IG Group

Group Remuneration Committee Terms of Reference

The Group Remuneration Committee (the "Committee") is a Committee of the Board of IG Group Holdings plc (the "Company"), the ultimate holding company and listed parent of the Group. The Committee derives its authority from the Board and regularly reports to it.

The Committee's authority is delegated by the Board of the Company pursuant to the Company's Articles of Association.

1 Duties

In undertaking its responsibilities, the Committee will be responsible for the preparation of decisions regarding remuneration to be taken by the Board and shall ensure that remuneration policies and practices support the Group's strategy and promote its long-term sustainable success. Any decisions shall be gender neutral and non-discriminatory, in line with the business strategy, objectives, corporate culture and values, and take into account the long-term interests of shareholders, investors, the workforce and other stakeholders in the Company and the public interest.

The Committee shall:

1.1 **Group Remuneration Policy and related policies**

1.1.1 Determine and review for adequacy and effectiveness, at least annually, of the Group Remuneration Policy.

1.1.2 Ensure the Group Remuneration Policy and remuneration practices are consistent with effective risk management across the Group and are gender neutral and non-discriminatory. The Group Remuneration Policy should enable the use of discretion to override formulaic outcomes and include provisions that would enable recovery and/or withholding of sums or share awards and specify the circumstances in which it would be appropriate to do so.

1.1.3 Review and approve the Group Risk Adjustment Policy, including the framework for in-year adjustments, malus and clawback.

1.1.4 Review and approve the Group Severance Pay Policy.

1.1.5 In reviewing the policies (paragraphs 1.1.1 to 1.1.4 above), take account of the input from the IG UK Holdings Limited ("IGUK") Remuneration Committee and, where appropriate, the relevant regulated entity boards regarding the applicable regulatory requirements.

1.2 **Directors' Remuneration Policy (DRP)**

1.2.1 Determine the framework for the remuneration of the Group Chief Executive, the Chair of the Board, and other Executive Directors (the Directors' Remuneration Policy) within the terms of the Directors' Remuneration Policy and the limits set out in the Articles of Association, the remuneration of the Non-Executive Directors shall be a matter for the Chair of the Board and the Executive Directors.

1.2.2 In determining the Directors' Remuneration Policy, take into account all factors deemed necessary, including pay and employment conditions across the Group, especially when determining annual salary increases. The objective, as it relates to Executive Directors, is to ensure they are provided with appropriate incentives to encourage enhanced performance and are rewarded fairly and responsibly for their individual contributions, having regard to the views of shareholders and other stakeholders.

1.2.3 Review the ongoing appropriateness and relevance of the Directors' Remuneration Policy for recommendation to the Board for approval. In accordance with the Company's intention to apply the UK statutory directors' remuneration reporting framework voluntarily, the Policy shall also be submitted to shareholders for advisory approval on substantially the same basis as if the framework applied directly to the Company.

1.2.4 Determine the policy for, and scope of, pension arrangements for each Executive Director, aligned with those available to the wider workforce where appropriate.

1.2.5 Review and approve the performance measures and targets applying to variable pay for Executive Directors and senior management.

1.3 **Remuneration Implementation**

1.3.1 Determine the total individual remuneration package and outcomes of the Chair, each Executive Director, the Company Secretary, and members of senior management (being the Group Executive Committee or the first layer of management below Board level), including bonuses, incentive payments, and share options or other share awards, within the terms of the agreed Directors' Remuneration Policy and in consultation with the Chair and/or Group Chief Executive Officer as appropriate.

1.3.2 Ensure that contractual terms 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.

1.3.3 Review and note remuneration trends across the Group annually.

1.3.4 Approve the Group variable remuneration pool(s) and the application of any risk adjustments to the pool(s) having considered the Group's performance, risk profile, financial position and future prospects including relevant input and recommendations from the IGUK Remuneration Committee and, where appropriate, any relevant regulated entity boards.

1.3.5 Determine the application of in-year adjustments, malus or clawback to individuals within this Committee's remit under the Group Risk Adjustment Policy.

1.3.6 Where an individual or remuneration matter falls within the remit of both the IGUK Remuneration Committee and this Committee, each committee shall consider the matter in accordance with its own responsibilities, and the committees shall coordinate their decision making as appropriate. Consideration or approval by one committee shall not replace any approval required by the other.

1.4 **Share Plans**

1.4.1 Review and ratify awards made to good leavers under the Group's Long-Term Incentive Plan (LTIP) or other long-term incentive plans the Company may operate, in accordance with criteria agreed by the Committee from time to time.

1.4.2 Monitor the Group's share incentive plan operation and determine, on an annual basis, whether awards will be made, the overall amount of such awards, individual awards to Executive Directors, and the applicable performance measures and targets.

1.4.3 Review the design of all new share incentive plans and significant changes to existing plans, for recommendation to the Board and, where required by the UK Listing Rules, to shareholders, for approval.

1.4.4 Keep under review a formal policy for in-employment and post-employment shareholding requirements, encompassing both unvested and vested shares.

1.5 **Advisers**

1.5.1 Be exclusively responsible for establishing the selection criteria, selecting, appointing, and setting the terms of reference for any remuneration consultants who advise the Committee; identify them in the Annual Report and state whether they have any other connection with the Group or individual Directors.

