

## **INTERNATIONAL PERSONAL FINANCE plc**

### **Terms of Reference of the Remuneration Committee**

#### **Members**

Deborah Davis (Chair)  
Richard Holmes  
Stuart Sinclair

#### **Name**

1. This Committee of the Board shall be known as the Remuneration Committee.

#### **Membership**

2. The Committee will be appointed by the Board (after consultation with the Chairman of the Committee) from amongst the independent non-executive directors of the Company and will consist of not fewer than three members. A quorum will be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
3. Membership of the Committee will be reviewed by the Board on an annual basis.
4. The Chairman of the Committee will be appointed by the Board and shall have a minimum of 12 months' experience as a member of a Remuneration Committee (on this Committee or elsewhere) prior to appointment as Chairman. In the absence of the Chairman of the Committee, the remaining members present shall elect one of themselves to chair the meeting. If the Chairman of the Company is a member of the Committee, he or she shall not be Chairman of the Committee.
5. The Company Secretary will be Secretary to the Committee.

#### **Meetings**

6. Meetings will be held not less than three times a year.
7. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the Human Resources Director and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
8. No person shall be in attendance or involved in decision-making when matters concerning their own remuneration or fees are discussed.

#### **Authority**

9. The Committee is authorised by the Board if the Committee considers it necessary:

- (a) to obtain internal advice and outside legal or other independent professional advice;
  - (b) to secure the attendance of outsiders with relevant experience and expertise;
  - (c) to seek any information it requires from any employee of the Company in order to perform its duties; and
  - (d) to incur reasonable fees and expenses, which will be paid by the Company.
10. The Committee shall appoint a firm of remuneration consultants to advise it; PROVIDED that the seeking of internal information and any brief to consultants regarding the executive directors' remuneration will be the subject of prior consultation between the Chairman of the Committee and the Chief Executive. Such information and work will be commissioned by the Committee through the Secretary to the Committee.
  11. The Committee shall consult with the Chairman of the Company about the Chief Executive's remuneration and with the Chief Executive about the other executive directors' remuneration and that of the Senior Management Group (comprising direct reports to the Chief Executive Officer).

#### **Duties**

12. The Committee shall consider and approve all aspects of the Company's remuneration policy for the executive directors, the Chairman of the Company, the Senior Management Group and the Company Secretary (including pensions, share option schemes and other incentive schemes, the form of the standard contract of employment and termination payments) and shall make recommendations to the Board as a whole. In so doing, the Committee shall review wider workforce remuneration and related policies including pension arrangements for each executive director and members of the Senior Management Group and their alignment with those available for the wider workforce. Further, the Committee shall consider the alignment of incentives and rewards with the Company's strategy and desired culture, taking these into account when setting the policy for executive director and Senior Management Group remuneration. Recommendations and any decisions of the Committee are subject to approval by the Board. The Committee shall review the ongoing appropriateness and relevance of their remuneration policy.
13. Without prejudice to the generality of the foregoing, the Committee will ensure that the remuneration and conditions of service of the Chairman of the Company its executive directors and Senior Management Group support the Company's long-term strategy and shareholders' interests, represent value for money, reflect the performance of the Company and the individual directors (as appropriate) and can be properly communicated to shareholders and their representatives and the public, including the press. The Committee will ensure that contractual payments on

termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

14. Within the terms of the agreed policy, the Committee shall determine the individual remuneration packages for the executive directors (including bonus and other incentives), the Chairman of the Company, the Company Secretary and the Senior Management Group.
15. The Committee shall agree a policy for the authorisation of expenses claimed by the executive directors and the Chairman of the Company and shall once a year review a schedule of expenses claimed by the executive directors and the Chairman in the preceding financial year of the Company.
16. The Committee shall once a year review the shareholdings of the Chairman of the Company, the executive directors and the Senior Management Group in the context of the shareholding guidelines.
17. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

#### **Equity Incentive Schemes**

18. The Committee shall constitute "the Committee" for the purposes of any equity incentive schemes and shall grant awards pursuant to such schemes. The Committee shall determine allocation policies and performance share targets and ensure that all such schemes comply with relevant legislation, codes of conduct and good remuneration practice.

#### **Minutes**

19. The Secretary shall produce minutes of each meeting which will be circulated to all members of the Committee, and, once agreed, to the Chairman of the Company and to the Chief Executive.

#### **Communication**

20. The Committee's conclusions will, in the case of the Chairman of the Company's remuneration package, be communicated by the Chairman of the Committee to the Chairman of the Company.
21. The Committee's conclusions will, in the case of the Chief Executive's remuneration package, be communicated by the Chairman of the Company to the Chief Executive.
22. The Committee's conclusions will, in the case of the other executive directors, be communicated by the Chief Executive to the relevant executive director.
23. The Chairman of the Committee will not, as a matter of course, have a relationship with institutional shareholders. He or she will, however, be available to discuss

remuneration policy with specific institutional shareholders as required and will also be available to answer shareholders' questions on remuneration matters at the Company's Annual General Meeting (as requested by the Chairman of the Company).

Should a resolution presented by the Board on behalf of the Committee have votes cast against in excess of 20 per cent the Committee shall seek engagement with shareholders to establish the reasons for the votes cast and report back to the Board and shareholders in the following year's annual report.

24. The Committee will produce an annual directors' remuneration report of the Company's remuneration policy and practices for approval by the Board each year which will contain such information as is legally required and necessary and shall include the work of the Committee during the reporting year. The Committee will present a directors' remuneration policy for approval by the Board at least every three years or whenever changes are proposed.
25. The Chairman of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

#### **Exclusions**

26. The fees and expenses of the non-executive directors will be set by the Board as a whole.

#### **Other**

27. The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

Approved by the Board: 19 June 2007

Amended	16 December 2008
	14 December 2009
	12 May 2010 (membership)
	10 December 2010
	14 December 2011
	24 April 2013 (membership)
	20 February 2014 (membership)
	24 September 2015 (membership)
	17 December 2015 (membership)
	1 January 2016 (membership)
	4 May 2018 (membership)
	12 December 2018
	30 April 2020 (membership)
	29 April 2021 (membership)