

ClearBank Group Remuneration Policy



Version history

Version	Date	Who	Changes	Reviewers
V0.1	16/12/2024	Danielle Wade – Head of Reward and MI	New Group Policy	Group Chief Risk Officer Europe Chief Risk Officer Group Chief HR Officer Europe Head of HR HSF (External legal)
V0.2		Esther Junaid – Head of Reward	<ul style="list-style-type: none"> Reflects the approved ClearBank position following the policy statement PS21/25 publication and the resulting changes to the remuneration regulation (de minimis threshold, deferral period, removal of retention periods on deferred awards, changes to clawback, and removal of the Higher Paid MRT category). Also reflects the establishment of the Risk Adjustment forum in 2025 Inclusion of the approved MRT Identification Methodology criteria 	Chief People Officer Group Head of Enterprise Risk

Summary

Applicable entity	ClearBank Group
Group Policy summary	<p>To ensure that ClearBank Group Holdings Ltd (CBGHL) and each of its subsidiaries supports the delivery of Clear Bank's long-term corporate strategy in a manner which is compliant with the requirements and frameworks of the relevant regulatory Remuneration Codes and associated guidance.</p> <p>The policy aims to promote sound and effective risk management. Other key principles include the requirement for a reward philosophy that will enable us to attract and retain talent, for remuneration to be aligned to the objective assessment of performance but not encouraging risk taking outside the Bank's risk appetite and ensuring that levels of variable compensation are appropriate.</p> <p>The policy also covers the requirement to avoid conflicts of interest in decision making and includes a commitment to fairness and equity in remuneration. Each of the subsidiaries within the Group have adopted local equivalent policies.</p>
Applicable Board risk appetite statement(s)	Conduct Risk appetite statement
Scope	This policy applies to all permanent employees within ClearBank, with specific requirements only applying to employees of CBGHL. The adoption of local policies covers specific remuneration requirements for employees of those local entities.
Approver(s) of Group Policy	ClearBank Group Board Remuneration Committee (REMCO)
Policy tier	Tier 1
Category	Category B
Effective date	01/01/2026
Expiration date	31/12/2026
Group Accountable Executive	ClearBank Group Chief Executive Officer (CEO)
Interim Group Policy Owner/ Contact	Chief People Officer

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1 Purpose

The Remuneration Policy (the Policy) and approach to remuneration are designed to ensure the alignment of remuneration with the long-term corporate strategy of ClearBank and the interests of our shareholders in a manner that is compliant with the requirements and frameworks of the regulatory requirements that apply to ClearBank's business.

The GRemCo considers that the Policy is consistent with and promotes sound and effective risk management and includes appropriate measures to avoid conflicts of interest.

2 Scope

This policy applies to all permanent employees within ClearBank, with specific requirements only applying to employees of CBGHL. The adoption of local policies covers specific remuneration requirements for employees of local entities.

2.1 Definitions

Term	Definition
CBGHL	ClearBank Growth Holdings Limited
ClearBank	All ClearBank entities as the Group
Codes	UK Entities: The Remuneration Part of the PRA Rulebook and SYSC 19D of the FCA's Handbook NL: EBA Remuneration Guidelines
EU NomRemCo	The European Nomination and Remuneration Committee
Europe Bank	ClearBank Europe N.V.
European Policy	The remuneration policy adopted in respect of Europe Bank
FCA	The UK Financial Conduct Authority
Framework	The ClearBank Performing People Framework
GRemCo (Group Remuneration Committee)	The Remuneration Committee of the Board of ClearBank Group Holdings Limited
Policy	This Remuneration Policy
PRA	The UK Prudential Regulation Authority
Shares	Shares in ClearBank Growth Holdings Limited
Share-Linked Instruments	Instruments linked to Shares and which satisfy the requirements of the Codes, which may include nil-priced options or awards over Shares
Terms of Reference	The composition, responsibilities and Terms of Reference of the GRemCo, as amended from time to time
UK Bank	ClearBank Limited
UKRemCo (UK Bank Remuneration Committee)	The Remuneration Committee of the Board of UK Bank
UK-based MRT	A member of staff who is identified as a material risk taker in respect of the consolidation group of which UK Bank is a part, in accordance with the requirements of the Codes and associated guidance

3 Policy Requirements

3.1 Regulatory Position

CBGHL is a PRA-approved parent holding company for the UK Bank and forms part of the UK Bank's regulatory consolidation group. This means that any individual of CBGHL that may be identified as a UK-based MRT will have to follow the UK Bank's regulatory position for remuneration.

