

The WPA Board Advisory Committee: Remuneration

Statement of Principles January 2026

Members and Advisors

Chairman: Craig Gentle

Members: Andy Chapman
Craig Gentle
Jasper Gill
Anne Obey

Attendees: Nathan Irwin

Co-ordinator: Lisa O'Brien

The Remuneration Committee shall be appointed by the Board from amongst the Non-Executive Directors considered to be independent.

The Committee shall consist of at least three members. A quorum shall be three members.

The Senior Executive Assistant shall be the Co-ordinator of the Committee.

The Remuneration Committee is a WPA Board Advisory Committee and should have oversight of the WPA Group as a whole. Unless required otherwise by regulation, the Committee should carry out the duties for the Association (as the parent company), major subsidiary undertakings and the WPA Group as a whole where appropriate.

1. Membership

- 1.1 The Committee shall comprise at least three members, all of whom shall be Independent Non-Executive Directors. The Chairman of the Board may serve on the Committee as a member if he/she was considered independent on appointment as Chair.
- 1.2 Members of the Committee shall be appointed by the Board on the recommendation of the Nomination and Governance Committee and in consultation with the Chair of the Remuneration Committee. Appointments shall be for a period of up to three years which may be extended for up to two additional three-year periods and thereafter, provided the Non-Executive Director still meets the criteria for membership of the Committee.
- 1.3 Only members of the Committee have the right to attend Committee meetings. However, the Chief Executive shall be expected to attend meetings of the Committee. External Advisors may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.4 The Board shall appoint the Committee Chair who shall be an Independent Non-Executive Director. In the absence of the Committee Chair and/or an appointed deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board may not chair the Committee.

2. Co-ordinator

The Senior Executive Assistant shall act as the Co-ordinator 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 issues.

3. Quorum

The quorum necessary for the transaction of business shall be three members.

4. Frequency of Meetings

- 4.1. The Committee shall meet at least twice a year, at appropriate times, including:
 - 4.1.1. In the first quarter of each calendar year to discuss and recommend to the Board's discretion any annual increment to be paid to the Chairman and other Non-Executive Directors, the Chief Executive and other Executive Directors of the Association.
 - 4.1.2. To review and recommend to the Board the performance related element of the Executive Directors' remuneration.

- 4.1.3. Any other time as appropriate to review and discuss any other benefits relating to the Directors and to submit any recommendations to the Board.

5. Notice of Meetings

- 5.1. Meetings of the Committee shall be called by the Co-ordinator of the Committee at the request of the Committee Chair or any of its members.
- 5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, 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.

6. Minutes of Meetings

- 6.1. The Co-ordinator shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance.
- 6.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee.
- 6.3. Minutes of the Committee may only be circulated to the Board, or any Board member outside of the Committee, with the express authority of the Chairman of the Committee.

7. Engagement with Stakeholders

The Committee Chair should attend the Annual General Meeting to answer any questions from members of the Association and other stakeholders regarding the Committee's activities.

8. Remuneration Strategy

- 8.1. The Remuneration Committee shall work within the following Board approved remuneration strategy. Any changes to the strategy or individual decisions which fall outside the boundaries require the prior discussion and agreement of the Board.

WPA Executive and Senior Management Remuneration Strategy

Salaries, Benefits in Kind and Pension Contributions

Contractual Remuneration Packages should be set by reference to the market conditions, with a view to retaining and attracting skills and experience commensurate with the role required.

Short Term Incentive Schemes

Short term incentive schemes, known as Partnership for Excellence shall reflect both individual and Company performance within the financial year. STIS payments should fall within the range of 0-30% and be a balanced, non-formulaic assessment of performance including, but not limited to the following Key Performance Indicators:

- Strategic Plan delivery
- Growth
- Retention rates
- Claims Ratio
- Expense Ratio
- Combined Ratio
- Investment Return
- Solvency Coverage
- Service Levels
- Great Place to work

Long Term Incentive Scheme

Known as the CET (Contribution, Effort and Teamwork) plan, this is designed to recognise behaviours that are consistent with WPA's long term success and encourage senior manager and executive talent retention over a longer time frame.

