Directors’ Remuneration Report

The Remuneration Policy for Executive Directors

Following the recent announcement of our CEO succession, the regulatory and market changes to Executive Director Remuneration as well as our own growth and future ambition, we have reviewed our Policy a year earlier than our three-year review cycle.

This section describes the Remuneration Policy (the Policy) for Executive Directors. The current Remuneration policy was approved at the AGM on 9 May 2024 and formally came into effect from that date. It was intended that this Policy would last for three years, however as detailed in the Chair’s statement on pages 141-143, we have reviewed our Executive Director Remuneration policy and have brought this forward a year. This is following the announced CEO succession and the regulatory and market changes to Executive Director Remuneration.

It is intended that this new Policy will apply for three years from the date of approval. The Committee will consider annually how the Policy is operated to ensure it remains aligned with business strategy and regulatory requirements.

In determining the new Policy, the Committee has taken consideration of OSB’s strategic priorities, FTSE market practices, the new regulatory guidance in relation to remuneration that came into effect from October 2025 and our requirement to attract and retain talent to deliver our strategic objectives. The views of our shareholders on matters of remuneration are important to us and we have taken into account feedback in determining our proposals, through meaningful consultation with key shareholders and proxy agencies.

The Committee is satisfied that any conflicts of interests have been mitigated in the preparation of this policy.

Summary of Key Policy Changes

This table below sets out a summary of the key changes for the new 2026 Remuneration Policy, from that which was approved and set out in the 2024 Annual Report and Accounts.

Element	Summary of changes
Executive Director Bonus Scheme (Annual Bonus)	We are increasing the maximum bonus opportunity from 135% to 200% of salary. Despite the new regulatory minima being nil, we believe that deferral continues to be an important part of our annual bonus awards. The policy therefore requires that a minimum of 30% of any bonus earned will be deferred into shares which will be released over three years. This replaced the current approach of 50% deferral held of three years.
Performance Share Plan (LTIP)	We are increasing the maximum PSP award opportunity from 135% to 300% of salary. 75% of the award will vest after three years from the anniversary of the date of award and 25% will vest after year four. We note that this is more onerous than typical FTSE practice where 100% of LTIP awards normally vest after three years. We will also follow the expectations set out in the UK Corporate Governance Code such that both tranches will be held to year five from the date of award.
Minimum Shareholding requirement	This is increasing to 300% of salary for the CEO and CFO, from the existing requirements of 250% of salary for the CEO and 200% of salary for the CFO. The new policy will apply to new hires and the existing CFO. This change will not apply to our current CEO, Andy Golding. We will continue to apply a two year post-termination requirement in line with the current policy.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation and performance conditions	Maximum
Salary	To reward Executive Directors for their role and duties required. Recognises an individual's experience, responsibility and performance. **Alignment with workforce policies** Executive Directors salary increases are normally in line with or lower than the average of the workforce.	Paid monthly Base salaries are usually reviewed annually, with any changes usually effective from 1 April. Typically, no performance conditions apply to the payment of salary. However, when setting salaries, account is taken of an individual's specific role, duties, experience and contribution to the Company. As part of the salary review process, the Committee takes account of individual and corporate performance, increases provided to the wider workforce and the external market for UK listed companies both in the financial services sector and across all sectors.	Increases will generally be broadly in line with or below the average of the UK workforce (as a percentage of salary). Higher increases may be awarded in exceptional circumstances such as, but not limited to, a material increase in the scope of the role, following the appointment of a new Executive Director (which could also include internal promotions), to bring a below-market package in line with the market over time or in response to market factors, or higher than typical individual performance.
Benefits	To provide market competitive benefits to ensure the wellbeing of employees. **Alignment with workforce policies** Benefits are structured generally in line with the wider workforce and are market competitive.	The Company currently provides: • car allowance • life assurance • income protection • private medical insurance • expatriate allowance • other benefits as appropriate for the role	There is no maximum cap on benefits, as the cost of benefits may vary according to the external market
Pension	To provide a contribution to retirement planning **Alignment with workforce policies** Pension contribution rates for Executive Directors are the same as for most of the workforce.	Executive Directors may participate in a defined contribution plan or, if they are in excess of the HMRC annual or lifetime allowances for contributions, may elect to receive cash in lieu of all or some of such benefit	In line with the rate received by the majority of the workforce, which is currently 8% of salary

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation and performance conditions	Maximum
Executive Director Bonus Scheme (Annual Bonus)	To incentivise and reward individuals for the achievement of pre-defined, Committee-approved, annual financial, operational and individual objectives which are closely linked to the corporate strategy **Alignment with workforce policies** The majority of our workforce participate in an annual bonus plan, with performance metrics aligned to business performance and individual KPIs Senior employees are required to defer a portion of their bonus into shares	Performance measures will be set based on a Scorecard that is a combination of Financial and Non-Financial measures. At least 50% of the bonus will be based on financial performance with the remainder based on non-financial measures which will typically include personal and strategic performance targets relevant to the performance period. The objectives in the Scorecard, and the weightings on each element, will be set annually and may be flexed according to individual roles and priorities. Each element will be assessed independently, but with Committee discretion to vary the payout (including to zero) to ensure there is a strong link between payout and performance. The Bonus outcome also has a risk underpin if the Committee believes an adjustment of the outcome is appropriate. There is also a general discretion to adjust the outcome to reflect other exceptional factors at the discretion of the Committee. Normally, at least 30% of any bonus earned will be delivered in shares, which are required to be held for up to three years. Awards will be structured in order to meet regulatory requirements, which in some circumstances may require a higher proportion of bonus to be paid in shares, deferral over a longer period, or the use of additional holding periods. Malus and clawback provisions apply, as described in note 1 on page 150.	The maximum bonus opportunity in any financial year will increase to 200% of salary. The departing CEO will remain on 110% of salary (against the previous policy maximum of 135% of salary) The threshold level for payment is 25% of maximum for any quantitative measure

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation and performance conditions	Maximum
Performance Share Plan	To incentivise and recognise execution of the business strategy over the longer-term Rewards strong financial, share, risk and ESG performance over a sustained period **Alignment with workforce policies** Only the most senior individuals participate in the PSP promoting longer-term performance and aligning them to shareholders' interests	PSP awards will typically be made annually at the discretion of the Committee, usually following the announcement of full-year results. Usually, awards will be based on a mixture of internal financial performance targets, risk-based measures, ESG measures and relative TSR. At least 50% of the total PSP award will ordinarily be based on financial and relative TSR metrics. The performance targets will usually be measured over three years Any vesting will be subject to an underpin, whereby the Committee must be satisfied that: (i) the vesting reflects the underlying performance of the Company; (ii) the business has operated within the Board's risk appetite framework; and (iii) individual conduct has been satisfactory. There is also a general discretion to adjust the outcome to reflect other exceptional factors at the discretion of the Committee. Updated regulations have allowed the Committee to align the delivery of awards more closely to typical pay structures for Executive Directors of other UK listed companies. Awards will vest in line with regulatory requirements, which require 75% of the award granted to vest after three years and the remaining 25% to vest in year four. Both tranches of awards will be subject to a holding period bringing the total time from grant to release to five years. These changes will apply to both historic and future awards. The PSP awards will accrue dividend equivalents over the vesting period and these will be paid as soon as practicable after the relevant date of vesting. Malus and clawback provisions apply as described in note 1 on page 150.	The maximum PSP opportunity will, in any year, be 300% of salary The departing CEO will remain on 110% of salary (against the previous policy maximum of 135% of salary) The threshold level for payment is 25% of maximum for any quantitative measure