The Policy therefore considers the regulatory requirements set out in the remuneration part of the PRA's Rulebook and SYSC 19D of the FCA's Handbook (the UK Codes) which apply to CBGHL. The UK Codes are intended to promote sound and effective risk management by aligning the long-term interests of institutions and their staff, whose professional activities have a material impact on the institution's risk profile. Key requirements that apply under the UK Codes include:

- a requirement to identify UK-based MRTs including those that may be employed by CBGHL;
- a requirement to implement a proportionate ratio between fixed and variable remuneration for UK-based MRTs;
- a requirement for the policy and remuneration practices and procedures to be gender-neutral and based on the principle of equal pay for women and men for equal work or work of equal value.
- a requirement for variable remuneration awarded to UK-based MRTs to comply with the "pay-out process rules" contained within the UK Codes, being:
 - deferral;
 - payment in instruments; and
 - performance adjustment (i.e. malus and clawback provisions);
- limitations regarding the use of guaranteed variable remuneration and the structure of buy-out awards.

The Policy and ClearBank's remuneration arrangements are designed to ensure compliance with these requirements.

The on-going appropriateness of ClearBank remuneration arrangements will be reviewed annually by the GRemCo, with appropriate involvement of senior management, the Risk and Compliance function and other control functions. The GRemCo shall also ensure that all ClearBank entities are in compliance with their respective local policies.

3.2 Adoption and Review

This Policy has been adopted by the Board of Directors at the recommendation of the GRemCo. This Policy, and its application, will be reviewed at least every year by the GRemCo (or more frequently if the GRemCo considers this to be appropriate), with the involvement of the Risk and Compliance function, all other relevant control and support functions and external legal providers as necessary and appropriate. The GRemCo's annual review of the Policy will consider whether it continues to be appropriate for ClearBank, having regard to the requirements of the Codes and related guidance.

Any changes to this Policy will be approved by the GRemCo.

3.3 Approach to Remuneration

The overall aim of the remuneration policies and practices of ClearBank is to attract, motivate and retain individuals of the highest calibre, who can deliver sustained performance consistent with strategic goals and appropriate risk management. The following key principles underpin these themes:

- Promoting the long-term success of ClearBank.
- Seeking to attract, motivate and retain high calibre/performing individuals.
- Remuneration being aligned to the achievement of key performance milestones and the long-term success of ClearBank.
- Remuneration arrangements not encouraging risk taking that exceeds ClearBank's risk appetite.
- Ensuring that the proportion of remuneration which is variable by reference to performance is appropriate given the stage of ClearBank's business development and has been set giving due regard to any impact of known or anticipated risks.

- Providing a core offering of benefits for all employees which is market competitive.
- Remuneration decisions being underpinned with objective reviews of performance, market data and benchmarking.
- Ensuring that poor performance, unacceptable behaviour or inappropriate conduct is not rewarded.
- Avoiding conflicts of interest in decision making processes.
- Providing fair and equitable remuneration across ClearBank, reflecting the ClearBank values and commitment to diversity and equal opportunity.

3.4 The Remuneration Committee

Remuneration policies and practices for ClearBank are overseen by the GRemCo.

The GRemCo meets at least twice a year, although it can meet more frequently as required. The GRemCo retains ultimate discretion for those matters as outlined within its Terms of Reference.

Only members of the GRemCo have the right to vote at GRemCo meetings. The Group Chief People Officer and Group Chief Executive Officer retain a standing invitation to attend meetings but are excluded from discussions relating to their own remuneration arrangements. Additionally, there remains a standing invitation for the named Investor Directors to attend meetings as and when required.

