American Express Payment Services Limited

Registered number 06301718

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

American Express Payment Services Limited

Report and Financial Statements for the year ended 31 December 2025

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American Express Payment Services Limited

Officers & Advisors

DIRECTORS

D Edelman	- Chair
J Huson	- Chief Financial Officer
C Allen	
H Coventry	
S Maheshwari	
K McDonald	
L Moseley	
V Raynaud	
S Shomstein	

COMPANY SECRETARY

G Gill

INDEPENDENT AUDITORS

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Chartered Accountants and Statutory Auditors
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London
SE1 2RT

BANKERS

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25 Gresham Street
London
EC2V 7HN

LEAD REGULATOR

Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

REGISTERED OFFICE

Belgrave House
76 Buckingham Palace Road
London
SW1W 9AX

Directors' Report for the year ended 31 December 2025

The Directors present their Directors' Report and the audited financial statements of American Express Payment Services Limited ("the Company" or "AEPSL") for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is registered in England and Wales, domiciled in the United Kingdom and is part of the American Express group of companies ("American Express", "the Group" or "the Enterprise"). The Company's immediate parent is American Express International Inc. and the Company's ultimate parent and controlling entity is American Express Company, both incorporated in the United States of America.

The principal activity of the Company is the provision of merchant acquirer services. The Company also provides services to other companies within the American Express Group.

Supervision and Regulation
The Company is authorised and regulated by the Financial Conduct Authority ("FCA") as an authorised payment institution under the Payment Services Regulations 2017 ("PSRs"), which continue to form the primary legislative framework governing payment services in the UK. The regime is however expected to undergo material reform in the coming years. The Company uses this authorisation to perform regulated payment services in the UK. The Company is also authorised by the FCA to conduct Payment Initiation Services (PIS) and Account Information Services (AIS). The Company uses its PIS license to offer Pay with Bank Transfer services.

The financial services industry in the UK, including the Company, is subject to rigorous scrutiny, high regulatory expectations, and a range of regulations. The regulatory landscape continues to evolve at pace, with several reform packages ongoing including FCA proposals to support the Government's reforms for growth.

In addition to the FCA, the Company's activities are subject to regulation and supervision by the Payments Systems Regulator ("PSR") and the Information Commissioner's Office ("ICO"). Subject to parliamentary timetables, the PSR is in the process of merging with the FCA. Regulators have focused, and we believe will continue to focus, considerable attention on reviewing compliance by financial services firms with laws and regulations, and as a result, we continually work to evolve and improve our risk management framework, governance structures, practices and procedures.

Reviews to assess compliance with laws and regulations by regulators, as well as our own internal reviews, have resulted in, and are likely to continue to result in, changes to our products, practices and procedures, restitution to our customers and increased costs related to regulatory oversight, supervision and examination.

Key Regulations and Developments

Payments Regulation
In 2015, the EU adopted legislation in two parts, covering a wide range of topics across the payments industry. The first part was an EU-wide regulation on interchange fees (the Interchange Fee Regulation); and the second consisted of the Revised Payment Services Directive (the "PSD2"). The Group engages with the regulatory authorities responsible for overseeing and enforcing this legislation in the UK, the FCA and the PSR, as required.

The PSD2 makes revisions to the original Payment Services Directive adopted in 2007 ("PSD") and prescribes common rules across the EU for licensing and supervision of payment service providers. It also contains regulatory requirements on strong customer authentication, open access to customer data and payment capabilities, and measures to prevent security incidents. The Company and the Group comply with the legislation, which was transposed into the UK legislative framework by the Payment Services Regulations 2017. The Payment Services Regulations 2017 (PSRs), are currently under review by HM Treasury and FCA to simplify the current dual regime governing fair access.

American Express Payment Services Limited

Directors' Report for the year ended 31 December 2025 (Continued)

Key Regulations and Developments (Continued)

Payments Regulation (Continued)
The expansion of Open Banking continues to be an area of focus for the Government and UK regulators. These include (i) adoption of account-to-account payments (ii) legislative frameworks to support Open Finance (iii) development of variable recurring payments (VRPs). These developments, alongside the Government's National Payments Vision are expected to support the growth of non-card payment methods.

Consumer Protection
The Company's consumer credit activities are subject to regulation and supervision by the FCA, with the regulator increasing focus on customer outcomes rather than just ensuring compliance with the rules and regulations. The Consumer Duty ('the Duty') came into force on 31 July 2023 for new and existing products or services that are open to sale and renewal (and 31 July 2024 for closed products and services). The Duty introduced a new "Principle" to the handbook, further raising standards in how firms assess and evidence that they are acting to deliver good outcomes for retail customers – throughout the lifecycle of the product. In particular, the Duty focuses on four outcomes: (**i**) Consumer Understanding; (**ii**) Products & Services; (**iii**) Customer Support and (**iv**) Price & Value.

The Consumer Duty remains a central regulatory priority for the FCA under its 2025-2030 Strategy. During this period and beyond, the regulator is expected to simplify existing regulation and increase its reliance on the Duty.

Anti-Money Laundering, Countering the Financing of Terrorism and Economic Sanctions
The Company is subject to regulation and supervision with respect to compliance with anti-money laundering ("AML"), countering financing of terrorism ("CFT"), and economic sanctions. Among other things, these laws and regulations require the Company to establish AML / CFT programmes that meet certain standards, including, in some instances, expanded reporting, particularly in the area of suspicious transactions, and enhanced information gathering and recordkeeping requirements.

Operational Resilience
Rules relating to Operational Resilience came into force in March 2022 requiring the company (i) to identify its Important Business Services (IBS); (ii) set impact tolerances for the IBS; (iii) perform mapping and testing; (iv) conduct lessons learned exercises; (v) develop communications plans and (vi) prepare annual self-assessment documentation. The company continues to review its thresholds, ensuring they are appropriate for the size and nature of its business.

Climate-Related Financial Disclosures
In January 2022 the UK announced new requirements for a range of entities to prepare annual climate-related financial disclosures in line with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. The requirement is applicable to large private companies, such as the Company, and applies to accounting periods beginning on or after 6 April 2022.

The Company has implemented procedures to gather the information and data needed to facilitate clear and accurate climate-related financial disclosures and included TCFD-aligned climate-related disclosures for the first time in its 2023 financial statements. The 2025 disclosures are included in the Non-financial and Sustainability Information Statement, within the Strategic Report of these financial statements.

American Express Payment Services Limited

Directors' Report for the year ended 31 December 2025 (Continued)

GOVERNANCE

The Directors are responsible for managing the Company's affairs and for ensuring that the operations of the Company, including its branch, are carried out effectively and with due regard to the reputation of the Group and the requirements imposed upon it by law, regulation and relevant regulatory bodies.

To fulfil these responsibilities, the Company maintains a governance framework including the following committees ("the Committees"), each reporting regularly to the Board:

• The Audit and Finance Committee; and
• The Risk Committee.

The Audit and Finance Committee focuses principally on the Company's financial accounting, internal control and integrity of it's financial statements. It is chaired by the Chief Financial Officer and membership is made up of representatives from relevant departments, including Tax, Treasury, Finance and Controllership. The Audit and Finance Committee meets in advance of every Board Meeting, to monitor key issues and changes within the Committee's remit, make non-critical decisions and to conclude upon items and/or risks which should be raised for the Board's consideration.

The Risk Committee ("RC") supports the Board by giving oversight to the key operational risks identified for the Company. It is chaired by a Board Director who is a Senior Leader within the Global Merchant and Network Services ("GMNS") Payment Facilitation & Merchants Partnerships business with its membership being made up of various representatives including, Global Merchant Services, Compliance, Technologies, Global Services Group, General Counsel's Organisation and the Outsourcing Governance team.

The RC has oversight of significant operational and compliance changes, issues and risks arising within the Company. The RC has oversight of the clear, effective and compliant processes in place for managing third party and affiliate outsourcing arrangements. The RC meets in advance of every Board Meeting in order to consider items and/or risks which should be raised for the Board's consideration. The Board has implemented an escalation framework to ensure the effective reporting of risks, issues and changes within the Company to relevant key internal and external stakeholders. Additionally, the Group has established clearly defined communication processes and protocols between its international legal entities (including the Company) and Enterprise-level committees to enable more timely, relevant communication between teams, providing greater clarity in change management, better decision-making and communication.

Key features of this framework include top down and bottom up communications protocols, with the top down communication protocol ensuring early engagement of international legal entities in relevant Enterprise-level and risk management initiatives, and the bottom up communication protocol ensuring the international legal entities can escalate local developments that could pose a material risk to the Enterprise.

As an authorised payment institution, the Company is required to maintain capital levels which exceed a prescribed level of minimum capital, as required by the Payment Services Regulations 2017. The Company currently has an FCA minimum capital requirement of £18.2m. Capital monitoring processes are in place to ensure the Company exceeds the minimum capital requirements at all times. The Company performs Company-level capital and liquidity stress testing for both base and severe scenarios, refreshed annually. The Company also maintains a Company-specific wind down plan, also refreshed annually.

Disclosures on future strategies and risk management are included within the Strategic Report.

The Company has a robust internal control framework with clear roles and responsibilities for escalation and remediation of risks. The Committees each adhere to Terms of Reference to ensure appropriate escalations to the Board. The framework consists of governance, risk assessment, issue management, and reporting and monitoring by which the Company identifies, assesses, measures, monitors and controls risks facing the business.

Directors' Report for the year ended 31 December 2025 (Continued)

GOVERNANCE (continued)

As part of the Company's risk governance framework, the "three lines of defense" approach to risk management has been implemented.

The first line of defense is the primary owner of risk-taking and risk management. The first line includes colleagues who are responsible for generating revenue, providing operational support in the delivery of products and services to the Company's customers, or providing technology services for the execution of business activities. All members of the first line are responsible for appropriately assessing and managing all risks associated with their business activities, consistent with the Company's established risk appetite.

The second line of defense supports the Board in defining the framework by which risk should be managed across the Company. It then implements the framework by enacting policies, standards and procedures and creating governance structures. Additionally, the second line provides independent review, challenge, monitoring and oversight of first line activities to enforce adherence to the risk framework and determine the action required if first line activities do not align with the framework.

The Internal Audit Group constitute the third line of defense and provide independent assurance by assessing the quality and effectiveness of the Company's processes and systems of internal control, risk management, and risk governance, compliance with applicable regulations, and the reliability and integrity of the Company's financial and operational information.

Directors' Report for the year ended 31 December 2025 (Continued)

RESULTS AND DIVIDENDS

The results for the full year are set out on page 33 and show the profit before taxation for the year ended 31 December 2025 of £62m (2024: £75m). The profit after taxation for the financial year was £46m (2024: £57m) and has been transferred to reserves. The Directors do not propose the payment of a dividend for the year ended 31 December 2025 (2024: £nil). Total Shareholders' Funds at 31 December 2025 stood at £377m (2024: £330m). The Financial Performance section of the Strategic Report gives a more detailed review of the Company's performance indicators.

OPERATIONS OUTSIDE THE UK

The Company has a wholly owned subsidiary in Spain, American Express Payments Europe S.L. (AEPE) and a branch in Germany to service local employee related obligations.

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to a variety of financial risks. An overview of these risks and how they are managed by the Company is included in the Financial Risk Management section of the Strategic Report.

FUTURE DEVELOPMENTS

In line with Group strategy, the Company is focused on maintaining growth in an uncertain economic, political and regulatory environment, whilst managing costs and upholding service quality. The Strategic Report includes an Outlook, Principal Risks and Uncertainties section which considers how future developments may impact the Company.

DIRECTORS

The Directors of the Company who served during the year and up to the date of signing the financial statements were:

D Edelman	Chairman
J Huson	Chief Financial Officer (appointed 1 October 2025)
D Bailey	Chief Financial Officer (resigned 3 July 2025)
C Allen	(appointed 5 September 2025)
H Coventry	
M Ganapathy	(appointed 8 May 2025, resigned 15 May 2025)
A Holmes	(resigned 18 February 2025)
S Maheshwari	
K McDonald	
L Moseley	
N Paris	(resigned 14 May 2025)
V Raynaud	
C Rivera	(resigned 15 May 2025)
S Shomstein	

DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has granted an indemnity to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in S.234 of the Companies Act 2006, and as outlined in the Company's Articles of Association. Such a qualifying third-party indemnity provision was in force during the financial year and remains in force as at the date of approving the Directors' Report.

EMPLOYEE ENGAGEMENT STATEMENT

The American Express workforce within the UK, including, but not limited to, the Company's colleagues, is split among multiple UK based legal entities. Consequently, many of the Company's interactions with its colleagues, being cross functional in nature, are managed at a centralised level.

At the heart of American Express' workplace culture are the Blue Box Values, which are a set of guiding principles that serve as the foundation for how American Express, and the Company, operate and lead. The Company believes that maintaining the strong culture, adhering to the Blue Box Values and ensuring that colleagues feel respected, valued, recognised and backed helps attract, develop and engage the right talent for American Express' success.

The Company consults with colleagues and their representatives, with the aim of ensuring their views are taken into account when decisions are made that are likely to affect their interests, and ensuring they are aware of the financial and economic performance of their business units and of the Company as a whole. Communication continues through regular internal communications, newsletters, and briefing groups. The Group conducts an annual Colleague Experience Survey for colleagues to share their feedback about the work environment and culture at American Express, which helps American Express better understand colleague sentiment across several aspects of their experience including leadership, engagement, work life, risk and controls, career development and well-being. In 2025, 91 percent of colleagues who participated in the survey said they would recommend American Express as a great place to work.

Holistic Well-Being
American Express also provides leading benefits and takes a holistic approach to well-being, providing resources that address the physical, financial and mental health of its colleagues. Colleagues' physical health and well-being is supported through the corporate wellness program, Healthy Living, which highlights the importance of preventive care, encourages healthy actions, and delivers practical and accessible resources that promote a healthy lifestyle.

This includes providing reasonable accommodations (e.g. assistive aids, accessible training materials) to ensure that the opportunities are available to all, including those colleagues living with disabilities, or those who develop a disability during their work tenure. Where a colleague develops a disability during their work tenure, the Company seeks to make necessary and appropriate adjustments to ensure they can continue to grow both personally and professionally within American Express.

American Express also offers resources and support for colleagues' mental health through the Healthy Minds Program, which provides colleagues and their household members with access to free counselling and a personalised health concierge service, and aims to increase mental health awareness across American Express. American Express' financial well-being program, Smart Saving, provides tools and resources to help colleagues build their financial knowledge and skills for all life stages.

