 Meetings

The Committee meets at least twice a year. Two members constitute a quorum. The Committee minutes its proceedings. In addition to the members, and as agreed by them, other directors and managers may be invited to attend the meetings.

7.3 Link between pay and performance

Regarding Article 450(1)(b), all staff receive a fixed and a variable component to their remuneration. The variable component is based on the performance of the individual and the firm as a whole and is entirely discretionary.

The variable component of an individual's remuneration is designed to reward members of staff for good performance and to incentivise continued good performance in the future. In determining the quantum of the variable component various factors are taken into consideration, which depend on the nature of the individual's role in the firm. Individuals engaged in business lines will be assessed on their net profit contribution to the firm, however the risk taken in achieving that performance will be factored into the assessment along with the transparency and certainty of the profits arising. They are also assessed on their overall contribution to the firm. Individuals engaged in risk, control and support functions are assessed on the achievement of objectives and meeting key performance criteria.

7.4 Design characteristics

Regarding Article 450(1)(c), GIB (UK) considers that the appropriate level of remuneration is essential to enhancing the long term interests of GIB (UK)'s employees and stakeholders.

GIB (UK)'s Policy on remuneration is dictated by the need to attract, retain and motivate quality staff and it is understood that GIB (UK)'s success will be dependent on this aim being achieved as our main asset is our people.

GIB (UK)'s remuneration strategy and design is to:

- Keep the total fixed and variable remuneration package in line with the median of its peers (Peers being identified as Level 2 and Level 3 foreign banks and Asset Managers);
- Ensure remuneration is fair and competitive so employees value their level of compensation and our policies are equitable for employees irrespective of their diversity characteristics;
- Enable GIB (UK) to effectively manage its costs;
- Take into account performance, behaviours and risk;
- Ensure remuneration design takes into account best practice of simplicity, clarity, predictability and proportionality; and
- Enables variable remuneration to be aligned with the delivery of our strategy and our commitment to diversity and equality and sustainability.

GIB (UK) has a robust framework in place to ensure that the level and composition of remuneration is reasonable, clearly and measurably linked to performance, and appropriate for the results achieved. The framework also encourages behaviour consistent with GIB (UK)'s Values and Behaviours, promoting excellence and an appropriate balance across financial performance, governance, controls, risk management (including sustainability risk and climate risk), client service, people management, brand and reputational management.

All employees are assessed on their contribution to the Bank's culture and conduct additionally, where it is relevant to their role, they will be assessed on their contribution to, or support for, our Climate Risk Management Strategy.

Consequently, GIB (UK) has an annual process in place to review whether any risk-adjustment of relevant performance measures is required and to identify and monitor risk scenarios that could affect remuneration.

GIB (UK), applies the FCA and PRA Remuneration Code, SYSC 19D rules relating to deferral, malus and clawback.

7.5 Ratio between Fixed and Variable Remuneration

Per Article 94(1)(g) of Directive 2013/36/EU (CRD V), GIB (UK) is required to set an appropriately balanced ratio between fixed and variable components of total remuneration for Material Risk Takers (MRTs). This includes setting fixed remuneration at a competitive level that reflects the individual's role, responsibilities, skills and experience, taking account of market benchmarks for comparable roles. Fixed remuneration is intended to provide an appropriate level of reward, without reliance on variable remuneration. MRTs are made aware that variable remuneration is entirely discretionary, is not guaranteed and may be zero. This enables GIB (UK) to reduce or withhold variable remuneration where appropriate. Ratios between fixed and variable remuneration are reviewed annually by the Nomination and Remuneration Committee and approved by the Board.

7.6 Aggregate remuneration information for Material Risk Takers

In line with Article 450(1)(h), 450(1)(h)(i),(ii), (iii), (iv), (v),(vi), (viii), REM1 to 4, GIB (UK) maintains a list of all MRTs. MRTs are categories of staff whose professional activities have a material impact on the risk profile of firms. GIB (UK) has listed those individuals who are MRTs in the MRT framework, following the Regulators' guidance on who should be identified as an MRT, and split between Management Body (MB) and other.

