



Wise plc

("the Company")

Terms of Reference for Group Remuneration Committee

as approved and adopted by the Board of Directors of the Company on 4 May 2022.

1 Purpose

- 1.1 The Board of the Company has delegated responsibility for all matters relating to remuneration to the Committee. The Committee will assist the Board with the determination, implementation and oversight of the Director, Senior Executive Group (defined below), and TINV Material Risk Takers (MRTs) (defined below) remuneration arrangements to enable the recruitment, motivation and retention of senior talent and ensure compliance with all applicable law, regulation and guidance from time to time.
- 1.2 The Committee also assists the Board by reviewing the remuneration policies and framework for all employees.
- 1.3 "**Senior Executive Group**" shall comprise the General Counsel & Group Company Secretary, Chief Financial Officer, Head of Compliance and Money Laundering Reporting Officer, Head of Internal Audit and such other roles as may be determined by the Committee.
- 1.4 "**TINV MRTs**" shall comprise staff identified as Material Risk Takers of TINV Ltd ("**TINV**") and/or its regulatory consolidation group in accordance with SYSC19A of the FCA Handbook in respect of the period ending 31 December 2021, and SYSC19G of the FCA Handbook in respect of the period commencing on and after 1 January 2022 (as amended from time to time) (the "**Remuneration Code**").

2 Membership

- 2.1 The Committee shall comprise at least three members (including the Chair), all of whom shall be independent non-executive directors. The Chair of the Board may also serve on the Committee as an additional member if they were considered independent on appointment as Chair.
- 2.2 Appointments to the Committee are made by the Board on the recommendation of the Nomination Committee, and in consultation with the Chair of the Committee and shall be for a period of up to three years which may be extended for up to two additional three-year periods,

provided members (other than the Chair of the Board, if they are a member of the Committee) continue to be independent.

- 2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, Chief People Officer, Head of Reward, General Counsel and Group Company Secretary and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.4 The Board shall appoint the Chair of the Committee who shall be an independent non-executive director who should have served on an remuneration committee for at least 12 months. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board shall not be Chair of the Committee, apart from the first [12 months] following admission to Listing.

3 Secretary

- 3.1 A member of the Company Secretariat shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

4 Quorum

- 4.1 The quorum necessary for the transaction of business shall be two, including the Chair of the Committee.
- 4.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers vested in or exercisable by the Committee.

5 Frequency of meetings

- 5.1 The Committee shall meet at least twice a year and otherwise as required.

6 Notice of meetings

- 6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

7 Minutes of meetings

- 7.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2 Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board and the Company Secretary unless, exceptionally, it would be inappropriate to do so.

8 Engagement with shareholders

- 8.1 The Chair of the Committee should attend the annual general meeting to answer any shareholder questions on the Committee's activities and, if requested to do so by the Chair of the Board, make a statement on the activities and achievements of the Committee over the year. In addition, the Chair of the Committee should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.
- 8.2 Through the Chair of the Board, the Chair of the Committee should ensure that the Company maintains dialogue as required with its principal shareholders in order to ensure that the Company understands their views on issues relating to remuneration.
- 8.3 Through the Chair of the Board, the Chair of the Committee should ensure that the Company maintains dialogue as required with the Workforce in order to ensure the Workforce understands the alignment between Executive Director remuneration and the Company's broader approach to Workforce remuneration. For these Terms of Reference, "Workforce" means individuals employed under contracts of employment or service, or other arrangements to do work or provide services personally.

9 Duties

- 9.1 The Committee should carry out the duties detailed below for the Company, major subsidiary undertakings and the group as a whole, as appropriate.

The Committee shall:

- 9.2 Have delegated responsibility for determining the policy for Directors' remuneration and for setting remuneration for the Chair of the Company, Executive Directors, Senior Executive Group and TINV MRTs, in accordance with the Principles and Provisions of the UK Corporate Governance Code ('Code') and UK regulatory remuneration rules, statements and guidance including, but not limited to, the Remuneration Code (the "Remuneration Rules"), as applicable.
- 9.3 Establish remuneration schemes that promote long-term shareholding by Executive Directors and that support alignment with long-term shareholder interests, including designing any long term incentive plans in

light of the principles of the Code and adopting a formal policy for post-employment shareholding requirements. Design remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to company purpose and values, clearly linked to the successful delivery of the company's long-term strategy and taking account of the Company's risk appetite and risk management strategy. Remuneration practices should allow the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances. The Committee must ensure it has appropriate contractual powers to exercise such discretion in place to enable it to do so.

