Group Remuneration and People Committee Report

Annual Statement by the Chair of the Group Remuneration and People Committee

Dear Shareholder,

On behalf of the Committee, I am pleased to present my first Group Remuneration and People Committee Report, (the 'Report') since being appointed as Committee Chair in 2025.

Members of the Committee (as at 31 December 2025[1])

- Sally Jones-Evans (Committee Chair)
- Kal Atwal
- Noël Harwerth
- Gareth Hoskin*
- David Weymouth

The report comprises three key parts:

- This introductory statement, which explains the key decisions made by the Committee during, and in respect of, 2025.
- The Directors' Remuneration Policy (the 'Policy'), which includes details of our proposed changes to the Policy this year which we are bringing forward to be presented to shareholders for approval at this year's AGM.
- The Annual Report on Remuneration for 2025. This details the relevant performance and remuneration outcomes for the year, with all of the relevant governance steps. This is subject to the usual advisory vote at the AGM.

As part of our succession planning for the CEO, along with changing market practice and revised regulatory requirements for remuneration in UK Banks, the Committee reviewed the Policy this year. We are proposing a new Policy to be presented to shareholders for approval at the 2026 AGM. We have undertaken meaningful consultation with key shareholders and proxy agencies and would like to thank them for their feedback, to date, on the new proposals. We are also delighted that we have been able to announce that we have found an excellent new CEO in Enrique Alvarez Labiano and we have set out how the new Policy will be implemented for 2026 accordingly.

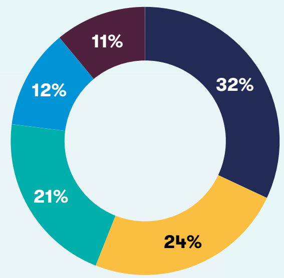
Committee responsibilities

The principal purpose of the Committee, as approved by the Board, is to advise and make recommendations on the over-arching principles and parameters of remuneration and people-related polices across the Group. The Committee is required to ensure policies are aligned with the business strategy and objectives, risk appetite, values, culture (to deliver good customer outcomes) and long-term interests of the Company and its subsidiaries, recognising the interests of all stakeholders and considering applicable laws, regulations and principles of good practice. The full Terms of Reference can be found on the Group's website at www.osb.co.uk.

Effectiveness of the Committee

As part of the internally facilitated Board evaluation carried out during the year, the Committee's performance was assessed and it was concluded that the Committee continues to perform effectively. The results of the evaluation and the subsequent action plan are due to be further considered by the Board in April 2026. More information on the progress against actions from last year's review, this year's evaluation process and areas for improvement identified can be found in the Group Nomination and Governance Committee Chair's report.

Approximate allocation of Committee time in 2025



1. Sarah Hedger and Rajan Kapoor retired from the Board and Committee on 8 May 2025. Gareth Hoskin and Sally Jones-Evans joined the Committee as members on 1 April 2025. Sally Jones-Evans was appointed Committee Chair on 9 May 2025.

Group Remuneration and People Committee Report continued

Annual Statement by the Chair of the Group Remuneration and People Committee continued

Time allocation

The Committee met six times during 2025 as well as one ad-hoc meeting.

For further details of attendance during the year, see the Board and Committee meeting attendance table on page 112 of the Corporate Governance Report.

2026 Directors Remuneration Policy (the 'Policy') and shareholder consultation

Following the announced CEO succession and the regulatory and market changes to Executive Director Remuneration, we have reviewed our Policy a year earlier than our three-year review cycle.

Evolving market practices and regulatory changes

2025 has been a dynamic year in the evolution of UK remuneration policies both in the banking sector and wider market. Many other Banks sought shareholder approval for new policies at their 2025 AGMs, as did several Building Societies, with whom we compete for talent. As anticipated, many Banks 'rebalanced' their executive directors remuneration construct, often but not always, by the removal of role-based allowances, increases to salary and in all cases with significant increases to variable pay. The result was that their fixed pay potential decreased (in most cases) whilst total target and maximum remuneration potential increased significantly in all cases.

The much lower leverage in our incentive plans means that our total target and maximum position are now significantly below the broader FTSE 250, as well as specifically our banking peers, noting that we are now very much the biggest bank amongst the specialist lenders.

Importantly for OSB, following the announcement of the intended retirement of Andy Golding, our CEO, having a Policy which enables us to be able to recruit a successor has been at the forefront of our thinking.

The new policy has been designed to ensure that we could attract and retain the right successor and achieve appropriate market competitiveness for both of our Executive Director roles, as well as alignment against the broader FTSE 250, in particular our banking peers.

We also want to ensure that our incentive arrangements support the business strategy and continues to align interests with our shareholders. We believe that the combination of annual bonus and performance shares is still the right incentive mix, balancing annual strategic incentives and longer term growth.

