



PILLAR 3 DISCLOSURES

For September 2025

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1. Introduction

1.1 Background and overview

This document sets out the consolidated Pillar 3 disclosures for OSB GROUP PLC (OSBG) and its subsidiaries (the Group) as at 30 September 2025. The two banking entities within the Group are authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA (being OneSavings Bank plc (OSB) and Charter Court Financial Services Limited (CCFSL)).

The current Basel standards in relation to market disclosures came into force in the UK on 1 January 2022 through the Capital Requirements Regulation (CRR II) No 2019/876 amending regulation 575/2013 and the subsequent PRA UK ruleset (published in policy statement PS 22/21) 'PRA Rulebook (CRR) instrument 2021'. The PRA issued UK versions of disclosure templates and related instructions in that same policy statement.

The Group's disclosures, presented and prepared in accordance with Disclosure (CRR) Part of the PRA Rulebook, should be read in conjunction with the Trading Update as at 30 September 2025. Both can be found in a single medium location on the Group's website: www.osb.co.uk.

We classify ourselves as a 'large institution', which means the Group is required to apply Article 433a when assessing the frequency and scope of disclosures.

1.2 Summary of key metrics

Regulatory capital ratios

The Group's capital position remained robust with a CET1 ratio of 15.4% as at 30 September 2025 (30 June 2025: 15.7%) and a total capital ratio of 18.7% as at 30 September 2025 (30 June 2025: 19.0%). The Group had a leverage ratio excluding claims on central banks of 7.4% as at 30 September 2025 (30 June 2025: 7.5%).

The small decreases in the capital ratios are primarily due to the growth in the loan book and loan mix shift with the associated increase in risk weighted assets, as well as the absence of third quarter profits which are excluded as they are not yet verified.

Statutory CET1 ratio

In the period, the Group's statutory CET1 ratio was 15.8%, as reported in the Trading update for the nine months to 30 September 2025 (30 June 2025: 15.7%). The nine months CET1 ratio to 30 September 2025 was unaudited and included Q3 2025 unverified profits net of foreseeable dividend and other charges.

Liquidity ratios

The Group had a 12-month average Liquidity Coverage Ratio (LCR) of 181.8% as at 30 September 2025 (30 June 2025: 179.9%), significantly in excess of the regulatory minimum of 100% plus Individual Liquidity Guidance.

The Group's Net Stable Funding Ratio (NSFR) averaged 141.0%, over the four quarters ended 30 September 2025 (30 June 2025: 138.5%) significantly in excess of the regulatory requirement of 100%.

2. Annex I | Key metrics and overview of risk-weighted exposure amounts

2.1 UK KM1 – Key metrics template

The table below provides a summary of the Group's prudential key metrics.

		a	b	c	d	e
£m		30 Sep 25	30 Jun 25	31 Mar 25	31 Dec 24	30 Sep 24
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	1,913.7	1,915.5	1,835.0	1,946.4	1,899.7
2	Tier 1 capital	2,063.7	2,065.5	1,985.0	2,096.4	2,049.7
3	Total capital	2,313.7	2,315.5	2,235.0	2,346.4	2,299.7
	Risk weighted exposure amounts					
4	Total risk-weighted exposure amount	12,395.5	12,205.0	12,046.4	11,915.7	12,137.6
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	15.4	15.7	15.2	16.3	15.7
6	Tier 1 ratio (%)	16.6	16.9	16.5	17.6	16.9
7	Total capital ratio (%)	18.7	19.0	18.6	19.7	18.9
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	0.8	0.8	0.8	0.8	0.8
UK 7b	Additional AT1 SREP requirements (%)	0.3	0.3	0.3	0.3	0.3
UK 7c	Additional T2 SREP requirements (%)	0.4	0.4	0.4	0.4	0.4
UK 7d	Total SREP own funds requirements (%)	9.5	9.5	9.5	9.5	9.4
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
9	Institution specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
11	Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
UK 11a	Overall capital requirements (%)	14.0	14.0	14.0	14.0	13.9
12	CET1 available after meeting the total SREP own funds requirements (%) ¹	9.2	9.5	9.1	10.2	9.5
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	27,830.2	27,563.4	28,042.3	27,322.9	27,969.5
14	Leverage ratio excluding claims on central banks (%)	7.4	7.5	7.1	7.7	7.3
	Liquidity Coverage Ratio²					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	3,238.5	3,201.0	3,285.2	3,351.8	3,273.4
16a	Cash outflows - Total weighted value	2,066.4	2,091.1	2,126.9	2,134.3	2,105.8
16b	Cash inflows - Total weighted value	277.8	302.1	326.6	340.0	332.2
16	Total net cash outflows (adjusted value)	1,788.6	1,789.0	1,800.3	1,794.3	1,773.6
17	Liquidity coverage ratio (%)	181.8	179.9	183.3	188.0	185.7
	Net Stable Funding Ratio³					
18	Total available stable funding	26,712.1	26,632.8	26,867.8	27,138.8	26,956.7
19	Total required stable funding	18,941.7	19,239.7	19,612.8	20,051.6	20,185.3
20	NSFR ratio (%)	141.0	138.5	137.1	135.4	133.5