Career Growth & Development
American Express provides colleagues at all levels with access to a wide variety of resources to support their ongoing career growth and leadership development. There are opportunities for colleagues to learn on the job, build cross-functional skills and grow in their careers through a defined, collaborative process for performance management. Colleagues have access to a number of other resources, such as career coaching, mentoring, professional networking and rotation opportunities, as well as courses on-demand and with classroom-style instruction. To help support a culture of conduct and risk management, the Group also requires colleagues to undergo trainings on laws, regulations and policies applicable to them and American Express.

EMPLOYEE ENGAGEMENT STATEMENT (Continued)

Career Growth & Development (Continued)
The Company aims to achieve a balance between delivering market competitive remuneration in order to attract and retain talent and optimising shareholder return. American Express continues to reward and recognise the performance and dedication of colleagues with a focus on bolstering its competitive positioning through enhancements to the global short and long-term incentive programmes.

Eligible colleagues participate in equity awards with pay-outs that are linked to seniority and performance driven. A description of the plans and performance measures are available in the American Express Company's financial statements. See Note 4 for a summary description of the plans and the awards granted and outstanding during the year.

STAKEHOLDER ENGAGEMENT STATEMENT

The Board recognises that the fostering of good business relationships is crucial to the long-term success of the Company and Group as a whole. To this end, the Company has implemented an escalation framework (via the Committees) so that issues impacting the business and/or key stakeholders (including, but not limited to, the Company's suppliers and customers) are escalated to the Board for its consideration. This helps ensure that the Board has visibility of issues impacting the Company's key stakeholders and that such issues are dealt with and resolved in an effective, timely and appropriate manner.

In addition, American Express has a number of policies in place which require that, prior to the Board taking decisions deemed critical to the Company, the impact on a wide group of stakeholders is identified and considered. This better enables the Board to make informed decisions while acting in the best interests of the Company and its key stakeholders.

As directors of a regulated entity, the Board must also adhere to the FCA's Conduct Rules which, in addition to acting with integrity, due skill, care and diligence, include an obligation to pay due regard to the interests of customers and treat them fairly.

The Company's principal decisions during the financial year ended 31 December 2025 focused on its long-term strategy and the strengthening of its control environment. The Board also received updates on legislative developments in the UK, including relevant aspects of the Economic Crime and Corporate Transparency Act 2023. Throughout the year, the Board maintained a strong focus on the Company's financial crime programme, including decisions relating to the remediation and refresh of its merchant base, as well as enhancements aligned to the Company's long-term strategic objectives.

The Company continued to develop and refine its approach to the FCA's Consumer Duty, with the objective of ensuring that high and transparent standards of consumer protection were maintained. During the year, the Company engaged an external provider to conduct targeted reviews and provide guidance on specific Consumer Duty outcomes where further improvement was identified.

Operational resilience remained a key focus for the Board. The board received regular updates to ensure the Company remained within its established impact tolerances and continued to perform scenario testing in line with regulatory expectations.

The Board also received updates on the Company's oversight of its partners, including its banking partners. In this context, the Board approved the onboarding of an additional banking partner for operational resilience purposes.

Directors' Report for the year ended 31 December 2025 (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's financial statements published on the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

CREDITOR PAYMENT POLICY

It is Company policy to pay vendors 60 days after receipt of a correct, undisputed, timely provided and properly due VAT invoice unless specific payment terms dictate otherwise. The Company has a range of payment tool options that can allow suppliers to be paid faster than the standard 60 days. The Company's average creditor period for 2025 was 38 days (2024: 40 days).

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the Company made no donations to advance the causes of charitable organisations (2024: £nil), as all charitable contributions are made by American Express Corporate Social Responsibility on behalf of the Group. No donations were made by the Company for political purposes (2024: £nil).

The Company partners with local and national charities, forging impactful partnerships and providing volunteer opportunities for employees.

American Express Payment Services Limited

Directors' Report for the year ended 31 December 2025 (Continued)

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP are deemed to be reappointed as independent auditors under section 487(2) of the Companies Act 2006.

The Directors' Report and the financial statements on pages 33 to 63 were approved by the Board of Directors on 30 June 2026 and signed on its behalf by:

Signed by:
Julia Huson
23D5EFD2E31342E...

J Huson
Chief Financial Officer
30 June 2026

Signed by:
Holly Coventry
142B5C5D276844F...

H Coventry
Director

American Express Payment Services Limited

Strategic Report for the year ended 31 December 2025

The Directors present their Strategic Report of American Express Payment Services Limited ("the Company" or "AEPSL") for the year ended 31 December 2025.

BUSINESS REVIEW

Objectives of the Company
The key objective of the Company is to generate business through its core activity of merchant acquiring services.

Business Strategy
Integral to this objective are activities to maintain and enhance existing merchant relationships, established through card acceptance agreements, and to expand the number of locations at which the American Express card is accepted. The Company continually seeks to improve the quality of service and value delivered to merchants.

The core elements of the Company's strategy are:

- Acquiring new merchants for the acceptance of American Express card transactions, with a view to continuing to expand the Company's coverage footprint;
- Ensuring good customer outcomes;
- Continuing to monitor the performance of its merchant acquirer offering against key competitors;
- Building and maintaining relationships with merchants, both directly and through third party partnerships such as payment facilitators and processors, to manage aspects of its merchant business;
- Maintaining and enhancing the relationship with entities that issue cards on the American Express network, to drive increased usage of the American Express card at the Company's acquired merchants;
- Continuing to grow the Company's open banking payments business - Pay with Bank Transfer;
- Attracting and retaining talented colleagues;
- Focusing on sustainable growth while managing costs and improving efficiency; and
- Maintaining a consistent focus on governance, control and conduct.

The Company continues to invest to strengthen its data management, business insights and marketing capabilities. In addition, the Company offers a Pay with Bank transfer service, allowing consumers to pay for purchases made online directly from their bank accounts. These developments enhance the broad range of premium value services delivered to merchants and are under-pinned by the Company's core competence in advanced payment services continuing the strategy of providing a premium service experience and operational excellence.

Employee Strategy
To support business objectives, key colleague-related strategies include:

- Maintaining a values-led, inclusive culture that supports engagement, performance and effective risk management;
- Enhancing colleague engagement through structured feedback, communication and consultation mechanisms;
- Developing talent and future leaders through career growth, learning and cross-functional development opportunities;
- Promoting holistic well-being across physical, mental and financial health; and
- Delivering competitive, performance-aligned reward frameworks to attract, retain and motivate colleagues.

FINANCIAL PERFORMANCE

A number of performance indicators are used to monitor the Company's progress against its strategies and objectives. As part of the monitoring of the Company's financial performance, the Company reviews turnover, profitability, business volumes by industry sector, and key balance sheet metrics including capital adequacy and net assets. In addition, the Company also reviews further financial indicators including merchant credit risk and average discount rates. The following information (subject to commercial sensitivity) provides further detail as to how these have impacted the performance and position of the Company's business for the year.

American Express Payment Services Limited

Strategic Report for the year ended 31 December 2025 (Continued)

FINANCIAL PERFORMANCE (Continued)

Total reported business volumes, upon which discount revenue (turnover) is earned, for the year ended 31 December 2025 increased by 12% as compared to the prior year. The main driver of the growth was incremental spend and increased coverage. Turnover, net of customer rebates, for the year ended 31 December 2025 correspondingly increased by 10% compared to the prior year. During 2025 the Company continued to invest in marketing and promotional activities to increase coverage, support merchant engagement and drive future growth. Regulatory capital at 31 December 2025 stood at £362m (2024: £310m), against a regulatory minimum of £18.2m.

The results for the full year are set out on page 33 and show that, despite the increase in revenue year on year, the increases in costs of sales and administrative expenses, together with a reduction in interest receivable, have resulted in an overall decrease in profitability with a profit before tax for the year ended 31 December 2025 of £62m (2024: £75m). The profit after taxation for the financial year was £46m (2024: £57m) and has been transferred to reserves.

The net asset position of the Company at 31 December 2025 was £377m (2024: £330m).

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to a variety of financial risks. The Company places great significance on ensuring sound management of credit, funding and liquidity, capital and market risk.

The Company primarily adopts the Group's Enterprise-wide Risk Policy within the Enterprise-wide Risk Management ("ERM") program, whose objective includes identifying and managing market risk exposures within the policy limits in the context of the Group's overall business model, while supporting sustainable earnings growth.

Commercial Credit Risk

Commercial credit risk represents the risk of loss to the Company due to the non-payment of an amount contractually owed to the Company by a business or organisation. Commercial credit risk arises within the Company's merchant business, when the Company has a receivable from a merchant as a result of credit transactions, disputes, or discount revenue being settled on a gross basis. Commercial credit risk is affected by both general economic conditions and by merchant specific events.

The Company adheres to the Enterprise Commercial Credit Risk Policy which details its approach to managing commercial credit risk and assigns key governance responsibilities, prescribes rules for escalating risks, and sets forth American Express guidelines for measuring, assessing, and reporting commercial credit risk.

The Company is supported by a dedicated risk management team and Enterprise wide Chief Credit Officers. These officers are responsible for the implementation and enforcement of the Enterprise Commercial Credit Risk Management Policy and for providing guidance to each business unit with substantial commercial credit risk exposures.

Exposure to the Airline and Travel Industry

The Company has multiple card acceptance arrangements with airlines. The ERM programme evaluates the risks posed by its airline partners and the overall airline strategy across the Group through comprehensive business analysis of global airlines, and the travel industry more broadly, including cruise lines, travel agencies, and tour operators. The Company is exposed to credit risk in these industries where payment has been remitted to the merchant for a card member purchase of tickets, but they have not yet been used or "flown".

To mitigate this risk, the Company includes protective actions within its card acceptance agreements, which include modifying the merchant's speed of pay and permitting a reserve to be created upon the occurrence of certain trigger events.

FINANCIAL RISK MANAGEMENT (Continued)

Commercial Credit Risk (Continued)

The Company has a reserve of £2.5m (2024: £5.5m) related to merchant receivable exposures as at 31 December 2025. Merchant receivable positions continue to be monitored closely and protective actions will be taken wherever possible.

The Group operates a funding arrangement under which amounts owed by group undertakings are cash settled on a monthly basis, with any resulting cash surplus being loaned to affiliate entities through short-term interest-bearing loans. As a result of the strong credit position and ongoing support provided by the Group, the level of credit risk attached to intercompany positions is limited.

Liquidity risk management

Funding and liquidity risk is defined as the risk to Company's current or projected financial condition arising from an inability of the Company to meet its expected and unexpected current and future financial business obligations at a reasonable cost when they become due.

At an Enterprise level the Finance Risk Committee reviews and approves liquidity stress testing assumptions quarterly and scenarios annually. The Enterprise Finance Risk Committee also approves the Enterprise contingent funding plan as well as the funds transfer pricing framework.

The Enterprise Asset Liability Committee oversees the effective implementation of the liquidity risk management policy (at the Group level) through the establishment of strategies, processes and procedures to manage liquidity risk within an established risk appetite including the annual approval funding plan and reviewing outcomes of liquidity stress testing, liquidity coverage ratio, and net stable funding ratio and adjusting funding and liquidity strategies accordingly to ensure continued alignment with risk appetite.

To manage liquidity risk, the Group seeks to maintain access to a diverse set of cash, readily-marketable securities and contingent sources of liquidity, such that each American Express operating company can continuously meet its business requirements and expected future financing obligations for at least a twelve-month period, even in the event it is unable to raise new funds under its regular funding programmes. The Group balances the trade-offs between maintaining too much liquidity, which can be costly and limit financial flexibility, and having inadequate liquidity, which may result in financial distress during a liquidity event.

The Audit and Finance Committee and the Board are informed of any changes in Group funding policy or practices that would materially affect the Company and its ability to continuously fund its business requirements. This includes an annual overview of the Company's access to existing internal lines of credit from Group entities.

In addition, the Company performs annual liquidity stress testing at a Company level (base and market-wide scenarios) to support business continuity assumptions.

In accordance with Group funding arrangements, cash is loaned by the Company to other Group entities through short-term loan arrangements. In accordance with the Primary Acquiring Operating Agreement, American Express Travel Related Company, Inc. (TRSCo) will remit to the Company the amount due for charges incurred by cards issued on the American Express network, on the day on which the Company is due to make payment for those charges to the merchant. Accordingly, through this contractual relationship with TRSCo and the ongoing support of the Group, sufficient liquidity exists to pay merchants and settle other liabilities as they fall due.

A letter has been secured from American Express Company confirming its intention to provide sufficient support to maintain the Company's safe and sound operations for a period of thirteen months from the date of signing these financial statements.

American Express Payment Services Limited

Strategic Report for the year ended 31 December 2025 (Continued)

FINANCIAL RISK MANAGEMENT (Continued)

Capital Management

The Company manages its capital within the guidelines set by the Board of Directors and Audit and Finance Committee. As an authorised payment institution, the Company is required to maintain capital levels which exceed a prescribed level of minimum capital, as required by the Payment Services Regulations 2017.

The Company has an FCA minimum capital requirement for the year of £18.2m, which is considerably lower than the capital levels it maintains. Capital monitoring processes are in place to ensure the Company exceeds the minimum capital requirements at all times.

The Company's capital is managed to ensure adherence to its minimum capital requirement as a payment institution, in addition to ensuring that it will be able to support its business objectives and continue as a going concern. In order to support these objectives, the capital structure of the Company is monitored on a monthly basis. The capital structure of the Company consists of the borrowings disclosed in Note 14 and equity attributable to equity holders of the Company, comprising share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity and Note 16.

Market Risk

Market risk is the risk to the Company's current or projected financial condition, or the value of asset and liability values resulting from changes in market risk factors like interest rates, asset prices, or foreign exchange rates. The Company's market risk exposure includes:

- Interest rate risk due to changes in the relationship between the interest rates on the Company's assets and the interest rates on the Company's liabilities; and
- Foreign exchange risk related to transactions funding, earnings, and investments in currencies other than the Company's functional currency.

The American Express Finance Risk committee, co-chaired by the Chief Financial Officer and Head of Financial Risk Management of American Express, approves the Group market risk management policy and oversees the management of market risk in adherence with the requirements of the policy.

The American Express Asset Liability Committee oversees the effective implementation of the Group market risk management policy through the establishment of adequate strategies, processes and procedures to manage market risk within established risk appetite.

(i) Interest rate risk management

The Company has both interest-bearing assets and interest-bearing liabilities. Interest bearing assets are primarily cash or intercompany loans that receive and pay interest at floating short-term rates. The Company manages its interest rate exposure through its intercompany debt at both fixed and short-term rates, consistent with its business operations and Enterprise-wide Market and Liquidity Risk Policies.