In relation to the appointment of our new CEO, we undertook a robust and comprehensive search process, facilitated by a global executive search firm. This demonstrated to us that all credible candidates required an overall package as proposed (or higher) given their existing remuneration levels, which has clearly demonstrated to us the need to have this level of remuneration package for our CEO.

The regulations which apply to banking firms have recently been revised by the PRA and FCA, in order to foster the competitiveness of the UK banking industry. We welcome the changes and are making consequential amendments to the structure of our awards where required. However, we are conscious that in certain areas, the regulations now fall below UK best practice and so we are planning to go above the regulatory minimum requirements in a number of areas as outlined in our new Directors Remuneration Policy. This is specifically in relation to deferrals and vesting timelines as we believe that deferral continues to be an important aspect of the Executive Director package.

Consideration of shareholder views

As part of our review, we undertook a detailed and meaningful consultation with our key shareholders and proxy agencies ahead of the May 2026 AGM to obtain views regarding the revised Policy.

Shareholders were generally supportive of the proposed changes to the Policy. Feedback centred on increasing the minimum shareholding requirement for CEO and CFO, clarity of target setting, ensuring suitably stretching targets to reflect higher variable pay opportunities and ensuring clarity on how much annual bonus will be issued as shares. We also had some useful feedback regarding the mix of performance measures for our Performance Share Plan (PSP), with support to increase the weighting of Return of Tangible Equity (RoTE) and Total Shareholder Return (TSR), and the removal of Earnings Per Share (EPS). We have taken this into account when determining the operation of the Policy and its disclosure going forwards.

We thank shareholders and the proxy agencies for engaging with this process.

Summary of Policy Changes

Full details of the new Policy can be found on pages 146-152 but we have summarised the key changes and their application in 2026 as follows:

Fixed Remuneration

Salary – The current CEO and CFO will receive a salary increase of 3% in line with the wider workforce average. For the CFO, were it not for the increases to the variable pay opportunity, we would have been considering a significant increase to her salary to reflect her growth in skills/experience and proven track record since becoming the CFO. The salary for the new CEO is £944,000 (which is set at materially the same level as the current CEO).

Pension / Benefits – These remain standard for Executive Directors.

Group Remuneration and People Committee Report continued

Annual Statement by the Chair of the Group Remuneration and People Committee continued

New Remuneration Policy and 2026 application

Executive Director Bonus Scheme (Annual Bonus)

The maximum opportunity under this annual bonus scheme is being increased to 200% of salary from 135%. This will reflect changing market practices, alignment to market and to allow the appointment of an appropriate CEO successor. To acknowledge the growth in role of our CFO, this will apply to both our CEO successor and CFO. This change will not be applied to the departing CEO, whose bonus opportunity will remain at 110% of salary (against the previous policy maximum of 135%).

Despite the regulatory minima being nil, bonus deferral continues to be an important aspect of the Policy, and therefore no less than 30% of any bonus earned will be deferred into shares and will be held for three years.This level of deferral will apply in 2026.

The 2026 Scorecard will be based on 60% on financial measures and 40% on non-financial measures. The non-financial element will include a 10% weighting for individual performance. We continue to ensure that the relevant performance targets are appropriately stretching, noting we have a strong track record of doing this. Further details on the measures for 2026 can be found on page 154.

Salary

New CEO	944,000	
Current CEO	944,719	(+3%)
CFO	565,500	(+3%)

3% increase applied in line with average for UK workforce.

Executive Director Bonus Scheme

Max opportunity	2026 Award New CEO/CFO
200% of salary	**200%**

30% of any bonus earned will be deferred into shares and held for three years.

Category	Measure	Weighting
Financial 60%	PBT	22.50%
	RoTE	22.50%
	Cost Delivery	12.00%
	Net Loan Book Growth	3.00%
Non-Financial 40%	Customer	5.00%
	Quality	5.00%
	Transformation	10.00%
	Data	5.00%
	People	5.00%
	Personal	10.00%

Full details are set out on page 154

Performance Share Plan (Long Term Incentive Plan, 'LTIP')

The maximum opportunity under the PSP is being increased to 300% of salary from 135%. This change will not be applied to the departing CEO, whose grant level will remain at 110% (against the previous policy maximum of 135%).

75% of the award will vest after three years and 25% will vest in year four. 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.

For 2026 awards, we will continue to ensure that 75% of the PSP is subject to financial performance conditions with 25% based on non-financial performance conditions. We will be simplifying our financial measures to remove the EPS performance measure, whilst increasing the relevant weightings of relative TSR and RoTE. We continue to ensure that the relevant performance targets are appropriately stretching, taking into account the business plan, external operating environment and market expectations. Full details on the 2026 measures can be found on pages 155-156.

Minimum shareholding requirement

The minimum shareholding requirement is being increased to 300% of salary (from 250% for the CEO and 200% for the CFO). This change will not apply to the departing CEO.