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation and performance conditions	Maximum
All-employee share plan (e.g. Sharesave Plan)	All employees, including Executive Directors, are encouraged to become shareholders through an all-employee share plan	A tax-favoured plan under which regular monthly savings may be made over a three-year period. These savings can then be used to fund the exercise of an option at the end of the three-year period, where the exercise price is discounted by up to 20%. Executive Directors may also participate in other all-employee HMRC-approved share plans should they be introduced by OSB Group in the future.	Maximum permitted savings based on HMRC limits
Share ownership guidelines	To increase alignment between Executive Directors and shareholders **Alignment with workforce policies** Shareholding requirements are only in place for the most senior employees to strengthen the alignment of their interests with those of our shareholders	Executive Directors are expected to build and maintain a minimum holding of OSB Group shares. Executive Directors must retain at least 50% of the shares acquired on vesting of any share awards (net of tax) until the required holding is attained. On cessation of employment, Executive Directors must retain the lower of the in-service shareholding requirement, or the Executive Directors' actual shareholding, for two years.	At least 300% of salary for new Executive Directors/the current CFO or such higher level as the Committee may determine from time to time. For the departing CEO, the current policy maximum of 250% of salary will remain The net of tax value of any unvested deferred awards (which are not subject to any future performance condition) may count towards the definition of a shareholding for this purpose

1. Malus and clawback provisions apply to both the annual bonus, including amounts deferred into shares, and PSP awards. These provide for the recovery of incentive payments within seven years from grant in the event of: (i) a material misstatement of results; (ii) an error; (iii) a significant failure of risk management; (iv) regulatory censure; (v) in instances of individual gross misconduct; (vi) corporate failure; (vii) reputational damage; or (viii) any other exceptional circumstance as determined by the Board. A further three years may be applied following such a discovery in order to allow for the investigation of any such event. In order to affect any such clawback, the Committee may use a variety of methods: withhold deferred bonus shares, future PSP awards or cash bonuses, or seek to recoup cash or shares already paid.

Choice of performance measures for Executive Directors' awards to deliver our Strategy

The Group uses a Scorecard to support its annual bonus which incorporates both financial and non-financial business drivers across the Group. The combination of performance measures ties the Bonus outcome to the balanced delivery of corporate targets, risk measures and personal/strategic objectives.

The Committee sets the threshold, target and stretch limits and reviews the measures used in the Scorecard annually, to ensure they continue to be relevant and remain anchored to the corporate plan and strategic objectives.

The PSP incorporates measures of shareholder, financial and non-financial performance, in line with our key objectives of sustained growth in earnings leading to the creation of shareholder value over the long-term with appropriate consideration of risk and ESG performance.

Relative TSR provides close alignment between the relative returns experienced by our shareholders and the rewards to Executive Directors.

There is an underpin for the PSP to ensure payouts are aligned with underlying performance, financial and non-financial risk and individual conduct.

Bonus and PSP targets are set taking into account the business plan, shareholders' expectations, the external market and regulatory requirements.

In line with HMRC regulations for such schemes, the Sharesave Plan does not operate performance conditions.

Remuneration Policy for other employees

The Committee has regard to pay structures across the Group when setting the Policy for Executive Directors and ensures that policies at and below the Executive Director level are coherent. There are no significant differences in the overall remuneration philosophy, although pay is generally more variable and linked more to the long-term for those at more senior levels. The Committee's primary reference point for the salary reviews for the Executive Directors is the average salary increase for the UK workforce, with the expectation that increases for Executive Directors will, other than in exceptional circumstances, be at or below the increase for the UK workforce (as a percentage of salary).

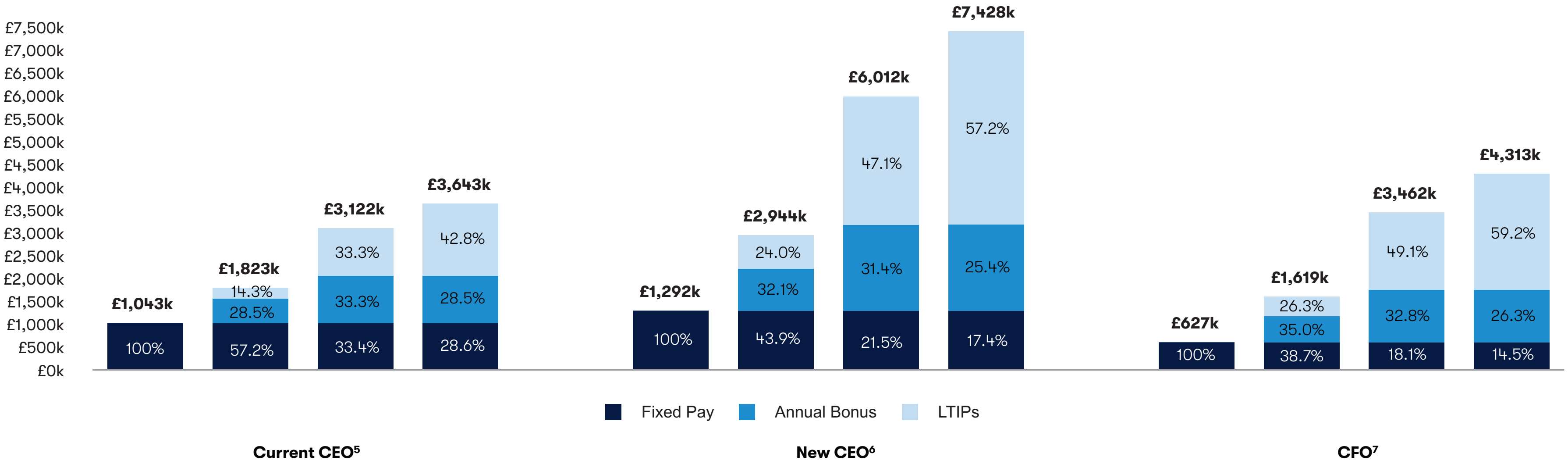
Overall, the Policy for the Executive Directors is more heavily weighted towards performance-related pay than for other employees. In particular, performance-related long-term incentives are not provided outside the most senior management population as they are reserved for those considered to have the greatest potential to influence overall performance.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Illustration of application of Remuneration Policy

The chart below illustrates how the composition of the Executive Directors' remuneration packages would vary under various performance scenarios, based on the intended implementation in 2026.



1. Minimum performance assumes no award is earned under the bonus and no vesting is achieved under the PSP – only fixed pay (salary, benefits and pension are payable and expatriate allowance for new CEO).
2. At on-target, half of the bonus is earned and 25% of maximum is achieved under the PSP.
3. At maximum, full vesting is achieved under both the bonus and PSP (i.e. 200% of salary under the bonus and 300% PSP for current Executive Directors).
4. At maximum, but illustrating the effect of a 50% increase in the share price on PSP awards.
5. Current CEO illustration are based on current CEO salary of £944,719 and additional fixed remuneration of 8% (of salary) pension, plus car allowance of £20,000 and £2,000 medical benefits totalling £1,042,297 and existing annual bonus and LTIP maximums of 110% of salary.
6. New CEO illustration based on new CEO salary of £944,000 and additional fixed remuneration of a fixed time bound expatriate allowance of £250,000 per annum, 8% (of salary) pension, £20,000 car allowance and £2,000 medical benefits totalling £1,291,520, annual bonus maximum of 200% of salary and LTIP maximum of 300% of salary
7. CFO illustration based on CFO salary of £566,500, and additional fixed remuneration of 8% (of salary) pension, plus car allowance of £15,000 and £2,000 medical benefits totalling £627,000, annual bonus maximum of 200% of salary and LTIP maximum of 300% of salary.