The GRemCo is supported by the Group Board Risk Committee on risk-related matters including in respect of the design of performance-related pay structures, the assessment of specific performance measures and wider discussions related to risk management. In reviewing remuneration structures and variable payments, consideration will be given to potential conflicts of interest and any risk events which have occurred during the year, with careful consideration given to variable payments made to MRT's, Senior Managers and Certified Individuals. A report from the Group Chief Risk Officer will be produced on an annual basis to comment on any material risk events and risk performance during the relevant period. A Risk Adjustment Forum operates to enhance the support to the Group Remuneration Committee in discharging its duties in respect of variable remuneration, with output from the RAF forming part of the CRO's report. This will be presented to the GRemCo for review and consideration and the GRemCo will consider if any adjustments to variable pay for its CBGHL employees are appropriate. Each local entity will follow the same process with any adjustment outcomes for local entities highlighted to the GRemCo for awareness and oversight.

The GRemCo may take external professional advice as appropriate, including in respect of external benchmarking and comparative remuneration information.

3.5 Material Risk Takers and Control Functions

Entities within ClearBank are required to identify material risk takers in accordance with local regulatory requirements. This is done on an annual basis in accordance with the applicable requirements of the Codes and associated guidance and with the appropriate involvement of the Risk and Compliance and People functions.

For the avoidance of doubt, individuals employed by CBGHL may be identified as a UK-based MRT where such individual meets the relevant regulatory requirements applicable to the UK Bank in respect of the consolidation group to which the relevant bank forms part.

MRT Identification Methodology

The approved MRT Methodology criteria, identifying individuals who will be deemed MRTs if the professional activities of their role meet one or more of the following criteria for the 2026 performance year, are:

- Criterion 1: A member of the management body and senior management
- Criterion 2: Employees with managerial responsibility over the firm's control functions

- Criterion 3: Employees with managerial responsibility over the firm's material business units
- Criterion 4a: Employees with managerial responsibility over legal affairs
- Criterion 4b: Employees with managerial responsibility over the soundness of accounting policies and procedures
- Criterion 4c: Employees with managerial responsibility over finance, including taxation and budgeting
- Criterion 4d: Employees with managerial responsibility for performing economic analysis
- Criterion 4e: Employees with managerial responsibility for the prevention of money laundering and terrorist financing
- Criterion 4f: Employees with managerial responsibility for human resources
- Criterion 4g: Employees with managerial responsibility for the development or implementation of the remuneration policy
- Criterion 4h: Employees with managerial responsibility for information technology
- Criterion 4i: Employees with managerial responsibility for information security
- Criterion 4j: Employees with managerial responsibility for managing outsourcing arrangements of a function
- Criterion 5: Employees with managerial responsibilities or voting committee responsible for identified risk categories set out in Internal Capital Adequacy Assessment Part 3.1(2) (a) to (g), (i) and (j)
- Criterion 6: Credit risk takers with the authority to take, approve or veto decisions on credit risk exposures where the nominal amount per transaction is 0.5% of the firm's Common Equity Tier 1 Capital and is at least £4.5 million
- Criterion 7: Market risk takers with the authority to take, approve or veto decisions on transactions on the trading book that represents 0.5% of the firm's Common Equity Tier 1 Capital or 5% or more of the firm's internal value-at-risk limit (or voting committee members where committee structures are used)
- Criterion 8: Employees who head a group of employees that collectively exceed the thresholds in criteria 6 and 7
- Criterion 9: Employees or voting committee members with authority to take, approve or veto decisions on the introduction of new products
- Criterion 11*: Employee is within the 0.3% of employees who have been awarded the highest total remuneration for the preceding performance year.
- Criterion 12: Any employee who is not captured in any of the preceding criteria, but who carry out activities which exposes the firm to a material level of risk.

*Criterion 10 that previously related to a quantitative identification threshold has been removed from the remuneration regulations with effect from the 2026 performance year.

The lists of MRTs may be updated on a more frequent basis if required due to recruitment, departures or changes in team, role or responsibilities. The relevant risk function is required to ensure that any such change in personnel and/or role involves an updated assessment of whether the relevant individual should be identified as an MRT.