For the purposes of interest rate risk management, the Group (including the Company) does not enter into any contract that gives rise to the recognition of derivative financial instruments for trading purposes.

Strategic Report for the year ended 31 December 2025 (Continued)

FINANCIAL RISK MANAGEMENT (Continued)

Market Risk (Continued)
(ii) Foreign currency risk management
Foreign exchange exposures arise due to cross-currency transactions and balances from the Company's funding activities, cross-currency investing activities, such as in the equity of foreign subsidiaries, and revenues generated and expenses incurred in foreign currencies, which impact earnings.

The Company's foreign exchange risk is managed primarily by entering into foreign exchange spot transactions or hedged using foreign exchange forward contracts. These contracts are only entered into when the hedge costs are economically justified and are in notional amounts designed to offset pre-tax impacts from currency movements in the period in which they occur.

All transactional foreign exchange gains or losses are borne by a related Group entity. The Company's branch remits its profits (if any) to its UK parent on a monthly basis. As a result, there is no foreign exchange sensitivity from translation of its European branch into the functional currency.

The Company continues to enter into derivative forward foreign exchange contracts designated as net investment hedges to manage the Company's exposure to foreign exchange translation of the investment of its wholly owned Spanish subsidiary AEPE. Any translation gain movements caused by changes in foreign exchange rates impacting the Company's under hedged position are considered to be of limited risk.

Strategic Report for the year ended 31 December 2025 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES

The Company recognises the continued importance of climate-related considerations to its business. The third year TCFD-aligned climate-related financial disclosures have been produced in compliance with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, Sections 414C, 414A and 414CB of the Companies Act 2006. Advancements have been made in managing climate risks through the updated Climate Risk Management Standard, aligned with the new Enterprise Risk Governance Framework Policy, Enterprise Risk Taxonomy, and related governance updates, and in managing climate-related opportunities through dedicated personnel within the Business Enablement team.

These TCFD-aligned climate-related financial disclosures provide information for stakeholders about how the Company handles priority climate-related risks and opportunities and how these link to the wider Enterprise-level structures where applicable. Where reference is made to the Company's activities and processes this does not include activities conducted by its branch in Germany as this branch is deemed to be immaterial. In this disclosure, the use of the term "materiality" and other similar terms is intended to reflect the Company's priority sustainability issues. The Company is not using such terms as they are used under the securities or other laws of the United States or any jurisdiction, or as these terms are used in the context of financial statements and financial reporting.

American Express prioritises sustainability issues based on relative importance to the business and stakeholders and this prioritisation is updated periodically. Extracts of Enterprise-level disclosures are included where relevant, and a full version of the American Express 2024-2025 Sustainability Disclosure can be accessed through the link below. The Sustainability Disclosure has not been audited by PricewaterhouseCoopers LLP but the environmental performance data included within it is covered by a limited level of assurance verification opinion provided by an external third party.

https://s26.q4cdn.com/747928648/files/doc_downloads/2025/11/21/AXP_2024-2025_Sustainability-Disclosure.pdf

These TCFD-aligned climate-related financial disclosures include forward-looking statements, which are subject to risks and uncertainties. The forward-looking statements, including the Enterprise's science-based targets and other sustainability goals, contain words such as "believe," "expect," "intend," "plan," "aim," "strive," "goal," "target," "will," "may," "should," "could," "would,", "likely," "potential," "commit," "continue," "opportunities," or other similar expressions. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including those set forth in the American Express 2024-2025 Sustainability Disclosure, the Group's Annual Report on Form 10-K for the year ended 31 December 2025 and other Group filings with the U.S. Securities and Exchange Commission available at ir.americanexpress.com. Users of the TCFD-aligned climate-related financial disclosures included within these financial statements are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. American Express undertakes no obligation to update or revise any forward-looking statements and statements regarding American Express' future direction and intent are subject to change or withdrawal without notice.

Note that many of the standards and metrics used in preparing this disclosure continue to evolve and are based on management assumptions and information known to management at the time of preparation. In addition, historical, current and forward-looking sustainability-related statements, including those related to American Express' science-based targets, may be based on standards that are still developing, internal controls and processes that continue to evolve and assumptions, metrics, calculations, targets, and baselines that are subject to change in the future. The information and opinions contained in this disclosure are provided as of the date of this disclosure and are subject to change without notice. Third-party validation of science-based targets does not guarantee that targets will be achieved or that validation will be maintained. Amounts presented are approximate unless otherwise indicated.

As at 31 December 2025, the Company considered its present financial exposure to climate-related risk to be low, as assessed under the Enterprise Risk Management (ERM) framework, and accordingly no references to the impacts of climate-related risks or opportunities are included in the notes to these financial statements.

American Express Payment Services Limited

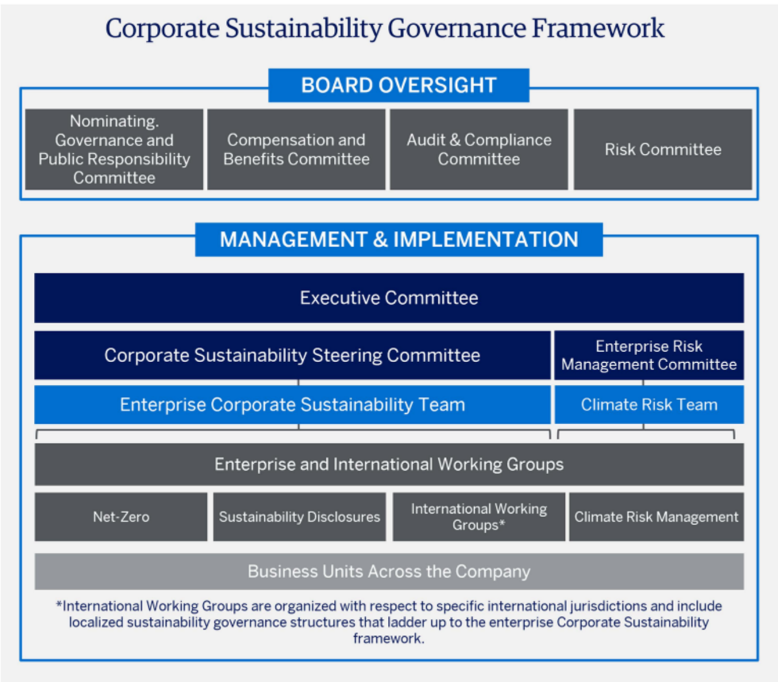
Strategic Report for the year ended 31 December 2025 (Continued)

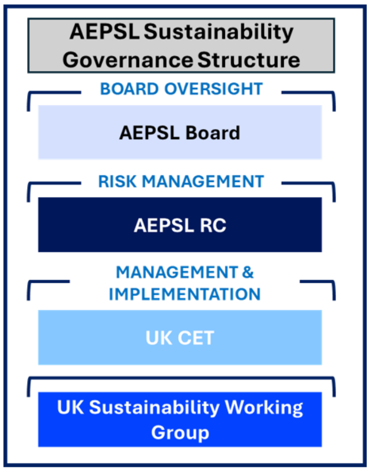
NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

1. GOVERNANCE

American Express operates a local and Enterprise-wide governance operating model. The operating structure has been established to enable the American Express Board of Directors (the "AXP Board") and the Company Board to make decisions, manage risks and provide appropriate oversight of climate-related risks and opportunities. At the Enterprise level, American Express' Corporate Sustainability Governance Framework defines how sustainability is overseen and managed across the company, integrating Board-level oversight, executive leadership, and cross-functional working groups. American Express also has a Corporate Sustainability Steering Committee, chaired by the Enterprise Chief Corporate Affairs Officer, that includes senior executives from across the organisation with UK representation from the UK Country Manager. The Steering Committee guides the Corporate Sustainability strategy, related policies and programs and is supported by cross-functional enterprise and International Working Groups, including in the UK. Further details on key governance elements for the year ended 31 December 2025 are given below. Members and Directors within key governance bodies possess a range of skills, backgrounds, experience, and viewpoints that American Express believes are integral to an effective and well-functioning governance structure.

Table 1: Governance Overview





Board Oversight

Company Board Oversight

The Company Board (the "Board") has oversight of UK climate risk, supported by relevant committees, including the Company's Risk Committee ("RC"). The Board provides strategic direction to the UK business and ensures the required oversight, escalation routes and connectivity with the American Express Enterprise Board. The RC discuss climate related issues at least bi-annually to provide oversight of the identification and measurement of risks to which the Company is exposed, including operational and climate-related risks. The Board Members received a presentation in May 2025 focused on TCFD reporting and its applicability to the business, facilitated by an external professional services firm.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

1. GOVERNANCE (continued)

Board Oversight (continued)

American Express Board Oversight

At the Enterprise Level, the American Express Board of Directors (the "AXP Board") monitors the “tone at the top” and risk culture, and is responsible for overseeing risks, including climate-related risks. Members of the Enterprise management team also regularly report to the AXP Board and its committees to discuss short-term, medium-term, and long-term risks, including climate-related risk.

Management & Implementation

UK Sustainability Working Group

The UK Sustainability Working Group is a cross-functional working group that supports the UK Country Executive Team in progressing on its ongoing commitment to sustainability-related matters relevant to the UK business and managing climate-related risks and opportunities. It meets at least quarterly, with the following aims:

- Promote effective sustainability governance;
- Provide input on the UK sustainability approach in alignment with the Enterprise;
- Review sustainability data/reporting;
- Support implementation throughout key business functions/units where applicable; and
- Monitor internal and external sustainability trends.

A representative from the Enterprise Corporate Sustainability team co-chairs the UK Sustainability Working Group alongside the Vice President, UK Products, Lending and Enablement who directly reports to the UK’s Country Manager to further enhance the link between the UK and Enterprise on sustainability matters, including climate risk.

There are a number of additional governance bodies for the management and implementation of climate-related matters at the Enterprise-level, including the Enterprise Risk Management Committee, Enterprise Corporate Sustainability Team, Enterprise Climate Risk Team and Enterprise Climate Risk Management Working Group as shown in Table 1, with further details available in the 2024-2025 American Express Task Force on Climate-Related Financial Disclosures ("TCFD") Index that can be accessed through the link below. For details on the oversight, identification, assessment and management of climate-related opportunities, please see the relevant section below.

https://s26.q4cdn.com/747928648/files/doc_downloads/ESG/reporting-resources/2025/12/
AXP_2024-2025_TCFD-Index.pdf

Climate Risk Training
In accordance with the TCFD-aligned requirements in the UK, the Company recognises the importance of comprehensive climate risk training which consists of distinct modules to build a strong understanding of sustainability principles and climate risk management.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

2. STRATEGY

American Express has completed the environmental, social and governance goals under its previous 2021-2024 ESG strategy. In 2025, American Express updated the Enterprise's sustainability strategy in collaboration with stakeholders across the company to reflect alignment with its business priorities, stakeholder expectations, and the evolving sustainability regulatory reporting landscape. This was informed by an assessment of sustainability topics based on both American Express' impacts to society and the environment and the potential impacts to American Express. This assessment was performed at the Enterprise level and includes perspectives from UK colleagues through the representation of the UK Country Manager in the Corporate Sustainability Steering Committee. American Express' sustainability strategy is anchored in five focus areas – Customers, Communities, Colleagues, Climate, and Conduct & Values – and nine priority sustainability topics that are aligned with American Express' business objectives.

Net-Zero

As part of the Climate focus area, American Express has committed to net-zero greenhouse gas emissions by 2050. American Express' net-zero target, consisting of its near-term and long-term emissions reduction targets, and its partner engagement target were validated by the Science Based Targets initiative (SBTi) in 2024.[1]

To support and make progress towards American Express' science-based targets, American Express has implemented a range of initiatives to reduce emissions across both the Enterprise's operations and value chain, including in the UK. This includes decarbonisation activities at American Express' UK offices in London, Burgess Hill, and Brighton and the data centre in Brighton.

American Express completed decarbonisation audits and energy audits across the UK offices in 2023 and 2024. Complementing this, a Climate Change Risk Assessment was completed for the Sussex House office in 2024. As a result of the audit findings, emission reduction measures were implemented in 2025 across the 1 John Street and Sussex House offices, including enhanced boiler controls to reduce Scope 1 emissions and Heating, Ventilation and Air Conditioning (HVAC) and IT cooling upgrades to lower Scope 2 emissions. Furthermore, American Express' UK offices participate in green tariff programmes, and its 1 John Street office generates a portion of its electricity on-site through solar power.

For more information on American Express' SBTi validated targets, please see the full version of the American Express 2024-2025 Sustainability Disclosure which can be accessed through the link below.

https://s26.q4cdn.com/747928648/files/doc_downloads/2025/11/21/AXP_2024-2025_Sustainability-Disclosure.pdf

[1] The emissions included in American Express SBTi-validated targets are determined in accordance with the SBTi's minimum target boundaries as provided in their Corporate Net-Zero Standard, which generally cover 95% of Scope 1 and 2 emissions for both near- and long-term targets, and 67% and 90% of Scope 3 emissions for near- and long-term targets, respectively. Scope 3 emissions reflected in American Express' net-zero and Scope 3 emissions reductions targets include those emissions from purchased goods and services, capital goods, fuel and energy-related activities, waste generated in operations, employee business travel, employee commuting, and investments. Emissions related to goods or services provided by third parties in connection with the Membership Rewards® program and cobrand cards are addressed separately through American Express' near-term partner engagement target rather than as part of its net-zero and Scope 3 emissions reduction targets. American Express' near-term partner engagement target reflects emissions that are outside of SBTi's minimum boundary for Scope 3, Category 1 emissions. Emissions with partners that are included within SBTi's minimum boundary for Scope 3, Category 1, are included in its net-zero and Scope 3 emissions reduction targets.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

3. RISK MANAGEMENT

At American Express, climate-related risks and opportunities are included in the Enterprise Risk Management ("ERM") framework and managed as part of the ERM Process. Climate Risk is a strategic risk in the ERM framework. The Enterprise Risk Management Committee ("ERMC"), co-chaired by American Express' Chief Executive Officer and Chief Risk Officer, is the highest-level management committee to oversee all firm-wide risks, including climate-related risks, and is responsible for risk governance, risk oversight, and risk appetite. The Climate Risk Team and Climate Risk Management Working Group identify, assess, and monitor climate risks across the Enterprise, with the UK Sustainability Working Group providing support on climate-related initiatives and risks. The Climate Risk Team conducts analysis to measure climate-related physical and transition risks and opportunities.