Other than as noted in the chart above, share price growth and all-employee share plan participation are not considered in these scenarios.

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

The terms and provisions that relate to remuneration in the Executive Directors’ service agreements are set out below. Service contracts are available for inspection at the Company’s registered office.

Provision	Policy
Notice period	12 months on either side
Termination payments	A payment in lieu of notice may be made on termination to the value of the Executive Director’s basic salary at the time of termination. Such payments may be made in instalments and in such circumstances can be reduced to the extent that the Executive Director mitigates their loss. Rights to Deferred Share Bonus Plan and PSP awards on termination are shown below. The employment of each Executive Director is terminable with immediate effect without notice in certain circumstances, including gross misconduct, fraud or financial dishonesty, bankruptcy or material breach of obligations under their service agreements
Remuneration	Salary, pension and core benefits are specified in the agreements. There is no contractual right to participate in the bonus or to receive long-term incentive awards
Post-termination	These include six months’ post-termination restrictive covenants against competing with the Group; nine months’ restrictive covenants against dealing with clients or suppliers of the Group; and nine months’ restrictive covenants against soliciting clients, suppliers and key employees
Contract date	Andy Golding: 12 February 2020, Victoria Hyde: 22 July 2024

Approach to Recruitment and Promotions for Executive Directors

The remuneration package for a new Executive Director would be set in accordance with the terms of the Group approved Policy.

On recruitment, the salary may (but need not necessarily) be set lower than the relevant current Executive Director, with phased increases (which may be above the average increase for the wider employee population) as the new Executive Director gains experience. The salary would in all cases be set to reflect the individual’s experience and skills and the scope of the role. Bonus and PSP awards will be in line with the approved Policy.

The Committee will, in agreeing any package consider the incoming Executive Director’s skills and experience, the departing Executive Director’s remuneration package, the remuneration package at their former employer and relevant market practice for similar roles.The Group may take into account and compensate for remuneration foregone upon leaving a previous employer using cash awards, the Group’s share plans, or awards under Listing Rule 9.3.2(2). This would include taking into account: the quantum foregone; the extent to which performance conditions apply; the form of award; and the time left to vesting. These would be structured in line with any regulatory requirements (such as the PRA Rulebook).

For all appointments, the Committee may agree that the Group will meet certain appropriate relocation costs.

For an internal appointment, including the situation where an Executive Director is appointed following corporate activity, any variable pay earnt whilst in their prior role would pay out according to its terms.

Should an individual be appointed to a role (Executive or Non-Executive) on an interim basis, the Company may provide additional remuneration, in line with the Policy, for the specific role for the duration the individual holds the interim role.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

The Remuneration Policy for Chair of the Board and Independent Non-Executive Directors

Element	Purpose and link to strategy	Operation and performance conditions	Maximum
Fees	To attract and retain a high-calibre Chair of the Board and INEDs by offering a market competitive fee	The Chair of the Board and INEDs are entitled to an annual fee, with supplementary fees payable for additional responsibilities including being the Chair or member of the Group Audit, Group Nomination and Governance, Group Remuneration and People, and Group Risk Committees and for acting as the SID. Fees are reviewed periodically and there are no performance conditions. The Chair of the Board and INEDs are entitled to reimbursement of travel and other reasonable expenses incurred in the performance of their duties.	There is no prescribed maximum annual increase. The Committee is guided by the general increase in the non-executive market but on occasion may need to recognise, for example, change in responsibility and/or time commitments

Letters of appointment

Letters of appointment set out the duties and responsibilities of INEDs. The key terms are:

Provision	Policy
Period of appointment	Initial three-year term, subject to annual re-election by shareholders. On expiry of the initial term and subject to the needs of the Board, INEDs may be invited to serve a further three years. Beyond nine years, INEDs will be appointed at the discretion of the Group Nomination and Governance Committee
Notice periods	Three months on either side. Terminable with immediate effect and without compensation or payment in lieu of notice if the Chair of Boards or INEDs are not elected or re-elected to their position as a Director of the Company by shareholders
Payment in lieu of notice	The Company is entitled to make a payment in lieu of notice on termination

Letters of appointment are available for inspection at the Company's registered office. The effective dates of the current INEDs' appointments are shown on pages 105-106.

Approach to Recruitment of a new Chair of the Board or INED

For the appointment of a new Chair or NED, the fee arrangement would be in accordance with the approved Policy in force at that time.

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

How we will implement the Remuneration Policy for Directors in 2026

The proposed operation is summarised below.

Fixed Pay

The current CEO and CFO will receive a salary increase of 3% from 1 April 2026 in line with an average increase being applied to the wider workforce, bringing their salaries to £944,719 and £566,500. The salary for the new CEO has been set in line with the current CEO at £944,000. In addition as noted earlier in the report, the new CEO will also receive an expatriate allowance of £250,000 per annum for 2026.

Annual Bonus

The 2026 annual bonus will be subject to a maximum limit of 200% of salary. This will apply to the new CEO and the CFO. For the new CEO this will be pro-rated based on the proportion of the period worked.

The leaving date and terms of the current CEO are still being confirmed, however any annual bonus in respect of 2026 will This change will not be applied to the departing CEO, whose bonus opportunity will remain at 110% of salary (against the actual existing Policy maximum of 135% of salary), pro-rated based on the proportion of the period worked.

30% of the 2026 annual bonus will be deferred, with shares required to be held for up to three years.

The 2026 Scorecard, as set out in the table below will be based 60% on financial measures and 40% on non-financial measures, with a measure on individual objectives now included within the Scorecard.

The non-financial element will remain based on a range of KPIs and include an individual element.

The individual assessment previously sat outside the non-financial scorecard. The Committee will assess the non-financial measures with a qualitative assessment at the year end based on measurable progress made against these priorities, as well as a range of key KPIs.

The Scorecard is marked out of 100%. Total bonus is calculated by combining the resulting performance of each individual measure, based on the relevant percentage each represents of the total bonus opportunity.

For FY26, the CEO and CFO will each have 10% of their maximum bonus allocated to individual objectives.

Objectives have been set based on a set of robust strategic and individual priorities for the Executive Directors. Both the CEO and CFO will be measured on (i) developing and nurturing the Group’s reputation with key external stakeholders; and (ii) supporting a seamless transition from the existing CEO to the new CEO.

For the CEO, he will also be measured on (i) leading a high-performing leadership team with credible succession in place; and (ii) ensuring that the Board and all colleagues are clear and confident on the continued delivery of strategic priorities.

For the CFO, she will also be measured on (i) leading a Finance function that drives the business and supports a relentless focus on the Financial plan; (ii) leading to ensure the regulatory and control agenda is delivered to a high quality; and (iii) leading successful Treasury and Investor Relations functions.

2026 Balanced Business Scorecard

	Performance Area	Primary Stakeholders	KPI/Measure	Weighting
Financial	Profitability	Shareholders	RoTE	22.5%
	Profitability	Shareholders	Profit Before Tax	22.5%
	Cost Management	Shareholders	Cost Delivery	12.0%
	Growth	Shareholders	Net Loan Book Growth	3.0%
Total Financial				60.0%
Satisfaction	Customer & Broker Satisfaction	Customers, Brokers & Regulators	Qualitative Assessment against progress & key KPIs	5.0%
Risk, Quality & Control	Risk, Quality, Control & Audit outcomes	Regulators & Shareholders	Qualitative Assessment against progress & key KPIs	5.0%
Transformation	Transformation Outcomes	Shareholder, Customers & Brokers	Qualitative Assessment against progress & key KPIs	10.0%
Data	Data Outcomes	Customer & Regulators	Qualitative Assessment against progress & key KPIs	5.0%
People	People Outcomes	Employees	Qualitative Assessment against progress & key KPIs	5.0%
Personal	Individual Outcomes	All	Qualitative Assessment against progress & key KPIs	10.0%
Total Non-Financial				40.0%

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Performance Share Plan

A PSP award of 300% of salary will be made for the current CFO shortly after the 2026 AGM.