Employees who are identified as MRT's shall be notified of their status as such, and the implications thereof on an on-going basis. Employees whose MRT status ceases will be notified of this change and the implications.

Remuneration for employees within control functions is determined in accordance with the achievement of objectives linked to their functions, independent of the performance of the business areas they control.

3.6 Remuneration Components

3.6.1 Overview

The ClearBank Performing People Framework outlines the performance and appraisal process in which the individual and manager evaluate and document performance at regular times during the year. This Framework is detailed in the ClearBank Employee Handbook. The Framework drives continuous review of objectives and performance. Decisions relating to the review and variable remuneration will be made on the basis of these appraisals and as finalised within the Annual Performance Review which is completed as part of the annual-year end process. No individual is responsible for approving their own performance objectives.

Scorecards are used to assess bonus outcomes for senior leaders at ClearBank, with financial and non-financial measures weighted according to entity, where relevant.

Individual remuneration components for employees are set at levels designed to ensure an appropriate and balanced remuneration package consisting of:

- Fixed Pay
 - Base salary, including fixed allowances if any
 - Pension and insurance schemes
 - Other benefits
- Variable Pay
 - Performance-based remuneration
 - Service-based remuneration

Ratios may vary between employees and/or categories of employees. In setting and agreeing the appropriate level, the GRemCo shall take into account; ClearBank's business activities and associated regulations and conduct risks, the role an individual undertakes and the potential impact they may have on the Bank's risk profile. In setting ratios, the GRemCo has regard to all potential scenarios, including that the Bank exceeds its objectives; ratios are set at a level that reflects the highest amount of variable remuneration that could be awarded in the most positive scenario.

Ratios may change from one performance year to the next to take account of changes to the risks, strategies and priorities of ClearBank.

3.6.2 Fixed Pay

Fixed Pay is determined on the basis of the role and the position of the individual employee, including professional experience, responsibility, job complexity and local market conditions. Decisions on adjustments, if any, to an employee's Fixed Pay are currently reviewed on a bi-annual basis and aligned to industry benchmark data.

Pension and Insurance Schemes guarantee employees basic cover in the event of, short term loss of income, death and pension payment on retirement. Employees are covered by a suite of comprehensive benefits relevant to local market practice, reviewed annually and externally benchmarked.

3.6.3 Non-Executive Directors

The independent non-executive directors of CBGHL, the UK Bank and Europe Bank receive a fixed

fee, and do not participate in Variable Pay arrangements. Fixed fees are overseen and determined by GRemCo in consultation with the local RemCo. Non-executive directors do not receive pension or other benefits.

3.6.4 Variable Pay

Variable Pay is discretionary, and any payment is assessed at the time of delivery taking into account all relevant factors, including, as applicable the results of ClearBank's financial affordability, the achievement of personal milestones, local requirements and considerations around limits and proportionality and adherence to expected standards of behaviour and any risk events and mitigation. Payment of Variable Pay is ordinarily made in March following performance assessment for the preceding year.

Arrangements are in place allowing Variable Pay to be paid using a combination of cash and Shares or Share-Linked Instruments, where relevant. From 2026 given the status of the bank as a Significant Firm, Variable Pay due to UK-based MRTs will be paid in accordance with the requirements of the UK Codes as referred to in paragraph 3.7. Payment structures for all employees are determined having regard to the UK Codes, financial affordability and business strategy.

Without limitation, any Variable Pay for CBGHL employees who are members of the Executive Committee, UK-based MRTs and any other senior officers in the Risk and Compliance functions and other control functions will be subject to approval by the GRemCo. A similar approach will be followed by the local entities in line with the local Remuneration Policy and the GRemCo will have oversight of these outcomes.

The approval of Variable Pay for the wider workforce is the responsibility of the relevant Executive Committee (in accordance with the powers delegated to it by the relevant boards). In approving such arrangements, the relevant Executive Committee will act in conformity with the principles and provisions of this Policy and subject to the oversight and strategic input of the GRemCo (in its role of setting and overseeing implementation of this policy).

ClearBank does not offer discretionary pension benefits as referred to in the Codes.