American Express has a Climate Risk Management Standard in place, which provides an Enterprise-wide framework to identify, assess, measure, manage and monitor climate risks across the business, operations, and activities of the Enterprise.

Additionally, the Business Continuity Management programme addresses the recovery of key business operations and supporting technology in the event of an unplanned disruption, including climate-related matters. The program includes risk assessments, continuity planning, and validation exercises.

3a. Climate Risk: identification and assessment
American Express has conducted analyses to identify current and potential climate-related physical and transition risks and opportunities in its operations, facilities, supply chain, and business activities across short-term (0-5 years), medium-term (5-10 years), and long-term (10+ years) horizons.

Climate-related risks are defined as:

- Transition risks: Risks related to the transition to a low-carbon economy, including changes in consumer preferences, travel patterns, and legal requirements.
- Physical risks: Risks related to climate, including rising average global temperatures, rising sea levels, and the increase in frequency and severity of extreme weather events and natural disasters.

American Express' strategy and financial planning have considered climate-related physical and transition risks over the short-, medium-, and long-term, including those associated with emerging regulations and acute and chronic physical risks. The UK business continues to monitor and enhance its focus on climate-related risks.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

3. RISK MANAGEMENT (continued)

3a. Climate Risk: identification and assessment (continued)

The potential climate-related risks that have been identified are covered in the table below.

Risk	Description	Process for Identifying, Assessing and Managing	Horizon
Transition Risks (Regulatory & Legal)	American Express may be subject to increasing legal and regulatory requirements related to corporate sustainability topics or disclosures. Non-compliance may result in the business being subject to fines and other regulatory and legal consequences.	The regulatory change management monitoring programme ("RCM") identifies, records and communicates relevant new or changing laws, policies and regulations, including those relating to environmental matters, GHG emissions and climate risk. In the UK, the General Counsel's Organisation and the Chief Compliance Officer for the Company are responsible for advising on regulatory and legal risk including established and emerging regulations related to climate risk.	Short-, medium- and long- term
Transition Risk (Reputational)	American Express' business includes significant travel benefits and travel-related cobrands, which may attract public scrutiny and adversely impact the business if consumer travel preferences change. American Express may also experience reputational harm as a result of negative public sentiment, regulatory scrutiny and reduced stakeholder confidence, due to the Enterprise's response or perceived lack of response to climate and environmental issues.	The ERM programme evaluates the risks posed by exposure to certain industries, which includes airline partners. The General Counsel's Organisation and Corporate Affairs and Communications support all business lines and the RMC in making informed reputational risk management decisions.	Short-, medium- and long- term
Transition Risk (Market)	American Express may face risks related to the transition to a low-carbon economy, such as changes in consumer preferences, travel patterns and legal requirements, which could impact the Enterprise's revenues or expenses or otherwise adversely affect the Enterprises' businesses, customers and partners.	American Express' corporate and consumer business groups consider the risks associated with market demand. American Express also continues to assess climate-related opportunities across its operations and value chain, including offering a variety of customer tools designed to support sustainable practices.	Short- and medium- term

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

3. RISK MANAGEMENT (continued)

3a. Climate Risk: identification and assessment (continued)

Risk	Description	Process for Identifying, Assessing and Managing	Horizon
Transition Risk (Technology)	Trends to invest in new technologies focused on energy efficiency can help reduce emissions and mitigate risks associated with business interruption from natural disasters. Many of these investments are costly and uncertain, exposing American Express to risk if these technologies fail or are unsuccessful.	The Enterprise Technology team manages and evaluates these risks, which are integrated within the relevant risk management and due diligence processes. American Express continues to implement energy efficiency initiatives as detailed in the Streamlined Energy and Carbon Reporting within these financial statements and prior to implementing, the UK team considers the costs and risks associated with these opportunities.	Short-, medium- and long- term
Physical Risk (Acute and Chronic)	American Express may face physical risks related to climate, including an increase in frequency and severity of extreme weather events and natural disasters. Such events and disasters could disrupt American Express' operations or the operations of customers or third parties on which we rely.	The Enterprise Climate Risk Management team, in collaboration with the Global Real Estate & Workplace Experience ("GREWE") team, conduct assessments to identify and quantify losses from physical climate risk events faced by American Express facilities. Additionally, the Enterprise Business Continuity Management programme addresses the recovery of key business operations and supporting technology in the event of an unplanned disruption.	Short-, medium- and long- term

In 2024, American Express evaluated the impact of potential physical risks related to its business under multiple climate-related scenarios. The quantitative physical risk assessments for facilities and Consumer and Small Business Services portfolios in the UK evaluated potential physical risk impact on the Company under multiple climate-related scenarios, including a 2°C or lower pathway consistent with the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway ("RCP") 2.6, as well as intermediate (RCP 4.5, ~2–3°C) and high-emission (RCP 8.5, ~4–5°C) scenarios. Further information on past assessments undertaken is available in the 2024 Non-Financial and Sustainability Information Statement within the Company's 2024 financial statements and the American Express 2024-2025 Sustainability Disclosure.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

3. RISK MANAGEMENT (continued)

3b. Climate Opportunities: identification and assessment

American Express continues to assess climate-related opportunities across its operations and value chain, including powering its operations with renewable energy, optimising the energy efficiency of its offices and data centres, pursuing sustainable building and transportation practices, maintaining CarbonNeutral certified operations, expanding recycled or reclaimed plastic cards globally, and offering customer tools to support sustainable practices. The Company also continues to identify and explore relevant opportunities in the UK.

Oversight of climate-related opportunities in the UK is provided by the Enterprise Corporate Sustainability Steering Committee, the UK Sustainability Working Group, and the Business Enablement team within the Company.

Managing Value Chain GHG Emissions

Suppliers
The Enterprise engages with suppliers to reduce emissions within their businesses and the services they provide to American Express. These efforts leverage supplier data reporting, engagement, and procurement policies. Additionally, the American Express Supplier Code of Conduct outlines the expectations that American Express has for its suppliers and consists of the following areas of focus: Compliance with the Supplier Code of Conduct, Business Practices and Ethics, Environmental Sustainability, and Reporting Concerns.

Business Travel
American Express implements initiatives to address emissions associated with colleague business travel. American Express uses software, which is accessible to UK colleagues, to help encourage colleagues to select sustainable travel options, including sustainable travel tips, highlighting sustainable hotel and air travel options, and offering EV car rentals in selected locations. The Enterprise also strives to offset the emissions associated with third-party air, rail, rental car usage, and hotel stays for its colleagues' business travel.

Employee Commuting
To address Scope 3 emissions associated with employee commuting, the Company offers a car pooling platform for colleagues at the Sussex House office and the 1 John Street office, to facilitate shared travel to and from the workplace. The Company also offers a Park and Ride service that enables colleagues to take a private shuttle bus to the 1 John Street office. In addition, there are eight EV chargers available at the Sussex House office in Burgess Hill.

Customer Tools to Support Sustainable Practices

American Express offers a variety of customer tools and initiatives to support sustainable practices including supporting green home improvement and electric vehicles. American Express products can be used to facilitate payments and financing for green infrastructure. In 2025, the Company partnered with selected merchants to deliver Amex Offers rewarding eligible Card Members for electric vehicle charging.

Integrating sustainability considerations into new products and product changes

The Company continuously assesses the market fit of its products and propositions to ensure they are in line with its future growth strategy, and to ensure they are suitable for merchants, utilising Consumer Duty-compliant frameworks. The Company continues to include considerations related to environmental impact into the governance process for the review and approval of new, modified, and expanded products and services.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

4. METRICS AND TARGETS

At the Enterprise level, American Express has committed to net-zero greenhouse gas emissions by 2050. The net-zero target, consisting of near-term and long-term emissions reduction targets, and a partner engagement target were validated by the Science Based Targets initiative ("SBTi") in 2024. American Express' greenhouse gas emissions ("GHG") inventory from its 2019 baseline year is in the process of being recalculated and progress toward its emissions reductions targets is expected to be updated in line with the outcomes of the recalculation. Relevant metrics and targets, as well as data, assumptions and methodologies, have been developed and are expected to continue to be refined for the UK going forward. American Express implements and tracks performance related to operational environmental initiatives.

Where the data allows, metrics are provided for historical periods to enable review of trends and progress over time. As data assumptions and methodologies are refined year-over-year, historical period data may not always be updated to reflect the ongoing data enhancements.

Managing greenhouse gas ("GHG") Emissions
American Express aims to manage its Scope 1, 2, and 3 greenhouse gas ("GHG") emissions through programs and initiatives focused on renewable energy, energy efficiency, more sustainable building and transportation practices, and engagement with suppliers and partners. For more information on the Company's operational energy consumption, Scope 1, 2 and 3 (Category 6) GHG emissions, including an explanation of the methodology, and GHG efficiency ratios for this financial year and the prior year, please refer to the Streamlined Energy and Carbon Reporting section of this Strategic Report disclosure.

CarbonNeutral® Certified Operations
In 2025, American Express maintained CarbonNeutral® certified operations including offices, field sites, and data centres in accordance with the CarbonNeutral Protocol, a leading third-party framework, through reduced GHG emissions, renewable energy credits and carbon offsets.[2]

American Express purchased 154,533 metric tons of carbon dioxide equivalent ("MTCO2e") of carbon offsets that supported projects like solar power development, reforestation, and forest conservation. These projects offset its Scope 1 and 2 emissions, such as fuel and steam consumption, and selected categories of Scope 3 emissions, including those from certain activities related to colleague business travel and waste generated in its operations.[2]

Renewable Energy
In 2025, American Express purchased 12,912 MWh of Renewable Energy Guarantees of Origin ("REGO"s) and Green Tariffs, which verify the production of renewable electricity in an amount equivalent to total electricity consumption in the UK. American Express' purchases of Energy Attribute Certificates ("EAC"s) are aligned with the technical guidance from RE100. In 2025, American Express produced approximately 1,110 kWh of renewable solar electricity at its Brighton, UK data centre.

[2] American Express' achievement of CarbonNeutral® certified operations in 2025 covers Scope 1 (direct emissions from sources owned or controlled by American Express), Scope 2 (indirect) location-based and market-based emissions) and select categories of Scope 3 emissions in line with the CarbonNeutral® protocol through renewable energy credits, carbon offsets, and reduced GHG emissions. Maintaining CarbonNeutral® certified operations is separate from our net-zero commitment.

Strategic Report for the year ended 31 December 2025 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE RELATED FINANCIAL DISCLOSURES (continued)

4. METRICS AND TARGETS (continued)

Sustainable Building Practices
American Express strives to design, build, and operate facilities that consume fewer resources, aiming to follow best practices such as adhering to and achieving certifications in U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) standards and other international green building standards, including BREEAM, NABERS, GreenMark, HQE, and Effinergie+, as well as local building standards. American Express is also working to improve the comfort, quality, and flexibility of its offices globally to support colleagues' overall well-being.

American Express' 36 Mighell and 1 John Street offices in Brighton are currently certified under the BREEAM New Construction Standard. BREEAM recertification for the Belgrave House office is currently underway as of the reporting date.

As of 2025, the Belgrave House office in London is WELL Certified™ at the Platinum level, the highest certification level, in recognition of the buildings performance across evidence-based policy, design, and operational strategies focused on occupant health and well-being. In addition, as of 2025, the Belgrave House Office, Sussex House office and 1 John Street office have achieved WELL Health & Safety Ratings.

Waste Reduction
American Express is working to reduce and divert landfill-bound waste across its operations. The UK continues to implement initiatives, including recycling and composting programmes and engaging colleagues in waste reduction efforts as part of the Green2Gether programme.

Responsible Sourcing
American Express is committed to working with suppliers who share its values, including sustainability and responsible sourcing. In 2025, the UK sourced 100% of its direct marketing, customer communications, and office paper from certified responsibly managed forests with Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) certification, consistent with 2024.

Strategic Report for the year ended 31 December 2025 (Continued)

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

As part of the Company's commitment to comply with all relevant environmental legislation, this section of the Strategic Report discloses the Company's operational energy consumption and greenhouse gas ("GHG") emissions, and energy efficiency measures in line with the UK government's Streamlined Energy and Carbon Reporting (SECR) initiative, including data from this financial year and the prior year (January to December; 2025 and 2024).

Methodology
The Company considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol Initiatives, A Corporate Accounting and Reporting Standard, Revised Edition, and GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard (together the "GHG Protocol"), to guide the criteria to assess, calculate and report GHG emissions.

GHG emissions are measured for Scope 1 (direct emissions from stationary fuels, mobile fuels, and fugitives), Scope 2 (indirect emissions from purchased electricity, steam, chilled water, and district heating), and Scope 3 Category 6 (Business Travel).

Organisational Boundaries
American Express uses the operational control approach, consistent with the GHG Protocol, to account for and report Scope 1 and Scope 2 GHG emissions. Under the operational control approach, American Express accounts for emissions associated with operations and assets over which it has the authority to introduce and implement operating policies. Emissions from combustion of propane, landlord owned generators, gasoline from small engine operations and pending or inactive real estate locations are deemed insignificant and are not included in the Company's inventory.

Emissions Factors and Global Warming Potentials
Emission factors were sourced from recognised authorities, including the U.S. Environmental Protection Agency (EPA), GHG Emission Factors Hub (January) 2025, Department for Energy Security and Net Zero (DESNZ), GHG reporting: conversion factors 2025, International Energy Agency (IEA) 2024, and other relevant national datasets. To convert non-CO2 greenhouse gases into CO2e, the Global Warming Potentials (GWPs) from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6) were used. Where the GWP is embedded in the emission factor and the emission factor by individual gas is not disclosed, the embedded GWP is applied.

Scope 1 Emissions
Scope 1 emissions from stationary combustion (natural gas or diesel) and refrigerant fugitive sources were calculated using utility bills and internal records, respectively. Estimated data and assumptions were incorporated when activity data was unavailable. For natural gas, company specific intensity factors, building characteristics such as building type, region, and climate zone were used to assume fuel mix and estimate consumption.

For HVAC systems, a company-specific intensity factor based on total recharge volume divided by total square footage of sites with known data were used to estimate volume of recharge. Fuel diesel consumption for back-up generators is estimated by multiplying the number of generators and their runtime (hours) by a consumption rate derived from manufacturer specifications or proxy values from similar company-owned equipment. Fourth-quarter activity across all scope 1 emission sources was estimated based on actual monthly data activity from the first three quarters of the reporting year.