Performance Share Plan

Max opportunity	2026 Award New CEO/ CFO
300%	**300%**

75% will vest after three years and and 25% will vest in year four.

Category	Measure	Weighting
Financial 75%	Average RoTE	37.50%
	Relative TSR	37.50%
Non-Financial 25%	Risk	15.00%
	ESG	10.00%

Full details are set out on page 155-156

Pension/benefits

Pension:

8%
of salary

Benefits:
Standard benefits provided to both Executive Directors

Shareholding requirement

Increasing to 300% of salary from 2026

Group Remuneration and People Committee Report continued

Annual Statement by the Chair of the Group Remuneration and People Committee continued

Overview of 2025 performance and incentive outcomes

Executive Directors Bonus Scheme (Annual Bonus)

The targets for the annual bonus scheme were set at the start of the year. In challenging market conditions, the Group delivered strong performance across the Balanced Business Scorecard (the 'Scorecard'), with performance exceeding target for the Financial metrics and good progress made against our other key strategic objectives, which are reflected in our non-financial metrics.

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

As an underpin, the Committee also considered whether the Scorecard's formulaic outcome reflected the Group's risk appetite and profile and considered current and potential future risks.

Total payouts, combining the outcomes from the Scorecard and personal objectives, under the 2025 Executive Directors' Bonus Scheme are therefore 67.18% of maximum opportunity for the CEO and CFO. The bonus is paid half in cash and half in shares, with the shares held for three years.

The targets were assessed by the Committee following the end of the financial year, liaising as necessary with the Group Audit Committee and Group Risk Committee Chairs. Full details of the performance conditions and bonus payments are provided on pages 159-160 of this report.

Executive Director Bonus Scheme

Max Opportunity	2025 Award – CEO/CFO	2025 Result
135% of salary	110%	67.18%

Deferral of 50% of value earned into shares for at least three years, aligning payout with shareholders' interests over the longer term

2025 Award – Scorecard (90% of total)	% weighting	Result
Financial	65%	39.25%
Non-Financial	35%	26.51%
Total	**100%**	**65.76%**
Individual:		
CEO	10%	8.00%
CFO	10%	8.00%

Performance assessment details are set out on pages 159-160

Salary

CEO	916,679	(+0%)
CFO	550,000	(+0%)

No increase to salary was applied to 2025 salary for CEO and CFO

Performance Share Plan (LTIP)

The 2023 Awards under the PSP were set by the Committee, 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 Return on Equity (RoE) and an assessment of the Group's overall risk performance.

Performance against the EPS target range was below the threshold and therefore 0% of this element was earned. The Group's TSR placed the Group above the upper quartile of the FTSE 250 peer group and therefore 100% of this element was earned. The average RoE over the performance period was at threshold resulting in 25% of this element being earned.

The Committee undertook a qualitative assessment of the Group's risk performance over the period using an overall assessment prepared by the Group CRO and endorsed by the Chair of the Group Risk Committee. The Committee concluded that 80% of this element had been achieved.

As a result, 50.75% of the maximum PSP Awards have been earned. This is considerably higher than last year's award, reflecting the progress we have made in a challenging market environment over the performance period, yet still delivering very positive returns for our shareholders, as evidenced by the share price.

The targets were assessed by the Committee following the end of the 2025 financial year, liaising as necessary with the Group Audit Committee and Group Risk Committee Chairs. Full details of the PSP assessment are included on page 161.

These PSP Awards will vest in line with the regulatory rules with a holding period in place post-vesting to ensure there is at least five years between the date of grant and release. Malus and clawback provisions apply.

The Committee is comfortable there has been an appropriate link between reward, performance and the broader stakeholder experience, including the experience of customers, over the three-year performance period and therefore discretion was not used to adjust the incentive outcome under either plan. In line with the Code, the Remuneration Policy operated as intended during the year under review.

Performance Share Plan

Max Opportunity	2023-2025 Award – CEO / CFO	2025 Result
135% of Salary	110%	50.75%

Payable in shares, three-year performance period, with vesting 75% in March 2026 and 25% in March 2027

2023 - 2025 Award – Measures	% weighting	Result
Relative TSR	35%	35.00%
EPS	35%	–%
RoE	15%	3.75%
Non-financial – Risk	15%	12.00%
Total	**100%**	**50.75%**

Performance assessment details are set out on page 161

Pension/benefits

Pension:
8%
of salary

Benefits:
Standard benefits provided to both Executive Directors

Shareholding requirement

Executive Directors are required to build up and maintain a shareholding worth at least 250% of salary for the CEO and 200% of salary for the CFO.

CEO meets the shareholding requirement, CFO is newly appointed and her shareholding is increasing over time. See page 167 for details on CEO and CFO shareholdings

Group Remuneration and People Committee Report continued

Annual Statement by the Chair of the Group Remuneration and People Committee continued

Additional remuneration for New CEO

In order to secure Enrique Alvarez Labiano, we will be introducing a time bound 'expatriate allowance'. Enrique had a similar arrangement at his previous employer which was used to fund housing and schooling in the UK.

