

# Directors' Remuneration Report and Policy



**Helen Stevenson**  
Chair of the Remuneration Committee



2022 has been another strong year for us, where overall performance exceeded expectations at the start of the year. In addition, the Company continues to deliver on its strategy to expand and diversify the business and is well positioned for future growth.”

## Members and attendance

Where Directors were unable to attend meetings, they gave the Chair their views in advance on the matters to be discussed.

- Meeting attended
- Did not attend



**Helen Stevenson**  
Chair of the Committee



**Mike McTighe**  
Committee member



**Jonathan Moulds**  
Committee member



**Sally-Ann Hibberd**  
Committee member



**Andrew Didham**  
Committee member



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Helen Stevenson, Chair of the Remuneration Committee, gives her review of the Committee's activities during the financial year.

### Chair's overview

On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year to 31 May 2022. This report includes a summary of our Directors' Remuneration Policy which was approved at the 2020 AGM, details of remuneration arrangements in respect of the year to 31 May 2022 and a summary of how we intend to apply the Policy during the year to 31 May 2023.

### Performance in FY22

We have had one of the busiest years in our history, and have delivered record revenues, driven by continuing momentum across our businesses as we deliver on our strategy to expand and diversify. Overall performance was excellent across the majority of regions, reflecting increased trading by a record number of clients in a number of key areas of the business. Throughout the period we have remained committed to client quality and we continue to be defined and differentiated by our good conduct and client-centric business model, highlighted by our client loyalty and successful retention programmes.

## FY22 key focus areas

- IFPR and Investment Firm Directive (IFD) readiness
- Continued diversification of the Group
- Preparation for and stakeholder engagement ahead of the FY23 Directors Remuneration Policy review

## Directors' Remuneration Report and Policy continued

We are continuing to deliver on our strategy, diversifying into new product lines and into new geographies. The integration of tastytrade is on track, with a focus on operations and marketing, and the business is confident about the opportunities that it brings to the Company given the large total addressable market in the US, and also for further international expansion. In addition, we completed the sale of Nadex and Small Exchange, delivering a significant return on previous investments and allowing us to further sharpen our focus on integrating and expanding the US options and futures business where we see significant room for growth. Further details on our strategic progress can be found on pages 18 to 21.

### Incentive outcomes for FY22

The sustained performance plan (SPP) for the 2022 financial year operated in line with the Policy. The SPP award for the 2022 financial year was based on three metrics: earnings per share (EPS) (55% weighting), relative Total Shareholder Return (TSR) (25% weighting) and non-financial measures (20% weighting). EPS performance for FY22 was 96.3 pence, which was significantly ahead of the maximum target and our TSR over the period 1 June 2019 to 31 May 2022 was well above upper quartile compared to the FTSE 250 (excluding investment trusts).

Non-financial performance during the year was measured and assessed giving due consideration to, amongst other factors, the successful ongoing integration of tastytrade and tastytrade's revenue performance versus initial expectations for FY22 set against our confidence in the long-term opportunities that tastytrade brings to the wider Group. Consideration was also given to an improved overall client experience, increased employee engagement, and improved societal and environmental impacts. After careful assessment, the Committee judged that non-financial performance was 95% out of 100%.

Based on the above, while the outcome of the SPP award for FY22 was calculated at 99% of maximum, the Committee elected to apply a discretionary adjustment for the Executive Directors of -5% to the outcome reflecting the relative performance against internal targets for some individual businesses. This has resulted in a final vesting outcome for FY22 of 94% of maximum.

This award will be granted following the announcement of results for the year and will be delivered following Policy requirements in 30% in cash, 20% in share options released in July 2025, and 50% share options released in July 2026.

### COO salary increase to reflect increase in his responsibilities

During the year, the Committee reviewed the salary level for Jon Noble, our COO. Over the previous two years, the scope and responsibilities of the COO role have expanded significantly, including the leadership of the data science and governance strategy, and leading our approach on ESG. The outcome of this review was that the Committee determined to increase the COO's salary to £410k (an increase of 8.2%), effective from 1 October 2021, in order to reflect the expansion in the role's scope and responsibilities – the Committee is of the view that such an increase is appropriate in this context.

### IFPR/IFD

A large part of our agenda during the year has been reviewing the new requirements of the IFPR in the UK and the IFD in Europe. The Committee carefully considered and made changes to our remuneration arrangements, policies, documentation and processes to ensure that we comply with these requirements.

There are no significant changes to the remuneration arrangements for Executive Directors, other than for SPP awards granted in respect of FY23 onwards, Executive Directors will be required to hold any shares that vest for a further six months following vesting to comply with the IFPR. Malus and clawback provisions have also been expanded.

### Board changes Executive Directors

As detailed in last year's report, Bridget Messer, Chief Commercial Officer, stepped down from the Board on 22 September 2021, remaining with the Company until the completion of her notice period on 21 January 2022. Bridget will be treated as a good leaver for the purposes of the SPP. More details on this can be found on page 96.

### Non-Executive Directors and fees

During the year, we welcomed Susan Skerritt to the Board as a Non-Executive Director. As disclosed in last year's Directors' Remuneration Report, Lisa Pollina stepped down from the Board as a Non-Executive Director on 9 July 2021.

During the year we established a North American Board and additional fees and travel expenses have been provided to the North American Board Chair and Group non-executive representative on the Board to reflect the additional time commitment and responsibilities in undertaking these roles. More details on this can be found on page 89.

In light of inflation and the impact on the cost of living, the Chair and Non-Executive Directors elected not to receive an increase in fees for FY23 and requested that any increase be diverted to lower paid employees who are feeling the greatest impact in the rising cost of living.

### Looking ahead Salaries for FY23

Salaries for the Executive Directors for 2022 will be increased by 3%. The new salaries for June Felix (CEO), Charlie Rozes (CFO) and Jon Noble (COO), which apply from 1 June 2022, are £633k, £508.5k and £422.5k, respectively. This is below the 5.5% average increase awarded to the wider UK workforce. Similarly, the difference in the actual pay awarded and the average increase for the wider UK workforce will be diverted to lower paid employees in the same way as the increase for the Chairman and Non-Executive Directors.

### Incentives for FY23

There are no changes to the incentive levels for FY23, with the maximum opportunity under the SPP remaining at 500% of salary for the CEO and 400% of salary for the CFO and COO. SPP awards for FY23 will continue to be based 55% on EPS performance, 25% on TSR performance relative to the FTSE 250 (excluding investment trusts) and 20% on non-financial measures. Further details of performance conditions attached to FY23 incentives can be found below on page 88.

### Directors' Remuneration Policy

Our current Remuneration Policy will reach the end of its life at the 2023 AGM and therefore over the course of FY23 the Committee will undertake a detailed reviewed of the Policy to ensure that it is appropriate for, and aligned to, our evolving strategy, while ensuring that remuneration outcomes remain aligned to the experiences of our shareholders, employees and other stakeholders. As part of this we will carefully consider whether the SPP remains the right incentive plan or whether an alternative approach would be more appropriate. The Committee believes that the current Policy has operated as we intended during the year.

### Wider workforce remuneration

The Committee has consistently considered wider colleague pay as context for the decisions it makes. The Committee is kept updated through the year on general employment conditions, basic salary increase budgets (with particular focus on this in FY22 in the context of inflation levels and increases in the cost of living), the level of bonus pools and payouts, and participation in share plans. The Committee is therefore aware of how total remuneration at the Executive Director level compares to the total remuneration of the general population of employees.

The Company has a People Forum which is attended by employee representatives from across the business. The People Forum discusses pay as well as other matters which affect employees. The impact of the rising cost of living was also discussed with the People Forum as well as what the Company is doing to support employees with this. It was explained to employees that the Directors of the Company had decided to either give up their increase for this year or take a materially reduced increase, with the money given up being used to increase salaries of lower-paid employees. I attended the People Forum during the year and was able to hear participants' views on pay – I would like to thank participants, whose feedback and views were considered by the Committee as part of its annual process.

