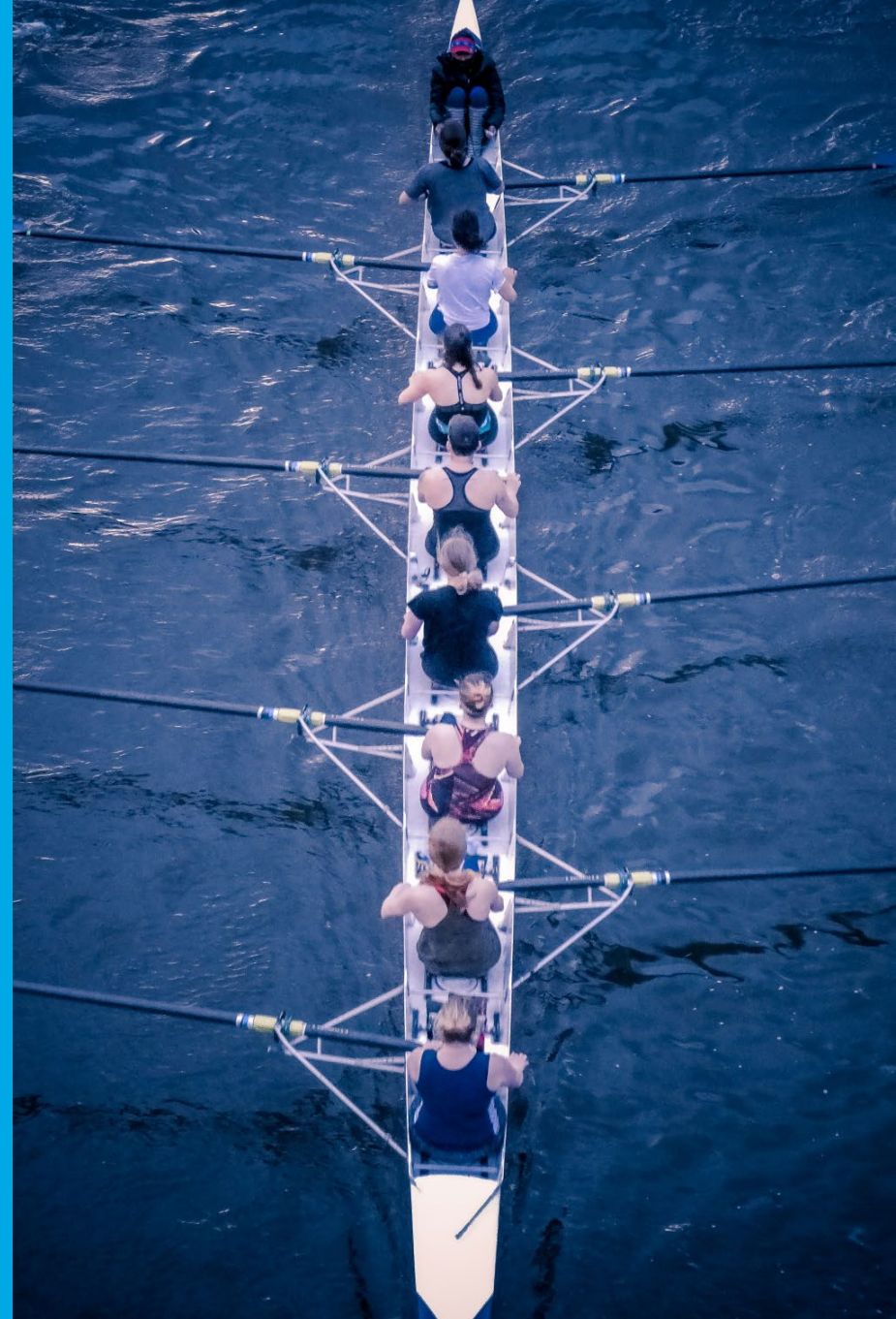




# CAPITAL MARKETS DAY

3 November 2021



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1

# CHAIRMAN'S INTRODUCTION

LORD FORSYTH

Chairman





2

# GROUP OVERVIEW AND STRATEGY

**DAVID McCREADIE**

Chief Executive Officer



# Today's presentation

Timing	Session	Presenter
10.00am	Chairman's Introduction	Lord Forsyth
10.05am	Group Overview and Strategy	David McCreadie
10.15am	Retail Finance	Nick Davies
10.40am	Vehicle Finance	David Nield & Ciara Raison
11.05am	Real Estate Finance	Jon Bowers
11.20am	Commercial Finance	John Bevan
11.35am	Break	
11.45am	Funding and Capital	Rachel Lawrence
11.55am	Conclusion	David McCreadie
12.05pm	Q&A	David McCreadie
12.30pm	Close	



# Experienced Management Team



**DAVID McCREDDIE**  
CHIEF EXECUTIVE OFFICER  
Joined 2021



**RACHEL LAWRENCE**  
CHIEF FINANCIAL OFFICER  
Joined 2020



**CHRIS HARPER**  
CHIEF RISK OFFICER  
Joined 2021



**KATIE DOCHERTY**  
CHIEF OPERATING OFFICER  
Joined 2021



**ANNE McKENNING**  
HR DIRECTOR  
Joined 2007



**NICK DAVIES**  
CEO, RETAIL FINANCE  
Joined 2013



**DAVID NIELD**  
MD, VEHICLE FINANCE  
Joined 2009



**JON BOWERS**  
MD, REAL ESTATE FINANCE  
Joined 2011



**JOHN BEVAN**  
MD, COMMERCIAL FINANCE  
Joined 2014



**CHARLES MAYO**  
GENERAL COUNSEL  
Joined 2021



# New Core Purpose

## Vision

To be the most trusted specialist lender in the UK

## Purpose

To help more consumers and businesses fulfil their ambitions

## Strengths



Specialist



Expert



Diverse



Ambitious

# Refreshed strategy

## Strategy

### GROW



- ✓ Generate growth and attractive returns in specialist segments
- ✓ Exploit digital capabilities to build scale and drive cost efficiency

### SUSTAIN



- ✓ Create sustainable value through market expertise and deep customer knowledge
- ✓ Utilise strong credit discipline, capital allocation and risk management capabilities

### CARE

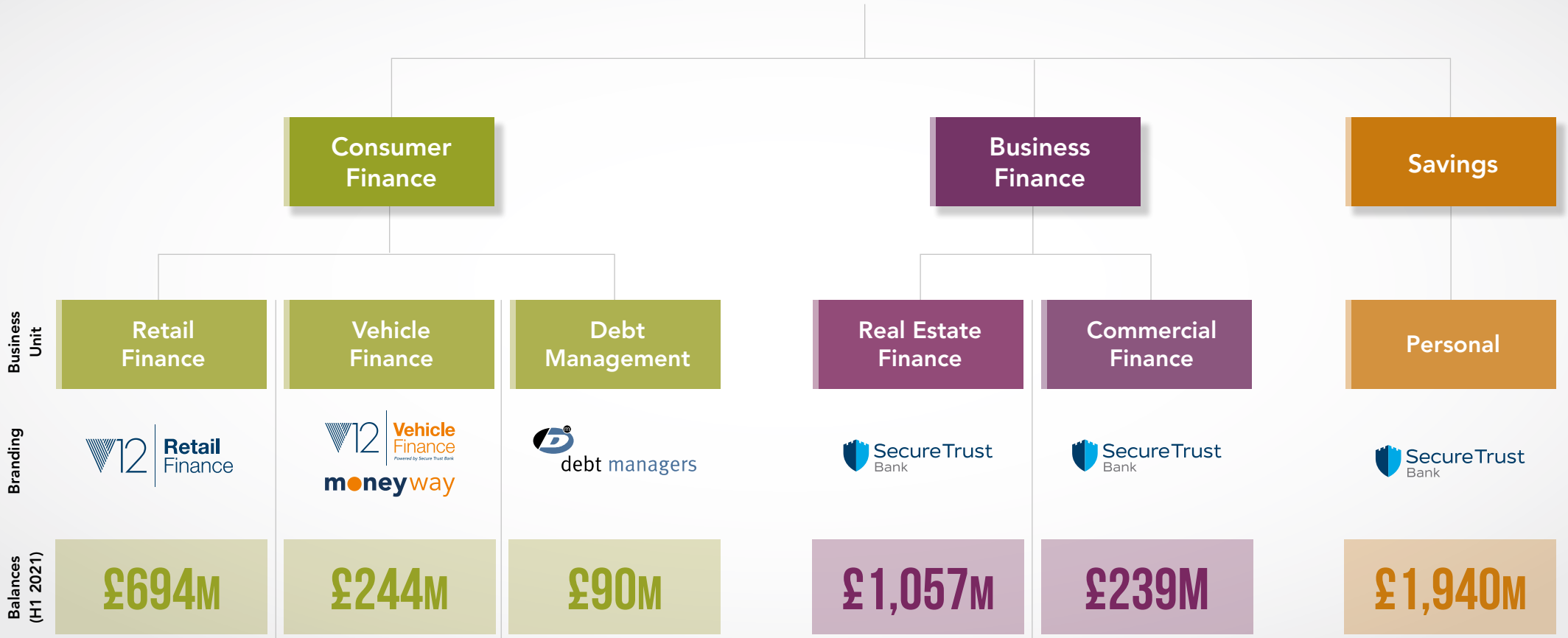


- ✓ Help customers with simple, clear and compelling products
- ✓ Deliver consistently excellent customer care and swift outcomes

Always act with integrity and transparency, delivering value for all stakeholders



# Diverse business segments



# How we help

## Business Unit

## By providing...

Retail Finance

...instant credit for the purchase of goods online and in store

Vehicle Finance

...finance solutions for used vehicles

Debt Management

...support for customers repaying their existing debts

Real Estate Finance

...financial support for professional property developers and investors

Commercial Finance

...working capital solutions for UK SMEs with the benefit of asset based security

Savings

...simple, digital savings accounts

# Clear plan to deliver lending growth and attractive returns

- ✓ Focus on **attractive and specialist** markets
- ✓ **Diverse portfolio** in consumer and business finance
- ✓ **Agility** enhances our ability to pursue opportunities
- ✓ Strong market **expertise**, relationships and **digital** capabilities
- ✓ Underpinned by **rigorous credit discipline, prudence and risk management**
- ✓ Clear **opportunities for growth** and strategy for **long-term value creation** (both organic and M&A)