The proposal presents a very significant reduction to the value of the equivalent allowance at his former employer and was previously not time bound. We have agreed that this allowance here will terminate five years after appointment and therefore will provide an even bigger reduction in fixed pay in due course, compared to his previous role.

We will also be required to buyout forfeited deferred awards from his former employer, where we will be looking to mirror the previous structure. Details of this will be disclosed in due course.

Other key activities in 2025

Chair of the Board and INED fees

The fees for the Chair of the Board and INEDs were reviewed by the Committee for the Chair of the Board and by the Board (minus the INEDs) for the INEDs, and in line with Executive Directors no increases were applied to INED fees in 2025.

Pay and Performance arrangements across the Group

In 2025, we also reviewed our approach to wider workforce pay and performance arrangements across the Group, in particular on how to better promote a performance-based culture aligned to the success of the Group through greater discretion and differentiation. Our revised approach, aligned to best market practice, was launched in late 2025 for implementation for 2026 pay review and bonus outturns.

Consideration of employee policies and views

As the People Champion, I am the INED responsible for representing the workforce on the Board, I regularly meet with employees, individually and through forums such as OurVoice, to understand their views, including those on remuneration, and report these views to the Board. During 2025 views the revised approach to workforce pay and performance arrangements were based on colleague, line manager and leadership feedback. Further details on the activities of OurVoice can be found on pages 84 and 171.

Concluding remarks

Our proposed new Policy provides a clear and performance-driven approach to remuneration, which supports our intent to align strongly with investor interests in shareholder performance and the long term strategic health of our organisation, whilst sustaining the achievement of our corporate strategy. All whilst managing risk appropriately. We believe that the new proposal recognises shareholder feedback, whilst supporting our ambition on CEO succession.

I hope that you will provide support for the proposed Policy, and for the Annual Report on Remuneration, at our AGM and we continue to thank shareholders for your ongoing and continued support.

I would like to formally record my thanks to my fellow Committee members, members of senior management and our advisers, Korn Ferry, for their support during 2025.

The Board reviewed and approved this report on 4 March 2026.

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

The link between pay and the Group's performance, strategy, culture and ESG commitments

Financial	Quality	Strategy and Culture	Purpose	ESG
Sustainable financial growth through attractive margins and exceptional returns.	Strong governance and quality of the business underpins our operations	Tailored individual objectives in line with our strategic priorities and values	Helping our customers prosper in line with our Purpose	To support our Purpose to help our customers, colleagues and communities prosper

Executive Director Bonus Scheme FY26[1]
200% of salary opportunity

Financial (60%)	Non Financial (40%)
• PBT (22.5%) • RoTE (22.5%) • Cost Delivery (12.0%) • Net loan book growth (3%)	• Satisfaction (5%) • Risk, Quality & Control (5%) • Transformation (10%) • Data (5%) • People (5%) • Personal (10%)

The Scorecard is marked out of 100%. Total bonus is calculated by calculating Scorecard performance based on the relevant percentage each represents of their total bonus opportunity.

Performance Share Plan FY26
300% of salary opportunity

Financial (75%)	Risk (Non-financial) (15%)	ESG (10%)
• ROTE (37.5%) • TRS (37.5%)	• Non-financial/Risk (15%)	• ESG (10%)

1. Key performance indicators (see pages 25-27).

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).

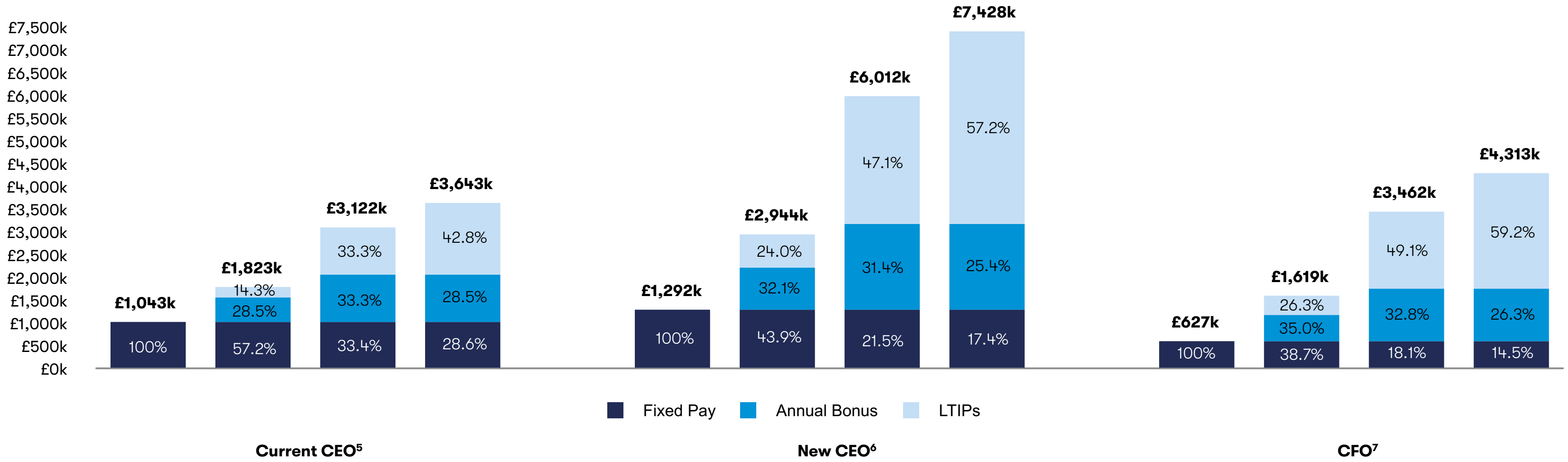
Overall, the Policy for the Executive Directors is more heavily weighted towards performance-related pay than for other employees. In particular, performance-related long-term incentives are not provided outside the most senior management population as they are reserved for those considered to have the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

