



## **TP ICAP plc**

### **Remuneration Disclosure Statement – March 2021**

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 2020 to 31 December 2020.

#### **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 2020, the Committee held 7 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 2020, 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) **Material Risk Takers as defined by the EBA qualitative and quantitative criteria**

The groups of employees and directors identified as meeting the EBA criteria for Material Risk Takers include the following:

- Executive and Non-Executive members of the TP ICAP plc Board;
- FCA Approved Persons who perform a Significant Influence Function;
- Other members of senior management
- head of business lines considered material business units
- 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 including employees in receipt of total remuneration that exceeds EUR500,000 who have a material impact on the firm's risk profile.

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

e) **The link between pay and performance for Material Risk Takers**

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 Material Risk Takers**

The aggregate total compensation cost for the Material Risk Takers was **£490,276,296** broken down as follows:

Senior Management:	£24,882,991
All Other Staff:	£465,393,305