# Medium term targets

**14% - 16%**

Return on Average Equity

**> 12%**

CET1 Ratio

**Lending  
book CAGR**

**15%+**

New growth target

**50% - 55%**

Cost:Income Ratio

**> 6%**

Net Interest Margin



3

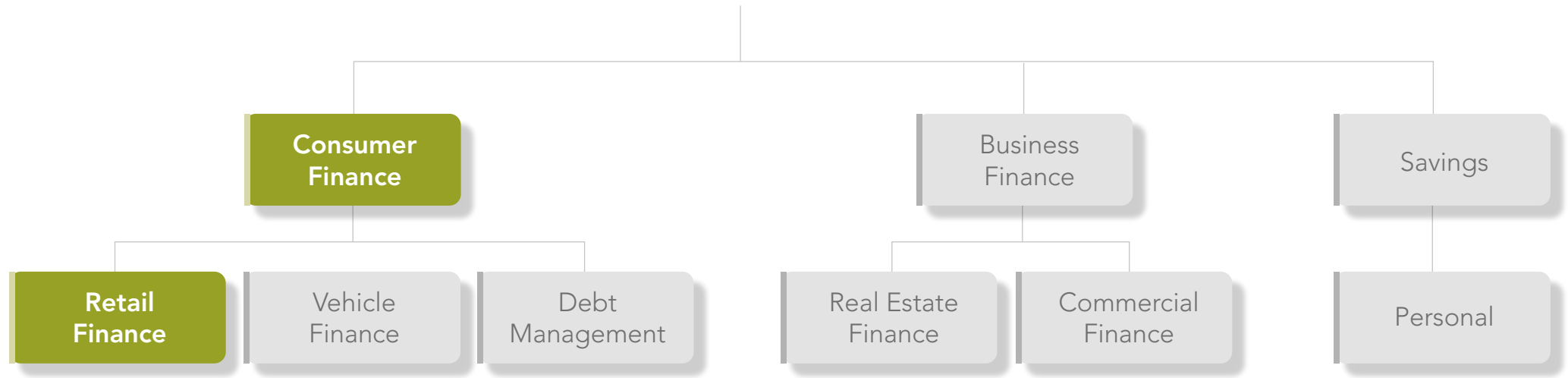
# RETAIL FINANCE

**NICK DAVIES**

CEO, Retail Finance

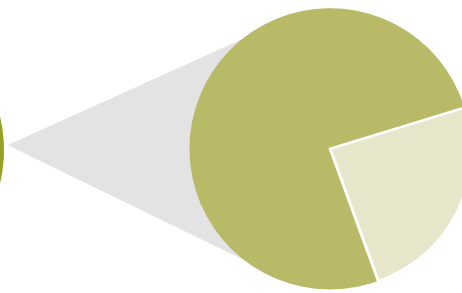


# Substantial specialist retail finance expertise



Interest Free Credit

Interest Bearing Credit



76% Interest Free Credit

24% Interest Bearing Credit

We help by providing instant credit for the purchase of goods online and in store



# What we do

Watch the video on YouTube

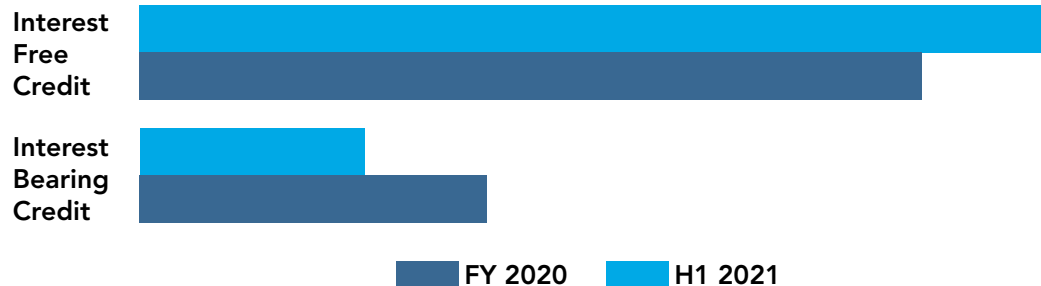


**Retail**  
Finance

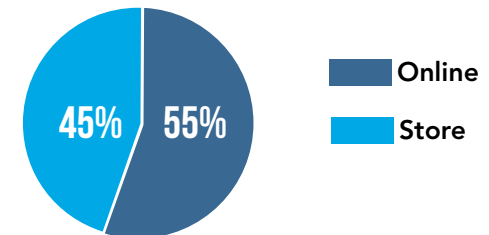
# A leading player in the retail finance market

	Interest Free Credit	Interest Bearing Credit
Summary	Generally higher end prime credit quality, lower yield but lower impairment	Generally lower end prime credit quality, higher yield and higher impairments
New Business	69% FY 2020 80% H1 2021	31% FY 2020 20% H1 2021
Loan Term	6 - 60 months Average 27 months	12 - 84 months Average 28 months
APR*	Interest free (retailers pay subsidies)	3.9% - 19.9%
Loan Size	£500 – £50,000 Average £1,430	£500 – £15,000 Average £1,250

Product Mix FY 2020 vs H1 2021



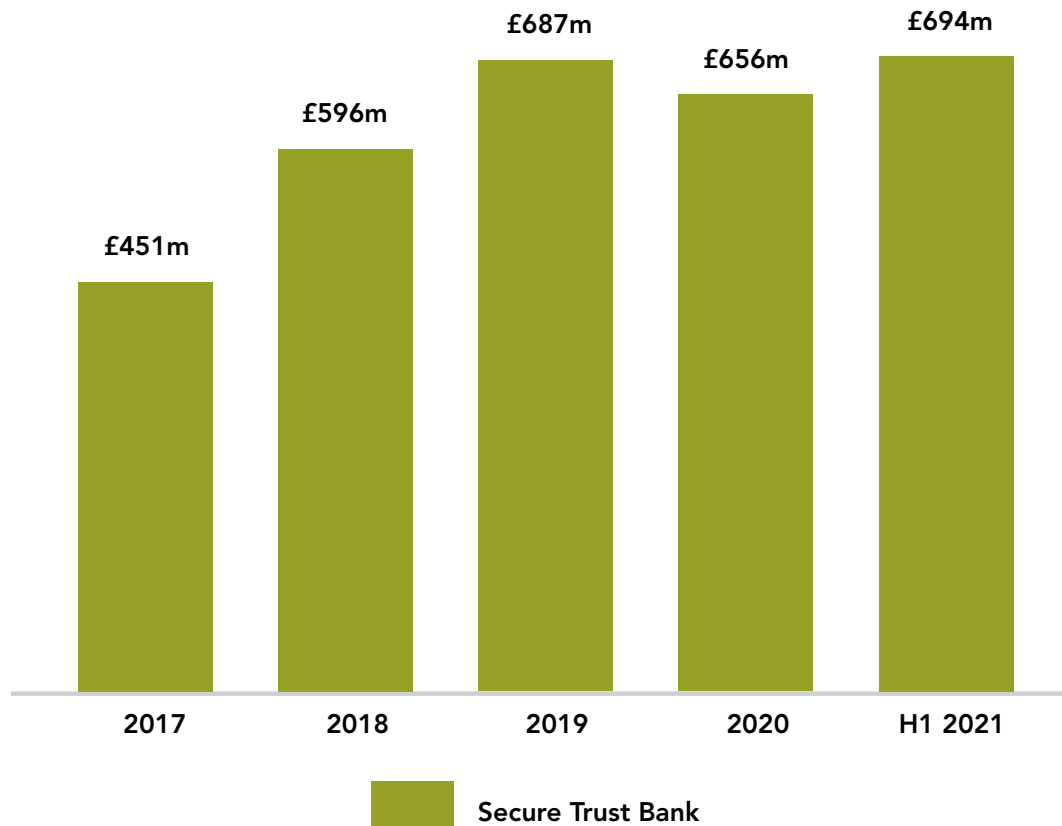
Online vs Store New Business Mix



\*Annual Percentage Rate

# Focus on attractive segments provides market beating growth

## Lending balances



Market CAGR  
FY15 – FY20

5.3%

STB CAGR  
FY15 – FY20

16.2%

Market share  
as of H1 2021

8.8%

## Top 10 Sectors

- Furniture
- Jewellery
- Bicycles
- Gym Equipment
- Dental Procedures
- Musical Instruments
- Art
- Home Improvements
- Season Tickets
- Consumer Electricals



# Web based retailing and Digital Buy Now Pay Later products to shape future of retail finance




# Partner testimonial



V12 have been a valued partner of Sofology for over 3 years, and have **always provided tremendous levels of support**, helping us to improve our customer journey both online and in-store.

Their adaptable approach has meant that they have been able to quickly **tailor their offering to support our customer journey**, as well as providing support to our store colleagues, whether it be training or quickly resolving day to day queries.

As a result of the trust and confidence we have in V12, we have **recently made them our main lender for our entire business.** 

Peter McDonald, Head of Finance, Sofology

# Meeting retailer needs with our flexible in-house software is the bedrock of our success

## GROW

- ✓ Market leading in-house software
- ✓ Extensive embedded API network
- ✓ Agile system capability

**16% CAGR** Strong growth track record

**8.8%+** Increasing market share

**1,400+** Large retailer base

## SUSTAIN

- ✓ Experienced senior team
- ✓ Low cost digital customer servicing
- ✓ Scalable processing platform

**1,400+** Embedded network of retailer integrations

**99%+** Paperless loan processing

**75%+** Customer self serve transactions

## CARE

- ✓ Highly experienced workforce
- ✓ Strong retailer partnerships
- ✓ Hard earned market credibility

**90%** High customer Feefo rating

**HIGH** Employee trust index score

**£25M+ pa** Green energy supporting sales strategy



# Continuous evolution of our successful strategy will deliver further growth in market share



- ✓ Continue growth in market share
- ✓ Develop new product offers to 840,000+ customer base
- ✓ Develop direct to consumer sales capability



- ✓ Further embed retailer system integrations
- ✓ Increase customer self service portal usage
- ✓ Evolve in-house software to offer new products



- ✓ Retailer centric systems proposition
- ✓ Customer focused product development
- ✓ Expand green energy sales strategy

# As a leading interest free provider, the time is right to launch into Digital BNPL, leverage our capabilities and grow our market share

Consumer demand for Digital BNPL is now firmly established

We are one of the leading interest free retail credit providers

We are already well placed to deal with impending regulation

We have a track record of taking market share and organic growth

Planned launch of Digital BNPL proposition in H1 2022

Retailers are nervous of dealing with new entrants

Retailers will choose who they work with and which Digital BNPL offers to promote

We have strong relationships with 1,400+ retailers and are embedded

The time is right for us to leverage our market position and expertise

# We will continue to leverage our successful model and scale up

- ✓ Proven track record of growth with opportunity to continue with successful formula into the future
- ✓ Established retailer relationships combined with embedded system integration protects our position as preferred supplier
- ✓ Low cost operating platform capable of supporting further significant growth enabling us to efficiently scale up
- ✓ Leverage our existing retailer relationships and large customer base to launch a Digital BNPL product complementing our existing range of products