### Conclusion

The Committee is satisfied that our outcomes for FY22 are aligned with the interests of shareholders, that they reflect our strong performance over this year and that the Policy has operated as intended. I look forward to receiving your support for the Directors' Remuneration Report at the AGM on 21 September 2022.



**Helen Stevenson**  
Chair of the Remuneration Committee  
20 July 2022

## Remuneration at a Glance

Remuneration in FY22

We have delivered an excellent set of results in FY22 as well as continued to deliver on our strategy to expand and diversify, and this is reflected in pay outcomes.

The following section shows a summary of the performance measures we use, and the resulting pay for Executive Directors.

### Total remuneration (£000)



### FY22 SPP outcome

Metric	Weighting	Threshold		Outcome
		EPS: 0% payout, TSR: 25% payout	100% payout	
<b>EPS</b>	55%	62.2p	76.0p	100%
		Actual: 96.3p		
<b>TSR</b>	25%	Median ranking	Upper quartile ranking	100%
		Actual: 90th percentile		
<b>Non-financial</b>	20%	0%	100%	95%
Details of performance are set out on page 88		Actual: 95%		
<b>Total</b>	100%			99%
Discretionary adjustment				-5%
<b>Final</b>				<b>94%</b>

	SPP outcome			Delivered in cash (30%)	Deferred into shares (70%)
	Maximum opportunity	% of maximum	% of salary		
June Felix	500% of salary	94%	470%	£866,000	£2,022,000
Charlie Rozes	400% of salary	94%	376%	£557,000	£1,299,000
Jon Noble	400% of salary	94%	376%	£451,000	£1,052,000

## Summary of 2020 Directors' Remuneration Policy

The Directors' Remuneration Policy describes the framework, principles and structures that guide the Remuneration Committee's decision-making process in relation to Directors' remuneration arrangements.

### Objectives of the Remuneration Policy

The Remuneration Policy is set to ensure that remuneration is sufficiently competitive to attract and retain Senior Executives of a high calibre and to provide a suitable incentive to drive performance, while remaining appropriate in the context of our approach to pay throughout the organisation. The Policy has been designed taking into account the principles of Provision 40 of the Code, and the table below sets out how the Policy aligns with these principles.

Clarity	We provide open and transparent disclosures regarding our executive remuneration arrangements. Our Remuneration Policy is designed to recognise and reward performance that supports the execution of strategy and helps drive sustainable shareholder value growth.
Simplicity	Our Remuneration Policy is designed to be straightforward, easy for shareholders and employees to understand, and simple for the Group to monitor.
Predictability	Our Remuneration Policy contains details of the maximum opportunity levels for each component of pay. Actual incentive outcomes vary depending on the level of the performance achieved against specific measures.
Proportionality, risk and alignment to culture	We believe the Remuneration Policy is consistent with regulatory and corporate governance requirements. It is also designed to achieve effective risk management through the choice of performance measures and targets, shareholding requirements and malus and clawback provisions.

### Remuneration Policy table

The following table summarises each element of the Remuneration Policy for the Executive Directors and provides an overview of how the Remuneration Policy will be implemented for FY23.

We have not made any changes to the Directors' Remuneration Policy that was approved at the 2020 AGM on 17 September 2020. Full details of the approved Policy are included within the 2020 Annual Report and Accounts, which can be viewed in the 'investors' section on our website [iggroup.com](http://iggroup.com). In line with the DRR reporting regulations we will be reviewing our Policy during the year and will be submitting a new policy to shareholders for approval at the 2023 AGM.

## Directors' Remuneration Report and Policy continued

Purpose and link to strategy	Operation	Opportunity	Implementation for FY23
<b>Base salary</b>			
To recruit and retain key employees of an appropriate calibre to deliver the strategic objectives of the Group.	<p>Base salaries are normally reviewed by the Committee annually, with salary increases effective from 1 June.</p> <p>Base salaries are set taking into account:</p> <ul style="list-style-type: none"> <li>→ Scale, scope and responsibility of the role</li> <li>→ Experience of the individual and their performance</li> <li>→ Pay and workforce policies elsewhere in the Group</li> <li>→ Business performance and prevailing market conditions</li> <li>→ Salary levels at other companies of a similar size, complexity, geographic spread and business focus</li> </ul>	<p>While there is no maximum salary, increases will normally be in line with the typical increases awarded to other employees.</p> <p>However, increases may be above this level in certain circumstances.</p>	<p>During the year the Committee reviewed the COO's salary in light of the broadening of his role to include responsibilities such as leadership of the data science and governance strategy, and of our approach to ESG. Taking into account the increase in the COO's responsibilities, the Committee determined that it was appropriate to increase the COO's salary to £410,000 per annum (8.2% increase) from 1 October 2021.</p> <p>As part of the normal annual salary review, the Committee has agreed that salaries for Executive Directors will be increased by 3% this year, below the average increase for the wider workforce of 5.5%. This difference in the actual pay awarded and the average increase for the wider UK workforce will be diverted to lower-paid employees who are feeling the greatest impact from the rising cost of living. Salaries from 1 June 2022 are therefore:</p> <ul style="list-style-type: none"> <li>→ CEO – £633k</li> <li>→ CFO – £508.5k</li> <li>→ COO – £422.5k</li> </ul>

Purpose and link to strategy	Operation	Opportunity	Implementation for FY23
<b>Pension and benefits</b>			
Competitive, cost-effective flexible pension and benefits allowance to help recruit and retain Executive Directors.	<p>Executive Directors are eligible to participate in the Company's flexible pension and benefits plan, from which Executive Directors can receive a range of benefits, Company pension contribution or cash allowance.</p> <p>Executive Directors may participate in a share-incentive plan (SIP), savings-related share option scheme (SAYE) or any other all-employee plans on the same basis as other employees up to HMRC-approved limits.</p> <p>The Committee may introduce other benefits if it is considered appropriate to do so.</p> <p>Where appropriate, the Company may provide support to Executive Directors in the preparation of their tax returns.</p> <p>Executive Directors shall be reimbursed for all reasonable expenses and the Company may settle any tax incurred.</p> <p>Where an Executive Director is required to relocate to perform their role, the appropriate one-off or ongoing benefits may be provided (eg housing, schooling etc).</p>	<p>The maximum pension and benefits allowance for Executive Directors will be in line with the allowance available to the wider workforce in the UK. This rate is currently 12% of salary.</p> <p>Executive Directors may participate in a SIP, SAYE or other all-employee plan up to the same maximum as other employees.</p>	<p>Pension and benefits allowances for Executive Directors for FY23 are unchanged and are as follows:</p> <ul style="list-style-type: none"> <li>→ CEO – 12% of salary</li> <li>→ CFO – 12% of salary</li> <li>→ COO – 12% of salary</li> </ul> <p>This is in line with the rate available to the wider workforce.</p>

## Directors' Remuneration Report and Policy continued

Purpose and link to strategy	Operation	Opportunity	Implementation for FY23
<b>Share ownership policy</b>			
<p>This aligns the interests of management and shareholders both in and post employment and promotes a long-term approach to performance and risk management.</p>	<p>Executive Directors are expected to build a holding of shares to the value of a minimum of 200% of base salary.</p> <p>It is normally expected that the shareholding guideline would be met within five years from the date of appointment (unless exceptional circumstances apply).</p> <p>The Committee will review progress annually, with an expectation that Executive Directors will make progress towards achieving the shareholding policy each year.</p> <p>Following ceasing to be an Executive Director, Executive Directors will normally be expected to maintain a minimum shareholding of 200% of salary (or actual shareholding if lower) for two years. This guideline applies to shares that are released from the SPP on or after the adoption of the new Policy at the 2020 AGM. Any shares purchased by the Executive Directors will not be subject to the guideline.</p>	<p>Not applicable</p>	<p>The current shareholdings of the Executive Directors are:</p> <ul style="list-style-type: none"> <li>→ CEO – 630% of salary</li> <li>→ CFO – 206% of salary</li> <li>→ COO – 392% of salary</li> </ul>