- 9.4 When determining Executive Director remuneration policy and practices, consider all relevant legal and regulatory requirements, including the requirements of the Code for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture.
- 9.5 No Director, member of the Senior Executive Group or TINV MRT shall be involved in any decisions as to their own remuneration outcome.
- 9.6 In determining remuneration policy, take into account all other factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Code, the Remuneration Rules, and associated guidance, as applicable. One of the objectives of such policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders.
- 9.7 Periodically review the ongoing appropriateness and relevance of the remuneration policy and satisfy itself that the policy as it relates to TINV and TINV's regulatory consolidation group:
 - 9.7.1 complies with the Remuneration Rules;
 - 9.7.2 is consistent with such group's business strategy, objectives, culture, values and long-term interests (including the long-term interests of shareholders, investors, other stakeholders and the public interest);
 - 9.7.3 is consistent with and promotes sound and effective risk management, and takes into account all types of risk, liquidity and capital levels.
- 9.8 In respect of TINV and TINV's regulatory consolidation group, oversee the implementation of the remuneration policies and practices at least annually, and ensure that such implementation is subject to an independent internal audit for compliance with the adopted policies and practices and with the Remuneration Rules.
- 9.9 Within the terms of the agreed policy determine the total individual remuneration package of each Director, the Chair of the Company and member of the Senior Executive Group including but not limited to bonuses, shared-based incentives, benefits packages, pension rights and

arrangements in connection with the individual's cessation of office or employment (including the terms of settlement agreements or similar documents). The choice of financial, non-financial and strategic measures is important, as is the exercise of independent judgement and discretion when determining remuneration awards, taking account of Company and individual performance, and wider circumstances.

9.10 Subject to 12.3, have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company. However the Committee should avoid designing pay structures based solely on benchmarking to the market or on the advice of remuneration consultants.

9.11 When determining remuneration policy, take into account all other factors which it deems necessary which may include:

9.11.1 the risk appetite of the Company (including in respect of reputational and behavioural risk);

9.11.2 the principles that:

9.11.2.1 remuneration arrangements should drive appropriate behaviours and poor performance should not be rewarded;

9.11.2.2 a significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to support the delivery of the Company's long-term strategy;

9.11.2.3 remuneration arrangements for departing Directors should be proportionate and variable based on Committee discretion in order to reflect the circumstances of the departure and the Director's conduct and performance;

9.11.2.4 pension contribution rates for Directors (or payments in lieu) should [seek to] be aligned to those available for the Workforce; and

9.11.2.5 departing Directors should be obliged to mitigate loss.

9.12 in addition, when determining remuneration policy or arrangements / payments for Executive Directors:

9.12.1 review and have regard to:

9.11.2.1 the remuneration of the Workforce, including any available data relating to pay gaps or disparity (such as gender pay gap information or pay ratio analysis);

9.11.2.2 remuneration-related policies applicable to the Workforce; and

9.11.2.3 the alignment of the policy or arrangements / payments being considered with the culture and the Company's broader approach to Workforce pay.

- 9.13 Review the design of all share-based compensation for approval by the Board and, where required, the Company's shareholders. For any such compensation, determine each year whether awards will be made, and if so, the overall amount of such awards and the terms and maximum value of individual awards for Executive Directors and members of the Senior Executive Group, and the performance targets to be used.
- 9.14 Ensure remuneration schemes promote alignment with long-term shareholder interests by (where appropriate) adopting shareholding policies that apply during and after employment and malus and clawback policies.
- 9.15 Ensure that contractual terms on termination are fair to the individual and the Company and reflect the principles that poor performance should not be rewarded and departing Directors should be obliged to mitigate loss. Agree the policy for authorising claims for expenses from the Directors.
- 9.16 Review any disclosure the Company or group is required to make in respect of pay gaps or disparity (such as under the UK's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017).
- 9.17 Review and approve all changes to share based compensation awards and grants including but not limited to grant dates, vesting schedules, and share based compensation exercises.
- 9.18 Review and make recommendations, where appropriate, in respect of the remuneration policies and frameworks for all employees to ensure they support the strategic objectives, culture and values of the Company.
- 9.19 Oversee any major changes in employee benefits structures throughout the Company or group.
- 9.20 Review remuneration, pensions and benefits arrangements, in respect of the Senior Executive Group and Workforce.
- 9.21 Approve the remuneration of any Senior Executive Group, taking into account the evidence and feedback on their performance.
- 9.22 On an annual basis, review and consider the appropriateness of the Company's planned remuneration spend.
- 9.23 Work and liaise as necessary with other Board Committees, ensuring the interaction between Committees and with the Board is reviewed regularly.
- 9.24 In respect of TINV and TINV's regulatory consolidation group:
 - 9.24.1 review all regulatory remuneration reporting and disclosure before they are finalised, and meet with Head of Reward as part of the review to