# 4

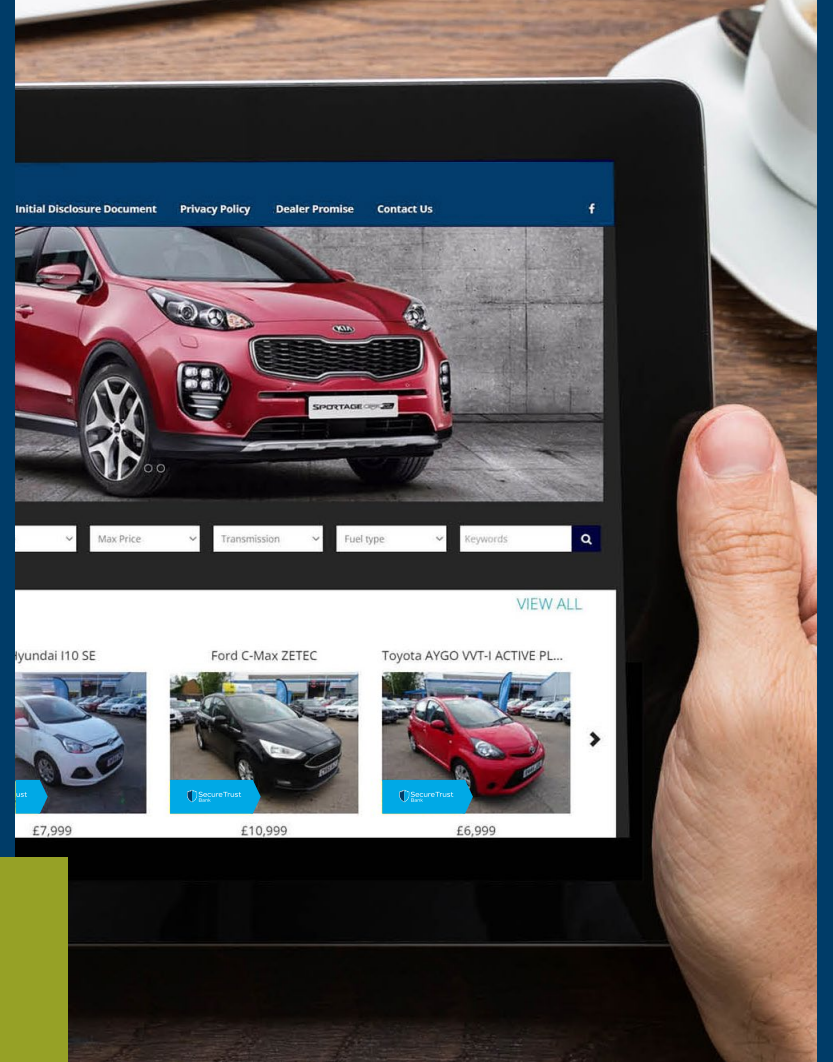
# VEHICLE FINANCE

**DAVID NIELD**

MD, Vehicle Finance

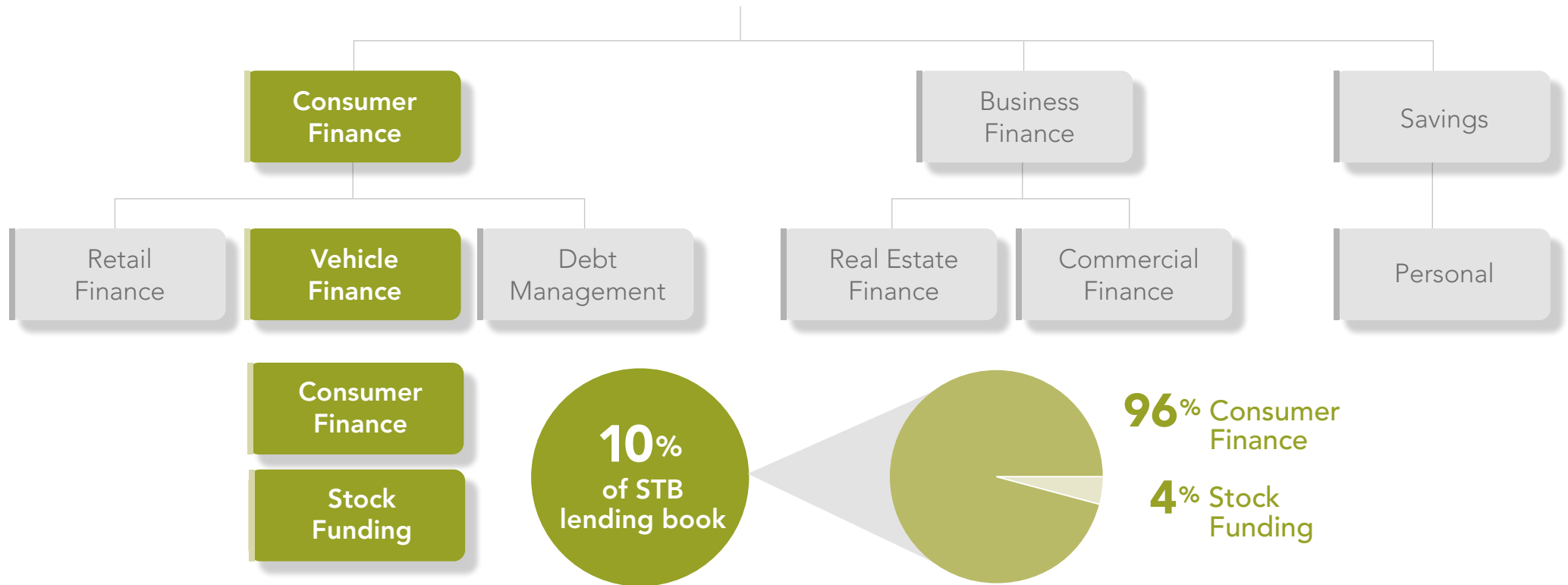
**CIARA RAISON**

Commercial Director, Vehicle Finance





# Our breadth of credit appetite and digital capabilities differentiate us



We help by providing finance solutions for used vehicles

# We have nearing 14 years of vehicle finance experience

The Group's vehicle finance business launched in 2008 under the Moneyway brand, transforming the underserved Near Prime market. Automated decisions and rapid speed to serve were new to market

Launched stock funding under the V12 Vehicle Finance brand, supporting dealers to 'fund their forecourts', with vehicles sourced from auctions, part exchanges or trade sources

Moneyway brand aligned with V12 Vehicle Finance, combining all customers across the risk spectrum into one single journey across Hire Purchase and Personal Contract Purchase. V12 Vehicle Finance can now scale at pace with cost efficiencies

2008

2018

2019

2021

2022

Initiated a transformation programme to expand the proposition into both the Prime and Stock Funding markets

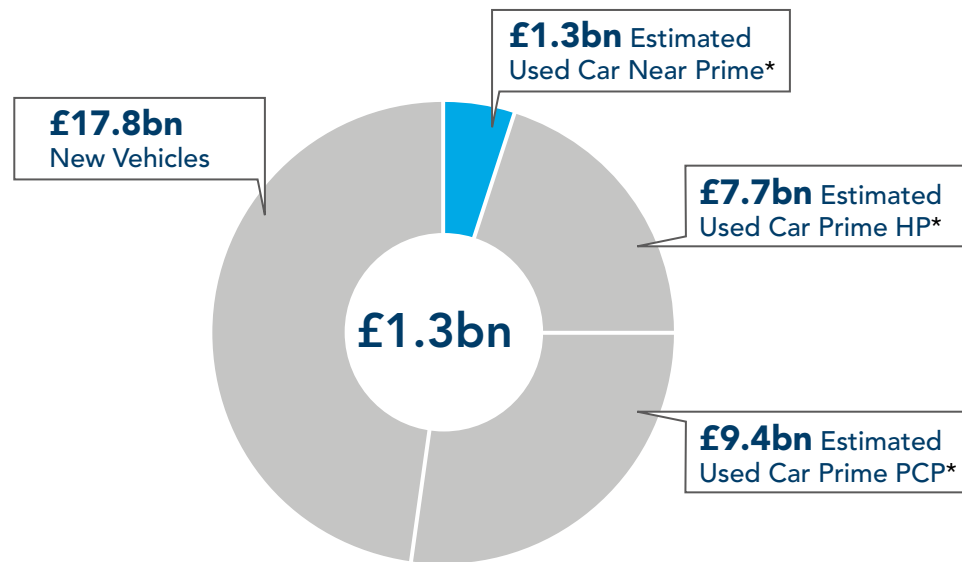
Launch of the V12 Vehicle Finance Prime market proposition for both Hire Purchase (HP) and Personal Contract Purchase (PCP)

# Transformation Programme broadens our market opportunity

Investment in new product offerings and infrastructure extends our addressable market to £18.4bn of annual used car finance with a holistic, technology led proposition

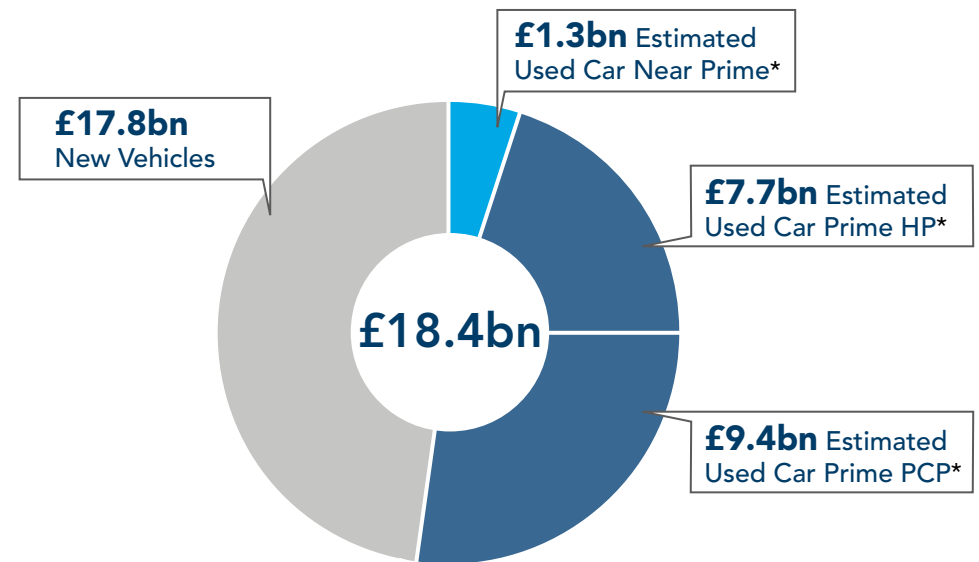
## Point of sale consumer used car finance £'bn

Prior to Transformation Programme



Addressable Market £1.3bn

Following Transformation Programme

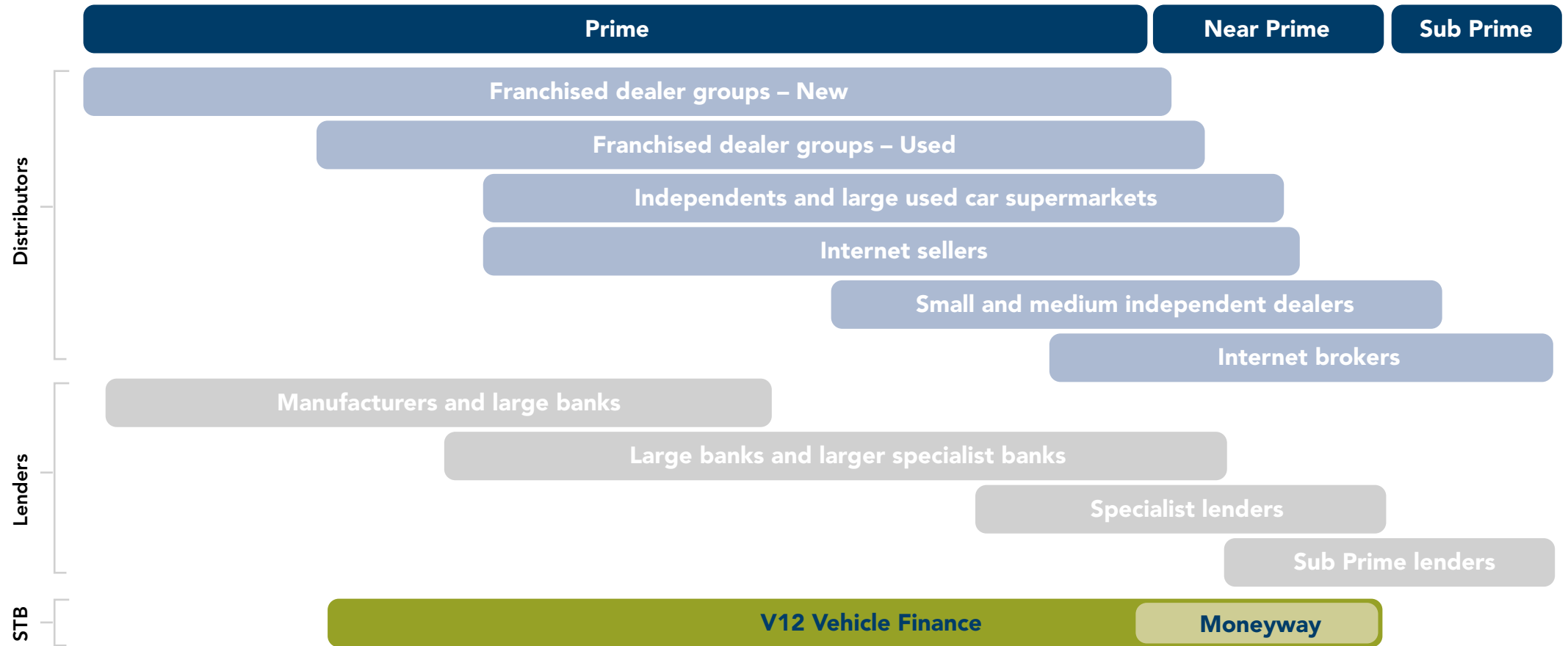


Addressable Market £18.4bn

Source: FLA 12 months to August 2021 – £18.4bn of Used cars bought on finance by consumers through the point of sale.