Purpose and link to strategy	Operation	Opportunity	Performance metrics	Implementation for FY23
<b>Sustained performance plan</b>				
<p>The SPP provides a single incentive plan for Executive Directors rather than having separate annual and long-term plans.</p> <p>It provides a simple and competitive incentive mechanism that encourages and rewards both annual and sustained long-term performance, linked to the Group's strategic objectives.</p> <p>A significant portion of the SPP award is in shares, encouraging Executive Directors to build up a substantial stake in the Company, thereby aligning the interests of management with shareholders.</p>	<p>Awards are made after the announcement of results relating to each 'plan year'.</p> <p>For FY21 onwards, plan contributions pay out as follows:</p> <ul style="list-style-type: none"> <li>→ 30% of the award is delivered in cash shortly following the end of the plan year</li> <li>→ 20% of the amount earned will be awarded in shares which will be released to participants following the end of the fourth financial year that follows the start of the plan year</li> <li>→ 50% of the amount earned will be awarded in shares which will be released to participants following the end of the fifth financial year that follows the start of the plan year</li> </ul> <p>The Committee retains discretion to scale back the vesting of awards at the end of years four and five if the underlying performance of the participant and/or the Group does not justify the payout of the award.</p>	<p>The maximum plan contribution in respect of a plan year is 500% of salary for the CEO and 400% of salary for other Executive Directors.</p>	<p>Awards are determined based on performance for the prior financial year (financial and strategic measures) and for up to three financial years ending with the plan year TSR measures.</p> <p>Performance measures may comprise, for example, EPS targets, TSR and strategic non-financial measures. The Committee may vary performance measures from year to year in accordance with strategic priorities and the regulatory environment.</p> <p>No more than 25% of the award will normally be payable for threshold levels of performance.</p> <p>The Committee may, in its discretion, adjust SPP awards, if it considers that the outcome does not reflect the underlying financial or non-financial performance of the participant and/or the Group over the relevant period or that such vesting level is not appropriate in the context of circumstances that were unexpected or unforeseen when the targets were set. When making this judgement the Committee may take into account such factors as the Committee considers relevant.</p>	<p>For FY23 the maximum plan contribution will continue to be 500% of salary for the CEO and 400% for other Executive Directors.</p> <p>For FY23 the level of plan contribution will be based on:</p> <ul style="list-style-type: none"> <li>→ 55% EPS performance</li> <li>→ 25% on relative TSR compared to the FTSE 250 (excluding investment trusts)</li> <li>→ 20% on non-financial measures, see below for further details</li> </ul> <p>Performance for EPS and non-financial measures will be assessed over FY23.</p> <p>TSR performance will be assessed over the three-year period from 1 June 2020 to 31 May 2023.</p> <p>EPS targets and non-financial measures are considered to be commercially sensitive and therefore have not been disclosed. The Committee's intention is that these targets will be disclosed retrospectively in next year's annual remuneration report.</p>

## Directors' Remuneration Report and Policy continued

### Further details on performance measures

For FY23 it is intended that SPP awards will be based on a combination of EPS, TSR and non-financial strategic and operational performance measures.

Metrics	Rationale and link to the strategic KPIs	Further details
<b>TSR relative to the FTSE 250 (excluding investment trusts)</b> 25% weighting	<p>TSR measures the total return to the Company's shareholders, both through share price growth and dividends paid, and as such it is aligned to shareholder interests.</p> <p>TSR is influenced by how well the Group performs on a range of other metrics, including financial indicators such as revenue, profit, cash generation and dividends, and non-financial indicators such as client satisfaction and operational performance.</p>	<p>TSR will be assessed over the period 1 June 2020 to 31 May 2023.</p> <p>25% of this portion will be awarded for median performance with 100% of this portion being awarded for upper quartile performance (straight-line assessment in-between).</p>
<b>EPS</b> 55% weighting	<p>EPS is a key indicator of the profits generated for shareholders, and a reflection of both revenue growth and cost control.</p>	<p>EPS targets will be assessed based on performance for the year ending 31 May 2023.</p> <p>The Committee sets EPS targets taking into account relevant factors including Board-approved budget, market consensus expectations and historical targets.</p> <p>Payouts start to accrue for reaching threshold levels of performance with 100% of this portion being awarded for the achievement of maximum performance.</p>

### Non-financial strategic and operational performance schemes (20% weighting)

The non-financial metrics are specifically designed to measure factors important to IG in continuing to operate on a profitable and sustainable basis for the long term. These goals include a number of objectives which are focused on our sustainability agenda both from an environmental, people and societal perspective. Non-financial measures have been grouped into three categories: strategic enablers (50%), people and culture (including diversity and inclusion) (25%) and client experience (25%).

When assessing the non-financial metrics, the Committee deliberately separates the assessment from any review of financial performance, viewing them both as important, but recognising they are assessed and rewarded separately. This is to ensure that management are incentivised to deliver in-year non-financial milestones which are important to maintaining sound operations and delivering profit and shareholder value in the future.

<b>Strategic enablers<sup>1</sup></b> 50% weighting	<p>Driving the longer-term diversification and strategic direction of the organisation by measuring progress against key projects and initiatives that will deliver on our purpose to power the pursuit of financial freedom for the ambitious.</p>
<b>People and culture (including diversity and inclusion)<sup>1</sup></b> 25% weighting	<p>Considering the development and conduct of our people, reinforcing our reputation as a responsible company and promoting a culture that champions the client, learns fast together to raise the bar.</p>
<b>Client experience</b> 25% weighting <sup>1</sup>	<p>The short and longer-term development of the client-focused initiatives to provide an outstanding client experience to our growing and diverse client base.</p>

<sup>1</sup> At IG we believe that in order to deliver sustainable progress it is important that a focus on ESG is embedded through the business strategy and its operation. In keeping with this we have embedded ESG-aligned metrics in the 'strategic enablers', 'people and culture' and 'client experience' sections of our non-financial metrics. For example, diversity and inclusion, business ethics and information security. ESG-aligned measures will account for at least 15% of the overall SPP.

## Chair and Non-Executive Directors

The table below summarises each element of the Remuneration Policy applicable to the Chair and the Non-Executive Directors.

Purpose and link to strategy	Operation	Opportunity	Implementation for FY23
To attract and retain Non-Executive Directors of appropriate calibre and experience.	<p>The Committee determines the fee for the Chair (without the Chair present).</p> <p>The Board is responsible for setting Non-Executive Directors' fees. The Non-Executive Directors are not involved in any discussions or decisions by the Board about their own remuneration.</p> <p>Fees are set taking into account the time commitment required to fulfil the role and typical practice at other similar companies.</p> <p>Fees are within the limits set by the Articles of Association and take account of the commitment and responsibilities of the relevant role.</p>	<p>The Chair receives a single fee to cover all of their Board duties.</p> <p>Non-Executive Directors receive a fee for carrying out their duties. They may receive additional fees if they chair the Board Committees, and for holding the post of Senior Independent Director.</p> <p>Additional fees may be paid for additional time commitments if considered appropriate.</p> <p>Committee membership fees may be paid.</p> <p>Reasonable costs in relation to travel and accommodation for business purposes are reimbursed to the Chair and Non-Executive Directors. The Company may meet any tax liabilities that may arise on such expenses.</p> <p>The Chair and Non-Executive Directors do not receive a pension and benefits allowance or participate in incentive schemes.</p> <p>Non-significant benefits may be introduced if considered appropriate.</p>	<p>In light of inflation and the impact on the cost of living, the Chair and Non-Executive Directors elected not to receive an increase in fees for FY23 and requested any increase be diverted to lower-paid employees feeling the greatest impact from the rising cost of living. The fees from 1 June 2022 are therefore as follows:</p> <ul style="list-style-type: none"> <li>→ Non-Executive Director base fee – £65,500</li> <li>→ Committee Chairs (other than the Nomination Committee) – £25,000</li> <li>→ Senior Independent Director – £15,000</li> <li>→ Committee membership fees (excluding the Nomination Committee and the Group Board Chair) – £3,000</li> <li>→ North American Board Chair – £65,000</li> <li>→ North American Board member – £25,000</li> <li>→ Chair fee – £302,000</li> </ul> <p>With effect from 1 November 2021, taking into account the additional responsibilities and time commitment, an additional fee of £65,000 was introduced for the Chair of the North American Board and an additional fee of £25,000 was introduced for being a member of the North American Board.</p> <p>The Chair of the North American Board also receives an additional £20,000 per annum to compensate for time spent in travel to attending Board meetings.</p> <p>Board Non-Executive Directors required to travel a significant distance to attend Board meetings receive an additional £20,000 per annum to compensate for time spent travelling. This has been applied for Susan Skerritt from December 2021.</p>

## Directors' Remuneration Report and Policy continued

### Executive Directors' service contracts

Executive Directors are employed under a service contract with IG Group Limited (a wholly owned intermediate holding company) for the benefit of the Company and the Group.