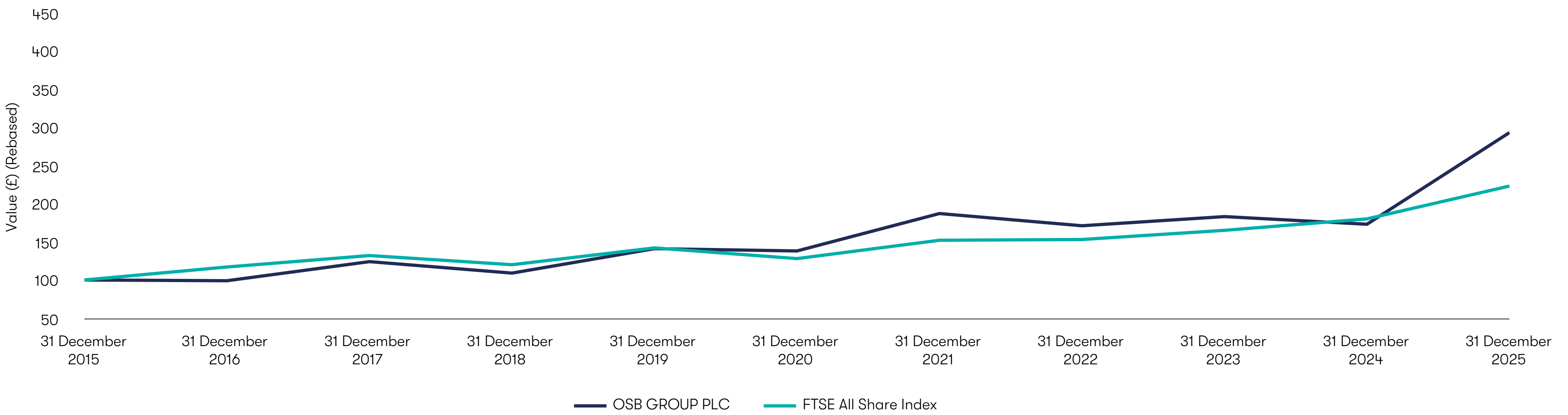
1. The cash portion of the 2020 bonus was waived by the Executive Directors before they became entitled to it. As such, only the share portion of the 2020 bonus was payable (i.e. half of the bonus of 41.2% of maximum).

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

Directors' Report: other information

In accordance with the Companies Act, the Directors present their report for the year ended 31 December 2025. Relevant information required to be included in the Directors' Report including disclosures required by the FCAs Disclosure and Transparency Rules and UK Listing Rule LR 6.1.1, are deemed to be incorporated by reference in this report and detailed in the table below. Certain matters required to be disclosed in the Directors' Report have been included in the Strategic Report.

Share capital and rights attaching to shares

As at 31 December 2025, the Company's issued share capital comprised of:

Number of shares	% of total capital	Type of shares	Nominal value
355,974,125	100%	Ordinary	£0.01

Further details relating to share capital can be found in note 37.

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such rights (including preferred, deferred or other special rights) or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine).

Directors' Report: other information continued

Authorities to allot and pre-emption rights

On 8 May 2025, shareholders re-established the general authority for the Directors to allot up to £1,234,505.17 of the nominal value of ordinary shares of £0.01 each. In addition, shareholders gave authority for the Directors to grant rights to subscribe for, or to convert any security into, regulatory capital convertible instruments up to £740,702.69 of the nominal value of ordinary shares equivalent to approximately 20% of issued share capital.

Repurchase of shares

The Company has an unexpired authority to repurchase ordinary shares up to a maximum of 37,035,134 ordinary shares. During the year, the Company repurchased 18,070,090 ordinary shares (each with a nominal value of £0.01) as part of its £100m share repurchase programme announced to the market on 13 March 2025 (2024: £50m plus a further £50m).