Strategic Report for the year ended 31 December 2025 (Continued)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (continued)

Scope 2 Emissions
Scope 2 emissions from purchased energy were calculated based on invoices and otherwise estimated when invoices were unavailable using company-specific intensity factors by building type, region, and climate zone, multiplied by appropriate emission factors. Energy attribute certificates (EACs) such as Guarantees of Origin (GOs) and Renewable Energy Certificates ("RECs") were used during 2025 to contractually procure renewable energy. The use of Energy Attribute Certificates considers the requisite Scope 2 quality criteria have been or will be retired by the vendor's scheduled date. Emission factors for the market-based method were applied based on the GHG Protocol hierarchy and availability of data. Fourth-quarter activity across all scope 2 emission sources was estimated based on actual monthly data activity from the first three quarters of the reporting year.

Scope 3 Emissions (Category 6 – Business Travel)
For SECR reporting, energy consumption (and therefore GHG emissions) from the UK vehicle fleet is quantified based on business travel data from reimbursed mileage reports for each UK entity. Fuel economy conversions and emissions for 2025 applied UK Department for Energy Security and Net Zero ("DESNZ") GHG Conversion Factors 2025 updated on 10 June 2025. For reporting purposes, all cars are assumed to be average type and assumed to use fossil-based fuels. These Scope 3 emissions are limited to Category 6 and, within Category 6, do not include emissions from other "business travel" sources, e.g., employee business travel in third-party air, rail, rental cars or other forms of transportation such as taxis, livery, and/or ride share services, or emissions from other employee business travel impacts, such as hotel stays. Accordingly, Scope 3, Category 6 emissions included in SECR reporting are not comparable to Scope 3, Category 6 emissions reported at the Enterprise level.

Legal Entity Allocation of Emissions
American Express prepared an enterprise-level GHG inventory for 2025, obtained limited assurance of Scope 1 and 2 emissions and allocated emissions to individual legal entities. Through this process, legal entity-level emissions are derived by disaggregating the enterprise inventory using legal-entity-specific allocation factors to support consistency while reflecting the operational footprint of each legal entity. Allocation is based on employee headcount by legal entity and office location, mapped to the global facilities portfolio. Where multiple legal entities occupy the same facility, energy consumption and associated emissions are allocated proportionally based on headcount. The primary metric that American Express uses for annual comparison of emissions is tCO_2e (tonnes of carbon dioxide equivalent) per employee.

Reasonable Assumptions
GHG emissions quantification is subject to inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in different amounts or metrics being reported.

UK Annual Energy Consumption & Carbon Emissions
The summary information in Tables 1, 2 and 3 provides certain metrics related to the Company's environmental performance for the years ended 31 December 2025 and 2024.

Overall, total emissions across Scope 1, Scope 2 and Scope 3 (Category 6 - Business Travel) decreased compared to the previous reporting year, with reductions primarily driven by lower natural gas consumption.

American Express Payment Services Limited

Strategic Report for the year ended 31 December 2025 (Continued)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (continued)
UK Annual Energy Consumption & Carbon Emissions (continued)

Table 1: Annual Energy Consumption

Energy	Unit	2025	2024
Natural Gas	**kWh**	**518,081**	**552,013**
Fuel Oil	kWh	3,996	5,836
Mobile Fuel	kWh	—	—
Total Direct Energy Consumption	**kWh**	**522,077**	**557,849**
Purchased electricity	kWh	913,263	1,172,191
Solar	kWh	119	562
Total Intermediate Energy Consumption	**kWh**	**913,382**	**1,172,753**
Transport	**kWh**	**30,693**	**28,720**
Total	**kWh**	**1,466,152**	**1,759,322**

Table 2: Annual tCO_2e emissions

Greenhouse Gas (GHG) Emissions	Unit	2025	2024
Scope 1 – Direct	tCO2e	70.98	101.15
Scope 2 (Location) – Indirect	tCO2e	184.65	242.70
Scope 2 (Market) – Indirect	tCO2e	22.99	—
Scope 3: Category 6 – Business Travel	tCO2e	6.74	6.93
Total Scope 1, 2 (Location - based), 3 (Category 6 - Business Travel)	**tCO2e**	**262.37**	**350.78**
Total Scope 1, 2 (Market - based), 3 (Category 6 - Business Travel)	**tCO2e**	**100.71**	**108.08**

Table 3: tCO_2e intensity metric

Intensity Ratio	Unit	2025	2024
Market-based	tCO2e/employees	0.2143	0.2457
Location-based	tCO2e/ employees	0.5582	0.7973

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (continued)
UK Annual Energy Consumption & Carbon Emissions (continued)

As part of its public disclosure, American Express' 2024-2025 Sustainability Disclosure includes a detailed section summarising the Group's global energy consumption and global GHG inventory. The link below provides access to the latest Sustainability Disclosure. The disclosure has not been audited by PricewaterhouseCoopers LLP but the environmental performance data included within it is covered by a limited level of assurance verification opinion provided by an external third party.

https://s26.q4cdn.com/747928648/files/doc_downloads/2025/11/21/AXP_2024-2025_Sustainability-Disclosure.pdf

Efficiency Measures

In 2024, American Express performed decarbonisation audits across global offices, including the UK. The audits included benchmarking of building energy performance, analysis of electrical infrastructure and system capacity, reviews of site technology, and reviews of building energy procurement strategies. The overall evaluation and cost-benefit analysis of activities provided recommendations and a timeline of activities to support emissions reduction initiatives and inform decision making for facility upgrades. As a result of the audit findings, American Express has implemented a number of energy efficiency projects within its UK buildings. Examples of measures implemented during reporting year 2025 are listed in Table 4.

Table 4: Energy efficiency projects

Location	Project name	Estimated Savings (kWh)	Estimated Savings (tonnes CO_2, location based)	Estimated Savings p.a. (£)	Cost (£)	Status	Payback (years)
1 John Street	Replace fluorescent light fittings with LED fittings with smart controls	444,008	66.9	112,990	1,686,292	Implementation ongoing in 2025	14.9
	Upgrade BMS/ BMS Head End & Outstation Replacement and Optimisation	281,634	61.5	65,323	300,943		4.6
	Refurbishment of cooling towers	49,951	7.5	12,711	199,509	Implemented in 2025	15.7
	Replacement of 508x 'Ability Delta' Fan Coil	26,138	3.9	6,651	847,467		127.4
	Installation of Sabien M2G units to gas fired boilers	428,040	78.3	24,617	23,467		1.0
36 Mighell Street	Downsize of the uninterruptible power supply (UPS) system	535,643	94.8	126,145	268,570	Implementation ongoing in 2025	2.1
Sussex House	Installation of Sabien M2G units to gas fired boilers	178,800	32.7	11,339	13,218	Implemented in 2025	1.2
	Installation of EkkoSense IT Room Monitoring	1,016	0.2	242	33,070		136.7

STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172(1) COMPANIES ACT 2006

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the Companies Act 2006 which is summarised as follows:

A Director of a Company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in doing so, have regard (amongst other matters) to:

- the likely consequences of any decisions in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

As part of their induction, a Director is briefed on their duties and they can access professional advice on these, either from the Company Secretary or, if they judge it necessary, from an independent adviser. The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company. Furthermore, it is important that they understand both the short and long-term consequences of these decisions.

The following paragraphs summarise how the Directors fulfil their duties:

1. Risk management
The Company provides services to its customers in a highly regulated environment. As the Company grows, its business and risk environment become more complex. It is therefore vital that the Board effectively identify, evaluate, manage and mitigate the risks faced by the Company, and that their approach to risk management is continually evolving. For details of the Company's principal risks and uncertainties, and how the Board and wider governance structure manages the Company's risk environment, please refer to the Governance and Financial Risk Management sections of the Directors' and Strategic Reports respectively.

The Company has a robust internal control framework with clear roles and responsibilities for escalation and remediation of risks. The framework consists of governance, risk assessment, issue management, and reporting and monitoring by which the Company identifies, assesses, measures, monitors and controls risks facing the business. The Company has the "three lines of defense" approach to risk management. Independence is maintained from First Line (the business) - functions directly initiating revenue, expense management, or risk decision activities; Second Line (compliance function) - independent functions overseeing risk in the First Line; and Third Line (internal audit) - independent group providing assurance that the First and Second Lines are operating effectively.

During the year, the Board focused on several key areas including Consumer Duty, Operational Resilience, AML regulation and other regulatory reporting. The Board continued to closely monitor the risks to the Company's employees, merchants and business partners.

2. Our People
The Company is committed to being a responsible business. The Board's behaviour on behalf of the Company is aligned with the expectations of our people, customers, investors, communities and society as a whole. People are at the heart of what the Company does. For the Company's business to succeed, the Directors are ultimately responsible for managing colleague performance and development, and bringing through talent whilst ensuring that the Company operates as efficiently as possible. The Board must also ensure that all colleagues share common values that inform and guide their behaviour, so they achieve their goals in the right way.

Strategic Report for the year ended 31 December 2025 (Continued)

STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172(1) COMPANIES ACT 2006 (Continued)

2. Our People (continued)
The Board continues to work alongside the Colleague Experience Group to attract and retain talent by allowing all workers to take advantage of the Amex Flex working model, splitting time between home and the office.

The Board has also considered the potential impacts of employee turnover on the Company and continues to update the succession planning for key roles.

As part of its ongoing commitment to colleagues, the Board regularly receives updates on matters including attrition, conduct issues, and trends in colleague and labour relations. It is also kept informed of medical, health and safety matters, and receives insights from the Colleague Experience Survey, which provides valuable perspective on colleague views and sentiment across the Company.

In 2025, the Board received regular updates from the Global Real Estate team in respect of the UK building footprint and continues to actively manage that footprint.

For further details on our people, please refer to the Employee Engagement Statement in the Directors' Report.

3. Business relationships
The Company's strategy, implemented by the Directors, prioritises organic growth, by continually enhancing the Company's customer value propositions, its brand and developing and maintaining strong merchant relationships. The Company values all of its suppliers and partners and has multi-year contracts with many of them.

The Directors believe that delivering products and services in a fair and transparent manner is critical to providing best-in-class customer service. As part of its fundamental commitment, the Company is dedicated to engaging in customer practices that embody transparency, truthfulness, fairness, and a culture of non-discrimination.

The Company manages and mitigates customer practices risk through dedicated resources and ongoing monitoring, testing, and oversight. This also applies to third-party vendors and their subcontractors, also known as fourth-party vendors.

For further details on business relationships and the actions the Board took during 2025 in respect of business relationships, please refer to the Stakeholder Engagement Statement within the Directors' Report.

4. Community and environment
The Company's approach is to use its position of strength to create positive change for the people and communities with which it interacts. The Board, on behalf of the Company, wants to leverage the expertise of its people and enable colleagues to support local communities.

The Board considers the impacts of all its decisions on the community and the environment. During the year, the Board received a briefing from the Sustainability Working Group in relation to the Environmental, Social and Governance strategy and discussed the progress being made by the Company. For further details concerning the environment please refer to the 'Non-Financial and Sustainability Information Statement' and 'Streamlined Energy and Carbon Reporting' sections included earlier in this Strategic Report.

5. Shareholders
The Company is a wholly owned subsidiary within the American Express group, whose ultimate parent is listed on the New York Stock Exchange. The Board of American Express Company is committed to openly engaging with its shareholders, as it recognises the importance of a continuing effective dialogue, whether with major institutional investors, private or employee shareholders. It is important to American Express that shareholders understand its strategy and objectives, so these must be explained clearly and any issues or questions raised be properly considered. The Company Board (the "Board") ensures that it applies consistent shareholder priorities.

Strategic Report for the year ended 31 December 2025 (Continued)

STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172(1) COMPANIES ACT 2006 (Continued)

5. Shareholders (continued)

To this end, the Board regularly reviews its business strategy to ensure the steps being taken in this regard align with the American Express shareholder priorities and that said strategies maximise shareholder return.

OUTLOOK, PRINCIPAL RISKS AND UNCERTAINTIES

In line with Group strategy, the Company is focused on maintaining growth in an uncertain economic, political and regulatory environment whilst managing costs and upholding service quality.

AEPSL's market positioning and broad range of premium value services will enable it to continue to drive its strategy in the short term and be well placed to develop even stronger merchant relationships and take advantage of growth opportunities into the future.

The average merchant discount rate charged by the Company continues to see modest levels of erosion due to the impacts of large merchant and key partner negotiations, with that trend expected to continue as merchant acceptance is increased.

The Company offers a broad range of services to merchants who supply consumers, small businesses and commercial clients and thus is dependent upon the level of consumer and business activity. Slow economic growth, economic contraction or shifts in broader consumer and business trends impact customer behaviours, including spending at merchants. Factors such as consumer spending and confidence, inflation, interest rates, energy costs, household income, unemployment rates and geopolitical instability all affect the economic environment and, ultimately, the Company's profitability. Despite challenges in the macro-economic and geopolitical environment the Company continues to see strong growth in volumes.

GOING CONCERN

The Board remain satisfied with the appropriateness of preparing the financial statements on a going concern basis having considered severe but plausible scenarios and given the reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future, as well as considering the Group's intention to provide ongoing support to the Company and the integral nature of the Company's operations to the broader group. The Directors' assessment is for a period of at least 12 months from the date of approval of the financial statements. A letter has been secured from American Express Company to express its intention to support the Company's liquidity position and maintain its safe and sound operations for the thirteen months following the signing of these financial statements. The Company has performed an evaluation of subsequent events through June 30, 2026, which is the date the financial statements were available to be issued.

The Strategic Report was reviewed by the Board of Directors on 30 June 2026 and signed on its behalf by:

Signed by:	Signed by:
Julia Huson	Holly Coventry
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J Huson	H Coventry
Chief Financial Officer	Director

Date: 30 June 2026

INCOME STATEMENT
For the year ended 31 December 2025

	Note(s)	2025 £'000	2024 £'000
TURNOVER	3	**1,318,356**	1,205,373
Cost of sales		**(1,171,854)**	(1,053,692)
GROSS PROFIT		**146,502**	151,681
Administrative expenses	4,7	**(137,786)**	(134,609)
OPERATING PROFIT		**8,716**	17,072
Interest receivable and similar income	6	**53,756**	57,531
PROFIT BEFORE TAXATION	7	**62,472**	74,603
Tax on profit	8	**(15,978)**	(17,943)
PROFIT FOR THE FINANCIAL YEAR		**46,494**	56,660

The Notes on pages 37 to 63 form an integral part of the financial statements.