3.6.5 Risk Adjustment Measures for Variable Pay

The on-going appropriateness of ClearBank's approach to determining Variable Pay is kept under regular review by the GRemCo. This includes the making of risk-based adjustments and the establishment of bonus pools, taking into account the ongoing development of the business and operations of ClearBank.

The available budget for bonus awards is reviewed by the Finance function, as part of its oversight of ClearBank's solvency and capital positions, to ensure that bonuses are not proposed that would materially affect relevant solvency ratios or in any way jeopardise the continuity and sustainability of ClearBank's future activity and/or lead to a breach of relevant capital or liquidity requirements.

No Variable Pay will be paid to employees of CBGHL unless the GRemCo determines that such payment:

- is sustainable and will not undermine ClearBank's capital position in relation to its regulatory requirements or capital risk appetite; and
- is justified on the basis of (as appropriate) the performance of ClearBank, the business unit with which the relevant employee is affiliated and/or the employee concerned.

The process for the determination of individual Variable Pay awards is capable of reflecting any risk failing and/or taking into account any relevant current and future risks, where appropriate this may lead to awards being reduced, including to nil.

Additionally, Variable Pay will not be paid, or in some instances temporarily withheld, for employees who are undergoing performance management discussions, or are subject to investigations in relation to matters of conduct and behaviour. Non-contractual Fixed Pay rises which have not been implemented

prior to the initiation of any performance management discussion or investigation will also be deferred until the satisfactory conclusion of such proceedings.

CBGHL operates a fully flexible policy on remuneration allowing for the adjustment of Variable Pay via malus as follows

Malus

CBGHL may reduce the value of any unpaid Variable Pay by such amount as is considered appropriate by the GRemCo (including to nil) at any time prior to payment in any of the following circumstances:

- the employee ceases to hold office or employment by way of summary dismissal or dismissal on the grounds of misconduct;
- the employee becomes bankrupt, enters into a voluntary arrangement with his or her creditors or any similar or related proceedings, or the equivalent in any jurisdiction;
- the employee is convicted of a criminal offence (other than a driving offence in respect of which no custodial sentence is imposed);
- the employee is disqualified as being a director of a UK company;
- the employee becomes prohibited from working in the financial services sector in the UK (whether by refusal of authorisation by, or other act of, the PRA or FCA (or any successor body) or otherwise);
- the employee is removed from a role as a Senior Manager or Certified Person on grounds of a lack of fitness and propriety (whether by decision of ClearBank, the UK Bank or the PRA or FCA);
- it being determined that:
 - the employee participated in or was responsible for conduct which resulted in significant losses to ClearBank;
 - the employee failed to meet appropriate standards of fitness and propriety;
 - there is reasonable evidence of misbehaviour or material error by the employee;
 - ClearBank or the relevant business unit with which the employee is affiliated has suffered a material downturn in its financial performance; or
 - ClearBank or the relevant business unit with which the employee is affiliated has suffered a material failure of risk management.

3.7 Pay-out Process Rules

Since 1 January 2025, ClearBank was classed as a Significant Firm and is therefore required to comply with the "pay-out process rules" in respect of UK-based MRT's Variable Pay, unless the individual de minimis exemption in the UK Codes applies. As detailed in paragraph 3.5, employees who are part of CBGHL may be identified as a UK-based MRT and therefore must comply to these rules. The Variable Pay arrangements operated by ClearBank for the 2026 performance year onwards are designed to comply with these requirements.

In accordance with the UK Codes, UK-based MRT's will only be excluded from application of the pay-out process rules where their total annual remuneration for a performance year: (i) is less than or equal to £660,000; and (ii) where total variable is less than or equal to one third of their total annual remuneration.

Where an individual is an MRT for less than three months, the deferral and payment instruments provisions of the payout process rules do not apply.

CBGHL may choose to extend the specific regulatory requirements applicable to UK-based MRT's Variable Pay arrangements to Variable Pay awarded to non-MRT's (either in part or in full), including delivering a proportion of the Variable Pay award for non-MRTs using Share-Linked Instruments, which are subject to deferral and malus and clawback provisions.