Allocations into the Scheme vest over a 4 year period. CET allocations should fall within the range of 0-20%. Allocations are expected to be reflective of the collective team performance, rather than individual performance assessments, subject to appropriate qualifying criteria.

Allocations are expected to be made when the Executive and Senior Team have demonstrated that they have fulfilled WPA's purpose of enabling customers to access the best possible healthcare in a culture where people treat others as they would wish to be treated themselves.

9. Duties

The Committee shall:-

- 9.1. Determine the policy for Directors' remuneration and set the remuneration for the Association's Chair, Executive Directors and senior management including the Company Secretary.
- 9.2. Ensure that the Chairman of the Board and other Non-Executive Directors, Chief Executive and Executive Directors are fairly and properly rewarded for their individual and collective contribution to the Association's overall performance, and to ensure that the Association's remuneration policies are consistent with the Consumer Duty Principle, whilst maintaining a measured and open approach to risk.
- 9.3. Design remuneration policies and practices to support strategy and promote the long-term sustainable success of the Association, with Executive remuneration aligned to the Association's purpose and values, clearly linked to the successful delivery of the long-term strategy. Further, the remuneration policies should enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums under appropriate specified circumstances. The Committee should ensure that all decisions are compliant with the Remuneration Strategy documented in section 8.
- 9.4. Review and assess all aspects of remuneration and benefits in kind of the Chairman of the Board, the Chief Executive and other Executive Directors and senior management.
- 9.5. Review and approve the form of contract of employment used for Executive Directors. In determining Executive Director remuneration policy and practices, the Committee shall consider the requirements for: clarity, simplicity, risk mitigation (taking into consideration the ORSA), predictability, proportionality and alignment to culture.
- 9.6. Ensure there are adequate and sustainable pension arrangements for the Executive Directors.
- 9.7. See that superior performance is rewarded by appropriate Partnership for Excellence Awards and to review any such schemes regularly to ensure that the basis, targets and payments are fair and balanced and serve the needs of the Association.
- 9.8. Oversee the Senior Manager Long-Term Incentive Scheme (CET) on behalf of the Board, including the making of any CET Allocations and authorising the release of any CET Payments at the end of the given Allocation Period. Further, to review the CET Scheme regularly to ensure that the basis, targets and payments are fair and balanced and serve the needs of the Association.

- 9.9. Consider the relationship between Executive Directors' remuneration and that of other employees of the Association and to see that it remains consistent and appropriate.
- 9.10. Ensure that no Director or Senior Manager is involved in any decisions as to their own remuneration outcome. The Committee shall ensure that recommendations (as required by the 'Schedule of Matters Reserved for the Board') are put to the Board for approval. Thereafter, as required by the Articles of Association, Non-Executive remuneration is presented to the Association members for approval at the Annual General Meeting.
- 9.11. 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 Association. However, the Committee should avoid designing pay structures based solely on benchmarking to the market or on the advice of remuneration consultants.
- 9.12. Work and liaise as necessary with other Board Advisory Committees and deal with any other matters which the Board may refer to the Committee.

10. Reporting Responsibilities

- 10.1. The Committee Chairman shall report to the Board after each meeting on the nature and content of its discussions, recommendations and action to be taken.
- 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 and if a remuneration consultant is used, ensure that they are identified in the Annual Report along with any connection to the Association or individual Director.

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 Secretary 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 Financial Conduct Authority, Prudential Regulation Authority and Financial Reporting Council Code and published guidance, in so far as they may apply and any other applicable rules, as appropriate.
- 11.4. Ensure that a periodic evaluation of the Committee's performance is carried out.

- 11.5. At least annually, review its constitution and Statement of Principles to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

12. Authority

The Committee is authorised by the Board to obtain, at the Association's expense, outside legal or other professional advice on any matters within its terms of reference if it believes it necessary to do so.

V13.0 Reviewed at the Remuneration Committee meeting on 28 January 2026