Employee share schemes

The Group's Sharesave 'save as you earn' Scheme is an all-employee share option scheme open to all UK-based employees. The Sharesave Scheme allows employees to purchase options by saving a fixed amount of between £10 and £500 per month over a period of three years, at the end of which, the options, subject to leaver provisions, are usually exercisable. The Sharesave Scheme has been in operation since June 2014 and options are granted annually, with the exercise price set at a 20% discount of the share price on the date of grant.

Further details of the Group's employee Sharesave schemes are set out on page 150 in the Directors' Remuneration Report.

Results, dividends and dividend waiver

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 186.

The Group has in place a dividend policy for the purpose of establishing a clear framework for the distribution of profits to assist with capital management, whilst also assessing and considering any associated risks and constraints. For 2025, the payout ratio remains as at least 25% of underlying profit after taxation attributable to ordinary shareholders.

During the year under review, the Company paid an interim dividend of 11.2 pence per share (2024: 10.7 pence). The Directors recommend payment of a final dividend of 24.1 pence per share (2024: 22.9 pence), subject to approval at the AGM on 7 May 2026, making a total ordinary dividend for 2025 of 35.3 pence per share (2024: 33.6 pence).

The OSB GROUP PLC Employee Benefit Trust, which holds 134,349 shares in the Company in connection with the operation of the Group's share plans, has lodged standing instructions to waive dividends on shares held by it that have not been allocated to employees. The total amount of dividends waived during 2025 was £45,813.

Ordinary	Interim Dividend 11.2 pence per share	Final Dividend 24.1 pence per share
Ex-dividend date	13 August 2026	02 April 2026
Record date	14 August 2026	07 April 2026
Payment date	18 September 2026	13 May 2026

Directors and Directors' interests

The names of the Directors who served during the year and up to the date of signing can be found in the Board and Board Committee meeting attendance table on page 112.

Directors may be elected by ordinary resolution at a duly convened general meeting or appointed by the Board. In addition to any power to remove a Director from office conferred by the Companies Act 2006, the Company may also by special resolution remove a Director from office before the expiration of his or her period of office under the Articles.

In accordance with the Articles, at every AGM all the Directors at the date of the notice convening the AGM shall retire from office and may offer themselves for appointment or re-appointment by the members.

Directors' interests in the shares of the Company are set out on page 167 in the Directors' Remuneration Report. None of the Directors had interests in shares of the Company greater than 0.18% of the ordinary shares in issue. There have been no changes to Directors' interests in shares since 31 December 2025.

Directors' indemnities

The Company maintains Directors' and Officers' Liability Insurance which provides appropriate cover for legal action brought against its Directors and Officers. The Company has also granted indemnities to each of its Directors and Officers, and to Directors and Officers of its subsidiary companies, including Officers who are appointed by the FCA or PRA to carry out senior managerial functions or other similar functions, on terms consistent with the applicable statutory provisions.

Qualifying third-party indemnity provisions (as defined by Section 234 of the Companies Act) have therefore been in force during the financial year to 31 December 2025 and remain in force as at the date of this report in relation to certain losses and liabilities which those Directors and Officers may incur to third parties in the course of action as a director, officer or employee of the Company or of any associated companies.

Equal opportunities

The Group is committed to applying its DE&I Policy at all stages of recruitment and selection. Short-listing, interviewing and selection will always be conducted without regard to gender, gender reassignment, sexual orientation, marital or civil partnership status, colour, race, nationality, ethnicity or national origins, religion or belief, age, pregnancy or maternity leave or trade union membership. Any candidate with a disability will not be excluded unless it is clear that the candidate is unable to perform a duty that is intrinsic to the role, having considered reasonable adjustments. Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of disability. The recruitment interview process ensures line managers ask candidates questions that are not discriminatory or unnecessarily intrusive. This commitment also applies to existing employees, with the necessary adjustments and training made, where there is a change in circumstances.

Amendment of Articles

Any amendments to the Articles may be made in accordance with the provisions of the Companies Act 2006 by way of a special resolution of the Company's shareholders at a general meeting.

Directors' Report: other information continued

Employee engagement

Employees are kept informed of developments within the business and in respect of their employment through a variety of means, such as employee meetings, briefings and the intranet. Employee involvement is encouraged, and views and suggestions are taken into account when planning new products and projects.

Additionally, Board members are keen to engage with employees across all locations and find the experience of visiting our branches and offices within the UK and India valuable.

The Workforce Advisory Forum (OurVoice) is a forum established to enhance the level of engagement between the Board and Group Executive Committee and the wider workforce, with the objective of discussing matters which it is felt should be brought to the attention of the Board.