¹ Represents, as a percentage, the level of CET1 capital available to meet buffer requirements after meeting the Pillar 1 and Pillar 2A CET1 capital requirements, also referred to as the total SREP own funds requirements. The Group's SREP requirements are 9.5%, including a static add-on of £17.4m for transformation risk, of Risk Weighted Assets. 5.3% (4.5% Pillar 1 and 0.8% Pillar 2A) must be met with CET1 capital.

² The liquidity balances are calculated as the simple averages of month end observations over the 12 months preceding the end of each quarter, therefore the liquidity coverage ratio (%) cannot be derived from the values given above it.

³ The net stable funding balances are calculated as the simple averages of quarter end observations over the 4 quarterly averages preceding the end of each quarter.

2.2 UK KM2 – Key metrics template – MREL

		a	b	c	d	e
		30 Sep 25	30 Jun 25	31 Mar 25	31 Dec 24	30 Sep 24
£m						
1	Total Capital resources	2,313.7	2,315.5	2,235.0	2,346.4	2,299.7
2	Eligible senior unsecured instruments issued ⁴	700.0	700.0	700.0	700.0	700.0
3	Total MREL resources	3,013.7	3,015.5	2,935.0	3,046.4	2,999.7
4	Total Risk-Weighted Assets (RWAs)	12,395.5	12,205.0	12,046.4	11,915.7	12,137.6
5	Total MREL resources as a percentage of total risk-weighted assets (%)	24.3	24.7	24.4	25.6	24.7
6	UK leverage exposure measure	27,830.2	27,563.4	28,042.3	27,322.9	27,969.5
7	Total MREL resources as a percentage of UK leverage exposure measure (%)	10.8	10.9	10.5	11.1	10.7

2.3 UK OV1 – Overview of risk weighted exposure amounts

The table below provides an overview of risk weighted exposures and own funds requirements.

		a	b	c
		Risk weighted exposure amount		Own funds requirement
£m		30 Sep 25	30 Jun 25	30 Sep 25
1	Credit risk (excluding CCR)	11,173.6	10,961.0	893.9
2	of which the standardised approach	11,173.6	10,961.0	893.9
6	Counterparty credit risk – CCR	51.0	56.7	4.1
7	of which standardised approach	21.1	25.9	1.7
UK 8a	of which exposures to a CCP	11.2	8.4	0.9
UK 8b	of which credit valuation adjustment - CVA	18.6	21.6	1.5
9	Of which other CCR	0.2	0.8	0.0
16	Securitisation exposures in the non-trading book	129.7	146.1	10.4
18	Of which SEC-ERBA (including IAA)	126.5	143.8	10.1
UK 19a	Of which 1250%/ deduction	3.2	2.4	0.3
23	Operational risk	1,041.2	1,041.2	83.3
UK 23b	of which standardised approach	1,041.2	1,041.2	83.3
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (for information)	8.0	7.2	0.6
29	Total	12,395.5	12,205.0	991.6

⁴ Reported at nominal value.

3. Annex XIII | Liquidity requirements

3.1 UK LIQB – Qualitative information on LCR, which complements template UK LIQ1

(a) Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

The Group's business model centres on lending to retail and SME customers including professional landlords, which are predominantly funded by retail savings products. Consequently, the main drivers of LCR results are retail deposit outflows and mortgage pipeline outflows, offset by mortgage repayments. The changes in the LCR over time are predominantly driven by changes in the levels and remaining term of retail savings deposits held within OSB and CCFSL impacting the size of outflows, as well as the liquidity buffer, and by changes in the levels of mortgage pipeline and net lending flows.

(b) Explanations on the changes in the LCR over time

In the third quarter of 2025, the Group 12-month average LCR increased quarter on quarter primarily due to an increase in HQLA. This was driven by strong customer deposit inflows during this last quarter. Additionally, there was a modest decrease in net weighted outflows, reflecting a higher proportion of stable deposits.

(c) Explanations on the actual concentration of funding sources

In addition to the regulatory Additional Liquidity Monitoring Metrics (ALMM), the Group ensures that funding diversification is measured on a regular basis, paying particular attention to the split between sources of funding (retail, wholesale, central bank facilities, etc.) and any concentrations by maturity, customer and product type in its internal risk metrics. These monitoring metrics are reported on a regular basis and escalated to the appropriate levels for review. The Group's main source of funding is from retail depositors and is therefore considered well diversified. Internal risk appetite limits are set to limit the level of individual depositor balances to reduce concentration risk.

