



TP ICAP plc

Remuneration Disclosure Statement – June 2020

The Financial Conduct Authority (FCA) IFPRU Remuneration Code (“the Code”) applies to TP ICAP Plc. TP ICAP plc is an IFPRU limited license firm and as such, this firm is designated as “level three” under the FCA proportionality framework.

This disclosure covers remuneration paid in respect of the financial period from 1 January 2019 to 31 December 2019.

a) Decision-making process for remuneration policy

The Group has a Remuneration Committee (“the Committee”) which meets regularly to consider issues relating to the remuneration policy and structures for all employees of the Group. During the financial period ending 31 December 2019, the Committee held 4 scheduled meetings and 2 additional meetings.

The Committee is appointed by the Board and comprises only independent Non-Executive Directors. No individual is included in decisions relating to their own remuneration.

The Committee’s terms of reference, which are reviewed regularly by the Board are available on the Investor section of the Group’s website [here](#).

b) External consultants

PwC are the appointed advisors to the Committee. During the financial period ended 31 December 2019, PwC advised the Company in relation to tax and, consulting services. The Committee is satisfied that the advice provided by PwC is independent and objective.

c) **Role of the relevant stakeholders**

The Committee continues to review recommendations from key stakeholders, including institutional investor bodies, and the Committee consults with major shareholders on any key decisions taken.

The Committee monitors corporate governance and best practice developments in the wider market as well as in the Financial Services sector.

d) **Code Staff as defined by the EBA qualitative and quantitative criteria**

The following groups of employees and directors have been identified as meeting the EBA criteria for Code Staff:

- Executive and Non-Executive members of the TP ICAP plc Board;
- FCA Approved Persons who perform a Significant Influence Function;
- Head of Control and Support Functions (internal audit, compliance, legal and human resources) and any individuals within their control who have a material impact on the firm's risk profile; and
- Other Material Risk Takers and any individuals within their control who have a material impact on the firm's risk profile.

The Code Staff population is reviewed at least annually by the Committee. Individuals are notified of their Code Staff status and the implications of this annually.

e) **The link between pay and performance for Code Staff**

TP ICAP considers the aggregate level of variable compensation as a whole, in light of the performance of the business and its risk profile.

There are a number of different bonus schemes in operation across the Group for Brokers, Senior Management and other employees.

Brokers' bonus schemes are described below; all other bonuses are generally discretionary, determined on the basis of performance (both individual and company) as well as the achievement of objectives. The performance assessment at an individual level takes into account their compliance with TP ICAP values, mandatory training and conduct performance. The absence of a contractual entitlement linked to operating performance impacts an individual's attitude to risk taking.

The Company's Remuneration Policy for Brokers is based on the principle that remuneration is directly linked to financial performance, generally at a desk/team level, and is calculated in accordance with formulae set out in contracts of employment/service agreements. These calculations are overlaid with an assessment of individual performance and conduct against core Group values - Honesty, Integrity, Respect and Excellence. Typically, Brokers receive a fixed salary paid regularly throughout the year, with a significant proportion of variable remuneration dependent on their revenue (after costs), performance and conduct which is paid after the revenue has been fully received in cash.

f) **Aggregate total compensation cost for all Code Staff**

The aggregate total compensation cost for the Code Staff was **£410,582,301** broken down as follows:

Senior Management:	£26,049,896
All Other Staff:	£384,532,404