1.6 **Other**

1.6.1 Oversee any major changes in employee benefits structures throughout the Group.

1.6.2 Obtain reliable, up-to-date information about remuneration developments, industry guidance, and benchmarking with companies of comparable scale and complexity. The Committee shall have full authority to commission any reports or surveys it considers necessary.

1.6.3 Review workforce remuneration and related policies, and any feedback received on remuneration matters through the Company's workforce engagement mechanism and take this into account when setting executive remuneration policy.

2 Membership

2.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Group Nomination Committee in consultation with the Committee Chair.

2.2 The Committee shall be comprised of at least three independent Non-Executive Directors. The Chair of the Board may also serve as an additional member of the Committee if they were considered independent on appointment as Chair. The Chair of the Board shall not be Committee Chair.

2.3 No individual shall be involved in decisions relating to their own remuneration.

2.4 Committee members remain subject to the general duties of directors under Article 74 of the Companies (Jersey) Law 1991 in discharging this role, including the duty to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

2.5 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chair of the Board (if not a member of the Committee), the Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief People Officer, the Group Chief Risk Officer and external advisers may be invited to attend for all or part of any meeting when appropriate, provided that no individual shall be present when their own remuneration is being discussed.

2.6 The Board shall normally appoint a Committee Chair who has previously served on a remuneration committee for at least a year. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting.

3 Secretary

3.1 The Group Company Secretary ("Secretary") or their nominee shall act as Secretary of the Committee and attend all meetings. The Secretary will ensure that the Committee receives information and papers in a timely manner to enable full consideration to be given to all matters by the Committee.

4 Quorum

4.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present (in person or virtually) shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5 Conflicts of Interest

5.1 Each member of the Committee should consider whether they have any conflicts of interest prior to participating in meetings of the Committee and contributing to decisions.

6 Frequency of Meetings

6.1 The Committee shall meet at least four times a year and otherwise as required.

7 Notice of Meetings

7.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or by any of its members.

7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda with supporting papers, shall be sent to Committee members and any other attendees, in a timely manner before the date of the meeting, or as otherwise agreed with the Committee Chair. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

8 Minutes of Meetings

8.1 The Secretary shall minute the proceedings and decisions of all Committee meetings, including the names of those present and in attendance.

8.2 Draft minutes of Committee meetings shall be circulated to all members of the Committee in the next meeting pack. Once approved, minutes should be circulated to all other members of the Board and the Group Company Secretary unless a conflict of interest exists.

8.3 Where required due to urgency or expediency, a decision may be recorded and agreed by all the members of the Committee electronically by email and will be as effective as a resolution passed at a Committee meeting.

8.4 Minutes shall clearly distinguish matters relating to the Company's own governance responsibilities from reports, recommendations and other matters concerning the remuneration governance of the relevant regulated entities (e.g. IGUK, IG Europe GmbH, IG Bank SA).

9 Engagement with Shareholders

9.1 The Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility. In addition, the Committee Chair shall attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

9.2 The Committee shall review any feedback received from shareholders and proxy voting agencies on the Directors' Remuneration Policy and Remuneration Report and take this into account when reviewing the Directors' Remuneration Policy.

10 Reporting Responsibilities

10.1 The Committee Chair shall report to the Board after each meeting on the content of its discussion, recommendations and actions to be taken.

10.2 The Committee shall report to the Board on its work and shall provide a statement for the Company's Annual Report setting out the context in which major decisions on Directors' remuneration occurred and decisions have been taken. The report should be able to demonstrate to shareholders how executive remuneration is aligned to the Group's long-term strategic goals. Membership of the Committee and attendance shall also be noted in the Annual Report.

10.3 The Committee shall review and approve the Directors' Remuneration Report for inclusion in the Company's Annual Report. The Company intends to apply the UK statutory directors' remuneration reporting requirements voluntarily, to the extent that they do not apply directly to the Company, and to submit the Directors' Remuneration Report to shareholders for an advisory vote on an annual basis.

11 Authority

The Committee is authorised:

11.1 To investigate any activity within its terms of reference and to seek any information it requires from any employee of the Group to perform its duties. The Committee shall have access to all records of the Group and any relevant internal or external reports;

11.2 To obtain, at the Company's expense, outside legal or other independent professional advice on any matter within its terms of reference; and

11.3 To call any employee to attend a meeting and provide information to the Committee as and when required.

12 Other Matters

The Committee shall:

12.1 Have access to sufficient resources to carry out its duties, including access to the Group Company Secretary for advice and assistance as required;

12.2 Be provided with appropriate and timely training, both in the form of an induction and on an ongoing basis for all members;

12.3 Give due consideration to all applicable laws and regulations and any published guidelines or recommendations regarding the remuneration of directors, including but not limited to the Companies (Jersey) Law 1991, the UK Corporate Governance Code, the UK Listing Rules, and the Disclosure Guidance and Transparency Rules, as appropriate;

12.4 Monitor the progress of any relevant corporate governance or regulatory developments that may impact the Committee and recommend any action or changes it considers necessary to the Board for approval;

12.5 Work and liaise as necessary with all other Board committees, and with the IGUK Remuneration Committee and, where appropriate, the relevant regulated entity boards on matters of shared interest; and

12.6 At least annually, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any necessary changes to the Board for approval.