(d) High-level description of the composition of the Group's liquidity buffer.

The Group's liquidity buffer is comprised of central bank reserves, as well as HQLA eligible government securities, bonds issued by Multilateral Development Banks (MDB), covered bonds, and Residential Mortgage-Backed Securities (RMBS). In addition to HQLA eligible instruments, the Group holds RMBS (internally issued or third party) which can be used in a stress to generate liquidity and to which an element of value is given as part of the Internal Liquidity Adequacy Assessment Process (ILAAP) assessments.

(e) Derivative exposures and potential collateral calls

The Group maintains the capability to value all derivative trades as often as necessary and at least daily. Margin calls are assessed and made in line with the contractual terms and standard market practices. The Group also considers the impact of external factors on its derivative margin and looks at the impact of shifts in the yield curve.

(f) Currency mismatch in the LCR

Due to the simple nature of the Group's balance sheet, currency mismatch does not pose a material risk.

(g) Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

In its ILAAP, the Group has taken into consideration a range of risk factors that may not be captured by the regulatory LCR disclosure. As defined in its ILAAP document, these include Intraday Liquidity Risk, Off Balance Sheet Risk, Concentration & Correlation Risk, and Liquid Asset Buffer Monetisation.

3.2 UK LIQ1 – Quantitative information of LCR

		a	b	c	d	e	f	g	h
£m		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on (DD Month YYYY)	30 Sep 25	30 Jun 25	31 Mar 25	31 Dec 24	30 Sep 25	30 Jun 25	31 Mar 25	31 Dec 24
UK 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					3,238.5	3,201.0	3,285.2	3,351.8
	CASH – OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	22,510.7	22,321.3	22,188.5	21,967.1	1,124.2	1,146.5	1,180.0	1,201.9
3	Stable deposits	11,080.0	9,623.5	8,228.2	6,940.2	554.0	481.2	411.4	347.0
4	Less stable deposits	4,215.0	4,973.2	5,738.7	6,361.3	496.0	595.8	710.9	804.5
5	Unsecured wholesale funding	739.9	757.4	788.4	738.9	300.4	308.5	320.6	300.0
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	732.2	748.0	779.4	731.4	292.7	299.1	311.6	292.4
8	Unsecured debt	7.7	9.4	9.0	7.6	7.7	9.4	9.0	7.6
9	Secured wholesale funding					10.0	14.0	9.1	15.7
10	Additional requirements	352.2	359.8	364.6	367.4	352.2	359.8	364.6	367.4
11	Outflows related to derivative exposures and other collateral requirements	352.2	359.8	364.6	367.4	352.2	359.8	364.6	367.4
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	-	-	-	-	-	-	-	-
14	Other contractual funding obligations	22.5	24.3	25.3	22.4	3.0	3.0	3.0	0.4
15	Other contingent funding obligations	912.0	857.8	821.2	813.7	276.6	259.2	249.5	249.0
16	TOTAL CASH OUTFLOWS					2,066.4	2,091.1	2,126.9	2,134.3
	CASH – INFLOWS								
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-

18	Inflows from fully performing exposures	368.9	355.8	349.3	322.5	237.2	250.3	263.9	271.6
19	Other cash inflows	40.6	51.8	62.6	68.3	40.6	51.8	62.6	68.3
UK19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
UK19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	409.4	407.6	412.0	390.8	277.8	302.1	326.6	340.0
UK20a	<i>Fully exempt inflows</i>	-	-	-	-	-	-	-	-
UK20b	<i>Inflows subject to 90% cap</i>	-	-	-	-	-	-	-	-
UK20c	<i>Inflows subject to 75% cap</i>	409.4	407.6	412.0	390.8	277.8	302.1	326.6	340.0
TOTAL ADJUSTED VALUE									
UK21	Liquidity buffer					3,238.5	3,201.0	3,285.2	3,351.8
22	Total net cash outflows					1,788.6	1,789.0	1,800.3	1,794.3
23	Liquidity coverage ratio (%)					181.8	179.9	183.3	188.0

4. Glossary

Term/Acronym	Definition
ALMM	Additional Liquidity Monitoring Metrics
CCFSL	Charter Court Financial Services Limited
CRR	Capital Requirements Regulation
FCA	Financial Conduct Authority
HQLA	High Quality Liquid Assets
ILAAP	Internal Liquidity Adequacy Assessment Process
LCR	Liquidity Coverage Ratio
MDB	Multilateral Development Banks
NSFR	Net Stable Funding Ratio
OSB	OneSavings Bank plc
OSBG	OSB Group plc
PRA	Prudential Regulation Authority
RMBS	Residential Mortgage-Backed Securities
SME	Small and Medium-sized Enterprises
UK	United Kingdom