3.7.1 Payment in Instruments

ClearBank operates several arrangements by which Variable Pay may, once determined, be delivered in the form of Share-Linked Instruments. Alternative incentive arrangements which provide for the award of Shares or other Share interests may also be introduced in the future. The GRemCo periodically reviews these arrangements to ensure that Shares and Share-Linked Instruments are aligned with interests of the Bank. This is kept under review as part of the GRemCo's annual review of the Policy and ClearBank's broader remuneration practices.

Options and awards over Shares aim to align employees with ClearBank's long term strategic goals. The GRemCo may impose additional conditions which must be met in order for such options or awards to vest and for shares to become deliverable to CBGHL employees. These conditions vary by arrangement and provide for a mixture of service and performance-based requirements to be satisfied.

At least 50% of any Variable Pay awarded to a UK-based MRT will be delivered in the form of Shares or Share-Linked Instruments. This requirement will, subject to disapplication based on the de minimis provisions, be applied both in respect of the deferred and non-deferred portions of the Variable Pay.

3.7.2 Deferral of Variable Pay

The proportion of Variable Pay deferred for a UK-based MRT will be at least 50%, rising to a 60% deferral applied on a marginal basis depending on the amount of Variable Pay awarded. Where total variable is less than £660,000 a 50% deferral into shares or share linked instruments will apply, and for any amount of total variable greater than £660,000 a 60% deferral into shares or share linked instruments will apply on a marginal basis. The portion of total variable that is not deferred will be delivered as a cash award. Vesting will take place over a period of 4 years.

3.7.3 Performance Adjustment Measures for Variable Pay

In addition to malus, the GRemCo may apply clawback to employees who are identified as UK-based MRT's, if a "Clawback Event" (as defined below) occurs. The GRemCo may require repayment (as an immediately repayable debt) of some or all of the Variable Pay. The Committee has discretion to determine the basis on which the amount of cash or Shares is calculated.

Clawback Events

For these purposes, a "Clawback Event" means the GRemCo determining that:

- the employee participated in or was responsible for conduct which resulted in significant losses to ClearBank;
- the employee failed to meet appropriate standards of fitness and propriety;
- there is reasonable evidence of misbehaviour or material error by the employee; or
- ClearBank or the relevant business unit with which the employee is affiliated has suffered a material failure of risk management.

CBGHL may lapse any bonus or other Variable Pay award to such extent as it determines to be necessary (including in full) in order to give effect to a clawback.

Where CBGHL defers bonuses into share-based awards as referred to above, those awards are granted on terms providing for adjustment in the same circumstances as referred to above.

Clawback periods

All Variable Pay arrangements for the 2026 performance year onwards will follow the PRA regulation for a significant firm and allow for the clawback of awards:

- in respect of upfront Variable Pay, at least one year from the date of award/payment; and
- in respect of deferred Variable Pay, for any UK-based MRT at least five years from the date of award:
 - for UK-based MRT's who perform a PRA senior management function, at least seven years, extendable to at least 10 years where notice is given to the UK-based MRT no later than seven years after the Variable Pay was awarded, where:
 - ClearBank or the UK Bank has commenced an investigation into facts or events which it considers could potentially lead to the application of clawback were it not for the expiry of the clawback period; or
 - ClearBank or the UK Bank has been notified by a regulatory authority (including an overseas regulatory authority) that an investigation has been commenced into facts or events which the UK Bank or ClearBank considers could potentially lead to the application of clawback were it not for the expiry of the clawback period.

3.8 Guaranteed Variable Remuneration, Buy-outs and Retention Awards

Guaranteed Variable Remuneration

Guaranteed variable remuneration (including sign-on bonuses) may be awarded, but such awards will be exceptional, limited to instances of recruitment, limited to the first year of employment, and will only be awarded to UK-based MRT's where ClearBank has a sound capital base.

Any guaranteed variable remuneration awarded to a UK-based MRT will be subject to the pay-out process rules as referred to in paragraph 3.7 and will be included within the calculation of Variable Pay for purposes of applying fixed to variable pay ratios for the year in which the award is made.

