

1. ROLE

The board of directors (the "**Board**") of Intermediate Capital Group plc (the "**Company**") has established a committee of the Board known as the Remuneration Committee (the "**Committee**") in accordance with the principles of the UK Corporate Governance Code (the "**Code**") and the MIFIDPRU Remuneration Code ("**SYSC 19G**"). The role of the Committee is to support the Company and its subsidiaries (the "**Group**") in determining the Company's remuneration policy and the compensation of the Board Chair, executive directors of the Company ("**Executive Directors**") and its Material Risk Takers (within the meaning given by SYSC 19G). The Committee will not set the compensation of Non-Executive Directors which will be overseen by the Board Chair and the Executive Directors.

2. MEMBERSHIP

- 2.1. The Committee will comprise at least three independent Non-Executive Directors. The Board Chair may also serve on the Committee as an additional member if he or she is independent.
- 2.2. Appointments to the Committee are made by the Board on the recommendation of the Nomination Committee and in consultation with the Committee Chair and will be for a period of up to three years, which may be extended for up to two additional three-year periods, provided that members (other than the Board Chair, if they are a member of the Committee) continue to be independent.
- 2.3. Only members of the Committee and the Board Chair have the right to attend Committee meetings. Other individuals may be invited by the Committee Chair to attend all or part of meetings.
- 2.4. The Board will appoint the Committee Chair, who will be an independent Non-Executive Director and who will have a minimum of twelve months' experience on a remuneration committee prior to appointment. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present will elect a member of the Committee to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The Board Chair will not be the Committee Chair.
- 2.5. No individual will be involved in decisions regarding their own remuneration.

3. SECRETARY

The Company Secretary or his or her nominee will act as the Committee Secretary and will be responsible for ensuring that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues. The Company Secretary will also be responsible for ensuring that the Committee complies with its terms of reference.

4. QUORUM

- 4.1. The quorum necessary for the transaction of business will be two members. Members may attend in person or by telephone or video conference. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 4.2. Circulated written resolutions will constitute resolutions of the Committee.

5. FREQUENCY OF MEETINGS

The Committee will meet at least three times a year and otherwise as required.

6. NOTICE OF MEETINGS

- 6.1. Meetings of the Committee will be convened by the Committee Secretary at the request of the Committee Chair or the Board Chair or any of the Committee's members.

- 6.2. Unless otherwise agreed with the Committee Chair, notice of meetings confirming the venue, time and date together with the agenda and supporting papers will be forwarded to each member of the Committee no later than five working days before the date of the meeting. Relevant papers may be made available to other individuals required to attend, as appropriate.

7. **MINUTES OF MEETINGS**

- 7.1. The Committee Secretary will minute the proceedings and resolutions of all Committee meetings and record declarations of interests and those present and in attendance.
- 7.2. Draft minutes of Committee meetings will be circulated to the Committee Chair and subsequently be circulated to Committee members for approval and to the Board Chair. The approved minutes will be made available to the Board unless, exceptionally, it would be inappropriate to do so.

8. **SHAREHOLDER ENGAGEMENT**

The Committee Chair should attend the Annual General Meeting (“**AGM**”) to answer shareholders’ questions on the Committee’s activities. The Committee Chair should seek engagement with shareholders on significant matters related to the Committee’s areas of responsibility.

9. **DUTIES**

9.1. Advice to the Board

Periodically review the Committee’s performance and, at least annually, review its constitution and terms of reference to ensure it is operating effectively and recommend appropriate changes to the Board.

9.2. Notification to the Board

Notify the Board of the Group’s remuneration policy to be recommended to shareholders ensuring compliance with applicable laws, regulations and Group risk appetite (which is defined and communicated by the Board).

9.3. Notification to the Nominations and Governance Committee and the Board

Notify the agreed remuneration terms for any person proposed to join the Board as the Board Chair or an Executive Director

9.4. Other duties

- 9.4.1. Determine the Group’s remuneration policy to be recommended to shareholders ensuring compliance with applicable laws, regulations and Group risk appetite (which is defined and communicated by the Board).
- 9.4.2. Adopt any-share-based incentive arrangements operated by a Group member (“**Share Plans**”) and, where relevant, approve them to be recommended to shareholders
- 9.4.3. Make remuneration adjustments related to malus and clawback under the terms of any annual bonus plan, the Share Plans or other incentive arrangement operated by a Group member (“**Incentive Plans**”)
- 9.4.4. for Material Risk Takers, approve individual base salary changes or awards under the Incentive Plans, determine when such changes or awards will be made, and, having taken advice from the Board Chair on the level of award for the CEO and from the CEO on the level of award for the other Executive Directors, the individual awards to Executive Directors
- 9.4.5. In consultation with the Board Chair in relation to the CEO, determine the contractual terms of employment of the Executive Directors ensuring these are maintained in accordance with the requirements of the Code and SYSC 19G and are properly reflected in a signed contract

