



ATOM HOLDCO LIMITED

Interim Pillar 3 Disclosures HY2025

CONTENTS

| | |
|--------------------------|----|
| Executive summary | 04 |
| Key metrics | 06 |

Tables:

| | |
|--------|----------------------|
| UK KM1 | Key metrics template |
|--------|----------------------|

Registered office

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The terms "Atom" and "the Group" refer to Atom Holdco Limited (company number 14129045) together with its subsidiaries. "Atom bank" and "the Bank" refers to Atom bank plc (company number 08632552).

The term "Board" refers to the board of directors of Atom Holdco Limited and/or Atom bank plc from time to time. The term "Director" means a director of Atom Holdco Limited and/or Atom bank plc.

This Pillar 3 Report contains general information about Atom and is intended for informational purposes only. Atom has taken all reasonable care to ensure the information and facts contained in this Report are accurate and up to date but any reliance placed on this Report is done entirely at the risk of the person placing such reliance.

The information contained in this Report does not constitute an invitation or inducement to engage in investment activity in connection with any security or financial instrument issued by or on behalf of Atom, nor does it purport to contain information that should form the basis of, or be relied upon, in making any investment decision in connection with the same.

References to "HY25" refers to the financial half year from 1 April 2024 to 30 September 2024. References to "FY24" refers to the financial year 1 April 2023 to 31 March 2024.



1.Executive summary

This report

This report presents the interim consolidated Pillar 3 disclosures of Atom Holdco Limited (the Group) for the 6 months ended 30 September 2024. The Basel Framework is structured around three pillars. Pillar 1 sets out the minimum capital requirement that firms are required to meet for credit, market and operational risk, Pillar 2 concerns the supervisory review process and Pillar 3 promotes market discipline through the disclosure of key information around capital, risk management and remuneration.

This report contains the Pillar 3 qualitative and quantitative information as required under the Capital Requirements Regulation (CRR) prescribed within the Disclosure (CRR) Part of the Prudential Regulation Authority (PRA) Rulebook, thereby providing transparency and further information on the capital and risk profile of the Group.

The CRR Part of the PRA Rulebook contains prescribed templates which have been adopted to present quantitative disclosures within this document. Where certain rows or columns within prescribed templates are not relevant to the Group, these have been omitted.

Basis of preparation

The Group's capital position is calculated for prudential regulatory reporting purposes for 6 months ended 30 September 2024 using the Basel III framework of the Basel Committee on Banking Supervision (BCBS). This was originally implemented by the European Union (EU) in the CRR and the Capital Requirements Directive (CRD IV).

The CRD V and CRR II rules were originally drafted when the United Kingdom (UK) was a member of the EU. The UK left the EU on 31 January 2020 but remained subject to EU law during the transition period which ended on 31 December 2020. Elements of the CRR were implemented in the UK on 28 December 2020 by PRA policy statement PS29/20. The UK version of the CRR II for implementation on 1 January 2022 was implemented by PRA policy statement 22/21 taking effect from 1 January 2022 and is contained within the PRA Rulebook Instrument 2021 and the PRA Rulebook Leverage Instrument 2021.

Therefore, any reference to EU regulations and directives should be read as a reference to the UK version, as onshored into UK law under the EU (Withdrawal) Act 2018, as amended by PRA Rulebook Instrument 2021 and PRA Rulebook Leverage Instrument 2021.

The Group's Pillar 3 disclosures comply with the new CRR II approaches which came into effect from 1 January 2022. The Group has assessed itself against the disclosure requirements of the CRR II and determined that it is classified under Article 433c of the CRR Part of the PRA Rulebook as an 'other' institution. This reduces the scope of the required Pillar 3 disclosures, and the document has been prepared accordingly to include applicable PRA templates and requirements effective 1 January 2022.

The frequency and scope of disclosure will be reviewed at least annually given changes in the business or revised requirements issued by the PRA. In accordance with Article 432 of the CRR, the Group is permitted to exclude certain disclosures if they contain proprietary information or are non-material.

1.Executive summary (continued)

Scope of consolidation

Atom Holdco Limited is a Financial Holding Company, and its establishment created a CRR consolidation entity. Consequently, the Pillar 3 report is prepared on a consolidated basis, however Atom bank plc remains the principal regulated subsidiary of the Group. Key metrics for both the consolidated group under Atom Holdco Limited and those for Atom bank plc have been presented within this document. Atom bank plc has one wholly owned subsidiary, Atom EBT Limited, which is deemed de minimis for regulatory purposes.

Frequency and location of disclosures

The Group's policy is to publish the Pillar 3 disclosures on the corporate website www.atombank.co.uk. Disclosures will be published on an annual basis for the year ended 31 March on the same day as the Annual Report. Under Article 433c (1) (b) key metrics will be published on a semi-annual basis for the period ended 30 September.

Verification

The Group has a formal Board approved Pillar 3 Disclosure Policy, which details its approach to ensuring compliance with the CRR Part of the PRA Rulebook. The Group's policy is to comply with all the requirements of derogation for other institutions as per article 433c of the PRA Rulebook.

Disclosures are unaudited but all disclosures are subject to internal verification comprising first and second line oversight as appropriate. The Board must attest that, to the best of their knowledge, the disclosures within this document comply fully with the requirements of the CRR Part of the PRA Rulebook Instrument 2021 and have been prepared in accordance with our policies and internal control processes.