The dates on which service contracts are entered into and notice periods are as follows:

- June Felix – 30 October 2018 (12 months' notice from either party)
- Charlie Rozes – 1 June 2020 (12 months' notice from either party)
- Jon Noble – 22 May 2018 (12 months' notice from either party). Note: Jon Noble's notice period increased from six months to 12 months with effect from 1 October 2021.

### Non-Executive Directors' service contracts

Non-Executive Directors do not have service contracts; they are engaged by letters of appointment. Each Non-Executive Director is appointed for an initial term of three years subject to re-election, but the appointment can be terminated on three months' notice. Non-Executive Directors may receive reimbursement for business expenses incurred in the course of their duties, including tax therein if applicable.

### Annual Report on Remuneration

This report has been prepared in accordance with the Companies Act 2006, Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended in 2013, 2018 and 2019) and the FCA's Listing Rules. The Directors' Remuneration Report, excluding the Policy, will be subject to an advisory shareholder vote at the AGM on 21 September 2022.

This part of the report includes a summary of how we implemented the Policy in the financial year ended 31 May 2022.

The parts of the report that are subject to audit have been marked.

### Implementation of Remuneration Policy in the financial year ending 31 May 2022

#### Total single figure of remuneration – Executive Directors (audited)

Name of Director	Year	Fees/basic salary £000	Benefits allowance/ benefits <sup>3,4</sup> £000	Pension £000	Total fixed pay £000	Buy-out awards <sup>5</sup> £000	Contribution to SPP account <sup>6</sup>			Total £000
							Vested element £000	Deferred element £000	Total variable pay £000	
J Felix	2022	615	76	–	691	–	866	2,022	2,888	3,579
	2021	610	87	–	695	–	855	1,994	2,849	3,546
C Rozes	2022	494	55	4	553	230	557	1,299	2,086	2,639
	2021	490	56	3	549	309	549	1,282	2,140	2,689
J Noble <sup>1</sup>	2022	400	44	4	448	–	451	1,052	1,503	1,951
	2021	376	41	4	421	–	422	985	1,407	1,828
<b>Former Executive Director</b>										
B Messer <sup>2</sup>	2022	118	13	1	132	–	133	310	443	575
	2021	376	42	4	422	–	422	985	1,407	1,829

1 J Noble received a salary increase from £379,000 to £410,000 (8.2% increase), effective from 1 October 2021. For further details see page 80.

2 B Messer stepped down from the Board on 22 September 2021. Remuneration is shown to this date. She remained with the business for the remainder of her notice providing handover, ceasing employment on 21 January 2022. She was entitled to a pro-rated SPP award in respect of her period of employment (to 21 January 2022) with a value totalling £913,484. This will be delivered 30% in cash and 70% in share options (which will be released 20% of the total amount in July 2025 and 50% of the total amount in July 2026).

3 Benefits can include critical illness cover, dental cover, health assessments, income protection cover, life assurance, travel insurance and private medical cover. It was agreed under the updated Remuneration Policy for FY21 that, where appropriate, the Company may provide support to Executive Directors in the preparation of their tax returns. J Felix, C Rozes, J Noble and B Messer received a flexible benefits and pensions allowance of 12% of base salary less any benefits taken. Executives have the option to receive part, or all, of their pension and benefits entitlement in cash.

4 The 2022 benefits figure for J Felix and the restated 2021 benefits figure includes the £1.8k of matching shares J Felix received as a participant in the share-incentive plan. The 2021 benefits figure has also been restated to include the £1.8k of matching shares J Felix received as a participant in the share incentive plan in 2021.

5 As disclosed in the 2020 Annual Report, C Rozes forfeited a number of share awards which the Company bought out on a like-for-like basis. As part of his buy-out, Charlie was granted an award over 35,616 shares which vested on 30 June 2022 based on the average of the performance outcome of the SPP for FY21 and FY22, which was 93.7% of maximum. This resulted in 33,372 shares vesting, with an additional 3,828 shares accrued in respect of dividends. For the purpose of the single figure this award has been valued based on the share price on the date of vesting of £6.905. The share price used to determine the level of award was £7.34 and the share price on the date vesting was £6.905 therefore none of the value in the single figure table is attributable to share price appreciation. The Committee did not exercise discretion in relation to this share price appreciation.

6 Figures provided are the cash values of the SPP contributions in respect of performance for the period ending 31 May 2022 (ie plan year 9). The vested element is the proportion of the plan year contribution for the relevant period that is paid in cash shortly following the end of the financial year (30% of the total amount). The deferred element is the proportion that is awarded in share options that will be released 20% of the total amount in July 2025 and 50% of the total amount in July 2026. Details of SPP awards held in the plan account related to awards for prior years are provided in the Other share awards outstanding table on page 94. As awards are included based on their value at the date of grant, no portion of the award disclosed is attributable to share price growth and the Committee did not exercise discretion in relation to share price.

**Total single figure of remuneration – Non-Executive Directors (audited)**

Name of Director	Year	Fees <sup>5,6</sup> £000	Benefits <sup>7</sup> £000	Total £000
M McTighe	2022	302	–	302
	2021	300	–	300
J Moulds	2022	109	–	109
	2021	102	–	102
R Bhasin <sup>1</sup>	2022	72	–	72
	2021	63	–	63
A Didham	2022	97	–	97
	2021	81	–	81
Wu Gang <sup>2</sup>	2022	69	–	69
	2021	45	–	45
S-A Hibberd	2022	97	–	97
	2021	94	–	94
M Le May	2022	114	4	118
	2021	79	–	79
S Skerritt <sup>3</sup>	2022	83	14	97
	2021	–	–	–
H Stevenson	2022	94	–	94
	2021	86	–	86
<b>Former Directors</b>				
L Pollina <sup>4</sup>	2022	16	–	16
	2021	16	–	16

1 R Bhasin joined the Board on 6 July 2020. Remuneration for FY21 is shown from this date.

2 Wu Gang joined the Board on 30 September 2020. Remuneration for FY21 is shown from this date.

3 S Skerritt joined the Board on 9 July 2021. Remuneration is shown from this date.

4 L Pollina joined the Board on 4 March 2021. Remuneration for FY21 is shown from this date. L Pollina stepped down from the Board on 9 July 2021. Remuneration for FY22 is shown to this date.

5 Other than in respect of the Chair, basic Non-Executive Director fees were £65,500 per annum in FY22 (£65,000 per annum in FY21) with an additional £25,000 paid for chairing a Board Committee (other than the Nomination Committee) and £3,000 for membership of a Committee (excluding the Nomination Committee). The Senior Independent Director also receives an additional fee. This was £10,000 until 17 September 2020 and was increased to £15,000 from this date. With effect from 1 November 2021, taking into account the additional responsibilities and time commitment, an additional fee of £65,000 was introduced for the Chair of the North American Board and an additional fee of £25,000 was introduced for being a member of the North American Board. The Chair of the North American Board also receives an additional £20,000 per annum to compensate them for the additional time spent in travel to attending Board meetings.

6 S Skerritt receives an additional £20,000 per annum to compensate her for the additional time spent in travel attending Group Board meetings.