For the 2025 year, the Bank had 39 MRTs (of which 7 are NEDs and 32 employees). This figure was 37 MRTs (of which 7 were NEDs and 30 employees) as at December 2024.

Outlined below is the quantitative information required for this disclosure.

All Remuneration templates are as at 31 December 2025 and presented in $'000, with the exception of REM4, which is disclosed in Euros in accordance with the PRA high-earner reporting requirements.

Template UK REM1 - Remuneration awarded for the financial year

			a	b	c
			MB Supervisory function	MB Management function & other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	7	12	20
2		Total fixed remuneration	475	6,340	4,904
3		Of which: cash-based	475	6,340	4,904
4		(Not applicable in the UK)			
UK-4a		Of which: shares or equivalent ownership interests			
5		Of which: share-linked instruments or equivalent non-cash instruments			
UK-5x		Of which: other instruments			
6		(Not applicable in the UK)			
7		Of which: other forms			
8		(Not applicable in the UK)			
9	Variable remuneration	Number of identified staff	7	12	20
10		Total variable remuneration	0	2,124	1,644
11		Of which: cash-based	0	1,687	1,357
12		Of which: deferred	0	437	287
UK-13a		Of which: shares or equivalent ownership interests			
UK-14a		Of which: deferred			
UK-13b		Of which: share-linked instruments or equivalent non-cash instruments			
UK-14b		Of which: deferred			
UK-14x		Of which: other instruments			
UK-14y		Of which: deferred			
15		Of which: other forms			
16		Of which: deferred			
17	Total remuneration (2 + 10)		475	8,463	6,548

Template UK REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c
		MB Supervisory function	MB Management function & other senior management	Other identified staff
	Guaranteed variable remuneration awards			
1	Guaranteed variable remuneration awards - Number of identified staff			
2	Guaranteed variable remuneration awards -Total amount			
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap			
	Severance payments awarded in previous periods, that have been paid out during the financial year			
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff			
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount			
	Severance payments awarded during the financial year			
6	Severance payments awarded during the financial year - Number of identified staff	0	0	2
7	Severance payments awarded during the financial year - Total amount	0	0	102
8	Of which paid during the financial year	0	0	102
9	Of which deferred			
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap			
11	Of which highest payment that has been awarded to a single person			

Template UK REM3 - Deferred remuneration

		a	b	c	d	e	f	UK - g	UK - h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function								
2	Cash-based	0	0	0	0	0	0	0	0
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	MB Management function & other senior management								
8	Cash-based	9,496	4,461	5,035	565	0	0	2,273	0
9	Shares or equivalent ownership interests								
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								
12	Other forms								
13	Other senior management								
14	Cash-based								
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	Other identified staff								
20	Cash-based	1,131	593	538	0	0	0	0	0
21	Shares or equivalent ownership interests								
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments								
24	Other forms								
25	Total amount	10,627	5,054	5,573	565	0	0	2,273	0

Template UK REM4 - Remuneration of 1 million EUR or more per year

		a
	EUR	Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	1
2	1 500 000 to below 2 000 000	1
3	2 000 000 to below 2 500 000	0
4	2 500 000 to below 3 000 000	0
5	3 000 000 to below 3 500 000	0
6	3 500 000 to below 4 000 000	0
7	4 000 000 to below 4 500 000	0
8	4 500 000 to below 5 000 000	0
9	5 000 000 to below 6 000 000	0
10	6 000 000 to below 7 000 000	0
11	7 000 000 to below 8 000 000	0

Template UK REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
		MB Supervisory function	MB Management function & Other Senior Management	Other identified staff	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										
2	Of which: members of the MB	7	12	20							
3	Of which: other senior management										
4	Of which: other identified staff										
5	Total remuneration of identified staff	475	8,463	6,548							
6	Of which: variable remuneration	0	2,124	1,644							
7	Of which: fixed remuneration	475	6,340	4,904							