The Pillar 3 document was reviewed by the Board Audit Committee and approved on XX XXXX 2024 and signed on its behalf by:

Andrew Marshall,

Executive Director and Chief Financial Officer
12/12/2024



David Roper

Senior Independent Non-Executive Director and
Chair of Board Audit Committee
12/12/2024



2.Key metrics

The following table presents Atom's key metrics as prescribed by Table UK KM1 as at 30 September 2024.

The CET1 ratio represents CET1 capital expressed as a percentage of the total risk exposure amount. The total capital ratio (TCR) includes Tier 2 within capital resources, expressed as a percentage of the total risk exposure amount.

The profit for the period ended 30 September 2024 was verified by the external auditors on 31 October 2024 and has been included in the capital ratios in the table above. Had these profits not been verified, the Total Capital Ratio would have been 16.3% for Group and 16.4% for Bank.

Post the period end, a Tier 2 transaction of £50m was executed and settled.

| Table UK KM1 - Key metrics | | HY25 Group £m | HY25 Bank £m | FY24 Group £m | FY24 Bank £m | FY 2023 Group £m | FY 2023 Bank £m |
|---|--|---------------|--------------|---------------|--------------|------------------|-----------------|
| Available own funds (amounts) | | | | | | | |
| 1 | Common Equity Tier 1 (CET1) capital | 350 | 351 | 346 | 347 | 240 | 241 |
| 2 | Tier 1 capital | 350 | 351 | 346 | 347 | 240 | 241 |
| 3 | Total capital | 350 | 351 | 346 | 347 | 244 | 248 |
| Risk-weighted exposure amounts | | | | | | | |
| 4 | Total risk-weighted exposure amount | 2,095 | 2,096 | 1,827 | 1,828 | 1,270 | 1,272 |
| Capital ratios (as a percentage of risk-weighted exposure amount) | | | | | | | |
| 5 | Common Equity Tier 1 ratio (%) | 16.7% | 16.7% | 18.9% | 19.0% | 18.9% | 19.0% |
| 6 | Tier 1 ratio (%) | 16.7% | 16.7% | 18.9% | 19.0% | 18.9% | 19.0% |
| 7 | Total capital ratio (%) | 16.7% | 16.7% | 18.9% | 19.0% | 19.2% | 19.5% |
| Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount) | | | | | | | |
| UK 7a | Additional CET1 SREP requirements (%) | 0.1% | 0.1% | 0.8% | 0.8% | 0.8% | 0.8% |
| UK 7b | Additional AT1 SREP requirements (%) | 0.0% | 0.0% | 0.3% | 0.3% | 0.3% | 0.3% |
| UK 7c | Additional T2 SREP requirements (%) | 0.1% | 0.1% | 0.3% | 0.3% | 0.3% | 0.3% |
| UK 7d | Total SREP own funds requirements (%) | 8.2% | 8.2% | 9.4% | 9.4% | 9.4% | 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% | 2.5% |
| 9 | Institution specific countercyclical capital buffer (%) | 2.0% | 2.0% | 2.0% | 2.0% | 1.0% | 1.0% |
| 11 | Combined buffer requirement (%) | 4.5% | 4.5% | 4.5% | 4.5% | 3.5% | 3.5% |
| UK 11a | Overall capital requirements (%) | 12.7% | 12.7% | 13.9% | 13.9% | 12.9% | 12.9% |
| 12 | CET1 available after meeting the total SREP own funds requirements (%) | 7.0% | 7.1% | 8.6% | 8.7% | 9.6% | 9.7% |
| Leverage ratio | | | | | | | |
| 13 | Leverage ratio total exposure measure | 5,941 | 5,942 | 5,063 | 5,064 | 3,723 | 3,724 |
| 14 | Leverage ratio (%) | 5.9% | 5.9% | 6.8% | 6.9% | 6.4% | 6.5% |
| Liquidity Coverage Ratio (LCR) | | | | | | | |
| 15 | Total high-quality liquid assets (HQLA) (Weighted value -average) | 2,633 | 2,633 | 3,849 | 3,849 | 2,494 | 2,494 |
| UK 16a | Cash outflows - Total weighted value | 573 | 572 | 586 | 586 | 496 | 496 |
| UK 16b | Cash inflows - Total weighted value | 58 | 52 | 52 | 52 | 49 | 49 |
| 16 | Total net cash outflows (adjusted value) | 515 | 520 | 534 | 534 | 446 | 446 |
| 17 | Liquidity coverage ratio (%) | 508.3% | 503.9% | 727.8% | 727.8% | 578.6% | 578.6% |
| Net Stable Funding Ratio (NSFR) | | | | | | | |
| 18 | Total available stable funding | 6,097 | 6,097 | 6,891 | 6,891 | 5,558 | 5,558 |
| 19 | Total required stable funding | 3,982 | 3,982 | 3,146 | 3,146 | 2,615 | 2,615 |
| 20 | Net Stable Funding Ratio (%) | 153.5% | 153.5% | 221.8% | 221.8% | 211.8% | 211.8% |

¹Supervisory Review and Evaluation Process



