

Our strategy

At Close Brothers, we strive to provide exceptional service to our customers across our banking activities. We are committed to building on our proven business model and strong customer relationships to deliver attractive returns over the long term.

We are focused on supporting our customers and delivering long-term value creation. Our strategy is centred on three clear priorities: Simplify, Optimise and Grow.

In line with these priorities, we have streamlined the portfolio of businesses, and are now focused on executing the next stage of our journey, driving efficiency and capturing growth in our chosen markets.

Decisive action was taken during the last year to reposition the business, implement significant cost reductions and identify future growth markets to deliver the strategy and rebuild returns.



Simplify

An in-depth review and repositioning of our portfolio of businesses has sharpened our focus on specialist banking.

Simplified group structure

- During the last year, we have sold Close Brothers Asset Management, Winterflood and the Brewery Rentals business.
- This simplifies our portfolio and allows us to focus on the core lending businesses, where we can leverage our expertise and deliver growth and sustainable returns.
- We have settled the long-standing litigation issued by Novitas, allowing us to move forward and exit from this business.

Realignment of existing activities with core business model

- During the 2025 financial year, we have repositioned our Premium Finance business to focus on commercial lines.
- We sold our Brewery Rentals business and decided to exit of our Vehicle Hire business.
- These actions have created a portfolio of businesses with a strong strategic fit. We are confident in the enduring growth opportunity across our core markets, focusing on areas that offer attractive risk-adjusted returns.



Optimise

Implementing a step-change in operating profitability.

Group-wide cost reduction actions

- An in-depth review of costs across the group will create a more efficient organisation.
- We delivered £25 million of annualised cost savings by the end of the 2025 financial year through streamlining of our technology, suppliers, property and workforce.
- We are committed to delivering at least c.£20 million of additional annualised savings per annum in each of the next three years, through further consolidation of centrally provided functions, outsourcing and offshoring, and the simplification and rationalisation of technology, including automation and the use of artificial intelligence.

A leaner, more agile organisation well positioned for the future

- We continue to build on the progress from our technology transformation, initiated in 2023, focused on simplifying and modernising our technology estate, as well as consolidating and increasing our use of strategic partners. This has helped create a more digitally enabled and agile IT environment that is secure, resilient and sustainable.
- In parallel, we are actively evaluating opportunities to optimise capital, funding and liquidity.



Grow

Using our strong market positions, reputation and specialist expertise to target growth in the segments where we can truly differentiate.

We are actively pursuing targeted growth opportunities in our chosen markets which offer attractive risk-adjusted returns.

- In Commercial, there are significant opportunities to expand lending in a number of our mature businesses, especially Invoice Finance, Energy, and intermediated Asset Finance.
- We are expanding distribution in Motor Finance through growth in the Irish market, and with larger partners and brokers.
- We have a renewed focus on growing our commercial lines business in Premium Finance.

Expanding our product offering to target new areas of growth

- Motor Finance is targeting opportunities through digitisation, and has expanded its offering to Alternative Fuel Vehicles ("AFVs") to access the rapidly growing market of second-hand EVs and hybrid vehicles.
- Commercial is expanding into adjacent products, such as commercial mortgages, and is focused on scaling new, specialist teams such as agriculture.
- Property Finance is broadening its product offering, moving into larger build-to-sell loans and additional asset classes, such as build-to-rent and purpose-built student accommodation.