American Express Payment Services Limited

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2025

	2025 £'000	2024 £'000
Profit for the financial year	**46,494**	56,660
Total comprehensive income for the year	**46,494**	56,660

The Notes on pages 37 to 63 form an integral part of the financial statements.

BALANCE SHEET
As at 31 December 2025
Registered number: 06301718

	Note	2025 £'000	2024 £'000
FIXED ASSETS			
Investments	9	**53,526**	53,526
		53,526	53,526
CURRENT ASSETS			
Debtors	12	**1,519,640**	1,475,213
Cash at bank and in hand	13	**100**	6,473
		1,519,740	1,481,686
TOTAL ASSETS		**1,573,266**	1,535,212
CREDITORS: Amounts falling due within one year	14	**(1,195,095)**	(1,204,761)
NET CURRENT ASSETS		**324,645**	276,925
TOTAL ASSETS LESS CURRENT LIABILITIES		**378,171**	330,451
PROVISIONS FOR LIABILITIES	15	**(718)**	(270)
NET ASSETS		**377,453**	330,181
CAPITAL AND RESERVES			
Called up share capital	16	**13,150**	13,150
Share-based payment reserve		**3,502**	2,724
Translation reserve		**7,795**	7,795
Retained earnings		**353,006**	306,512
TOTAL SHAREHOLDERS' FUNDS		**377,453**	330,181

The Notes on pages 37 to 63 form an integral part of the financial statements.

The financial statements on pages 33 to 63 were approved by the Board of Directors on 30 June 2026 and signed on its behalf by:

Signed by:
Julia Huson
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J Huson
Chief Financial Officer
30 June 2026

Signed by:
Holly Coventry
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H Coventry
Director

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Registered number: 06301718

	Called up share capital £'000	Share-based payment reserve £'000	Translation reserve £'000	Retained earnings £'000	Total Shareholders' Funds £'000
At 1 January 2025	13,150	2,724	7,795	306,512	330,181
Profit for the financial year	—	—	—	46,494	46,494
Total comprehensive income for the year	—	—	—	46,494	46,494
Current and deferred tax movements in equity (Note 8)	—	629	—	—	629
Share based payments charge	—	2,682	—	—	2,682
Recharge paid to parent for share based payments	—	(2,533)	—	—	(2,533)
At 31 December 2025	**13,150**	**3,502**	**7,795**	**353,006**	**377,453**

	Called up share capital £'000	Share-based payment reserve £'000	Translation reserve £'000	Retained earnings £'000	Total Shareholders' Funds £'000
At 1 January 2024	13,150	2,090	7,795	249,852	272,887
Profit for the financial year	—	—	—	56,660	56,660
Total comprehensive income for the year	—	—	—	56,660	56,660
Current and deferred tax movements in equity (Note 8)	—	626	—	—	626
Share based payments charge	—	1,825	—	—	1,825
Recharge paid to parent for share based payments	—	(1,817)	—	—	(1,817)
At 31 December 2024	**13,150**	**2,724**	**7,795**	**306,512**	**330,181**

The Notes on pages 37 to 63 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of American Express Payment Services Limited (the "Company" or "AEPSL") for the year ended 31 December 2025 were reviewed by the Board of Directors on 30 June 2026 and approved on the Board's behalf by J Huson and H Coventry.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company is able to take advantage of certain disclosure exemptions available under FRS 101 as it is a wholly owned subsidiary of American Express Company.

The Company has taken advantage of the exemptions under s401 of the Companies Act 2006 not to prepare consolidated financial statements as it is a wholly owned subsidiary of American Express International Inc. incorporated in the United States of America, a larger group entity incorporated outside of the European Economic Area.

The Company is a private company limited by shares, registered in England and Wales and domiciled in the United Kingdom. The Company's immediate parent is American Express International Inc., incorporated in the United States of America, which is the parent undertaking of the smallest group in which the Company's results are consolidated. The ultimate parent and controlling entity is American Express Company, incorporated in the United States of America, which is the parent undertaking of the largest group in which the Company's results are consolidated. Copies of the American Express International Inc. and American Express Company financial statements can be obtained from American Express Company, 200 Vesey Street, New York, NY 10285, USA.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies which have been consistently applied in the preparation of these financial statements are set out below.

2.1. Basis of preparation

The financial statements are prepared in accordance with The Companies Act 2006 as applicable to companies using FRS 101. The financial statements are prepared on a going concern basis under the historical cost convention, modified by the revaluation of derivatives to fair value through profit and loss. The Board remain satisfied with the appropriateness of preparing the financial statements on a going concern basis having considered severe but plausible scenarios and given the reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future, as well as considering the Group's intention to provide ongoing support to the Company and the integral nature of the Company's operations to the broader group. The Directors' assessment is for a period of at least 12 months from the date of approval of the financial statements. A letter has been secured from American Express Company to express its intention to support the Company's liquidity position and maintain its safe and sound operations for the thirteen months following the signing of these financial statements. The Company has performed an evaluation of subsequent events through to 30 June 2026, which is the date the financial statements were available to be issued. The functional currency is pounds sterling (£) and the financial statements are presented in pounds sterling with values rounded to the nearest thousand (£'000) unless otherwise stated.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.18.

The Company has taken advantage of the following disclosure exemptions allowed under FRS 101:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.1. Basis of preparation (Continued)

- the requirements of IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1 (reconciliation of shares outstanding);
- the requirements of the following paragraphs of IAS 1 'Presentation of Financial Statements':
  - 10(d) *statement of cash flows;*
  - 10(f) *balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements;*
  - 16 *statement of compliance with all IFRS;*
  - 38(a) *requirement for minimum of two primary statements, including cash flow statements;*
  - 38(b)-(d) and 40 (a) *additional comparative information*;
  - 111 *cash flow statement information; and*
  - *134-136 capital management disclosures.*
- the requirements of IAS 7 'Statement of Cash Flows' to prepare a statement of cash flows;
- the requirements of IAS 8 'Accounting Policies Changes in Accounting Estimates and Errors' paragraphs 30 and 31, concerning new IFRS that have been issued but are not yet effective;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a) 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers';
- the requirements of IAS 24 'Related Party Disclosures' paragraphs 17 and 18 to disclose the compensation of key management personnel; and
- the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of IFRS 7, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

(a) Standards and Interpretations effective in 2025
No new or amended standards and interpretations were applicable to the Company for these financial statements.

(b) Standards and amendments early adopted by the Company
No new or amended standards and interpretations were adopted early by the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.2. Foreign currency translation

(a) Functional and presentational currency
The Company records financial transactions in a variety of currencies across its operating units. Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements of the Company are presented in 'Pounds Sterling' (£), which is the Company's functional and presentation currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency at the average month-end exchange rates during the year. Monetary assets and liabilities are translated into the functional currency based on exchange rates prevailing at the end of the year; non-monetary assets and liabilities are translated at the historic exchange rate at the date of the transaction. The resulting exchange gains and losses are borne by a related Group entity.

Translation differences on financial instruments measured at fair value through profit or loss are reported as part of the fair value gain or loss in the Income Statement.

(c) Foreign Branches
The assets and liabilities of foreign branches that have a different functional currency are translated into pounds sterling (£) as follows:

- assets and liabilities are translated at the closing rate at the date of the Balance Sheet;
- income and expenses are translated at average exchange rate; and
- resulting exchange differences are recognised in other comprehensive income.

2.3. Investments

Investments in subsidiaries are held at historical cost less any applicable provision for impairment.

2.4. Financial assets

The Company classifies its financial assets at fair value through profit or loss (FVTPL) and at amortised cost. The Company did not hold any financial assets classified at fair value through other comprehensive income (FVTOCI) during the reporting period.

The classification is determined on the basis of both: (1) the Company’s business model for managing the financial assets and (2) the contractual cash flow characteristics of the financial asset. For an asset to be measured at amortised cost, the contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI). For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The Company classifies loans to affiliates, amounts owed to group undertakings, trade debtors and cash at amortised cost and derivative assets at FVTPL.

Interest is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

Management determines the classification of financial assets and liabilities at initial recognition and re-evaluates this designation at every reporting date. The designation of financial assets at fair value through profit or loss is generally irrevocable.

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the asset. Loans are recognised when cash is advanced to the borrower.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.4. Financial assets (Continued)

(a) Financial assets at fair value through profit or loss
A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. However, the Company may make an irrevocable election at initial recognition for particular investments in equity instruments (that would otherwise be measured at fair value through profit or loss) to present subsequent changes in fair value in other comprehensive income. The Company may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if in doing so either:

(i) eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring the financial assets or liabilities or recognising the gains and losses on them on different bases; or

(ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel.

Financial assets cannot be transferred into or out of this category after inception except under very specific circumstances, whereby they are recognised initially at fair value, with transaction costs taken directly to the Income Statement. Financial assets at fair value through profit and loss are subsequently measured at fair value.

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted bid price in an active market wherever possible. Where no such active market exists for the particular asset, the Company uses valuation techniques to arrive at the fair value. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. Commonly used techniques include the use of prices obtained in recent arms-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows, discounted at actively quoted interest rates. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the area that created them to support the conclusion that such valuations meet the requirements of FRS 101, including the level in the fair value hierarchy in which such valuations should be classified. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments. Profits or losses are only recognised on initial recognition when such profits can be measured solely by reference to observable current market transactions or valuation techniques based solely on observable market inputs.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term nature of the instruments. The fair value of other financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.4. Financial assets (Continued)

(a) Financial assets at fair value through profit or loss (Continued)
Assets in this category are classified as current assets if they are expected to be realised within 12 months after the balance sheet date. If the Company's management intends to realise the assets 12 months or more after the balance sheet date, they are classified as non-current.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are borne by a related group entity.

(b) Financial assets at amortised cost
Financial assets at amortised cost are financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Financial assets at amortised cost are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. Financial assets at amortised cost as disclosed in the balance sheet include the following categories:

(i) Loans due from group undertakings
Loans due from group undertakings represents unsecured loans extended by the Company to other group companies. Expected credit losses are not material given the nature of the lending and the strong credit position of the Group.

(ii) Amounts owed by group undertakings
Amounts owed by group undertakings represent amounts recoverable for services within the American Express Group. Expected credit losses are not material given the typically short-term nature of these balances and the strong credit position of the Group.

(iii) Trade debtors
Trade debtors relate to regular trade receivables due to the Company in the normal course of business. Trade debtor balances are presented on the balance sheet net of reserves for expected credit losses.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.5. Impairment of financial assets

The Company assesses financial assets, other than those at fair value through profit or loss, for credit losses at each Balance Sheet date, and measures loss allowance for expected credit losses. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company will measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. The Company will measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

(a) Trade debtors
Given the short-term nature of trade debtors the loss allowance is determined by the lifetime expected credit losses. Forward looking information that indicates the debtor will experience financial difficulties, enter bankruptcy or financial reorganisation, default or become delinquent is incorporated in the determination of the loss allowance.

(b) Loans due from and amounts owed by Group undertakings
Loans due from and amounts owed by Group undertakings represent amounts due from other Group companies and as such are not subject to any material impairment losses given the nature of the lending and the strong credit position of the Group.

2.6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously. A transferred asset and the associated liability are not offset where a transfer of a financial asset does not qualify for derecognition.

2.7. Derecognition of financial instruments, including receivables

Financial instruments are derecognised when the rights to receive cash flows have expired or a transfer of the financial instruments has taken place where the Company has transferred substantially all the risks and rewards of ownership and the transfer qualifies for derecognition.

Transfers of financial assets that do not meet derecognition criteria are accounted for as secured borrowings in the Balance Sheet. Financial liabilities are derecognised when they are extinguished.

2.8. Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The fair value of the Company's derivative financial instruments is determined using either market quotes or valuation models that are based upon the net present value of estimated future cash flows and incorporate current market data inputs. The Company reports its derivative assets and liabilities on a net by counterparty basis where management has the legal right of offset under enforceable netting arrangements and intends to settle on a net basis or to realise the asset and settle the liability simultaneously. Fair value is determined in the manner described in Note 10.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.8. Derivative financial instruments (Continued)

Derivatives not designated as hedges
The Company has derivatives that act as economic hedges but are not designated as such for hedge accounting purposes. Foreign currency transactions from time to time may be partially or fully economically hedged through foreign currency contracts, primarily foreign exchange forwards. These hedges generally mature within one year. Foreign currency contracts involve the purchase and sale of designated currencies at an agreed upon rate for settlement on a specified date.

The changes in the fair value of derivatives that are not designated as hedges are intended to offset the related foreign exchange gains or losses of the underlying foreign currency exposures. The changes in fair value for derivatives that are not designated as hedges are borne by a related Group entity.

The foreign exchange gains/losses on hedging instruments in relation to non-consolidated subsidiaries are recognised in the income statement.

2.9. Cash at bank and in hand

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. Bank overdrafts are shown as bank loans and overdrafts within creditors falling due within one year on the Balance Sheet.

All cash and bank balances and money market instruments are carried at the principal amount. Interest is recognised using the effective interest method.

2.10. Financial liabilities

(a) Financial liabilities at fair value through profit or loss
Financial instruments are classified in this category if they are derivatives, held for trading, or if they are designated by management under the fair value option.

Financial liabilities at fair value through profit or loss are initially measured at fair value, with transaction costs taken directly to the Income Statement, and subsequently stated at fair value, with any resultant gain or loss recognised in the Income Statement. The net gain or loss recognised in the income statement incorporates any interest paid on the financial liability.

(b) Other financial liabilities
Other financial liabilities are initially measured at fair value, generally their cash equivalents, net of transaction costs. Subsequent measurement is at amortised cost using the effective interest method, with interest expense recognised in the income statement on an effective yield basis. Other financial liabilities are classified bank loans and overdrafts, amounts owed to group undertakings, trade creditors, other creditors and accruals in the Balance Sheet.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.11. Borrowings

Borrowings are recognised initially at fair value, generally their cash equivalents, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within 12 months after the Balance Sheet date are presented as current borrowings even if the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the Balance Sheet date and before the financial statements are authorised for issue.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. All other borrowing costs are recognised as an expense in the Income Statement using the effective interest method in the period in which they are incurred.

2.12. Current and deferred tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Balance Sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset where the deferred tax balances relate to the same taxation authority, and a legally enforceable right to offset exists. Current tax assets and tax liabilities are offset (where a legally enforceable right exists) where the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax charges and credits are recognised in the Income Statement, except to the extent that they relate to items recognised in other comprehensive income or directly in equity. In this case, the tax charge is also recognised in other comprehensive income or directly in equity.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.13. Employee benefits

(a) Wages and salaries, annual leave and sick leave and bonuses
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date as a result of restructuring or whenever an employee accepts voluntary redundancy in exchange for termination benefits. The Company recognises termination benefits when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal. Benefits falling due more than 12 months after Balance Sheet date are discounted to present value.