- 9.4.6. In determining the level and structure of remuneration for Executive Directors and other Material Risk Takers, take account of all relevant factors including relevant legal, regulatory and Code requirements, recommendations and associated guidance whilst seeking to attract, retain and motivate management of the quality required to run the Group successfully without paying more than is necessary, having regard to guidance from shareholders and other stakeholders
- 9.4.7. Determine key performance indicators (KPIs) and the targets for these KPIs (consistent with the Group's strategy, budget and individuals' personal objectives) for Incentive Plans applicable to Executive Directors and determine the outcomes under such Plans
- 9.4.8. Determine the fee level of the Board Chair having taken advice from the Executive Directors
- 9.4.9. Make proportionate risk adjustments when determining any employee's Incentive Plan awards where the Board's risk appetite (which is defined and communicated by the Board) has been exceeded or there have been breaches of other risk or compliance controls, having received any advice from the Board Chair, the Audit Committee, the Risk Committee and the Chief Risk Officer that the Committee may request
- 9.4.10. Ensure that any payments made on the termination of employment of an Executive Director or other Material Risk Taker are in accordance with contractual terms, relevant laws, SYSC 19G and regulations are fair to the individual and the Company, ensuring that failure is not rewarded and that the duty to mitigate loss is fully recognised
- 9.4.11. Ensure that any compensation decisions are sensitive to pay and employment conditions elsewhere in the Group, especially when determining annual salary increases;
- 9.4.12. Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity
- 9.4.13. Ensure the Committee consults with its principal shareholders about significant changes to remuneration policy, and monitors the voting of its principal shareholders on AGM remuneration resolutions
- 9.4.14. The exercise of any discretion under any of the Incentive Plans except those specifically delegated to the Chief Executive and/or the Chief People and External Affairs Officer
- 9.4.15. Establish the selection criteria, select, appoint and set the terms of reference for remuneration consultants who advise the Committee
- 9.4.16. Fulfil all other duties required of the Committee under the Incentive Plans
- 9.4.17. As required, review and approve the Company's compliance with policies overseen by the Committee, including any external disclosures relating to the policies.
- 9.5. Other duties having received the advice of the Chief Executive
 - 9.5.1. For all Incentive Plans, determine the individual awards to Material Risk Takers
 - 9.5.2. Approve the maximum aggregate increase in salaries for the year
 - 9.5.3. Approve the aggregate remuneration pool ensuring it is compliant with the Group's remuneration policy
 - 9.5.4. Approve the operation of any Business Growth Pool in accordance with the Group's remuneration policy and approving any use of the Business Growth Pool and all related documentation
 - 9.5.5. Approve all recruitment packages which are to be awarded to employees who are anticipated to be Material Risk Takers under applicable remuneration regulations in the first full year of employment
 - 9.5.6. Work and liaise as necessary with all other Board committees
 - 9.5.7. Oversee the implementation of the Company's remuneration policy and practices including:

- 9.5.7.1. at least annually, conducting a central and independent internal review of whether the Company's remuneration policies and practices are being appropriately implemented (or procuring that such a review is conducted);
 - 9.5.7.2. overseeing the practices and policies concerned with carried interest arrangements, in line with SYSC 19G (noting this is the only purpose where carried interest arrangements are considered remuneration); and
 - 9.5.7.3. overseeing any major changes in employee benefit plans.
- 9.6. Matters which are fully delegated to the Chief Executive and/or the Chief People and External Affairs Officer
- 9.6.1. Responsibility for all decisions on the following matters:
- 9.6.1.1. for those persons who are not determined to be Material Risk Takers under SYSC 19G and who are not direct reports of the Executive Directors, all decisions in relation to individual awards under the Incentive Plans; and
 - 9.6.1.2. for those persons who are determined to be Material Risk Takers under SYSC 19G or who are direct reports of the Executive Directors, decisions to give effect to the treatment of participants in the Incentive Plans leaving the Group in accordance with the stated rules of the relevant plan and the policy frameworks established by the Committee;
 - 9.6.1.3. the execution of award certificates and letters under the Omnibus Plan and the Deal Vintage Plan; and
 - 9.6.1.4. setting payment dates under the Deal Vintage Plan
- 9.6.2. responsibility for approving all recruitment packages which are to be awarded to employees who are not anticipated to be Material Risk Takers under SYSC 19G in the first full year of employment
- 9.6.3. For the avoidance of doubt, all decisions not specified above will be matters for the Committee
- 9.7. Matters which are fully delegated to the Chief Financial Officer
- Responsibility for the administration and hedging of awards under, and corporate tax issues relating to, the Share Plans
- 10. REPORTING RESPONSIBILITIES**
- 10.1. The Committee Chair will update the Board after each meeting on the nature and content of its discussion, recommendations and action to be taken.
- 10.2. The Committee will make whatever recommendations to the Board it deems appropriate on any area within its remit, where action or improvement is needed, and adequate time should be available for Board discussion when necessary
- 10.3. The Committee will provide a description of its work in the annual report in line with the requirements of the Code.
- 10.4. The Committee will ensure that:
- 10.4.1. the provisions regarding the disclosure of information set out in the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended from time to time) and the Code are fulfilled
 - 10.4.2. a report on the application of the Company's remuneration policy and practices relating to the remuneration of current and former directors of the Company (to be included in the Company's annual report) is produced each year

- 10.4.3. the report referred to in 10.4.2 is put to the Company's shareholders for approval at the AGM each year and
- 10.4.4. at least every three years, or more often as required by law, the Company's directors' remuneration policy is put to the Company's shareholders for approval at the AGM.
- 10.5. If the Committee has appointed remuneration consultants, the report referred to in 10.4.2 should identify such consultants and state whether they have any other connection with the Company.

11. OTHER MATTERS

- 11.1. The Committee will have access to sufficient resources to carry out its duties, including access to the Company secretariat for advice and assistance as required.
- 11.2. The Committee:
 - 11.2.1. may seek any information it requires from any employee of the Group in order to perform its duties;
 - 11.2.2. may call any employee of the Group to be questioned at a meeting of the Committee as and when required; and
 - 11.2.3. will have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.
- 11.3. The Committee will be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 11.4. The Committee is authorised to obtain, at the Company's expense, outside legal, human resources or other professional advice on any matters within its terms of reference.