7 Certain Non-Executive Directors' expenses relating to the performance of a Director's duties, such as travel to and from Company meetings and related accommodation, have been classified as taxable benefits. In such cases, the Company will ensure that the Director is kept whole by settling the expense and any related tax. The figures shown include the cost of the taxable benefit plus the related personal tax charge.

## Directors' Remuneration Report and Policy continued

### Sustained performance plan (SPP)

#### Determination of SPP contribution for the financial year ending 31 May 2022 (audited)

Performance targets for plan year 9 (financial year ending 31 May 2022) comprised EPS targets, TSR and non-financial measures. TSR performance was measured over the three-year period from 1 June 2019 to 31 May 2022, and EPS and non-financial measures over the financial year ending 31 May 2022.

Performance measure	Weighting	Threshold (25% payout for TSR and 0% for EPS)	Maximum (100% payout)	Actual performance	Percentage of maximum award to Directors
EPS	55%	62.2p	76.0p	96.3p	100%
TSR	25%	Median ranking	Upper quartile ranking	+74.9% TSR 18th out of 164 companies	100%
Non-financial	20%	0%	100%	95% of maximum awarded (see below for details)	95%
<b>Total</b>	<b>100%</b>				<b>99%</b>
<b>Discretionary adjustment</b>					<b>-5%</b>
<b>Final</b>					<b>94%</b>

The maximum award for the CEO role is 500% of basic salary, with all other Executive Directors being eligible for a maximum award of 400% of basic salary.

#### Performance measures: how these are set, and a review of performance for the year ended 31 May 2022

##### EPS (55% weighting)

At the start of the financial year, the Committee established an EPS range in order to measure the performance and determine the payouts under the SPP. In doing this, the Committee took into account a number of relevant factors, including the Board-approved budget and market consensus expectations.

EPS performance for FY22 was 96.3 pence, which is materially ahead of internal and external expectations of performance at the start of the year. While EPS is lower than our record performance in FY21 it is still significantly ahead of our performance for FY20 and prior years, demonstrating the long-term progress we are making in the execution of our strategy.

##### TSR (25% weighting)

TSR performance is assessed against the FTSE 250 (excluding investment trusts). 25% of this element is awarded for median performance with the full portion being awarded for upper quartile performance or above with straight-line vesting in between.

For the award to be granted in respect of the year to 31 May 2022, TSR was measured over the three-year period from 1 June 2019 to 31 May 2022. Actual TSR performance for the three-year period was 74.9% (2021: 29.4%). TSR was positioned above the upper quartile compared to the comparator group over the three-year period and therefore 100% of this element will be awarded.

##### Non-financial measures (20% weighting)

The Committee approved a series of non-financial measures comprising strategic drivers, client experience, people and culture and environmental and societal impact during the year ended 31 May 2022. These measures are also used for determining a portion of the staff general bonus pool.

An average of the performance under the specific objectives resulted in an overall assessment of 95% (2021: 94%) of the potential payout under this element.

The table below provides details of the individual measures considered and their performance assessment for the year ended 31 May 2022.

Component	Detail	FY22 outcome
<b>Strategic drivers</b> 40% weighting	<ul style="list-style-type: none"> <li>→ Completion of tastytrade acquisition. Excellent progress on integration from a talent, marketing, risk and controls, technology and operations perspective. Synergies workstreams progressing well</li> <li>→ Excellent progress in technology development providing more capacity headroom for peak trading</li> <li>→ Good progress in our exchange traded derivatives business in Europe</li> </ul>	37%
<b>Client experience</b> 25% weighting	<ul style="list-style-type: none"> <li>→ Excellent systems uptime reflecting the investment made in this area in recent years</li> <li>→ Reduction in number of complaints and enhanced customer satisfaction</li> </ul>	23%
<b>People and culture</b> 25% weighting	<ul style="list-style-type: none"> <li>→ Excellent progress in embedding our purpose throughout the organisation. Improved employee engagement driven by strength of leadership team</li> <li>→ Maintained good regulatory compliance and relationship with regulators</li> <li>→ Improvement in gender diversity throughout the organisation, driven by changes in policies and practices</li> </ul>	25%
<b>Environmental and societal impact</b> 10% weighting	<ul style="list-style-type: none"> <li>→ Programmes implemented to support young people, significant donations to charitable causes and increase in volunteering days</li> <li>→ Improved ESG rating from external rating agencies, maintained carbon neutral status. Carbon literacy training for all Board and senior executives</li> </ul>	10%

### Discretionary adjustment

The Group has continued to perform strongly during the year, with financial outperformance, upper quartile shareholder returns and excellent progress against our operational and strategic objectives.

Non-financial performance during the year was measured and assessed giving due consideration to, amongst other factors, the successful ongoing integration of tastytrade and tastytrade's revenue performance versus initial expectations for FY22 set against our confidence in the long-term opportunities that tastytrade brings to the wider Group. Consideration was also given to an improved overall client experience, increased employee engagement, and improved societal and environmental impacts. After careful assessment, the Committee judged that non-financial performance was 95% out of 100%.

Based on the above, while the outcome of the SPP award for the FY22 was calculated at 99% of maximum, the Committee elected to apply a discretionary adjustment for the Executive Directors of -5% to the outcome reflecting the relative performance against internal targets for some individual businesses. This has resulted in a final vesting outcome for FY22 SPP of 94% of maximum.

Following this discretionary adjustment, the Committee concluded that the level of the SPP award for FY22 was a fair reflection of the shareholder value delivered, as well as the enhanced financial performance, and that it was appropriate in the context of the experience of our other stakeholders.



## Directors' Remuneration Report and Policy continued

### Overall summary

Based on the performance for the financial year ending 31 May 2022, we will grant awards under the SPP at 94% of the maximum potential payout to the Executive Directors after the announcement of the results. The actual number of shares that will be contributed to a Director's plan account will be based on the ten-day average share price immediately prior to grant.

Since its introduction nine years ago, the average payout under the SPP is 66% of the maximum. The Committee considers that the outcomes under the SPP are a fair reflection of performance delivered, and that they are aligned with value achieved for shareholders over this period.

Financial year	2014	2015	2016	2017	2018	2019	2020	2021	2022	9-year average
SPP contribution (% maximum)	54%	41%	90%	27%	80%	18.6%	97.2%	93.4%	94.0%	66%

### Awards granted during the year ended 31 May 2022 (audited)

The SPP awards granted during the financial year ended 31 May 2022 in respect of performance to 31 May 2021 (plan year 8) are as follows:

	Contribution		Number of options awarded <sup>2</sup>	Number of options in the plan account after plan year 8 contribution <sup>3</sup>	Number of options vested and exercised during the year <sup>4</sup>	Number of options lapsed	Number of options in the plan account at the end of the year
	% of salary <sup>1</sup>	Value of options awarded					
J Felix	467%	£1,994,988	224,610	529,833	101,741	–	428,092
C Rozes	374%	£1,281,442	144,339	144,339	–	–	144,339
J Noble	374%	£984,623	110,906	353,918	81,003	–	272,915
B Messer	374%	£984,623	110,906	347,577	78,890	–	268,687

- 30% of the award is delivered in cash following the end of the plan year. The remaining 70% of the award is delivered in nominal cost options (the number and value of which are shown above).
- The number of options contributed to the plan account was based on the ten-business-day average share price immediately post the announcement date of the Group's results for the year ended 31 May 2021 of 887.8 pence per share. Awards were granted in the form of nominal cost options and are subject to continued employment. The release of shares is subject to the satisfaction of the underlying financial performance to be tested in the final year of the plan. Full details of performance targets applied to the FY21 SPP awards and the assessment of performance against targets are set out on pages 89 to 92 of the 2021 Directors' Remuneration Report.
- In addition to the awards made in respect of plan year 8, this also includes the brought forward number of options in the plan account from plan years 1 – 7 (where relevant) with its respective accrued dividend shares.
- The closing share price on 5 August 2021, the date of exercise, was £9.115 and the exercise price of the share options was 0.005p.