(c) Pension obligations
American Express Company provides pension arrangements for employees through defined benefit plans and defined contribution schemes in the UK and Germany. The participating employers of the UK plan share the associated risks of the plan under common control, with no stated policy of sharing net defined benefit cost or for determining the contributions to be paid by each sponsoring employer. None of the participating legal entities have been assessed as being sponsoring employers of the plan.

As a result, the American Express UK legal entities account for the plans as if they were a defined contribution arrangement, with additional disclosure notes for the material plans, compliant with IAS 19. Contributions are charged to the Income Statement in the period in which they are paid. Payments to the Company's defined contribution stakeholder pension schemes are recognised as an expense as they fall due.

(d) Share based compensation plans
The Company issues equity-settled share-based awards as compensation for services rendered by certain employees. All awards are measured as equity-settled awards. The cost of these awards are generally recognised ratable based on the grant-date fair value of the awards, net of expected forfeitures, over the vesting period. Generally, the vesting period is the time from the date the award is granted to the earlier of the vesting date defined in each award agreement or the date the colleague will become eligible to retire. Retirement eligibility is dependent upon age and/ or years of service.

The fair value of options granted is determined using the Black-Scholes-Merton option pricing model. Restricted stock awards or units (collectively referred to as "RSUs") that do not include the Relative Total Shareholder Return (R-TSR) modifier are valued using American Express Company's stock price on the date of grant. The performance-based Restricted Stock awards or units that include the R-TSR modifier are valued using a Monte Carlo valuation model. The R-TSR modifier is a specific performance condition that defines total shareholder return as the stock price appreciation over the performance period in comparison to American Express' peers and is a determining factor in the final shares issued to an employee.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.13. Employee benefits (Continued)

(d) Share based compensation plans (Continued)
As options and awards on American Express Company shares are granted by the ultimate parent company to the employees of the Company, those awards are accounted for in equity. The Company has an obligation to repay the ultimate parent company for the share-based payments, and that repayment is offset against equity to the extent that it has been paid or is payable to the ultimate parent company.

2.14. Provisions and contingent liabilities

Provisions are recognised where the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that a transfer of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised on future operating losses. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate of the obligation.

Provisions are measured at the present value of the expected required expenditures to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Contingent liabilities are disclosed when there is a present obligation that arises from past events but are not recognised because the amount of the obligations cannot be measured reliably, or where there is a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

2.15. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.16. Revenue recognition

Revenue comprises income arising in the course of the Company's ordinary activities, net of value added and other taxes, rebates and discounts. The Company recognises revenue at an amount that reflects the consideration to which it expects to be entitled in exchange for transferring goods or services to a customer. Revenue is recognised as follows:

- Discount Revenue: Discount revenue primarily represents the amount the Company earns from the merchant for facilitating transactions between card members and the merchant. The amount of fees charged, or merchant discount, varies with, among other factors, the industry in which the merchant conducts business, the merchant's overall transaction volume, the timing and method of payment to the merchant, the method of submission of transactions and, in certain instances, the geographic scope of the card acceptance agreement signed with American Express (e.g., local or global) and the transaction amount. Discount Revenue is generally recorded at the time the card member transaction occurs.

  Card acceptance agreements, which outline the agreed-upon terms for charging the merchant discount fee, vary in duration. Contracts with small and mid-sized merchants generally have no fixed contractual duration, while those with large merchants are generally for fixed periods, which typically range from three to seven years in duration. Fixed period agreements may include auto-renewal features, which may allow the existing terms to continue beyond the stated expiration date until a new agreement is reached.

  The Company satisfies its obligations under these agreements over the contract term, often on a daily basis, through the processing of card member transactions and the availability of the payment network. When a cardmember returns goods, it will generate a credit transaction with the merchant, but the merchant discount amount is generally retained by the Company.

- Other Merchant Services: The Company earns other revenue from merchants for services that includes fees on certain payment reversals. Revenue in respect of these services is recognised by the Company in the period in which the services were performed.

- Services to Group Companies: The Company earns revenue when it performs a service on behalf of another related Group entity. The Company charges the related Group entity on an arm's length basis, with revenue being recognised in the period in which the service is provided.

2.17. Interest receivable and interest payable

Interest income and expense are recognised in the Income Statement using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Interest expense includes interest incurred on the Company's long term and short-term borrowings which are required to fund general purposes and liquidity needs.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.18. Critical accounting estimates, assumptions, and judgements

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

(a) Critical accounting estimates
There are a number of estimates made in the preparation of the financial statements. However, these are not considered critical accounting estimates based on the IAS 1 definition.

(b) Critical judgements in applying accounting policies
The preparation of the financial statements involves a number of judgments. The items with a higher degree of judgment or complexity are:

Defined benefit pension scheme
Certain employees participate in defined benefit pension schemes with several participating employers sharing the risks between entities under common control. The plans do not have a stated policy for sharing net defined benefit cost or for determining the contributions to be paid by each participating legal entity for these schemes. None of the participating legal entities have been assessed as being sponsoring employers of the plans. In the judgment of the directors, the Company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore, the scheme is accounted for as a defined contribution scheme, see Note 18 for further details.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

3. TURNOVER

	2025	2024
	£'000	£'000
Merchant discount revenue, net of merchant rebates	**1,236,126**	1,128,182
Other merchant services	**38,729**	34,398
Services to American Express Group companies	**43,501**	42,793
	1,318,356	1,205,373

All turnover for the financial year originated within the UK.

4. STAFF COSTS

	2025	2024
	£'000	£'000
Wages and salaries	**47,808**	41,343
Social security costs	**7,392**	5,308
Other pension costs	**5,398**	5,194
Stock compensation expense	**2,682**	1,825
	63,280	53,670

Included within Staff Costs is an amount of £2.0m (2024: £0.9m) related to restructuring expense.

The monthly average number of staff employed by the Company during the year was as follows:

	2025	2024
	Number	Number
Sales and marketing	**349**	315
Customer servicing	**163**	172
Other support groups	**16**	25
	528	512

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

4. STAFF COSTS (Continued)

Details of the stock plans are set out below:

(a) Stock Options

Each stock option has an exercise price equal to the market price of American Express Company's common stock on the grant date. Stock options generally vest on the third anniversary, and have a contractual term of 10 years from the date of grant.

Stock options outstanding at 31 December 2025 were Nil (2024: Nil). No stock options were exercised during 2025 (2024: Nil).

(b) Restricted Stock Units or Awards (RSUs)

An RSU is a grant of American Express Company's common stock, which contains either (a) service conditions or (b) both service and performance conditions. Once vested, the employees receive common shares of American Express Company.

RSUs containing only service conditions generally vest ratably over three years, or four years for awards granted prior to 2022, beginning with the first anniversary of the grant date. RSUs containing both service and performance conditions generally vest on the third anniversary of the grant date and the number of shares that an employee receives from performance based RSUs generally ranges from zero to 120% of target depending on the achievement of predetermined American Express Company's performance metrics. RSU holders receive dividend equivalents or dividends.

Performance-based RSUs include a relative total shareholder return (R-TSR) modifier so that American Express Company's actual shareholder return relative to a comparable peer group is one of the performance conditions that determines the number of shares ultimately issued upon vesting.

As of 31 December 2025, the total outstanding RSUs are expected to vest over a weighted average period of 1.08 years (2024: 0.88 years).

As at 31 December 2025, there were 40,483 (2024: 27,421) RSUs outstanding. During 2025, 14,989 (2024: 12,322) RSUs vested with a weighted average grant price of USD 169.56 each (2024: USD 138.71 each).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

5. DIRECTORS' REMUNERATION

	2025 £'000	2024 £'000
Emoluments	**2,553**	2,236
Amounts receivable under long term incentive schemes	**1,245**	1,056
Pension costs	**128**	209
	3,926	3,501

The number of Directors to whom retirement benefits were accruing in respect of qualifying services during the year ended 31 December were as follows:

	2025 Number	2024 Number
Money purchase schemes	**12**	11

During the year ended 31 December 2025 twelve (2024: eleven) Directors exercised share options in American Express Company, the ultimate parent company, and/or received common stock in American Express Company as a result of RSUs vesting in the year.

The following remuneration was earned by the highest paid Director:

	2025 £'000	2024 £'000
Emoluments including amounts receivable under long term incentive schemes	**886**	831
Pension Costs	**7**	6
	893	837

In addition, the highest paid Director also exercised share options in American Express Company, the ultimate parent company, and/or received common stock in American Express Company as a result of RSUs vesting in the year.

Five Directors (2024: three) who served during the year are employed by and received their remuneration from another American Express group company; services provided by employees of one American Express group company to another fall under the enterprise-wide Transfer Pricing Policy and are recharged appropriately.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2025	2024
	£'000	£'000
Group undertakings	**53,756**	57,531
	53,756	57,531

7. PROFIT BEFORE TAXATION

	2025	2024
	£'000	£'000
Profit before taxation is stated after charging:		
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	**363**	340
Marketing, business development & professional services	**34,108**	38,920

Administrative expenses include staff costs, marketing, business development & professional service costs and other administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

8. TAX ON PROFIT

The differences between the taxation reflected in the financial statements and the amounts calculated at the statutory rate of 25.0% (2024: 25.0%) are as follows:

	2025	2024
	£'000	£'000
Profit before taxation	**62,472**	74,603
Tax calculated at a tax rate of 25% (2024: 25%)	**15,618**	18,651
Adjusted for the effects of:		
Non-deductible expenses/(Non-taxable income)	**455**	(872)
Prior year adjustments	**6**	187
Permanent difference in respect of share-based payments	**(101)**	(23)
Total Tax expense	**15,978**	**17,943**

	2025	2024
	£'000	£'000
<u>**Current income tax**</u>		
UK Tax		
Current income tax	**15,683**	17,138
Prior Year Adjustments	**6**	164
	15,689	17,302
Overseas tax		
Prior year adjustments	—	24
Total Current Tax	**15,689**	17,326
Deferred Tax		
Origination and reversal of temporary differences	**289**	617
Total Deferred Tax	**289**	617
Income Tax expense	**15,978**	17,943

8. TAX ON PROFIT (Continued)

Taxation on items not (credited) / charged to the income statement

	2025	2024
	£'000	£'000
Current Tax credit		
Tax deduction on share options / awards in excess of expense recognised	**(348)**	(134)
Adjustment for prior years	**(6)**	(11)
Deferred Tax credit		
Tax deduction on share options / awards in excess of expense recognised	**(275)**	(481)
Total	**(629)**	(626)

Deferred tax

The following are the major deferred tax assets recognised by the Company and movements thereon:

	Fixed Assets	Provisions	Share-based Payments	Total
	£'000	£'000	£'000	£'000
At 1 January 2025	3,605	63	1,566	5,234
(Debit) / Credit to Income Statement	(649)	(5)	365	(289)
Credit to Equity	—	—	275	275
At 31 December 2025	**2,956**	**58**	**2,206**	**5,220**

	Fixed Assets	Provisions	Share-based Payments	Total
	£'000	£'000	£'000	£'000
At 1 January 2024	4,396	69	905	5,370
(Debit) / Credit to Income Statement	(791)	(6)	180	(617)
Credit to Equity	—	—	481	481
At 31 December 2024	**3,605**	**63**	**1,566**	**5,234**

Factors affecting the tax charge for the year:

The deferred tax has been calculated at the UK statutory rate of 25%. There is no unrecognised deferred tax for the year ended 31 December 2025 and 2024.

Pillar Two legislation has been enacted in the United Kingdom, effective 1 January 2024. The Company has performed an assessment of the Company’s exposure to Pillar Two income taxes. Based on the assessment performed, no income tax expense has been included in the statement of profit or loss in 2025 related to Pillar Two income taxes (2024: Nil). The Company has applied the mandatory exception included within IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two taxes.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

9. INVESTMENTS

	2025	2024
	£'000	£'000
Investment in subsidiaries		
Cost:		
At 1 January and 31 December	**53,526**	53,526

Undertaking	Percentage of shares held	Description of shares held	Principal Activity	Registered Office Address
American Express Payments Europe S.L.	100%	Ordinary €10	Merchant Acquirer	Avenida del Partenon, 12-14, Campo de la Naciones, Madrid, 28042

American Express Payments Europe S.L. (“AEPE”) is a company limited under Spanish Law which operates as a Merchant Acquirer.

The percentage of shares held reflects the position at both 31 December 2025 and 31 December 2024.

10. FINANCIAL ASSETS AND LIABILITIES CARRIED AT FAIR VALUE

The table below presents the Company’s financial assets and liabilities that are measured at fair value at 31 December 2025 and 2024, by valuation method. The different levels have been defined as follows:

- Level 1 – inputs that are quoted prices (unadjusted) for identical assets or liabilities in active markets (such as publicly traded derivatives, and equity securities).
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) for example over-the-counter derivatives.
- Level 3 – inputs that are unobservable and reflect the Company’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances (e.g. internally derived assumptions surrounding the timing and amount of expected cash flows).

For the years ended 31 December, 2025 and 2024, there were no transfers between levels.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

10. FINANCIAL ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (Continued)

At 31 December 2025	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Assets				
Derivative financial assets				
- Forward foreign exchange contracts	—	3,030	—	3,030
Total assets	**—**	**3,030**	**—**	**3,030**
Liabilities				
Derivative financial liabilities				
- Forward foreign exchange contracts	—	6,257	—	6,257
Total liabilities	**—**	**6,257**	**—**	**6,257**

At 31 December 2024	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Assets				
Derivative financial assets				
- Forward foreign exchange contracts	—	6,773	—	6,773
Total assets	**—**	**6,773**	**—**	**6,773**
Liabilities				
Derivative financial liabilities				
- Forward foreign exchange contracts	—	1,948	—	1,948
Total liabilities	**—**	**1,948**	**—**	**1,948**

The fair value of the Company's derivative instruments is estimated using third-party pricing models, where the inputs to those models are readily observable from active markets. The pricing models are consistently applied and reflect the contractual terms of the derivatives. The Company reaffirms its understanding of the valuation techniques at least annually and validates the valuation output on a quarterly basis. The Company's derivative instruments (foreign exchange forward contracts) are classified within Level 2 of the fair value hierarchy.