\*Estimate based on internal assessment

# With a wide breadth of capability to help customers finance their used cars





# Looking forward, lender technology will be key



# We have invested ahead of time to maximise on the opportunity

Significant investment has been made to build capability to underpin future growth – we are nearing the end of the programme and now expect to leverage for scale



## GROW

**LIVE** Launch of stock funding, adjacent business

**LIVE** Introduction of Prime HP

**2021** Launch of PCP on Prime

**2022** Prime and Near Prime on one Platform



## SUSTAIN

**LIVE** Scorecards derived using artificial intelligence

**LIVE** Multi-bureau 'soft search' enabled, multi-API credit engine

**LIVE** Individual model decisioning, facilitates move to electric

**2022** Single collections platform



## CARE

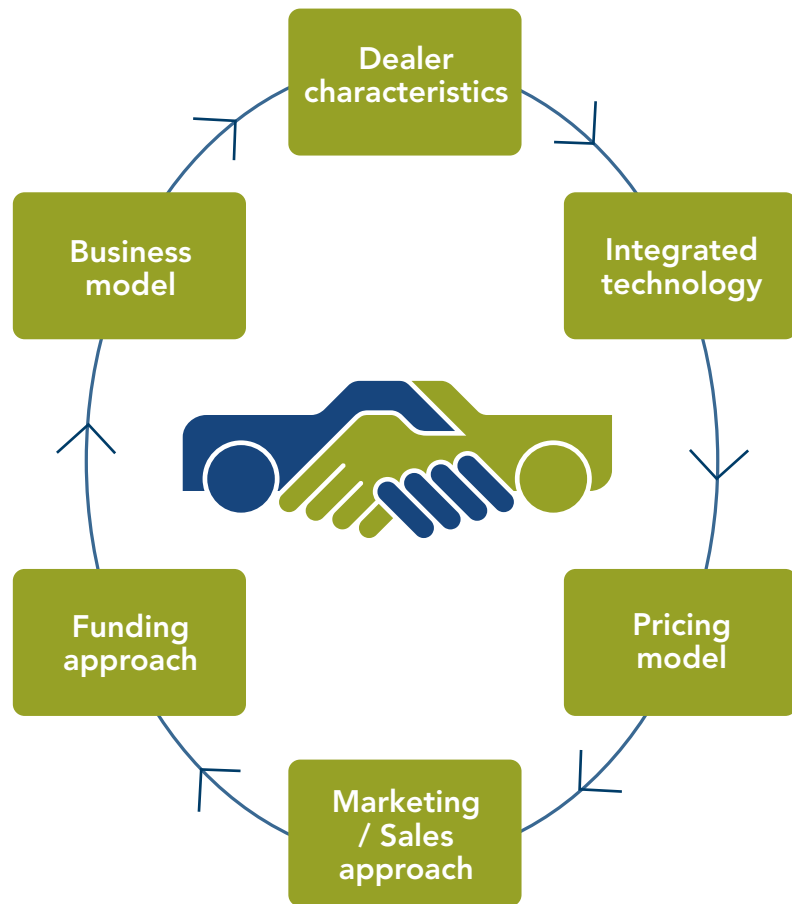
**LIVE** Open API architecture with established integration capability

**LIVE** Embedded APIs in auction houses, dealers, brokers and disruptors

**LIVE** Self serve portal for prime customers

**2022** Proactive Near Prime offer for Prime declines

# Our dealer proposition is holistic and technology led



**Transformation programme extends proposition**  
High levels of digitisation enables scaling



**Open API architecture and system agnostic**  
Seamless integration into sellers' processes and platforms



**Increased finance penetration and profit**  
Broad credit appetite across Prime and Near Prime



**Supports digitisation of the customer journey**  
Remote e-signature, online calculators, distance selling



**100% instant stock funding**  
Helping dealers source and fund the right stock

# Our first transformation delivery is a proven success



## V12 Vehicle Finance Stock Funding



**Supports increased and improved dealer stock for sale**  
Opportunity to stock and sell more cars, more often



**Instant funding including VAT and fees**  
100% of hammer price on vehicles purchased at auction



**Integrated with multiple UK Auction Houses**  
Pay for stock in one click at hundreds of physical and online auction sales



**Simple and easy payment methods**  
Eases cash flow with a single direct debit each month



# With a leading digital proposition in stock funding

Watch the video on YouTube



ASTON BARCLAY

Digital Solutions



ASTON BARCLAY

Vehicle Remarketing



ASTON BARCLAY

The Car Buying Group

# Our proposition meets the needs of diverse dealers

There are around 11,000 dealers in the UK –  
Here are some examples of the broad range of dealers we support



Phantom Motor Co



Cheshire Motor Co



V12 Sports & Classics



Bob Davies Car Sales

- ✓ Able to integrate quickly and simply with all dealer systems
- ✓ Helping customers with our breadth of credit appetite
- ✓ We have a clear target market and know where we have a winning edge

cargiant



Peter Vardy  
MOBILITY FOR EVERYONE




ClearScore

# And our technology already enables disruptor models



Zuto is a customer first, technology focused company – therefore we hold a high bar for lenders to join our platform with both the product and technical capability of the lender being paramount. STB is at the front end of this, with an **intuitive customer journey** and an **excellent product market fit**.

Here at Zuto we are very excited to take **our partnership to the next level with STB** as we deliver pre-approval and real rates to our customers through the biggest price comparison brands in the UK.

It goes without saying that **we see STB as a significant growth partner for many years to come.** 

James Wilkinson,  
Chief Executive Officer,  
Zuto



# Our opportunity is ambitious growth



- ✓ Scale into an £18bn+ addressable market
- ✓ Deliver new products into 2022
- ✓ Introduce single journey rate for risk



- ✓ All originations on a single platform
- ✓ Introduction of new collections platform
- ✓ Grow into electric vehicles as used stock increases



- ✓ Leverage our holistic customer proposition
- ✓ Widen our network of embedded API
- ✓ Extend and deepen our relationships



# In a changing world, we are well positioned to win

- ✓ The world of used car buying is becoming increasingly digital
- ✓ We have invested ahead of time and are ready to capitalise
- ✓ The addressable market opportunity now stands at £18bn+
- ✓ We have a holistic and technology led customer and dealer offer
- ✓ The ease and personalisation of customer journeys are key
- ✓ We are well placed to capitalise and efficiently scale up

5

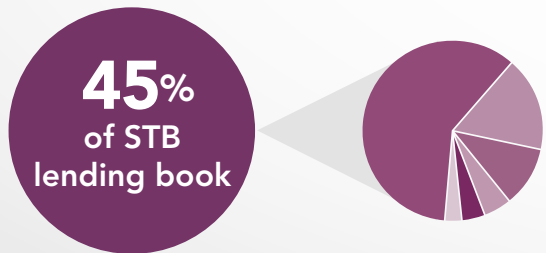
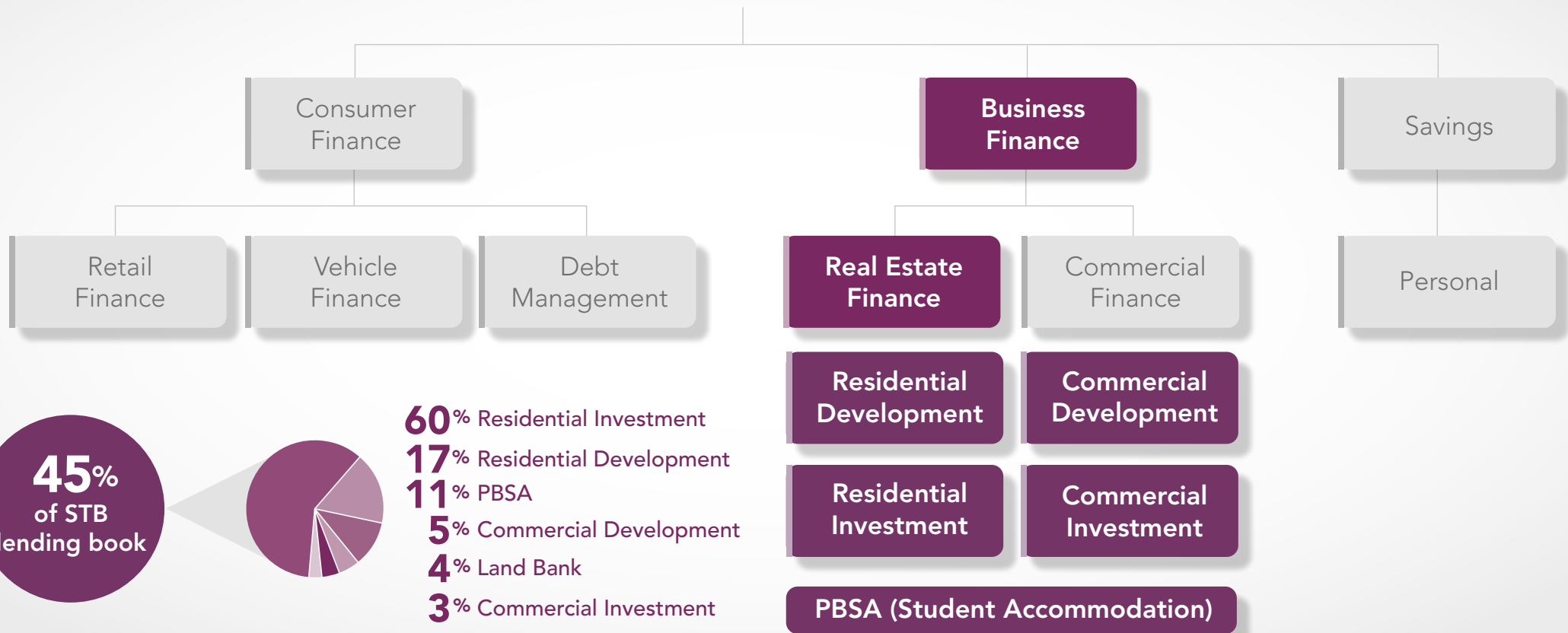
# REAL ESTATE FINANCE

**JON BOWERS**

MD, Real Estate Finance



# Substantial organic growth and scale in this specialist sector



- 60%** Residential Investment
- 17%** Residential Development
- 11%** PBSA
- 5%** Commercial Development
- 4%** Land Bank
- 3%** Commercial Investment

We help by providing financial support for professional property developers and investors