The leaving date and terms of the current CEO are still being confirmed, however any PSP award in 2026 will be in line with the existing Policy limit at 110% of salary (against the actual existing Policy maximum of 135% of salary), pro-rated based on the proportion of the period worked.

For the new CEO, a PSP award of 300% of salary will be made shortly after his relevant start date.

The number of shares will be determined based on the average closing price over the three dealing days prior to the date of grant.

Performance will be measured over the three-year period to 31 December 2028. Awards will vest in line with regulatory requirements, which require 75% to vest after three years, and the remaining 25% to vest in year four. Both tranches of awards will be subject to a holding period bringing the total time from grant to release to five years.

The PSP award will attract dividend equivalents which will accrue over the vesting period.

For the 2026 grant, the performance metrics and weightings are detailed in the table below. The metrics and weightings provide a balanced assessment of corporate performance over the three-year period taking into account financial, share price and non-financial metrics.

A discretionary assessment at the time of vesting ensures that awards are granted in line with underlying performance, risk appetite and individual conduct over the period.

The target ranges for RoTE and Relative TSR have been carefully set by the Committee taking into account a number of factors, including those set out below, which will influence the outlook for our business performance over the three years to 31 December 2028.

In particular, the Committee has noted the significant factors impacting the approach to target-setting this year:

- Business plan for the next three years
- Investor expectations
- Employee motivation

The Committee is cognisant of the need for targets to be appropriately stretching, particularly given the increased weighting being placed on variable pay in the proposed Policy and we are comfortable that these targets provide a strong link between reward and performance delivered and are at least as stretching as target ranges in prior years.

As evidenced by our incentive payment levels in recent years, which have been well below the maximum and below many of our competitors who have delivered a similar level of performance, we have a strong track record of setting stretching targets and this is the case again this year.

Metrics[1]	Weighting	Threshold (25% of maximum)	Stretch (100% of maximum)	Rationale
RoTE (3 year average)	37.5%	13.0%	15.0%	Measures the sustainable financial performance and financial efficiency of the business
Relative TSR versus FTSE 250	37.5%	Median	Upper quartile	Measures the success of the Company versus other listed companies
Risk (Non-Financial)	15.0%	Discretionary assessment	Discretionary assessment	Qualitative Assessment of risk management of our business (see below)
ESG	10.0%	Discretionary assessment	Discretionary assessment	Measures the progress against our ESG strategy (see below)
Total	100.0%			

1. Key performance indicators (see pages 25- 27). No vesting below threshold and pro-rata vesting between threshold and stretch.

Risk metric (Non-financial)

For the risk-based measure, the Committee will assess the risk management performance with regard to all relevant risks including, but not limited to an assessment of regulatory risk, operational (incl. people) risk, conduct risk, liquidity risk, funding risk, marketing risk and credit risk. There will be a full retrospective disclosure of the Committee’s assessment. To support this assessment, the Group CRO will prepare an annual report for each year of the performance period, together with and a summary report after year three, with each report endorsed by the Chair of the Group Risk Committee.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

ESG metric (Non-Financial)

The ESG performance will be determined based on the Committee's assessment of progress against the ESG strategy which will be informed by performance against key employees and environmental metrics. The metrics and the targets are summarised below.

ESG metric	2028 target
Scope 1 and 2 emissions	71.4% reduction from the Group's 2022 baseline, in line with our 2030 external emissions reduction target
Scope 3 emissions	16% reduction in Scope 3 Category 15 carbon intensity (tCO_2e/M^2) from the mortgage loan book versus the Group's 2022 baseline, in line with our 2030 external emissions reduction target
Gender diversity	40% of senior roles who identify as female
Ethnicity diversity	14% of senior roles who identify as being from an ethnically diverse background in line with Parker Review recommendations
Employee engagement score	696.5 score in our annual 'Best Companies Survey' for UK employees (equivalent to an 'Outstanding' rating) and a score of 83 in our annual 'Great Place to Work' Survey for employees of OSB India (or a similarly stretching score if an alternative method is used to assess employee engagement over the period)

Chair of the Board and Independent Non-Executive Director fees

The fees for the Chair of the Board and INEDs were reviewed by the Committee for the Board Chair and by the Board (minus the INEDs) for the INEDs. In line with the wider workforce average, an increase of 3% (rounded) will be applied across all fees with effect from 1 April 2026.

Base fees	£'000
Chair of the Board[1]	367.6
Independent Non-Executive Director	89.1
Senior Independent Director	22.2
ESG Champion	8.3

Additional Board Committee fees	Chair £'000	Member £'000
Group Nomination and Governance Committee		5.6
Group Audit Committee	33.4	8.3
Group Remuneration and People Committee	33.4	8.3
Group Risk Committee	33.4	8.3
Group Models and Ratings Committee	11.1	5.6

1. The Chair of the Board's fee is inclusive of all duties; no additional Chair or Member fees are paid in relation to Board Committees.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

This section outlines details of the remuneration received by Executive Directors and INEDs in respect of the financial year ended 31 December 2025. This annual Directors' Remuneration Report (the 'Report') will, in conjunction with the Annual Statement of the Committee Chair on pages 141-145, be proposed for an advisory vote by shareholders at the forthcoming AGM to be held on 7 May 2026.

Where required, data provided has been audited by Deloitte, as indicated throughout the Report.

Key matters considered by the Committee in 2025

Key issues reviewed and discussed by the Committee during the year included:

- Review and approval of 2024 bonus awards
- Considering and recommending the Directors' Remuneration Report to the Board for approval
- Review and approval of 2025 salary increases
- Approval of the 2025 personal objectives for the CEO, CFO and Group Executive Committee
- Determining the 2025 grants under the PSP, in particular in light of the share price at the time of grant and whether to use a discounted share price at grant to reflect the lack of dividend accruing on the award
- Updates on the performance of the 2025 Bonus Scorecard and in-flight PSP awards
- Review of pay arrangements across the Group
- Remuneration arrangements for the new CIO and COO
- Review of the Directors' Remuneration Policy for presentation to shareholders at the 2026 AGM
- Annual review of the costs and performance of the Committee's independent remuneration adviser
- Considering and recommending the People and Culture Strategy and the DE&I Strategy
- Other business as usual matters for employees under the Committee's scope

Advisers to the Committee

Korn Ferry provided independent advice to the Committee during 2025, having been appointed following a competitive tender process in 2017. The total fees relating to work for the Committee paid to Korn Ferry in respect of Directors Remuneration for 2025 were £127,698 (plus VAT) and were charged on a time and materials basis.

Korn Ferry has no other connection with the Company or any individual Director. Korn Ferry is a member of the Remuneration Consultants' Group and abides by the voluntary code of conduct of that body, which is designed to ensure that objective and independent advice is given to remuneration committees. The Committee is satisfied that Korn Ferry provides objective and independent advice.

Other Committee input

The Committee consults with the CEO (as appropriate) and seeks input from the Chair of the Group Risk Committee to ensure that any remuneration or pay scheme reflects the Company's risk appetite and profile and considers current and potential future risks.