OurVoice consists of employee representatives from all core geographical locations including OSB India, as well as Sally Jones-Evans as the designated INED and representatives from the Group Executive Committee and HR Management. All Board members and members of the Group Executive Committee are invited to attend meetings throughout the year. See page 84 for further information.

Further information in relation to the Board's engagement with the Group's stakeholders including customers, intermediaries, shareholders, suppliers, regulators and communities, can be found on pages 120 - 123.

Diversity

The Board recognises the benefits that diversity brings to the business, and actively promotes and encourages a culture and environment that values and celebrates our differences. Throughout 2025, the Group has continued on its journey to become a diverse and inclusive organisation committed to providing equal opportunities through the recruitment, training and development of its employees. Further information on Board diversity, equity and inclusion can be found on pages 128 and for the Group on pages 86.

Greenhouse gas emissions

Information relating to greenhouse gas emissions, energy consumption and actions towards energy efficiency can be found within the Sustainability Report on page 78.

The Group's 2025 greenhouse gas emissions basis for reporting is publicly available on the website at: www.osb.co.uk/sustainability/our-environment

Political donations

Shareholder authority to make aggregate political donations not exceeding £50,000 was obtained at the AGM on 8 May 2025. Neither the Company nor any of its subsidiaries made any political donations during the year and no positive expenditure was incurred by the Company.

Notifiable interests in share capital

As at 31 December 2025, the Company had received the following notifications of major holdings of voting rights pursuant to the requirements of Rule 5 of the Disclosure Guidance and Transparency Rules:

	No. of ordinary shares	% of issued share capital
JPMorgan Asset Management Holdings Inc.[1]	18,997,685	5.33
BlackRock, Inc.	20,850,903	5.11
Jupiter Fund Management PLC[2]	21,407,948	4.98
Norges Bank	15,267,616	4.10
GLG Partners LP[3]	21,159,035	5.65

1. Includes 0.23% of financial instruments.
2. Includes up to 0.03% of financial instruments.
3. Includes 0.5% of financial instruments.

Since 31 December 2025, the Company received the following notification:

- On 26 January 2026, Dimensional Fund Advisors LP notified that it had a shareholding of 5.00%;
- On 18 February 2026, JPMorgan Asset Management Holdings Inc notified that its holding had decreased to 5.27% and subsequently decreased further to 5.19% on the same day.

Research and development

Information relating to research and development of new products can be found within the Strategic Report on pages 16 - 21.

Supervision and regulation

The Company is authorised by the PRA, part of the Bank of England, and regulated by the FCA and PRA. Some of its subsidiaries are also authorised by the FCA and PRA.

Annual General Meeting

Accompanying this report is the Notice of the AGM which sets out the resolutions to be proposed to the meeting, together with an explanation of each. This year's AGM will be held at our offices at 90 Whitfield Street, Fitzrovia, London W1T 4EZ on 7 May 2026 at 11.00 am.

The Annual Report and Accounts and Notice of the AGM will be sent to shareholders at least 20 working days prior to the date of the meeting. Shareholders are encouraged to participate in the AGM process and all resolutions will be proposed and voted on at the meeting by shareholders or their proxies. Voting results will be announced and made available on the Company's website, www.osb.co.uk.

Shareholders may require the Directors to call a general meeting other than an AGM as provided by the Companies Act.

Requests to call a general meeting may be made by members representing at least 5% of the paid-up capital of the Company as carries the right of voting at general meetings of the Company (excluding any paid-up capital held as treasury shares). A request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. A request may be in hard copy form or in electronic form and must be authenticated by the person or persons making it. A request may be made in writing to the Company Secretary to the registered office or by sending an email to company.secretariat@osb.co.uk. At any general meeting convened on such request, no business shall be transacted, except that stated by the requisition or proposed by the Board.

Directors' Report: other information continued

Modern Slavery and Human Trafficking Statements

The Group's Modern Slavery and Human Trafficking Statements are reviewed and approved annually by the Board and are published our website at www.osb.co.uk. Oversight of our approach sits with the Board and senior management, reflecting our commitment to compliance with the law and alignment towards best practice.

We expected all suppliers to uphold the principles of our Vendor Code of Conduct and Ethics, which prohibits forced or child labour, requires safe working conditions, and promotes respect for workforce rights and the environment. Where appropriate, our contractual terms include obligations relating to human rights and modern slavery.

All new and existing material suppliers undergo risk-based due diligence, and higher risk relationships are subject to additional checks. We request that suppliers complete an ESG assessment via our specialist partner Hellios, or a Group ESG questionnaire that encompasses modern slavery, diversity, equality and inclusion, climate change, and other sustainability topics. This process provides insight into supplier policies and practices, helps identify areas for focus, and supports continuous improvement.

We recognise that suppliers are at different stages of their ESG journey. The Group continues to encourage, engage and support suppliers in aligning their strategies with our own sustainability ambitions. Training on supplier oversight, modern slavery, and ESG is conducted with a competency evaluation mandated for all colleagues, with performance being monitored and reported to the Board.