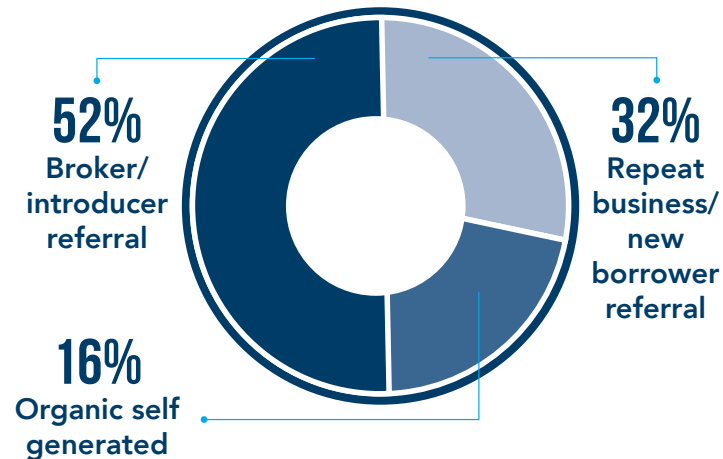
# We have built a specialist business

Real Estate Finance				
Residential Investment	Commercial Investment	Residential Development	Commercial Development	PBSA (Student Accommodation)
Through the cycle methodology Manual underwriting	Secured on UK collateral First legal charge	Serviceability Customer portfolio/indebtedness	70% LTV investment 60% LTGDV development £2m-£45m, Max 5 years	

## Relationship Model



## Core Channels

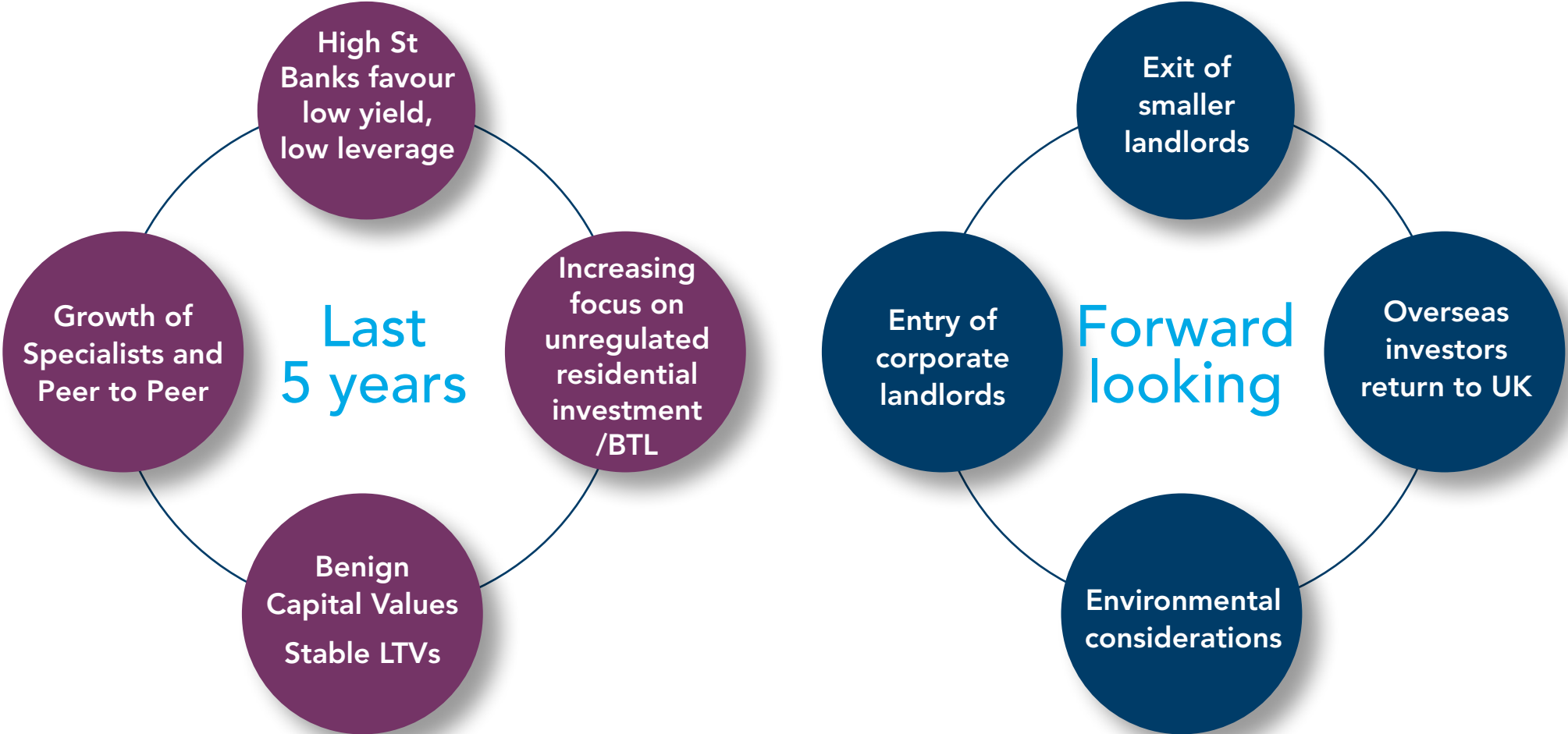


## Team Experience



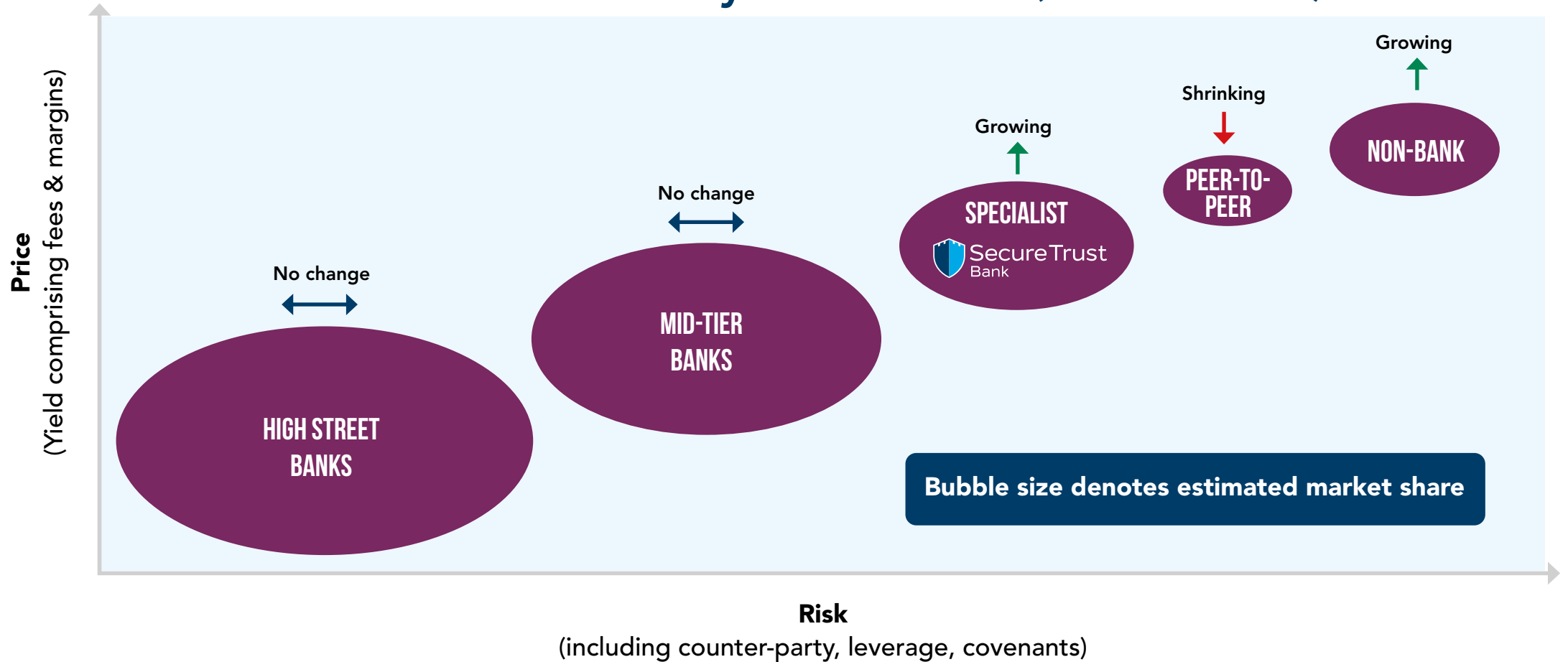


# Demand for residential property is resilient



# There are significant growth opportunities

£224.8bn of UK buy to let – 2020 (source - BoE / FCA)



# Our core strength is our people

## GROW

- ✓ Structuring capabilities
- ✓ Execution capability
- ✓ Nimble and responsive

**33%** CAGR in lending balances since 2015

**57%** CAGR in contribution since 2015

## SUSTAIN

- ✓ Effective capital and liquidity management
- ✓ Commercial viability from risk reward aspects through to workout ability
- ✓ Operationally cost efficient

**ZERO** Impairment over 8 years

**£** Every loan is priced for risk

## CARE

- ✓ Agility and proactivity
- ✓ Quality of relationships
- ✓ Reliability and certainty of delivery

**£5-10M** Average new loan

**89%** High customer review score

# Customer testimonial



- ✔ Family operated, international, market leading property operator and developer
- ✔ Founded in 1980, with a strategy of UK and international growth within the Hotel sector
- ✔ Substantial Development of a 5-Star Westin (Marriott Group branded) hotel in St Pauls, including 9 Residential boutique apartments

## Facility:

- ✔ A 4 year Development facility totalling £40M



STB have been **very diligent and supportive** throughout the development process, and their partnership approach has been **critical to the successful completion** of this exciting development.



Al-karim Nathoo, MD, 4C Hotel Group





As Warwick entered the UK real estate market, Secure Trust Bank worked to underwrite a product that not only **lowered our cost of capital** but did so in a way that **incentivised ESG-friendly progress** on all of our properties.

Brian Blad, CFO, Warwick Investment Group

# Customer testimonial

## WARWICK

INVESTMENT GROUP

- ✓ US-based fund which has recently opened a UK office
- ✓ Founded in 2010, with a team of over 70 professionals worldwide
- ✓ Purchase of three residential portfolios in Mayfair & Belgravia

### Facility:

- ✓ Three 5 year Green Improvement Loans totalling £39m

# We are nimble and seize opportunities



**GREEN HOMES SCHEME**  
Residential Investment Loans £2-45m

Responsible  
Balance Sheet  
Growth

Support UK's Clean  
Growth Strategy  
Target 2035

Improved  
Credit Risk

## 1- Green Investment Loan

- Portfolios which meet CGST 2035 target level
- Five-year fixed market-leading interest rate
- All existing credit policies remain applicable



EPC Rating (90%, by floor area)

## 2- Green Improvement Loan

- Energy efficient portfolios which can be improved to meet the CGST 2035 target level
- Rate reduction once CGST 2035 target EPC 'C' is met
- All existing credit policies remain applicable



EPC Rating (90%, by floor area)

~£400M

Viable Referrals

From a standing  
start in mid-June

£155M

Successfully  
offered terms

with commitment fee paid

# The opportunity is controlled and sustainable growth



- ✓ Significant market opportunity – Britain needs more houses
- ✓ Controlled and sustainable growth
- ✓ Support Green Homes Scheme



- ✓ Expand UK footprint
- ✓ Optimise capital utilisation
- ✓ Maintain credit quality



- ✓ Explore niche markets
- ✓ Make it easy for people to do business with us
- ✓ Attract and grow talent

# Growth in Real Estate Finance will continue

- ✓ Dynamics of supply and demand means opportunity remains to grow
- ✓ The scale of market opportunity for specialists is significant
- ✓ We are nimble and seize opportunities
- ✓ Our core strength is our people. Their expertise adds value and differentiates us
- ✓ Risk Weighted Asset treatment is extremely attractive in UK residential investment