Retention Awards

Retention awards may be considered in exceptional circumstances and in light of applicable regulatory requirements. Proposed retention awards to UK-based MRTs no longer require pre-notification to the PRA following the policy statement PS21/25 Remuneration Reform. Any retention award offered will be included within the calculation of Variable Pay for purposes of applying fixed to variable pay ratios for the year in which the award is made.

Buy-out Awards

Buy-out awards may be awarded provided that they are aligned with the long-term interests of ClearBank, as applicable. Any buy-out award made will be subject to the appropriate retention, deferral, performance and clawback arrangements.

If and to the extent that a buy-out award is offered to an individual in respect of forfeited remuneration that an individual earned as a MRT at a regulated firm, CBGHL will comply with the Code requirements in relation to the buy-out award, and in particular:

- no such award will be made prior to adequate evidence of the forfeited remuneration

being provided by the individual;

- such award will require the approval of the respective Remuneration Committee prior to grant;
- ClearBank will liaise with the former employer in relation to the buy-out award as required; and
- ClearBank will comply with any reduction notice or other instruction received from the former employer in relation to the buy-out award.

3.9 Termination of Employment

Any payments made relating to a termination of employment with CBGHL will reflect performance achieved over time, the individual's leaver status in line with the respective plan rules and no such payments will be made where to do so would reward failure or misconduct.

Any payments relating to the termination of employment of any Executive Committee member, UK-based MRT, Senior Manager Function Holder or any other employee who is considered to be a senior officer in CBGHL's Risk and Compliance function shall be subject to approval by the GRemCo.

3.10 Personal Investment Strategies or Similar

Employees are prohibited from using any personal investment or hedging strategy, insurance or similar to undermine any risk-alignment effects embedded in any aspect of their remuneration arrangements from time to time.

Employees are required to make an annual declaration that they do not participate in such arrangements.

3.11 Policies on the Disclosure and Reporting of Information

ClearBank, and in particular the GRemCo, shall ensure compliance with the applicable information reporting and disclosure obligations regarding remuneration and this Policy.

4 Roles and Responsibilities

The Role and Responsibilities of the Policy Owner are to:

- Ensure that this Policy is reviewed, at a minimum, at least every year by the GRemCo.
- Provide advice and guidance to the ClearBank Board and the business in relation to interpretation and implementation of the Policy.
- Review and understand the Policy requirements and create appropriate supporting processes.

5 Policy Exceptions

ClearBank Group's approach is to mandate this Policy as standard and as such, it is not expected that exceptions to this Policy will be required other than in exceptional circumstances.

Any exception to this Policy will need to be referred to and reviewed by the Chief People Officer who together with the ClearBank Group Chief Executive Officer (CEO) will determine whether it is appropriate to consider an exception and seek approval from the ClearBank Group Board Remuneration Committee (REMCO) accordingly.

A rationale for the request and decision made must be documented and logged with evidence of required approval and date of expiry.

Any exception to this Policy, which has not been pre-approved in line with the requirements of this chapter must be reported as an incident and followed through in accordance with that process.

6 Record keeping

Records must be kept in line with ClearBank's documented record retention policy.

7 Applicable Laws and Regulations

- FCA Systems and Controls (SYSC) 19D
- PRA Rulebook - Remuneration part

8 Associated Documents

- Performing People Framework
- Conduct Policy
- Code of Conduct
- Senior Manager and Certification Regime Management Responsibilities Map (for SMF roles)

Control Objectives

The following Control Objectives must be adhered to by local entities, and evidenced through the implementation of the Localised Policy:

- Each local entity is responsible for maintaining its own policy that outlines local regulation for that entity.
- Local entities must ensure its employees adhere to the local regulation that covers that entity. (PRA rulebook, FCA Systems and Control 19D, Dutch law and its application of CRD IV)
- Local entities are responsible for identifying and maintaining a list of MRT's and ensuring those individuals adhere to the appropriate remuneration rules.
- Each entity must perform its own risk assessments and share any performance adjustments with the GRemCo for oversight.

Appendix # –

This document DOES NOT contain appendices.