Payment practice reporting

Our business is supported by many suppliers, allowing us to provide a high standard of service to our customers.

Supplier payment practice reports are published on a six-monthly basis and approved and signed by the CFO and Group Chief Operating Officer on behalf of the main operating entities. The Group enters into standard terms with suppliers, which include terms requiring payment within 30 days of the invoice date following receipt of a valid invoice. Over 98% of all invoices are paid within 30 days in line with the standard payment period for qualifying contracts. The time taken to pay invoices is 11 days. The maximum contractual payment period agreed varies between 30 to 45 days. There were no changes to the standard payment terms in the reporting period. Any complaints received in respect of invoice payments are considered as part of the dispute resolution process.

During the year, the Group did not deduct any sums from payments under qualifying contracts as a charge for remaining on a supplier list. The Group also engages with key suppliers as part of the Group's Recovery Plan which is reviewed by the Board.

Other information

Corporate sustainability

The Board has considered climate-related matters including the risks of climate change when preparing this Annual Report. 100% of the carbon dioxide equivalent emissions and energy consumption figures within this Annual Report relate to emissions in the UK and details can be found on pages 78.

Events after the reporting period

Details relating to post-balance sheet events are set out in note 50.

Financial Instruments

Information on financial instruments including financial risk management objectives and policies including the policy for hedging the exposure of the Group to price risk, credit risk, liquidity risk and cash flow risk can be found in the Risk review on page 44.

Section 172

Details on how the Company has complied with section 172 can be found throughout the Strategic and Directors' Reports and on pages 9 and 119 - 123.

Going concern statement

The Board undertakes regular rigorous assessments of whether the Group is a going concern in light of current and potential future economic conditions and all available information about future risks and uncertainties.

In assessing whether the going concern basis is appropriate, projections for the Group have been prepared, covering its future performance, capital and liquidity for a period extending to June 2027. These forecasts have been subject to sensitivity tests utilising a range of stress scenarios, which have been compared to the latest economic scenarios provided by the Group's external economic advisors, as well as reverse stress tests.

The assessments include the following:

- Financial and capital forecasts were prepared utilising the latest economic forecasts provided by the Group's external economic advisors. Reverse stress tests were run to identify combinations of adverse movements in house prices and unemployment levels which would result in the Group breaching its minimum regulatory capital requirements. The Directors assessed the likelihood of those reverse stress scenarios occurring within the next 12 months and concluded that the likelihood is remote.

Directors' Report: other information continued

- The latest liquidity and contingent liquidity positions and forecasts were assessed against internal combined stress scenarios with the Group maintaining sufficient liquidity throughout the going concern assessment period.
- The Group continues to assess and mature the resilience of its business operating model and supporting infrastructure in the context of the emerging economic, business and regulatory environment. The Group's Operational Resilience Self-Assessment Report for 2024/2025 was reviewed and endorsed by the Group Risk Committee and, approved by the Board in June 2025. The Group is in the process of updating this for 2026 and had identified no material changes to its conclusions. Key areas of focus include the provision of the Group's Important Business Services (IBS) to minimise the impact of any service disruptions on the firm's customers or the wider financial services industry, and validating the levels of resilience of the third parties that the Group depends upon for delivery of its IBS. There were no items identified that could threaten the Group's viability over the going concern assessment time horizon.

The Group's financial projections demonstrate that the Group has sufficient capital and liquidity to continue to meet its regulatory capital requirements as set out by the PRA.

The Board has therefore concluded that the Group has sufficient resources to continue in operational existence for a period in excess of 12 months from the date of approval of these Financial Statements and as a result, it is appropriate to prepare these consolidated Financial Statements on a going concern basis.

Key information in respect of the Group's ERMF and objectives and processes for mitigating risks, including liquidity risk, are set out in detail on pages 44-65.

Approved by the Board and signed on its behalf by:

Jason Elphick
Group General Counsel and Company Secretary OSB GROUP PLC
Registered number: 11976839
4 March 2026

Statement of Directors' Responsibilities

in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with UK-adopted International Financial Reporting Standards (IFRS) and applicable law and have elected to prepare the parent Company financial statements on the same basis.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for the year.

In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the UK;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and parent Company's financial position and financial performance.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and the Group, to ensure that the financial statements comply with the Companies Act. They are also responsible for establishing a suitable internal control framework to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking all reasonable steps to safeguard the Group's assets and prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for maintaining the integrity of the corporate and financial information included on the Company's website. UK legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the annual financial report

Each of the persons who is a Director at the date of approval of this report confirms, to the best of their knowledge, that:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report/Directors' Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Each of the persons who is a Director at the date of approval of this report confirms that:

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

Approved by the Board and signed on its behalf by:

Jason Elphick
Group General Counsel
and Company Secretary
4 March 2026