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# COMMERCIAL FINANCE

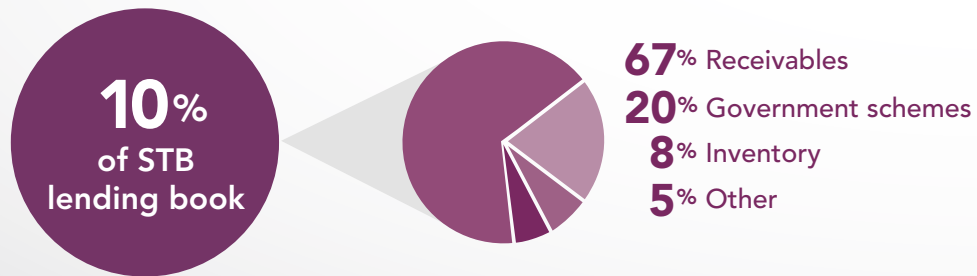
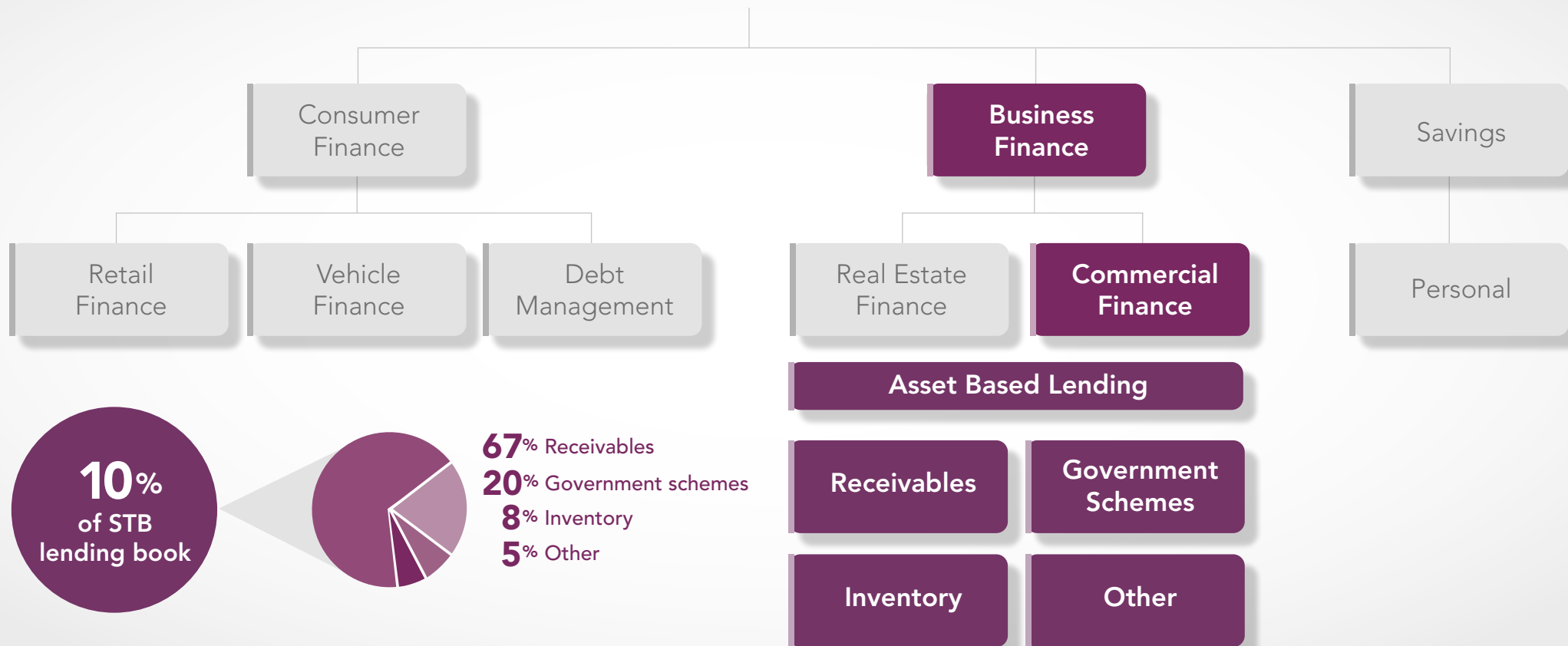
**JOHN BEVAN**

MD, Commercial Finance





# Significant growth in market share in Commercial Finance



We help by providing working capital solutions for UK SMEs with the benefit of asset based security

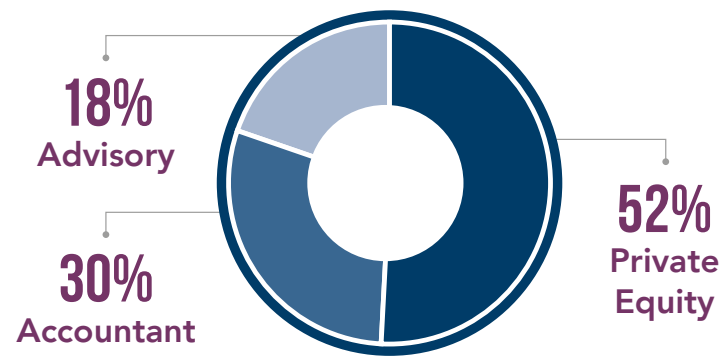
# We provide working capital solutions across the UK market

Asset Based Lending			
Receivables	Government Schemes	Inventory	Other
£1m to £50m exposure Average Facility £7.5m	Existing Clients Only CBILs, CLBILs and RLS	Stock Finance Retail Sector, Floating Charge	Property and Cash Flow

## Collaborative operating model



## Core Channels

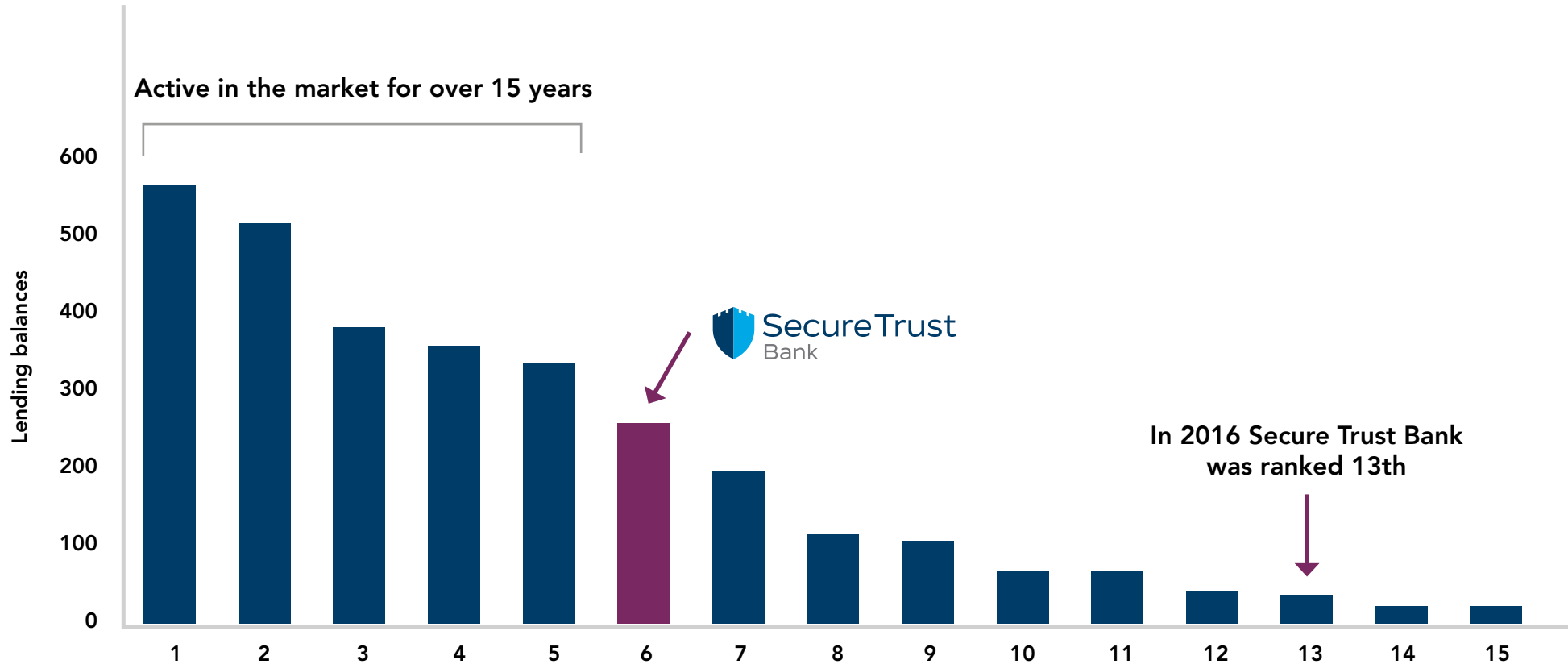


## Regional Hubs



# We have a proven record of growth

## Top 15 lenders excluding high street banks – 2020



# There are significant growth opportunities



# Our core strength is our people

## GROW

- ✓ Bespoke lending facilities
- ✓ Swift lending decisions
- ✓ In-life decision making

**DOUBLE DIGIT** Growth track record

**>£2BN** Invoices funded annually

**>£7.5M** Average facility size

## SUSTAIN

- ✓ Commercial but responsible
- ✓ Robust exit planning
- ✓ Timely action to preserve value

**0.07%** Impairment over 7 years

**>90%** Client retention

**6+** years average customer relationship

## CARE

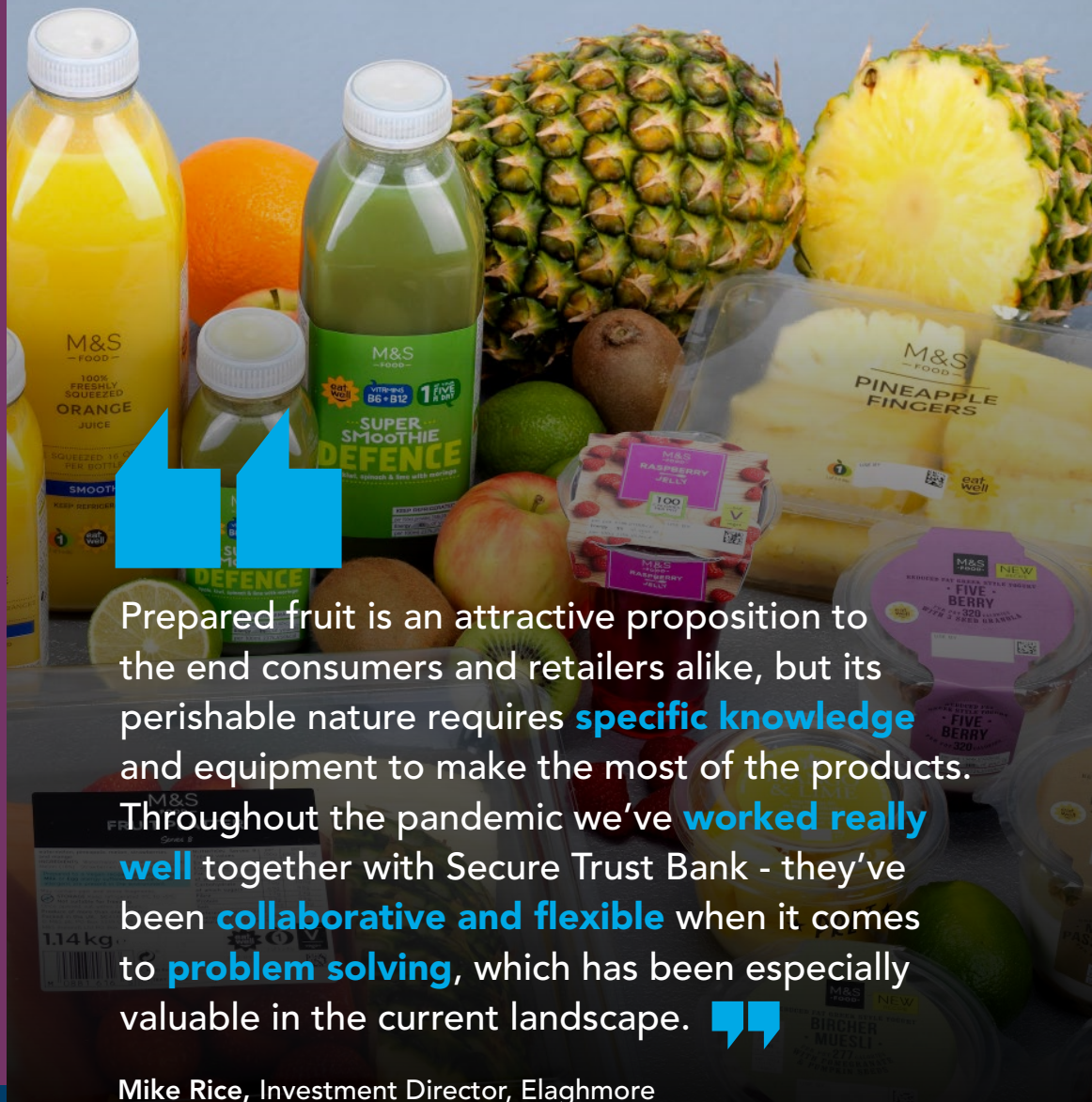
- ✓ Recurring private equity business
- ✓ Experienced and engaging team
- ✓ Four hub regional model