The Committee also receives input on senior management remuneration from the CEO, CFO, CPO and the Reward Director. The Company Secretary (or their nominee) acts as Secretary to the Committee and advises on regulatory and technical matters, ensuring that the Committee fulfils its duties under its terms of reference. No individual is present in discussions directly relating to their own pay.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Directors' pay outcomes for 2025

Remuneration and fees payable for 2025 – (audited)

These tables below sets out the total remuneration received by each Executive Director and INED for the years ending 31 December 2025 and 31 December 2024.

Executive Directors	Year	Basic salary £'000	Taxable benefits[2] £'000	Pension[3] £'000	Annual bonus paid[4] £'000	Amount bonus deferred[4] £'000	PSP[5,6] £'000	Total fixed pay £'000	Total variable pay £'000	Total £'000
Andy Golding	**2025**	**917**	**22**	**73**	**339**	**339**	**566**	**1,012**	**1,244**	**2,256**
	2024	910	22	73	270	270	257	1,005	797	1,802
Victoria Hyde[1]	**2025**	**550**	**17**	**53**	**203**	**203**	**212**	**620**	**619**	**1,239**
	2024	244	7	13	64	64	–	264	128	392

1. Victoria Hyde was appointed on 22 July 2024. Remuneration shown is from date of appointment for services as a Director. The pension contribution paid was based on her previous salary before her appointment as a Director in 2024 for the entirety of 2024. An additional remedying pension payment to make her good for the underpayment since her appointment as a Director was made in March 2025 and is included in this year's Directors' Remuneration Report.
2. Taxable benefits received include car allowance (CEO: £20,000; CFO: £15,000) and private medical cover.
3. Executive Directors currently receive pension contributions (or cash in lieu thereof) of 8% of salary, which is in line with the majority of the workforce.
4. 50% of the bonus is payable in cash and 50% in shares deferred for three years in line with current policy.
5. The PSP figure for the year ended 31 December 2024 has been restated based on the share price on vesting of £4.49 for the 2022 PSP.
6. The PSP figure for the year ended 31 December 2025 has been valued using the fourth quarter average share price of £5.67. The value will be restated in next year's report based on the actual share price on vesting for the 2023 PSP.
7. Whilst there was no salary increase in 2025, the year on year variance relates to the timing of the April 2024 salary increase, which only applied to 9 months of the reported period and is shown in 2025 as a full year amount

Total fees £'000	2025	2024
Chair		
David Weymouth	**356.9**	356.9
Independent Non-Executive Directors		
Kal Atwal[1]	**104.8**	102.7
Henry Daubeney[2]	**125.7**	55.9
Noël Harwerth[3]	**132.5**	137.9
Sarah Hedger[4]	**47.2**	132.5
Gareth Hoskin[5]	**92.6**	–
Sally Jones-Evans[6]	**93.4**	–
Rajan Kapoor[7]	**102.4**	140.6
Simon Walker[8]	**137.9**	137.9
Total	**1,193.4**	1,064.4

INEDs cannot participate in any of the Company's share schemes and are not eligible to join the Company pension scheme.

1. Kal Atwal received £0 (2024 £0) for taxable travel expenses; total payments received £104,770 (2024: £102,742).
2. Henry Daubeney received £0 (2024 £0) for taxable travel expenses; total payments received £125,738 (2024: £55,875).
3. Noël Harwerth received £1,260 (2024: £1,839) for taxable travel expenses; total payments received £133,743 (2024: £139,730).
4. Sarah Hedger received £0 (2024: £149.00) for taxable travel expenses; total payments received £47,219 (2024: £132,633).
5. Gareth Hoskin was appointed on 1 April 2025. He received £941 taxable travel expenses; total payments received £93,224.
6. Sally Jones-Evans was appointed on 1 April 2025. She received £3,279 taxable travel expenses; total payments received £96,679.
7. Rajan Kapoor received £0 (2024: £632.15) for taxable travel expenses; total payments received £102,382 (2024: £141.277).
8. Simon Walker received £0 (2024 £0) for taxable travel expenses; total payments received £137,891 (2024: £137,891).

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Executive Director bonus scheme 2025

The Group delivered a strong performance across the Balanced Business Scorecard (the ‘Scorecard’), with performance exceeding target for the Financial and Non-Financial segments recognising our progress and achievements in these two areas. As an underpin, the Committee also considers whether the Scorecard’s formulaic outcome reflects the Group’s underlying performance, risk appetite and profile, and considers current and potential future risks. For 2025 we moved to a qualitative assessment for the non-financial metrics and ensured that we incorporated our key strategic priorities which allows both Management and the Committee to give a more well-rounded assessment on how the Group has performed. These were purposely set at a very stretching and ambitious level given the extent to which we wanted to progress some of our strategic objectives.

The bonus payout under the Scorecard is 65.76%. For the CEO and the CFO, this represents 90% of their total bonus outcome. The remaining 10% is based on the achievement of stretching personal objectives. Performance against personal objectives were considered by the Board and Committee to be very strong. This resulted in a payout of 8% out of 10% on this element for both the CEO and CFO.

Total payouts under the 2025 Executive Directors’ Bonus Scheme are therefore 67.18% of maximum opportunity for the CEO and CFO. The Committee believes that these payouts are appropriate, reflecting the underlying performance of the Group. The Committee considered these outcomes and does not believe that discretion is required. The bonus is paid half in cash and half in shares, with the shares held for three years in line with current regulatory requirements.

Performance against the 2025 Scorecard is set out below:

			Targets[1]				
Category	**Key performance indicator**	**Weighting**	**Threshold (25%)**	**Budget (50%)**	**Stretch (100%)**	**Actual FY25**	**Outcome for CEO /CFO**
Financial (65%)	PBT (£m)	22.5%	£339m	£377m	£415m	£383m	12.88%
	All-in RoTE (%)	22.5%	12.1%	13.4%	14.7%	13.7%	13.85%
	Cost Delivery (£m)	12.5%	£280m	£270m	£260m	£270.1m	6.22%
	Net loan book growth (%)	7.5%	–%	1.5%	4.0%	3.2%	6.30%
Non-Financial (35%)	Customer and Broker Satisfaction Outcomes	7.5%	Satisfactory Progress	Met Expectations	Significantly Exceeded Expectations	75.0%	5.63%
	Risk, Quality, Control & Audit Outcomes	7.5%	Satisfactory Progress	Met Expectations	Significantly Exceeded Expectations	80.0%	6.00%
	Modernisation Outcomes	10.0%	Satisfactory Progress	Met Expectations	Significantly Exceeded Expectations	75.0%	7.50%
	Data Outcomes	5.0%	Satisfactory Progress	Met Expectations	Significantly Exceeded Expectations	67.5%	3.38%
	People Outcomes	5.0%	Satisfactory Progress	Met Expectations	Significantly Exceeded Expectations	80.0%	4.00%
Sub-total for Scorecard only		100.0%					65.76%
Scorecard contribution to bonus outcome		90%[2]					59.18%
Personal contribution to bonus outcome		10%[2]					8.00%
Total payout as a % of maximum opportunity							67.18%

1. Targets – based on a sliding scale between Threshold (25% of maximum) and Stretch (100% of maximum).
2. The personal objectives percentage is 10% for the CEO and CFO. The Scorecard percentage is 90% for the CEO and CFO.

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

2025 personal performance

The Executive Directors could earn up to a maximum of 10% of their bonus based on their performance against agreed personal objectives.

The objectives for 2025 were built around strategic priorities (as identified in our 2024 Annual Report) and cultural indicators. Performance against these objectives for the Executive Directors was considered to be very strong, with the delivery of key objectives in a challenging and uncertain year.