For awards granted in respect of years up to and including the financial year ending 31 May 2020 (plan years 1 – 7), in accordance with the scheme rules 33.3% of the cumulative awards in the plan account will vest in July 2022, with the vesting of the remaining options deferred. The July 2022 vesting will include additional dividend shares accrued as follows in respect of plan year 1 – 7 awards held in the plan account: J Felix 16,234, J Noble 12,926 and B Messer 12,733 based on reinvestment at the dividend payment date.

The SPP reaches the end of its ten-year life following the end of FY23. In accordance with the plan rules 50% of the remaining balance of the participants' plan account will be released in July 2023, with a further 25% of the remaining balance released in both July 2024 and July 2025. J Felix and J Noble have 143,181 shares and 113,997 shares, respectively, which will be subject to this treatment. Awards granted in relation to plan years from FY21 onwards will continue to vest according to their normal payout schedule following the termination of the SPP.

The vesting schedule for SPP award granted in respect of FY21 onwards are unaffected.

### Buy-out awards for C Rozes (audited)

On leaving his previous role, C Rozes forfeited a number of share awards which the Company bought out on a like-for-like basis. All awards were granted by the Company on 6 August 2020 and were in the form of nominal cost options. Part of C Rozes' buy-out was in the form of nil-cost options which vest subject to continued employment between 1 May 2021 and 1 May 2023. As part of his buy-out, C Rozes was also granted an award over 35,616 shares which vested on 30 June 2022 based on the average of the performance outcome of the SPP for FY21 and FY22, which was 93.7% of maximum. This resulted in 33,372 shares vesting, with an additional 3,828 shares accrued in respect of dividends.

### Awards to be granted in respect of the year ended 31 May 2022

SPP awards for the financial year ending 31 May 2022 will be delivered 30% in cash, 20% in share options released in July 2025 and 50% in share options released in July 2026.



Details of the 70% of the SPP award due to be awarded in shares, using an estimate of the options to be granted in respect of plan year 9 (ie performance to 31 May 2022), are set out below:

	Event	Plan contribution in respect of period ended 31 May 2022 (estimated number of options) <sup>1</sup>
J Felix	Plan year 9	282,558
C Rozes	Plan year 9	181,536
J Noble	Plan year 9	147,019

1 Executive Directors will be granted awards, in respect of 70% of the amount earned, for plan year 9 following the announcement of results for the year ended 31 May 2022 on 20 July 2022. The share price used to calculate the number of awards to be granted will be the ten-day average share price after this date. As the actual average share price is not known at the time of signing of the Annual Report, the above number of awards has been estimated using a share price of 715.5 pence, being the share price on 31 May 2022. Share awards have an exercise price of 0.005 pence.

### Other share awards outstanding (audited)

	Award date	Share price at award date	Number as at 31 May 2021	Number awarded during the year	Number lapsed during the year	Number exercised during the year	Number outstanding at 31 May 22
<b>J Felix</b>							
SIP: matching shares	6 Aug 19	565.29p	318	0	0	0	318
SIP: matching shares	6 Aug 20	743.66p	242	0	0	0	242
SIP: matching shares	5 Aug 21	909.24p	0	198	0	0	198
<b>Total</b>			<b>560</b>	<b>198</b>	<b>0</b>	<b>0</b>	<b>758</b>

	Award date	Share price at award date	Number as at 31 May 2021	Number awarded during the year	Number lapsed during the year	Number exercised during the year	Number outstanding at 31 May 22
<b>J Noble</b>							
SIP: matching shares	6 Aug 19	565.29p	318	0	0	0	318
<b>Total</b>			<b>318</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>318</b>

	Award date	Share price at award date	Number as at 31 May 2021	Number awarded during the year	Number lapsed during the year	Number of dividend equivalents added at vesting	Number exercised during the year	Number outstanding at 31 May 22
<b>C Rozes<sup>1</sup></b>								
Buy-out award <sup>2</sup>	6 Aug 20	734.00p	17,814	0	0	2,041	19,855	0
Buy-out award <sup>3</sup>	6 Aug 20	734.00p	35,616	0	0	0	0	35,616
Buy-out award <sup>4</sup>	6 Aug 20	734.00p	4,357	0	0	248	2,426	2,179
<b>Total</b>			<b>57,787</b>	<b>0</b>	<b>0</b>	<b>2,289</b>	<b>22,281</b>	<b>37,795</b>

1 On leaving his previous role, C Rozes forfeited a number of share awards which the Company has bought out on a like-for-like basis as summarised in the table above. For details of these awards see the 2020 Annual Report.

2 An award of restricted shares vesting in equal tranches on 1 May 2021 and 1 May 2022 (subject to continued employment).

3 An award of performance shares vesting on 30 June 2022 to the same extent as the average vesting outcome for the financial years ending 31 May 2021 and 31 May 2022 of awards granted under the IG Group sustained performance plan which was 93.7% of maximum. This resulted in 33,372 shares vesting, with an additional 3,828 shares accrued in respect of dividends.

4 An award of restricted shares vesting in equal tranches on 1 May 2021, 1 May 2022 and 1 May 2023 (subject to continued employment).

## Directors' Remuneration Report and Policy continued

### Table of Directors' share interests (audited)

	Legally owned <sup>4</sup>		Share with performance conditions	Share options without performance <sup>5,6</sup>	Vested but unexercised	Total	% of salary held under shareholding policy <sup>7</sup>
	31 May 2021	31 May 2022				31 May 2022	% salary
<b>Executive Directors</b>							
J Felix	206,111	318,626	–	428,850	–	747,476	630%
C Rozes	25,111	48,120	35,616	146,518	–	230,254	206%
J Noble	83,207	83,207	–	273,233	–	356,440	392%
<b>Non-Executive Directors</b>							
M McTighe	6,600	6,600	–	–	–	6,600	–
J Moulds	–	100,000	–	–	–	100,000	–
R Bhasin	–	–	–	–	–	–	–
A Didham	–	4,894	–	–	–	4,894	–
S-A Hibberd	–	–	–	–	–	–	–
Wu Gang	–	–	–	–	–	–	–
M Le May	–	–	–	–	–	–	–
S Skerritt <sup>1</sup>	–	–	–	–	–	–	–
H Stevenson	–	–	–	–	–	–	–
<b>Former Directors</b>							
B Messer <sup>2</sup>	53,172	–	–	268,687	–	268,687	262%
L Pollina <sup>3</sup>	–	–	–	–	–	–	–

1 S Skerritt joined the Board on 9 July 2021.

2 B Messer stepped down from the Board on 22 September 2021.

3 L Pollina stepped down from the Board on 9 July 2021.

4 This figure includes partnership shares that are purchased as part of the Group's share-incentive plan (SIP) which are not subject to vesting conditions.

5 These figures include the number of matching shares held at 31 May 2022 as part of the Group's SIP, which will vest after three years from the respective award date, as long as employees remain employed by the Group.

6 This figure excludes awards under the SPP scheme for performance year ending 31 May 2022, which will be granted following the announcement of the Group's results on 20 July 2022. The awards held in the SPP plan account include those in respect of plan years 1 – 8 as at 31 May 2022.

7 Calculated as shares owned on 31 May 2022 plus the unvested shares held within the SPP on a net of tax basis at the closing mid-market share price of 715.5 pence on 31 May 2022.

Under the share ownership policy, the Executive Directors are expected to hold shares to the value of a minimum of 200% of base salary. Shares owned by the Executive Directors as well as unvested SPP share options (on a net of tax basis) count towards this guideline. It is expected that this guideline is achieved within five years of the date of appointment.

C Rozes' performance-based buyout award vested on 30 June and as a result his share interest increased by 19,215 after accounting for shares sold to settle tax and dealing costs. There have been no other changes to any of the Directors' share interests between 31 May 2022 and the date of this report.

The awards to be made under the Company's SPP in respect of the performance period ending on 31 May 2022 are not included in this table (see page 94 for details).