The fair value of foreign exchange forward contracts are determined based on a discounted cash flow method using the following significant inputs: the contractual terms of the forward contracts such as the notional amount, maturity dates and contract rate, as well as relevant foreign currency forward curves, and discount rates consistent with the underlying economic factors of the currency in which the cash flows are denominated.

Credit and debit valuation adjustments are necessary when the market parameters (for example, a benchmark curve) used to value the derivative instruments are not indicative of the credit quality of the Company or its counterparties. The Company considers the counterparty credit risk by applying an observable forecasted default rate to the current exposure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

11. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments

Derivative financial instruments include forward contracts for the purchase and sale of foreign currencies. These instruments allow the Company to transfer, modify or reduce their foreign exchange, interest rate and credit risks.

Forward foreign exchange contracts are agreements to exchange a specified amount of one currency for another on a future date at an agreed rate.

The other derivatives act as economic hedges but are not designated as such for hedge accounting purposes. The contractual or underlying principal amounts of these derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at the balance sheet date are analysed below.

At 31 December: **(£'000)**

Particulars	**2025**			2024		
	Notional Amount	**Fair Value**		Notional Amount	Fair Value	
		Assets	**Liabilities**		Assets	Liabilities
Forward foreign exchange contracts	**266,886**	**2,896**	**6,247**	227,236	5,850	1,867
Other derivatives*	**95,636**	**134**	**10**	87,116	923	81
Total	**362,522**	**3,030**	**6,257**	314,352	6,773	1,948

*Other derivatives represent forward foreign exchange contracts entered into for the purposes of economically hedging the Company's subsidiary foreign currency exposure. For the Company's standalone reporting, no hedge accounting is applied and gains or losses associated with these derivatives have been recognised in the income statement.

The Company only holds derivatives which are short term in nature, maturing within 12 months. The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the Balance Sheet.

12. DEBTORS

	2025	2024
	£'000	£'000
Trade debtors	**48,564**	50,875
Less: reserves	**(2,521)**	(5,475)
Loans due from group undertakings	**1,453,739**	1,405,110
Amounts owed by group undertakings	**9,887**	11,079
Deferred tax asset (refer Note 8)	**5,220**	5,234
Derivative financial instruments (refer Note 11)	**3,030**	6,773
Prepayments	**1,721**	1,617
	1,519,640	1,475,213

The debtors above include the following non-current amounts:

	2025	2024
	£'000	£'000
Deferred tax asset (refer Note 8)	**5,220**	5,234
	5,220	5,234

Reserves on trade debtors are determined based on the methodology outlined in Note 2.5 and are typically fully reserved for after 90 days past due, when the underlying amounts are no longer expected to be recovered. In addition, assessments incorporating past events, current conditions and future economic conditions, are performed on a case by case basis and additional reserves are booked when required. Management have also given consideration to the inclusion of qualitative reserves to cover losses that are expected, but may not be adequately represented in the quantitative methods or economic assumptions. Amounts are generally written off when 360 days past due.

Loans due from group undertakings are unsecured and repayable on demand and are extended by the Company to affiliates on a floating rate. The carrying amount is deemed to approximate the fair value due to the short term nature of balances.

Amounts owed by group undertakings are unsecured and repayable on demand. The carrying amount is deemed to approximate the fair value due to the short term nature of balances.

13. CASH AT BANK AND IN HAND

	2025	2024
	£'000	£'000
Cash at bank and in hand	**100**	6,473
	100	6,473

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

14. CREDITORS: amounts falling due within one year

	2025 £'000	2024 £'000
Trade creditors	**573,139**	896,717
Accruals and deferred income	**19,975**	17,677
Derivative financial instruments (Note 11)	**6,257**	1,948
Amounts owed to group undertakings	**576,600**	269,332
Other taxation and social security	**2,306**	1,687
Corporation tax	**15,352**	17,029
Other creditors	**1,466**	371
	1,195,095	1,204,761

In accordance with the Primary Acquiring Operating Agreement, TRSCo will remit to AEPSL the amount due for charges incurred by cards issued on the American Express network, on the day on which AEPSL is due to make payment for those charges to the merchant. Accordingly, sufficient liquidity exists to pay merchants as they fall due.

Included within Creditors is £1,177m (2024: £1,186m) classified as financial liabilities.

The current portion of trade and other creditors are carried at cost which approximates fair value due to the short-term nature thereof.

Terms and conditions of the above financial instruments are:
(i) Trade creditors are non-interest bearing and predominantly consist of Merchant payables which are normally settled within 30 days, together with vendor payables which are normally settled within 60 days.
(ii) Other creditors are non-interest bearing and are normally settled within 60 days.
(iii) Amounts owed to group undertakings are unsecured and repayable on demand.

15. PROVISIONS FOR LIABILITIES

Restructuring Reserve

	£'000
At 1 January 2025	**270**
Increase in Provision	**1,909**
Utilisation	**(1,626)**
Releases	**165**
At 31 December 2025	**718**

Restructuring provision
From time to time, the Company initiates restructuring programmes to become more efficient and effective, and to support new business strategies. These programmes are generally completed within a year of when they are initiated. In connection with these programmes, the Company will typically incur severance and other exit costs. During the year ended 31 December 2025, the Company recognised £2.0m (2024: £0.9m) of restructuring charges.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

16. CALLED UP SHARE CAPITAL

	2025	2024	**2025**	2024
	Number	Number	**£000**	£000
Authorised				
Ordinary shares of £1 each	**100,000,000**	100,000,000	**100,000**	100,000
Issued, called up and fully paid				
Ordinary shares of £1 each	**13,150,000**	13,150,000	**13,150**	13,150
	13,150,000	13,150,000	**13,150**	13,150

17. DIVIDENDS PAID

The Directors do not propose the payment of a dividend during the year ended 31 December 2025 (2024: £nil).

18. PENSIONS

American Express provides retirement benefits through a variety of arrangements comprising defined benefit and defined contribution plans. The material plans (‘the Plans’) comprise the American Express UK Pension Plan (‘the UK Plan’) and several pension arrangements in Germany (‘the German Plans’).

The UK and German Plans and the related costs are assessed in accordance with the advice of qualified independent actuaries. The Plans identified have several participating employers sharing the risks between entities under common control. Both the UK and German Plans do not have a stated policy for sharing net defined benefit cost or for determining the contributions to be paid by each participating legal entity for these schemes. None of the participating legal entities have been assessed as being sponsoring employers of these Plans. As a result, American Express UK legal entities account for these Plans as if they were defined contribution arrangements with additional disclosure notes compliant with the IAS19 requirements for these types of arrangements. The information of these Plans as a whole is presented below.

The UK Plan

The UK Plan is a defined benefit pension plan with a normal retirement age of 65. The UK Plan was offered to employees who joined the company before 1 July 2006 and has a weighted average duration of around 10 years. The UK Plan was closed to future accrual on 31 July 2013, although the link to future salary increases was retained up to the end of 2016. The benefit payable from the Plan varies depending on whether the member joined before 1996 or after. For those joining before 1996, there is a pension benefit payable from the Plan that increases in line with statutory requirements. For those joining after 1996, there is a lump sum benefit payable at retirement which the employees can use to purchase an annuity or transfer to an approved plan. All employees in the UK are now offered a defined contribution scheme.

The UK Plan operates under trust law and is governed by a Trustee board in accordance with the terms of the Trust Deed and Rules and relevant legislation. The Plan's assets are held by the trust.

The contributions paid to the UK Plan are agreed with the Trustees on the basis of a valuation carried out by the Scheme Actuary. Principal factors that the Scheme Actuary will have regard to include the covenant offered by the Sponsor, the level of risk in the Plan, the Plan’s investment strategy and the Plan’s funding level. In compliance with the Pensions Act 2004, the Sponsor and the Trustee agreed a scheme-specific funding target, statement of funding principles, a schedule of contributions and a recovery plan accordingly.

18. PENSIONS (Continued)

The UK Plan (Continued)
The IAS19 liability is most sensitive to changes in discount rate, which depends on market yields on Sterling-denominated AA-rated corporate bonds. In addition to the interest rate risk, the value of liability also depends on the assumptions made about future inflation and life expectation and the risks associated with actual experience in these two areas differing over the long term from the assumptions adopted.

German Plans
There are five defined benefit plans in Germany, of which only one is open to new hires. The normal retirement age is generally 65 and the benefit is generally paid as a lump sum at retirement, although one Plan pays a monthly pension for life. The weighted average duration of the German Plans is around 10 years.

The German Plans are largely unfunded with the exception of the open Plan, which is a cash balance Plan with assets held in insurance contracts and where there is a guaranteed minimum level of investment return applied to members' cash balance account. For the most part therefore, each participating employer pays and records the cost of benefits as they arise.

As benefits are paid mostly as lump sums, the total liability is not dependent on the level of inflationary increases of pension benefits in payment or the period of time the pension will be paid (life expectancy) and so the Plans are not exposed to inflationary or significant longevity risks. The total liability is dependent on future salary increase levels (linked to the level of benefits payable) and the discount rate (which depends on market yields on Euro-denominated AA corporate bonds). These are the two main risks affecting the level of the German Plans' liabilities.

Key assumptions and valuation results
The key assumptions used to value the UK and German Plans' liabilities based on IAS19 requirements together with the results obtained are set out below. Although there are multiple plans in Germany, all plans were valued using the same financial and demographic assumptions.

Assumptions	**Nominal % pa**			
	UK		**Germany**	
	2025	2024	**2025**	2024
Discount rate	5.40	5.40	4.05	3.40
Rate of increase in salaries	n/a	n/a	3.25	3.25
Social Security increases	n/a	n/a	2.25	2.50
Rate of pension increase in payment*	0.00-2.88	0.00-3.06	2.10	2.30
Rate of increase in price inflation				
RPI**	3.00	3.25	n/a	n/a
CPI**	2.50	2.75	2.10	2.30
Mortality table	SAPS S4 Mortality table CMI 2024 improvement model with trend of 1.25% per annum from 2017 with an initial addition parameter, A, of 0.25% plus smoothing parameter (Sk) of 7 and a core half-life (H) parameter of 1 year.	SAPS S3 mortality table CMI 2023 model (with smoothing and covid experience adjustment) with trend of 1.50% per annum	Heubeck 2018G	Heubeck 2018G

* post 88 GMP = 2.13%; pre 1997 excess = 0.00%; April 1997 to April 2005 = 2.88%; post April 2005 = 1.97%
** RPI = Retail Price Inflation; CPI = Consumer Price Inflation

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

18. PENSIONS (Continued)

Key assumptions and valuation results (continued)

The table below shows the value of IAS19 liabilities and assets as at 31 December 2025.

	UK		Germany	
IAS19 Defined Benefit Obligation and Market Value of Assets	**2025 (£m)**	**2024 (£m)**	**2025 (£m)**	**2024 (£m)**
Present value of Plan liabilities	822.0*	807.1*	84.9	85.5
Market value of assets**	840.6*	836.1*	6.7	5.7
Deficit	18.6	29.0	(78.2)	(79.8)
Sensitivity analysis - 2025 Defined Benefit Obligation				
Discount rate assumption being 1% higher	754.7*		77.2	
Discount rate assumption being 1% lower	907.0*		93.5	

* Includes £52m of Additional Voluntary Contribution ("AVCs") (£52m in 2024)
** There are no self-invested assets in the UK Plan or in the German Plans

As a result of the 2018 and 2021 UK court rulings requiring the equalisation of Guaranteed Minimum Pensions (GMP) in UK pension schemes including historic transfer values, the UK Plan liabilities include an allowance for GMP equalisation.

The German Plans are for the majority unfunded with only 8% of the liabilities covered by assets. It is common practice in Germany for defined benefit plans to be unfunded. German plan assets are 100% invested in insurance contracts. The UK Plan's major asset categories are shown in the table below .

Asset Allocation as at 31 December	**2025 (£m)**	**2024 (£m)**
Domestic equities	5.9	5.8
Foreign equities	119.6	113.3
Government bonds*	335.7	360.2
Corporate bonds	75.3	29.3
Buy-in contract	134.6	145.8
Additional voluntary contributions (AVCs)	51.5	51.9
Cash and cash equivalents	25.7	34.7
Other	92.3	95.1
Total	840.6	836.1

*Includes Liability Driven Portfolio

There was a special event in 2017 for the UK Plan involving a pensioner buy-in transaction to partially insure the UK pensioner liabilities. The value of the buy-in contract is £134.6m and has been included within the allocation above. The assets under the "Other" category represent amounts mainly invested in diversified funds and include investments in hedge funds which make use of different investment styles including the use of derivatives.

All securities invested by the UK Plan have a quoted market price in an active market (with the exception of £142.7m mainly attributable to the pensioner buy-in contract).

The assets and liabilities shown above include defined contribution assets and liabilities (from AVCs) as at 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2025

18. PENSIONS (Continued)

Contributions
The employer contributions to the UK Plan and German Plans during the calendar years 2024 and 2025 and the expected amounts for 2026 are summarised in the table below.

Country/Plan(s)	Expected 2026 Contributions (£m)	Actual 2025 Contributions (£m)	Actual 2024 Contributions (£m)
UK	0.4	0.4*	21.5*
Germany**	7.3	2.9	2.6

* In addition during 2025, the employer contributed £66.2m (2024: £58.3m) (including salary sacrifice contributions) to the defined contribution Stakeholder Plan in the UK.

** Contributions in Germany include benefit payments made directly by the employer and contributions into the Cash Balance Plan.

19. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or commitments for the year ended 31 December 2025 (2024: Nil).

20. RELATED PARTY TRANSACTIONS

The Company had no transactions with Directors or Key Management Personnel during the year ended 31 December 2025 (2024: Nil) except for the transactions relating to Directors' emoluments disclosed in Note 5.

21. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to the balance sheet date, geopolitical tensions in the Middle East have escalated. The Company is assessing the potential impact on its operations and at the time of signing these financial statements no significant impacts have been identified.

Independent auditors’ report to the members of American Express Payment Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, American Express Payment Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise:

- the Balance Sheet as at 31 December 2025;
- the Income Statement for the year then ended;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Financial Conduct Authority and the Payment Services Regulations 2017, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK taxation legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Making enquiries with management and those charged with governance, including review of minutes of meetings in so far as they related to the financial statements and consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of correspondence with the regulators;
- Incorporating an element of unpredictability into the nature, timing and/or extent of our testing;
- Performing test of controls such as information security controls relating to system access and change management;
- Identifying and testing journal entries, including entries with unusual account combinations; and
- Understanding and evaluating the business rationale for significant one-off transactions that are outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company or returns adequate for our audit have not been received from branches not visited by us; or
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.

Jessica Miller (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 June 2026