**HIGH** Employee engagement

**200+ YEARS** Executive Committee experience

**93%** Customer satisfaction





Prepared fruit is an attractive proposition to the end consumers and retailers alike, but its perishable nature requires **specific knowledge** and equipment to make the most of the products. Throughout the pandemic we've **worked really well** together with Secure Trust Bank - they've been **collaborative and flexible** when it comes to **problem solving**, which has been especially valuable in the current landscape. 

Mike Rice, Investment Director, Elaghmore

# Customer testimonial



- ✓ UK leading fruit supplier
- ✓ Introduction by Private Equity firm Elaghmore
- ✓ Acquisition of firm with £130m revenue

## Facility:

- ✓ £22m Multi Product, Bespoke Structured Solution
- ✓ Receivables, plant, machinery and property facilities

# There are significant opportunities to grow alongside our clients as they scale



- ✓ Significant market opportunity – new product lines / syndications
- ✓ Continue growth of average loan size
- ✓ Build out regional model



- ✓ Repeat business model
- ✓ Endowment impact on income
- ✓ Extend client life



- ✓ Maintain customer satisfaction rates
- ✓ Retain and attract the best people
- ✓ Enhance product delivery

# Our market knowledge and expertise will continue to support our growth

- ✓ Strong reputation across Asset Based Lending market
- ✓ Highly engaged and experienced specialist team
- ✓ Sustainable growth allied to strong risk management
- ✓ Flexible solutions delivered to client timescales
- ✓ Income endowment underpins future growth





**A SHORT  
BREAK**



7

# FUNDING AND CAPITAL

**RACHEL LAWRENCE**

Chief Financial Officer





# Structurally, the Balance Sheet remains highly matched and behaviourally funded long

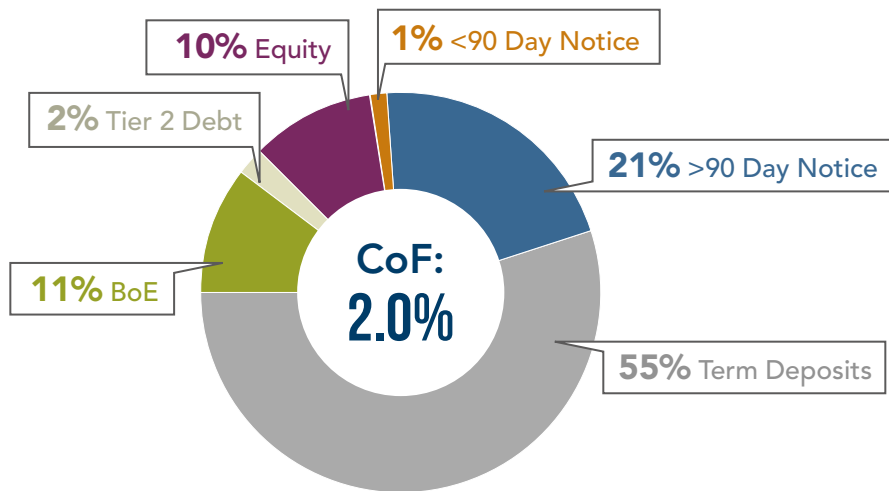
- ✓ Focused on retail funding
- ✓ Highly matched and behaviourally funded long
- ✓ Limited use of wholesale funding providing capacity to access other collateralised funding in the future
- ✓ Disposal of Consumer Mortgages reduced longer-dated lending
- ✓ Planned growth in shorter dated deposits to match shorter dated assets

	Liabilities*	Assets*
Contractual weighted average residual duration:	1.1 Years	1.2 Years
Behavioural weighted average residual duration:	1.8 Years	1.3 Years
	Sight	Cash & Other Assets
	≤90 Day Notice	
	>90 Day Notice	Commercial Finance 0.1 Years
	1 Year Bonds & ISAs	Retail Finance, 1 Year
	2 Year Bonds & ISAs	
	3-4 Year Bonds & ISAs	Vehicle Finance, 1.7 Years
	5+ Year Bonds & ISAs	Real Estate Finance, 1.9 Years
	Wholesale Funding	
	Tier 2	DMS
	Undated Capital & Other Liabilities	

\* As at August 2021 to exclude Mortgages & Asset Finance disposals

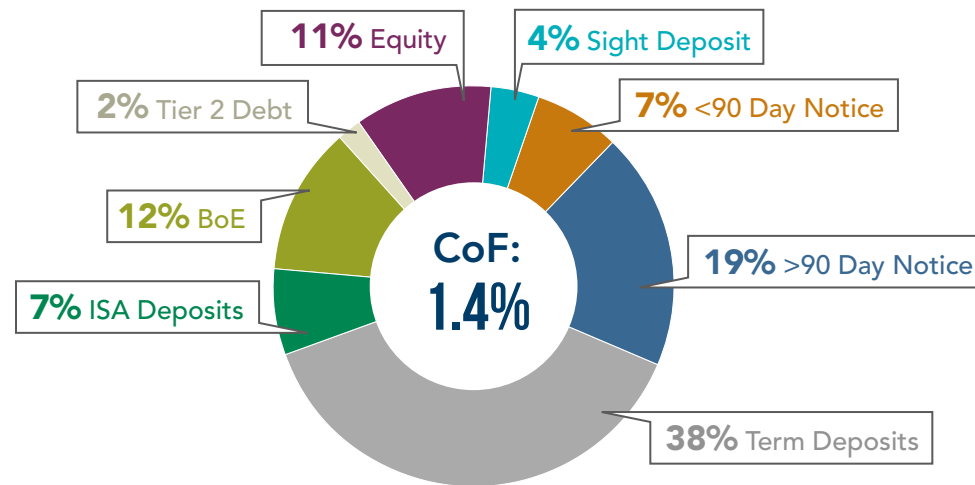
# Funding mix transformation is embedded, delivering lower funding costs through a diversified set of products

Past Funding Mix\*



Funded by Bonds  
Limited short dated products  
Limited product set

Current Funding Mix



Introduction of ISA and  
<90 day products  
Significant reduction in Bonds



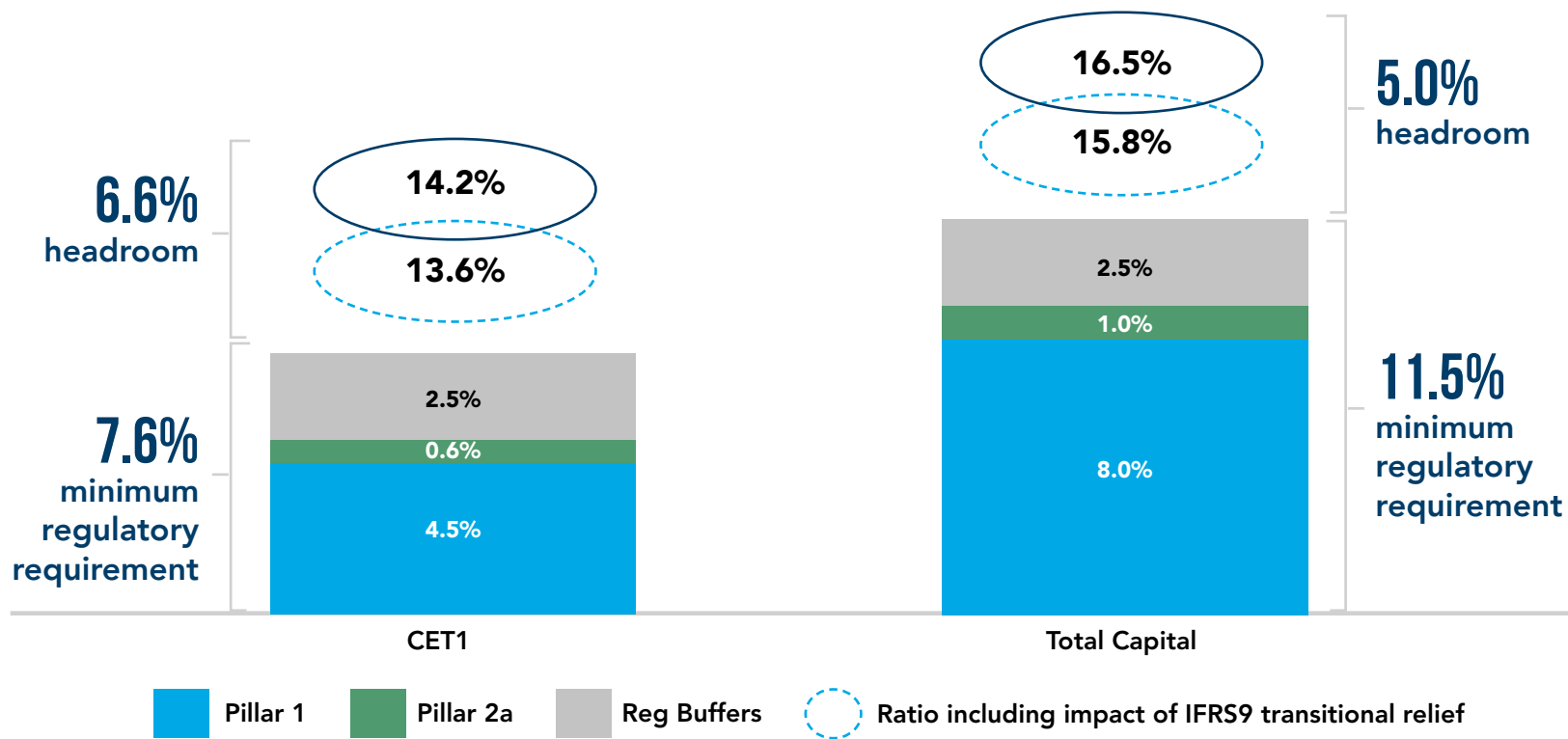
# Investment in Savings digital capability underpins our growth ambitions

- ✓ Increasing our market access to liquidity and leveraging the cost base to scale
- ✓ Device agnostic, mobile first, cloud first onboarding and servicing
- ✓ Launch of Apple and Android Mobile Apps
- ✓ New digital capability – Biometrics, Open Banking
- ✓ Integration platform for future innovation