### Leaving arrangements for B Messer (audited)

B Messer, Chief Commercial Officer, stepped down from the Board on 22 September 2021, remaining with the Company until the completion of her notice period on 21 January 2022 providing handover. Between 22 September 2021 and 21 January 2022, B Messer continued to receive her base salary for this period totalling £125,229. B Messer also received £19,678 for accrued unused annual leave. B Messer also received income protection, life assurance and private medical insurance, and her fixed benefits allowance in cash for the period with a total value of £15,027. Tax and legal assistance was also provided to B Messer and these costs came to £35,101 (including any applicable tax costs).

B Messer was treated as a good leaver for the purposes of the SPP awards which she held in her plan account on cessation of employment. Outstanding awards in relation to plan years up to and including FY20 will be released one-third in July 2023, one-third in July 2024 and one-third in July 2025. Awards granted in respect of FY21 will be released in accordance with the normal vesting schedule. B Messer was also eligible to receive a pro-rated SPP award in respect of FY22 for her period in employment (to 21 January 2022). As noted above, the SPP in respect of FY22 vested at 94% of maximum and therefore the total value of this pro-rated award was £913,484. This will be delivered 30% in cash and 70% in share options (which will be released 20% of the total amount in July 2025 and 50% of the total amount in July 2026). All awards are subject to malus and clawback provisions.

B Messer is subject to our post-employment shareholding guideline and is required to retain 200% of base salary in shares (or actual shareholding if lower) for a period of two years from stepping down from the Board.

### Payments to past Directors (audited)

No payments were made to past Directors in the year.

### Change in Directors' remuneration compared to Group UK employees

The table below sets out the percentage change in remuneration for each of the Directors and UK Group employees over each of the last two years. There are no employees in IG Group Holdings plc, and therefore we have voluntarily disclosed the change in remuneration for UK Group employees.

	FY21/FY20			FY22/FY21		
	Base salary % change	Taxable benefits % change	Performance- related remuneration % change	Base salary % change	Taxable benefits % change	Performance- related remuneration % change
<b>Executive Directors</b>						
J Felix	1.7%	-21%	-2.3%	0.7%	-12.9%	1.4%
C Rozes <sup>1</sup>	–	–	–	0.7%	-1.7%	1.4%
J Noble	1.7%	1.7%	-2.3%	8.9%	7.3%	6.7%
<b>Non-Executive Directors</b>						
M McTighe	300%	–	–	0.7%	–	–
J Moulds	-39%	–	–	0.7%	–	–
R Bhasin <sup>2</sup>	–	–	–	0.7%	–	–
A Didham	72%	–	–	0.7%	–	–
S-A Hibberd	32%	-100%	–	0.7%	–	–
Wu Gang <sup>3</sup>	–	–	–	0.7%	–	–
M Le May	-23%	–	–	0.7%	–	–
S Skerritt <sup>4</sup>	–	–	–	–	–	–
H Stevenson	614%	–	–	0.7%	–	–
<b>Group UK employees<sup>5</sup></b>	<b>10%</b>	<b>10%</b>	<b>17%</b>	<b>12%</b>	<b>12%</b>	<b>33%</b>

1 C Rozes joined the Board on 1 June 2020.

2 R Bhasin joined the Board on 6 July 2020.

3 Wu Gang joined the Board on 30 September 2020.

4 S Skerritt joined the Board on 9 July 2021.

5 Employee group consists of individuals employed by IG Index Limited the main UK employing entity as IG Holdings Group plc does not have any employees. Median employee salary, benefits and bonus have been calculated on a full-time equivalent basis. Salary and benefits are calculated as at 31 May, bonus is that earned during the year ending 31 May.

### Relative importance of spend on pay

The following table sets out the dividends and overall spend on pay over the past financial year:

	2022 £m	2021 £m	Percentage change
Dividends	<b>186.2</b>	159.7	16.6%
Employee remuneration costs	<b>214.2</b>	177.5	20.7%

### CEO to all employees pay ratio

The CEO's total remuneration as a ratio against the full-time equivalent remuneration of UK employees is detailed in the table below:

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2022	A	50:1	36:1	25:1
2021	A	55:1	40:1	29:1
2020	A	65:1	46:1	34:1

## Directors' Remuneration Report and Policy continued

The Company has calculated the ratio in line with the reporting regulations using 'option A' (determine total full-time equivalent remuneration for all UK employees for the relevant financial year; rank the data and identify employees whose remuneration places them at the 25th, 50th and 75th percentile). We have used option A as we believe it provides the most consistent and comparable outcome. Data used to determine the pay ratios was taken as at 31 May 2022 and any part-time employees' salary and bonus have been pro-rated to convert them into a full-time equivalent.

	Base salary	Total remuneration
25th percentile <sup>1</sup>	£55,700	£71,634
50th percentile <sup>1</sup>	£70,250	£98,930
75th percentile	£94,950	£139,594

<sup>1</sup> Employees on 25th and 50th percentiles were not considered representative therefore the closest employees we considered to be representative were used.

The CEO pay ratio has been rounded to the nearest whole number. The ratios for FY22 are slightly lower than FY21 and FY20, which reflects the increase in salaries applied to UK employees during FY22.

During the year the Board has received presentations from management on the approach to the Company's wider policies on employee pay, reward and progression. The Committee also reviewed year-end incentive outcomes.

Taking into account the above, the Committee believes that the CEO's pay ratio and the year-on-year change is fair in the context of our approach to remuneration more broadly within the organisation.

### Statement of shareholder voting

The Directors' Remuneration Policy was approved at the 2020 AGM. The Directors' Remuneration Report for the financial year ended 31 May 2021 was approved at the 2021 AGM. The following votes were received:

	2020 Remuneration Policy	
	Total number of votes (000s)	% of votes cast
For <sup>1</sup>	268,201	88.1%
Against	36,221	11.9%
Total	304,422	100%
Withheld	9,350	–

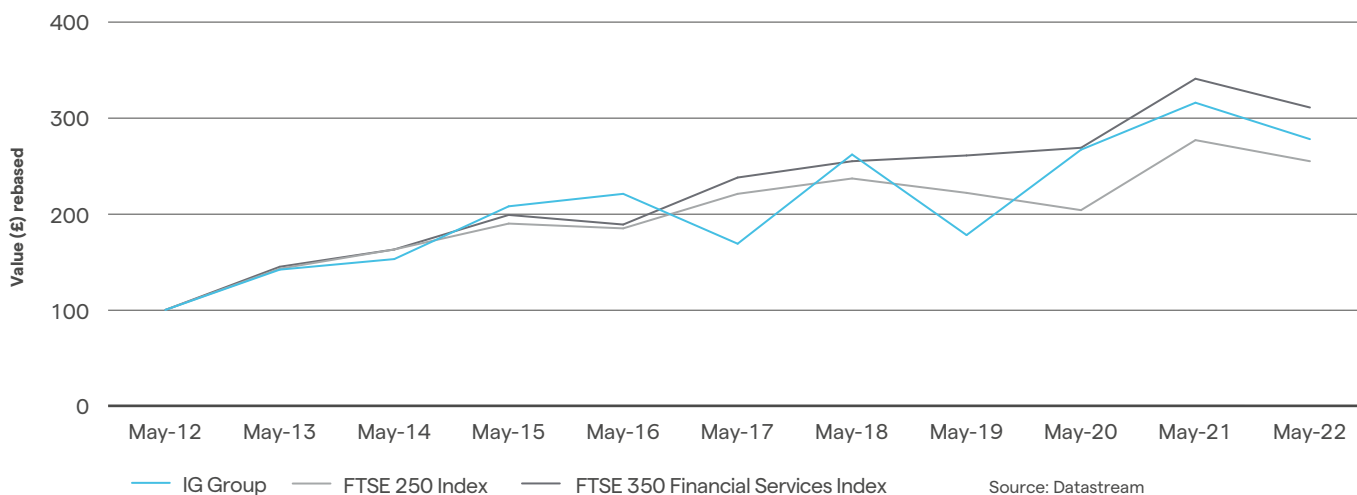
<sup>1</sup> 'For' includes votes at the Chairman's discretion.