The objectives set at the start of the year and the Committee’s assessment of performance against them are set out below:

	Objectives	Key achievements
CEO	Lead a high-performing ExCo leadership team with robust succession in place to ensure effective delivery against our strategic objectives	• Led a high-performing ExCo leadership team across 2025 • Successful onboarding of new CIO, succession of COO and Group Commercial Director • Other senior restructuring at the ExCo minus one level
	Ensure Board and all colleagues are clear and confident on the strategic priorities and longer-term strategy development	• Significantly improved communication and senior visibility across OSB and despite significant cost reduction/restructuring programmes broadly maintaining Engagement scores • Strategic priorities developed for 2025 and communicated widely and used to frame agenda and delivery and ensure stronger focus than in prior years
	Develop and nurture OSB’s reputation with external stakeholders	• Regulators – relationships have been strengthened and improved with our supervising bodies • Shareholders – Initiatives to include Investor day established confidence with investors through delivery of guidance (and delivery against that guidance). Investor buy in to the medium and long-term transformation investment case, noting the significant increase in share price over the year
CFO	Develop and nurture OSB’s reputation with external stakeholders	• Contributed significantly to developing and nurturing our reputation with external stakeholders – to include regulators and shareholders • Led our Investor day which has helped established confidence with investors through delivery of guidance (and delivery against that guidance)
	Transform Finance into a leading finance function and deliver excellence in BAU	• Transformation of Finance into a leading finance function has been a key part in ensuring that above target delivery against financial plan • Driven a number of cost-saving opportunities across the Group and driven forward the operating model transformation
	Support building the Group’s single source of data and lead on building data-led insights	• Constructed the proposal around the central analytics team and co-ordinated much of the data section for Board strategy • Significant improvement on analytics across lending, saving and credit compared to previous with further evolution expected
	Support the Group’s transformation agenda	• Held team to account to ensure we delivered to scope and cost, and supported and challenged throughout the year • Delivered on Finance requirements for transformation in support of the delivery play (e.g. lendings, savings etc.)
	Lead high-performing Treasury and Investor Relations functions	• Commencement of improving the profile and presence of Treasury across the organisation through visible leadership of funding and hedging optimisation and delivery • Supported capital markets strategies and successfully planning the succession activities to include appointment of a new Group Treasurer and Head of Capital Markets

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Long-term incentive plan (audited)

The 2023 Awards under the PSP were based on performance over the three-year period which ended on 31 December 2025. Performance was based 35% on EPS growth; 35% on TSR versus companies in the FTSE 250 Index (excluding Investment Trusts); and 15% each on RoE and an assessment of the Group’s overall risk performance.

Performance against the EPS target range was below the threshold for payment, so there was a zero payout under this element. The Group’s TSR over the performance period placed the Group in the upper quartile against the FTSE 250 peer group and therefore 100% of the TSR part of the Award was earned.

The average RoE over the performance period was at threshold resulting in 25% of the RoE part of the Award being earned.

In relation to the 15% Risk element, there was a robust process to support the Committee’s assessment of this measure. Papers were prepared for each year of the performance period by the Group CRO, together with an overall assessment for the three-year performance period, with each endorsed by the Chair of the Group Risk Committee.

These papers allowed the Committee to assess the Group’s risk performance under six categories: Culture, Credit, Solvency and Liquidity, Conduct and Compliance, Operational and Reputational risk.

The Committee concluded that a score of 13% was appropriate for 2025. Together with the scores of 12% and 11% given to the risk elements of the 2023 PSP in 2023 and 2024, this led to an overall rating of 12% (out of a maximum 15%) for the three years to 31 December 2025.

In total, 50.75% of the maximum PSP Awards have been earned. The Committee is comfortable there has been an appropriate link between reward, performance and the broader stakeholder experience over the three-year performance period (including the experience of customers) and discretion was not used to adjust the incentive outcome.

	Weighting	Threshold (25% vesting)	Stretch (100% vesting)	Actual	Vesting of portion
EPS	35%	92.0p	105.0p	74.0p	0% out of 35%
Relative TSR	35%	Median	Upper quartile	Upper Quartile	35% out of 35%
Average RoE[1]	15%	15%	21%	15%	3.75% out of 15%
Non-financial/Risk	15%	Assessed by the Committee	Assessed by the Committee	Assessed by the Committee	12% out of 15%

1. RoE targets were set in 2023 based on achieving an average RoE for the three years to 31 December 2025. The RoE portion is subject to an underpin requiring that the CET1 ratio is not below the Board-approved minimum requirement, which has been met.

The Committee is comfortable that the level of vesting is in line with underlying performance and reflects the impact of risk appetite, individual conduct and shareholder experience over the performance period. The award was originally structure in line with UK Banking regulations, vesting in five equal tranches between 2026 and 2030, subject to a further one year holding period. as explained earlier in the report, updated regulations have allowed the Committed align the delivery of this award more closely to typical pay structures for Executive Directors of other UK listed companies. As such, the 2023 Award will now vest 75% in 2026 and 25% in 2027, with a further holding period on both tranches to 2028, being five years from the original grant.

The 2023 PSP awards will therefore vest as follows:

Executive Directors	Number of shares granted	Number of shares due to vest	Number of shares lapsed	Value from share price increase/ decrease[1]	Total value vesting[2]
Andy Golding	196,634	99,791	96,843	£69,124	£565,953
Victoria Hyde[3]	73,815	37,461	36,354	£25,949	£212,456

1. Value of share price increase/(decrease) based on a £4.98 share price at the time of grant of the award compared to the three-month average share price of £5.67 to 31 December 2025.
2. Value of shares based on a three-month average share price of £5.67 to 31 December 2025.
3. Victoria’s 2023 PSP shares were granted prior to her appointment as CFO.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Executive pay outcomes in context

Percentage change in the remuneration of the Directors

The table below sets out the percentage change in base salary, value of taxable benefits and bonus for all the Directors compared with the average percentage change for employees. For these purposes, UK employees who have been employed for over a year (and therefore eligible for a salary increase) have been used as a comparator group as they are the analogous population (based on service and location). The percentage change for Executive Directors and INEDs is typically calculated based on the remuneration disclosed in the single figure tables on page 158, however for 2025 Executive Directors, the Chair of the Board and INEDs did not receive a salary or fee increase. The percentage is not included for Directors who joined the Board in the relevant year, as the disclosure would not be meaningful.

The increase in annual bonus between this year and the previous year reflects the improved outturn on business performance compared to the previous year. There have been no material changes to benefits over the period shown.