	H1 2021	→	Ambition
% Product Coverage* (£1.4tn+ household savings market)	£442bn	+300%	£1.3tn
STB Savings Customers	c.50,000	+120%	110,000+
% digital application yield	c.59%	+26%	85%+
% of processes automated	c.65%	+20%	85%+

# Strong capital base to deliver on our growth strategy

Headroom in capital ratios provides solid foundation to deliver on our strong growth strategy\*  
 Capital held in CET1 and Tier2, opportunity to improve the capital stack with AT1 in the future



\* As at June 2021 and excluding any applicable PRA buffer

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# CONCLUSION

**DAVID McCREADIE**

Chief Executive Officer





# Clear plan to deliver lending growth and attractive returns

- ✓ Focus on **attractive and specialist** markets
- ✓ **Diverse portfolio** in consumer and business finance
- ✓ **Agility** enhances our ability to pursue opportunities
- ✓ Strong market **expertise**, relationships and **digital** capabilities
- ✓ Underpinned by **rigorous credit discipline, prudence and risk management**
- ✓ Clear **opportunities for growth** and strategy for **long-term value creation** (both organic and M&A)

# Medium term targets

**14% - 16%**

Return on Average Equity

**> 12%**

CET1 Ratio

**Lending  
book CAGR**

**15%+**

New growth target

**50% - 55%**

Cost:Income Ratio

**> 6%**

Net Interest Margin



# Lending growth ambition

Lending book CAGR 15%+

## Consumer Finance

## Business Finance

### Retail Finance

### Vehicle Finance

### Real Estate Finance

### Commercial Finance

- ✓ Expand product capability to include Digital BNPL proposition
- ✓ Increase the number of retailers we help
- ✓ Attract larger retailers in key categories
- ✓ Develop direct to consumer relationships

- ✓ Expand distribution and scale Prime HP proposition
- ✓ Launch PCP proposition for Prime and Near Prime segments
- ✓ Expand distribution and scale Stock Funding proposition
- ✓ Single platform for all loan originations

- ✓ Expand geographical footprint
- ✓ Build sustainable customer propositions
- ✓ Support Green Homes Scheme
- ✓ Explore niche markets

- ✓ Further develop our relationships with key introducers
- ✓ Expand regional model
- ✓ Participate in larger syndication transactions
- ✓ Attract repeat business

# Conclusions

## Our **DIVERSIFICATION** is a key **DIFFERENTIATOR**

- ✓ Agility to adapt to evolving market conditions
- ✓ Range of margin, capital and return considerations

## Leverage our **SPECIALIST** capabilities and heritage

- ✓ Specialist knowledge of our markets and customers, with strong distribution relationships
- ✓ Extensive credit and underwriting experience

## Enhanced **TECHNOLOGY** and **DIGITAL** capabilities

- ✓ Scalable technology platforms and open API architecture
- ✓ Further digital enhancements will improve customer experience and reduce cost

## Confident in our **GROWTH AMBITIONS**

- ✓ Strong track record, experienced management
- ✓ Opportunities to expand distribution and extend our product propositions

**14% - 16%**  
Return on Average Equity

**50% - 55%**  
Cost:Income Ratio

**>12%**  
CET1 Ratio

**>6%**  
Net Interest Margin

Lending  
book CAGR  
**15%+**  
New growth target

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# QUESTIONS & ANSWERS

**DAVID McCREADIE**

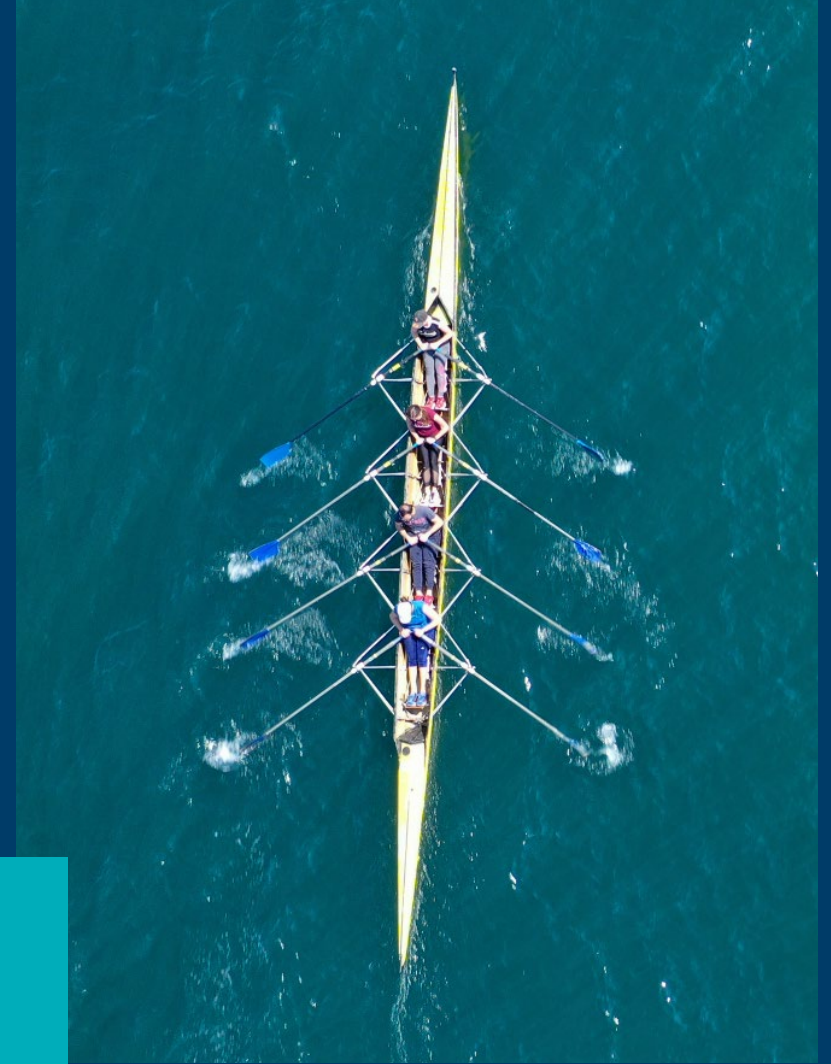
Chief Executive Officer





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# MANAGEMENT BIOGRAPHIES



# Management Team Biographies



**DAVID McCREADIE**  
CHIEF EXECUTIVE OFFICER  
Joined 2021

David is a career banker and a Fellow of the Chartered Banking Institute. He spent 22 years at The Royal Bank of Scotland (RBS) holding roles in Branch Banking, Consumer Finance and several Group central functions. From 2004 to 2008 David was based in the US as Chief Executive Officer of Kroger Personal Finance, a joint venture between RBS and Kroger Co. David joined Tesco Personal Finance in 2008 and was a member of the executive team that built Tesco Bank to support customers' financial needs across physical stores and digital channels. David was an Executive Director and Managing Director of Tesco Bank from 2015 to 2019. His experience includes banking, payments, risk management, governance, consumer facing businesses and retailing.



**RACHEL LAWRENCE**  
CHIEF FINANCIAL OFFICER  
Joined 2020

Rachel has considerable experience in financial services gained from a career spanning more than 20 years. She has held senior finance roles in Metro Bank where she was part of the original team that set up the bank. Rachel was also part of the successful Initial Public Offering at Shawbrook Bank.

Prior to joining STB Rachel was CFO at AIB Group (UK) plc. She brings a wealth of banking experience focused on high growth start up organisations and wider financial services experience gained in asset management, life, pensions and general insurance. She is a qualified chartered management accountant.

# Management Team Biographies



**NICK DAVIES**  
CEO, RETAIL FINANCE  
Joined 2013

Nick is a qualified banker with over 25 years' experience in the UK retail finance market. In 2002 he founded V12 Retail Finance in its current form and as CEO has been the driving force behind the business emerging as the leading specialist in the provision of online retail finance across the last 20 years.

Under Nick's leadership V12 has been the pioneer behind the evolution of online retail finance in the UK and remains at the forefront of digital innovation in the services it provides to its retail partners.



**DAVID NIELD**  
MD, VEHICLE FINANCE  
Joined 2009

David has over 25 years' financial services experience gained from undertaking director level roles in Barclays including Head of Asset Finance, and Deputy CEO at Iveco Capital Europe. Prior to joining Barclays, David was a member of the executive committee of GE Capital Motor Finance.

David joined STB in July 2009 where he established Moneyway, which was one of the first lenders to execute a consumer loan through an e-signature process.



**CIARA RAISON**  
COMMERCIAL DIRECTOR, VEHICLE FINANCE  
Joined 2018

Ciara is a 20 year career banker, and has been a member of the Chartered Institute of Bankers since 2005.

Ciara spent the first 10 years of her career at The Royal Bank of Scotland (RBS), holding roles in Branch, Business and Private Banking. Prior to joining STB in 2018, Ciara progressed her career into Vehicle Finance with Close Brothers, supporting the industry at a time of significant transformation, bringing her experience of managing within a highly regulated environment.

# Management Team Biographies



**JON BOWERS**  
MD, REAL ESTATE FINANCE  
Joined 2011

Jon has over 28 years' financial services experience undertaking director level roles within banking and specialist finance (corporate asset finance and international trade) with NatWest and RBS. This included board roles in a number of Lombard North Central PLC offshore subsidiaries.

Jon has professional qualifications in the areas of corporate governance and company direction, banking and international trade. Jon joined STB in March 2011.



**JOHN BEVAN**  
MD, COMMERCIAL FINANCE  
Joined 2014

John has over 38 years' banking experience, including 21 years in the receivables sector. Latterly the Managing Director of Barclays Trade and Working Capital UK&I, and in 2012 he held the position of Chairman of the Asset Based Finance Association (ABFA) and also sat on the executive Board of the International Factors Group. John joined STB in August 2014.

# Management Team Biographies



**CHRIS HARPER**  
CHIEF RISK OFFICER  
Joined 2021

Chris has extensive experience across both risk management and customer facing roles, with a career in financial services spanning over 20 years.

Before joining STB, he was Chief Risk Officer for RBS International providing executive leadership and strategic direction for the Risk function. Previous employers include Coutts International, RBS and Natwest.



**KATIE DOCHERTY**  
CHIEF OPERATING OFFICER  
Joined 2021

Katie has a wealth of experience in the finance sector. Before joining STB she spent nearly 15 years working for HSBC, most recently in the role of Chief Operating Officer for HSBC's Retail Banking & Wealth Management division in Australia. Prior to that she was Chief Information Officer for HSBC Australia and held various leadership roles with a particular focus on IT.

In her most recent role, Katie was responsible for all operational, transformation and strategy aspects of the Retail Bank in Australia, including areas of strategy development, digital transformation and continuous improvement.



**ANNE MCKENNING**  
HR DIRECTOR  
Joined 2007

Anne has worked in the financial services industry for over 30 years with the last 25 years in various HR roles. Previous employers include Lloyds TSB, Countrywide Assured and Barclays. She is FCIPD qualified, a qualified Employment Law Specialist Paralegal and holds an MSc in Human Resource Management.

Since joining STB in June 2007 Anne has implemented digital solutions to enhance HR processes and reporting including, most recently, a new HR and Payroll platform.



**CHARLES MAYO**  
GENERAL COUNSEL  
Joined 2021

Charles is a corporate lawyer specialising in corporate transactions, corporate governance and compliance. He is a former Corporate Partner at the law firm Simmons & Simmons where he worked for 30 years, advising banks, asset managers, listed companies and the Government.

He is also a charity trustee of the Association of Medical Research Charities.





**THANK YOU**