	2021 Annual Report on Remuneration	
	Total number of votes (000s)	% of votes cast
For <sup>1</sup>	350,242	97.8%
Against	7,999	2.2%
Total	358,241	100%
Withheld	137	–

<sup>1</sup> 'For' includes votes at the Chairman's discretion.

### Total Shareholder Return chart

This graph shows the value, by 31 May 2022, of £100 invested in the Group on 31 May 2012 compared with the value of £100 invested in the FTSE 250 Index and the FTSE 350 Financial Services Index. As the Group is a member of both of these indices, the Committee believes it is appropriate to compare the Group's performance against them.



### CEO earnings history

	T Howkins			P Hetherington			J Felix		
	Single figure remuneration	Annual bonus outcome <sup>1</sup>	LTIP/VSP/SPP vesting outcome	Single figure remuneration	Annual bonus outcome <sup>1</sup>	LTIP/VSP/SPP vesting outcome	Single figure remuneration	Annual bonus outcome <sup>1</sup>	LTIP/VSP/SPP vesting outcome
2013	1,103	47%	6%	-	-	-	-	-	-
2014	1,970	-	3% <sup>2</sup> 54% <sup>3</sup>	-	-	-	-	-	-
2015	1,519	-	41%	-	-	-	-	-	-
2016	210	-	0%	2,641 <sup>4</sup>	-	90%	-	-	-
2017	-	-	-	1,452	-	27.1%	-	-	-
2018	-	-	-	2,974	-	80%	-	-	-
2019	-	-	-	777 <sup>5</sup>	-	18.64%	823 <sup>6,7</sup>	-	18.64%
2020	-	-	-	-	-	-	3,640	-	97.2%
2021	-	-	-	-	-	-	3,544	-	93.4%
<b>2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,577</b>	<b>-</b>	<b>94%</b>

1 The SPP replaced the annual bonus and value-sharing plan schemes from the financial year ending 31 May 2014.

2 Relates to Value Sharing Plan (VSP) award to T Howkins.

3 Relates to SPP award to T Howkins.

4 P Hetherington was appointed CEO on 15 October 2015; prior to this he was COO. This figure includes a portion of the remuneration that he received during this period.

5 P Hetherington stepped down as CEO on 26 September 2018. The figure shows salary, benefits and pension to this date. The full value of his SPP for FY19 is included in this figure.

6 P Mainwaring performed the role of acting CEO for the period between 26 September 2018 and 30 October 2018 but received no additional remuneration for this period. This figure therefore includes one month of P Mainwaring's compensation equating to £66k.

7 J Felix was appointed CEO on 30 October 2018; prior to this she was a Non-Executive Director on the Board. The figure excludes a portion of the remuneration that she received as a Non-Executive Director between 1 June 2018 and 30 October 2018, which equated to £23k.

## Directors' Remuneration Report and Policy continued

### Role of the Remuneration Committee

The Committee's principal roles are summarised below:

- Make recommendations to the Board on our Senior Executive Remuneration Policy
- Determine an overall remuneration package for the Executive Directors in order to attract and retain high-quality Directors capable of achieving our objectives
- Set and agree with the Board a competitive and transparent remuneration framework which is aligned to our strategy and is in the interests of both the Company and its shareholders
- Determine the contractual terms, remuneration and other benefits for the Executive Directors, Chair and senior management – including the Company Secretary
- Determine and review our Remuneration Policy, ensuring it is consistent with effective risk management, and consider the implications of this Remuneration Policy for risk and risk management
- Determine and agree the policy for the remuneration of the Company Chair and the Executive Directors
- Review pay, benefits and employment conditions and the remuneration trends
- Approve the structure of share-based awards under our employee incentive schemes, to determine each year whether awards will be made and, if awards are made, to monitor their operation, the size of such awards and the performance targets to be used
- Ensure that contractual terms on termination, and any payments made, are fair to the individual and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised
- Receive and review reports annually directly from the risk management function on the implications of our Remuneration Policy for risk and risk management
- Monitor relevant regulatory developments, including those affecting UK-listed companies and financial services firms, to ensure the Company's Remuneration Policy and its operation is consistent with these
- Establish the selection criteria, appoint and set the Terms of Reference for any remuneration consultants who advise the Committee

The full Terms of Reference for the Committee can be found on our website, [iggroup.com](http://iggroup.com). To ensure the Committee discharges its responsibilities appropriately, an annual forward calendar, linked to the Committee's ToR, is approved by the Committee.

### Main activities during the financial year

During the year, the Committee's key activities included:

- Reviewing the Directors' Remuneration Policy and the operation of the SPP
- Reviewing the Directors' Remuneration Report published in the 2021 Annual Report and Accounts
- Reviewing the fee for the Company Chair and Executive Directors' remuneration for the 2022 financial year
- Reviewing performance against targets for the 2021 SPP award, the vesting of long-term incentive plan awards and for the determination of the bonus pool
- Reviewing the remuneration and bonus awards, including for senior management
- Reviewing the proposed targets for the 2022 financial year SPP, including agreeing the non-financial metrics
- Reviewing the performance of our sales incentive plans to gain assurance that their design helps promote good conduct
- Reviewed and agreed changes required to remuneration arrangements, processes and documentation to comply with requirements under IFPR and IFD
- Reviewing remuneration-related risks, remuneration Code Staff reward outcomes and gender pay gap reporting
- Reviewing developments in market practice and corporate governance relating to remuneration

### Membership and attendance of the Remuneration Committee

The Remuneration Committee is composed of independent Non-Executive Directors. Following the Board reorganisation there have been a number of changes to Committee membership this year. The current members of the Committee are Helen Stevenson (Chair), Jonathan Moulds, Sally-Ann Hibberd, Andrew Didham and Mike McTighe.

The CEO and the CFO attend the Committee meetings by invitation. The Company Chair is a member of the Committee although the Company Chair and Executive Directors do not attend or take part when matters relating to their own remuneration are discussed. The Chief People Officer and representatives from other areas of the business attend the Committee meetings by invitation as appropriate to the matter under consideration.

Following each Committee meeting, a formal report is made to the Board in which the Chair of the Committee describes the proceedings of the Committee meeting and makes recommendations to the Board as appropriate.

### Advice to the Committee

During the financial year ended 31 May 2022, the Committee consulted the CEO about remuneration matters relating to individuals other than herself. The Chief People Officer and the Senior Reward Manager provide support to the Committee. The Company Secretary is secretary to the Committee and also provided advice and support as required.

External advisers attend Committee meetings at the invitation of the Committee Chair.

The Remuneration Committee appointed Deloitte LLP (Deloitte) as advisers to the Committee in April 2019, following a competitive tender process.

Deloitte's fees for advice provided to the Committee during the financial year ending 31 May 2022 were £182,800 (excluding VAT). Fees are charged on a time and material basis.

Deloitte are founding members of the Remuneration Consulting Group and are signatories to its Code of Conduct, which requires its advice to be objective and impartial. During the year, Deloitte also provided unrelated advisory services in respect of regulatory, risk management and tax advice, Internal Audit services and agreed-upon procedures-based assurance services.

It is the view of the Committee that the engagement team at Deloitte that provided remuneration advice to the Committee during the year do not have connections with the Group or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts. The Committee considers that the advice received from the advisers is independent, straightforward, relevant and appropriate, and that it has an appropriate level of access to them and has confidence in their advice.

### Committee evaluation

During the year, an evaluation of the performance of the Committee and its members was undertaken in line with the Committee's Terms of Reference. The evaluation process was facilitated by the Company Secretariat as part of the overall annual Board and Committee effectiveness review.

Further information of the evaluation of the Board and its Committees and of individual Directors is given on page 70, together with a review of the progress on actions arising from the internally run performance review undertaken during 2021.

This report was approved by the Board of Directors on 20 July 2022 and signed on its behalf by:



**Helen Stevenson**  
Chair of the Remuneration Committee  
20 July 2022