	% change in salary/INED fees[1]					% change in taxable benefits[2]					% change in annual bonus[3]				
% Change	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**
UK employees	5.1%	11.4%	9.0%	7%	**5.0%**	21.9%	0%	0%	0%	**0%**	34.0%	25%	(13.0%)	14.2%	**18.0%**
Andy Golding	10.9%	3.0%	5.0%	4%	**0%**	0.6%	0%	0%	0%	**0%**	366.1%	2%	(45.0%)	24.0%	**25%**
Victoria Hyde	n/a	n/a	n/a	n/a	**0%**	n/a	n/a	n/a	n/a	**0%**	n/a	n/a	n/a	n/a	**22%**
April Talintyre[6]	2%	4%	5%	1%	**n/a**	0%	0%	0%	(69%)	**n/a**	330%	1%	(48%)	(55%)	**n/a**
Kal Atwal	n/a	n/a	n/a	17%	**0%**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
Henry Daubeney	n/a	n/a	n/a	n/a	**0%**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
Noël Harwerth	1%	16%	5%	3%	**0%**	285%	(168%)	277%	91%	**(31%)[4]**	n/a	n/a	n/a	n/a	**n/a**
Sarah Hedger	(1%)	23.5%	19.1%	9.0%	**0%**	n/a	198%	(24%)	(59%)	**(100%)[8]**	n/a	n/a	n/a	n/a	**n/a**
Gareth Hoskin[7]	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
Sally Jones-Evans[7]	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
Rajan Kapoor	(2%)	10.2%	4.8%	3.0%	**0%**	n/a	n/a	n/a	21%	**(100%)[5]**	n/a	n/a	n/a	n/a	**n/a**
Simon Walker	n/a	n/a	23.0%	7.0%	**0%**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
David Weymouth	3%	10%	5%	3.0%	**0%**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**

1. Executive Directors, the Chair and NEDs did not receive an increase in 2025, employees received an average of 5% taking into account April 2025 annual pay review and any other off-cycle individual increases during the year.
2. Prior year expense variations for Directors benefits relate to fluctuations in yearly expense claims.
3. 2025 bonus payout for CEO and CFO bonus is 67.18% versus 2024 payouts of 53.60% for the CEO and 54.91% for the CFO.
4. This relates to taxable travel expenses of £1,260 (2024: £1,839).
5. This relates to taxable travel expenses of £0 (2024: £632).
6. April Talintyre retired on 9 May 2024 and ceased employment on 2 November 2024.
7. Gareth Hoskin and Sally Jones-Evans joined the Board in April 2025.
8. This relates to taxable travel expenses of £0 (2024; £149)

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Comparison of Company performance and CEO remuneration

The following table summarises the CEO single figure for total remuneration, annual bonus and LTIP payout as a percentage of maximum opportunity for the ten years to 31 December 2025.

	2016	2017	2018	2019	2020[1]	2021	2022	2023	2024	2025
Annual bonus										
(% of maximum opportunity)	88.75%	85.00%	91.75%	75.89%	20.60%	86.83%	84.67%	44.33%	53.60%	**67.18%**
LTIP vesting										
(% of maximum opportunity)	–%	100.00%	50.00%	75.10%	62.74%	87.16%	92.56%	70.98%	34.27%	**50.75%**
CEO single figure of remuneration										
(£'000)	910	1,614	1,602	1,382	1,510	2,587	3,058	1,893	1,767	**2,256**

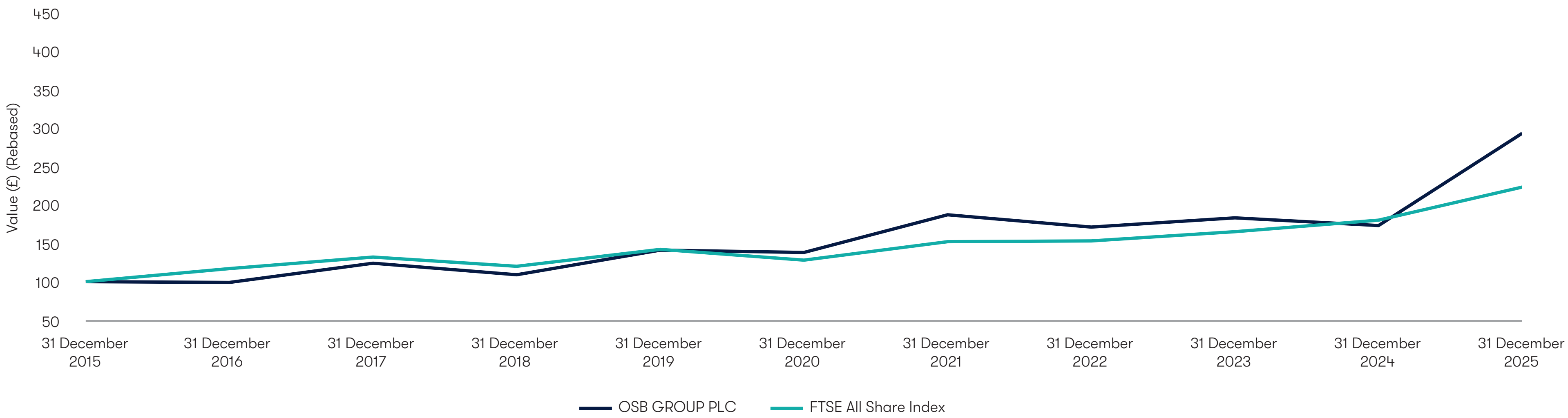
1. The cash portion of the 2020 bonus was waived by the Executive Directors before they became entitled to it. As such, only the share portion of the 2020 bonus was payable (i.e. half of the bonus of 41.2% of maximum).

Total shareholder return

This graph shows the value, at 31 December 2025, of £100 invested in OneSavings Bank plc on 1 January 2015, and following the insertion of a new holding company in November 2020, the shares of OSB GROUP PLC, compared with the value of £100 invested in the FTSE All Share Index on the same date. The other points plotted are the values at intervening financial year ends.

The FTSE All Share Index is considered to be the most appropriate index against which to measure performance as the Group has been a member of this index since Admission of OneSavings Bank plc to the London Stock Exchange.

Total shareholder return



Source: Datastream (LSEG)

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

CEO pay ratios

The ratio of the CEO's single figure of total pay to median UK employee pay is set out in the table below. The ratio has been calculated in accordance with methodology B as it is the same pay data for employees as is used for the gender pay gap analysis and is based on pay and benefits as at 5 April each year. Full-time equivalent pay for individuals that do not work full-time has been calculated by increasing their pay pro-rata to that of a full-time individual. No further estimates or adjustments have been made. The employees identified are considered to be representative of the quartile positions as their total pay is in line with expected positioning and the proportion of fixed pay to variable pay is also in line with other individuals at those levels.

Since 2018 our CEO pay ratio has changed due to a number of organisational and external events. For example OSB's Combination with CCFS in October 2019 and the impact of incentive payments due to COVID-19 in 2020.

The reduction to the ratios in 2024 and 2023 compared to previous years reflect a reduction to the level of CEO pay caused by relatively lower annual bonuses and lower value payouts of PSP awards in those years.

The change in ratio in 2025 has increased in the majority of quartiles due to our higher variable pay outturns for all colleagues, which is proportionally higher for the CEO.

There has been no change to the Group's employment models during this period and the median ratio is consistent with the pay, reward and progression policies within the Group. The Executive Directors pay is set by the Committee with reference to both the internal relativities across the Group and external market benchmarks. As such, the pay ratio is considered appropriate and is not considered excessive, particularly when compared to other listed financial services companies.

CEO pay ratio	2017	2018	2019	2020	2021	2022	2023	2024	2025
Method	B	B	B	B	B	B	B	B	**B**
CEO single figure	1,614	1,602	1,382	1,510	2,571	3,058	1,893	1,767	**2,256**
Upper quartile	24.8	22.3	22.5	28.1	35.9	45.1	26.4	20.4	**25.2**
Median	**46.1**	**40.1**	**32.0**	**42.1**	**56.1**	**70.1**	**39.1**	**36.6**	**49.7**
Lower quartile	62.1	59.5	54.6	51.6	82.2	86.3	57.9	56.5	**58.8**

2025	Basic salary (£'000)	Total pay (£'000)
CEO	916.7	2,256
Lower quartile – Employee A	33.1	38.4
Median – Employee B	38.7	45.4
Upper quartile – Employee C	76.4	89.4

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Relative importance of the spend on employee pay (audited)

The table below shows the Group's total employee remuneration (including the Directors) compared to distributions to shareholders and profit before tax for 2025 and 2024. In addition to the required disclosures showing total employee costs and distributions to shareholders, the table also shows PBT and headcount to provide a fuller picture.