understand how and why such reports and disclosure comply with the relevant requirements;

9.24.2 review the selection criteria and process used to identify any TINV MRTs and approve any exemptions from identification as such;

9.24.3 review and propose amendments (if necessary) to policies and practices on:

9.11.2.1 performance assessment (including, but not limited to, the assessment of TINV and its regulatory consolidation group's financial performance);

9.11.2.2 risk-adjusted performance in calculating any bonus pools;

9.11.2.3 the application of performance adjustment, malus and clawback in respect of individual awards, including the triggers under which adjustment takes place,

to ensure such policies and practices (including, but not limited to, annual variable remuneration decisions) comply with the Remuneration Rules;

9.24.4 review reports to show how key performance metrics, in year adjustments, malus and clawback have operated.

9.24.5 approve the remuneration of heads of risk, internal audit and compliance.

9.24.6 periodically consider whether the remuneration policies enable employees in control functions to be remunerated in such a way as to attract qualified and experienced staff and independently of the performance of the business areas which they control.

9.24.7 meet with human resources and the Head of Reward prior to the approval and/or amendment of any remuneration policies so they can explain the steps taken to ensure the policies comply with the Remuneration Rules, and to provide the Committee with an opportunity to input where there is any concern that the policies may not meet requirements.

10 Reporting Responsibilities

10.1 The Committee Chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations and actions to be taken, to the extent appropriate.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be available for Board discussion when necessary.

- 10.3 The Committee shall provide a description of its work in the annual report in line with the requirements of the Code.
- 10.4 The Committee shall ensure that the Company adheres to all applicable remuneration disclosure legislation and regulations and that a report on the Directors' remuneration policy and practices is included in the annual report and put to shareholders for approval as necessary.
- 10.5 If the Committee has appointed remuneration consultants, the consultant should be identified in the annual report alongside a statement about any other connection it has with the Company or individual Directors.

11 Other Matters

The Committee shall:

- 11.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 11.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 11.3 Give due consideration to all relevant laws and regulations, the provisions of the Code and published guidelines or recommendations regarding the remuneration of company directors and the formation and operation of share incentive plans, including but not limited the requirements of the FCA's Listing Rules, Prospectus Regulation Rules sourcebook, Disclosure Guidance and Transparency Rules sourcebook, Market Abuse Regulation EU 596/2014 (as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended)), the guidelines published by relevant investors or investor groups from time to time, the Remuneration Rules and any other applicable rules or guidance, as appropriate.
- 11.4 Ensure that a periodic evaluation of the Committee's own performance is carried out.
- 11.5 Have the ability to request input from the control functions, human resources, the Head of Reward, and any relevant business unit before making decisions.
- 11.6 In respect of TINV and TINV's regulatory consolidation group, review a report from the head of risk which validates and assesses the risk-adjustment techniques used to calculate variable remuneration.

12 Authority

- 12.1 The Remuneration Committee is a Committee of the Board of Wise plc from which it derives its authority and to which it regularly reports.

- 12.2 The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.
- 12.3 The Committee has authority to investigate any matter within its Terms of Reference and to obtain such information as it may require from any Director or employee.
- 12.4 The Committee is authorised by the board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.
- 12.5 To facilitate its operational effectiveness, the Committee is authorised by the Board to delegate authorities as appropriate to the [Chair of the Committee or another person or body] in accordance with the relevant policy or procedures of the committee.

13 Authority

- 13.1 The Committee shall annually review its Terms of Reference and may recommend to the Board any amendments to its Terms of Reference.