	2025	2024
Total employee costs	**£148.6m**	£143.9m
Distributions to shareholders[1]	**£125.5m**	£126.4m
Profit before tax (PBT)[2]	**£382.5m**	£418.1m
Total employee costs vs PBT	**38.8%**	34.4%
Average headcount	**2,483**	2,559
Average PBT per employee	**£154,048**	£163,384

1. See note 13 to the financial statements. In addition to dividends, the Company repurchased a total of 18,070,090 (2024: 22,710,094) ordinary shares as part of its £100m (2024: £100m) share repurchase programmes 14 March 2025 (2024: 14 March and 6 September 2024).
2. Profit before tax is presented on a statutory basis for 2025 and underlying basis for 2024. These are comparable as both exclude acquisition-related items, which were fully written off in 2024.

Other disclosures relating to 2025 Executive remuneration

Scheme interests awarded during the financial year (audited)

The table below shows the conditional share awards made to Executive Directors on 24 March 2025 under the 2025 PSP and the performance conditions attached to these awards. The Committee has discretion to adjust the vesting level to ensure that the reward level reflects underlying performance, risk and individual conduct. There will be full disclosure of the Committee's deliberations on these matters in the 2027 Directors' Remuneration Report. The Award was originally structured in line with UK banking regulations, vesting in five equal tranches between 2028 and 2032, subject to a further one year holding period on each tranche. As explained earlier in the report, updated regulations have allowed the Committee align the delivery of this award more closely to typical pay structures for executive directors of other UK listed companies. As such, the award will now vest 75% in 2028 and 25% in 2029, with a further holding period on both tranches to 2030, being five years from the grant.

Executive	Face value of award (percentage of salary)	Face value of award	Number of shares[1]	Percentage of awards released for achieving threshold targets	End of performance period
Andy Golding	110%	£1,008,346	281,913	25%	31 December 2027
Victoria Hyde	110%	£604,998	169,145	25%	31 December 2027

1. The number of shares awarded was calculated using a share price of £3.5768 (the average closing price over the three Dealing Days prior to 24 March 2025, discounted to reflect the expected dividend yield between the award date and the vesting date of each tranche).
2. Performance conditions are (i) EPS for FY2027 30% weighting (25% vesting at 85p per share increasing to 100% vesting at 100p per share), (ii) TSR versus FTSE excluding investment Trusts (25% vesting for median performance increasing to 100% vesting for upper quartile performance), (iii) RoTE 15% weighting (25% vesting at 13% increasing to 100% vesting at 14.45%), (iv) Risk 15% weighting (discretionary assessment) and (v) ESG 10% weighting (discretionary assessment).

Directors’ Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Payments to past Directors

Details were contained in last year’s report relating to the remuneration arrangements for our former CFO, April Talintyre, in connection with her retirement on 9 May 2024. April Talintyre was determined to be a ‘good leaver’ for the purpose of the annual bonus and her PSP awards and has received the following remuneration in 2025, or will receive, the following remuneration in the future:

- Previous Deferred Bonus Plan Awards relating to the FY22 annual bonus vested in 2025 and FY23 annual bonuses will vest in 2026 in line with their original terms, after three years.
- The 2022 PSP award was pro rated for the proportion of the three-year performance period elapsed on 2 November 2024. The 2023 PSP award will be similarly pro rated and remains subject to regulatory vesting and holding periods.
- Outstanding and previously paid incentive awards remain subject to clawback and malus provisions.
- April is required to hold shares worth equivalent to 200% of her base salary for at least two years after ceasing employment.

Payments for loss of office

There were no payments for loss of office in the year under review.

Statement of Directors’ shareholdings and share interests (audited)

Directors are eligible to participate in our All-employee share plan SAYE schemes. Participation for our Executive Directors are included in the below table:

All-employee share plans (audited)

Executive Directors	Date of grant	Exercise price	Market price 31 December 2025	Exercisable from	Exercisable to	Number of options granted	Number of options as at 31 December 2025
Andrew Golding	1 December 2020	£2.2901	£6.4250	1 December 2023	n/a	7,859	7,859
April Talintyre (former CFO)	29 September 2023	£2.7157	£6.4250	1 December 2026	1 June 2027	6,819	6,819
Victoria Hyde	29 September 2023	£2.7157	£6.4250	1 December 2026	1 June 2027	6,819	6,819

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Statement of Directors' shareholdings and share interests (audited)

Total shares owned by Directors and connected persons and share ownership guidelines

The CEO and the CFO are currently required to accumulate and maintain a holding of ordinary shares in the Company equivalent to no less than 250% and 200% of salary, respectively, increasing to 300% from 2026 as part of the new Policy. This is calculated using the value of beneficially owned shares plus the net of tax value of deferred bonus shares or any other unvested share awards which are not subject to performance conditions. Half of any vested share awards must be retained until the guideline is achieved. Based on the current share price, the CEO holds shares in excess of these levels. The CFO has not yet reached the required level of 200% of salary. Until such time as the required shareholding level is achieved, the CFO must retain at least 50% of share awards which have reached the end of the vesting or holding period.

	Interest in Shares[1]		Interest in Share Awards		Shareholding requirements	
	Beneficially owned at 1 January 2025	Beneficially owned at 31 December 2025	Without performance conditions at 31 December 2025[2]	Subject to performance conditions as at 31 December 2025	Shareholding requirement (percentage of basic salary)	Current shareholding (percentage of basic salary)[3]
Executive Directors						
Andy Golding[4]	831,168	658,458	548,319	543,055	250%	665%
Victoria Hyde	7,049	20,055	101,520	325,828	200%	90%
Non-Executive Directors						
Kal Atwal	–		–	–	–	–
Henry Daubeney	20,000	20,000	–	–	–	–
Noël Harwerth	–	–	–	–	–	–
Gareth Hoskin	–	–	–	–	–	–
Sally Jones-Evans	–	–	–	–	–	–
Simon Walker	25,000	25,000	–	–	–	–
David Weymouth	22,414	22,414	–	–	–	–

1. Vested shares are held in a corporate nominee account and are subject to the relevant retention periods. This account is also used to monitor current and post-employment shareholding guidelines.
2. Includes DSBP awards and PSP awards to the extent that performance targets have been met.
3. Shareholding based on the closing share price on 31 December 2025 of £6.425 and year-end salaries. Where relevant, awards calculated at net of tax value for the shareholding requirements calculation.
4. Includes 518,184 shares that are owned by spouse.

The Company operates an anti-hedging policy under which individuals are not permitted to use any personal hedging strategies in relation to shares subject to a vesting and/or retention period.

Directors' Remuneration Report continued

The Remuneration Policy for Executive Directors continued

Statement of voting at the Annual General Meeting

Shareholders were asked to approve the 2024 Annual Report on Remuneration and the Directors' Remuneration Policy at the 2025 AGM. The votes received are set out below:

Resolution	Votes for	% of votes cast	Votes against	% of votes cast	Total votes cast	Votes withheld
To approve the 2024 Remuneration Report (2025 AGM)	277,626,187	98.95	2,936,362	1.05	280,562,549	1,010,292
To approve the Remuneration Policy (2024 AGM)	301,192,571	98.01	6,100,599	1.99	307,293,170	11,148,042

Approval

This report was approved by the Board of Directors (on the recommendation of the Group Remuneration and People Committee) and signed on its behalf by:

Sally Jones-Evans
Chair of the Group Remuneration and People Committee
4 March 2026