

VANQUIS BANKING GROUP plc and VANQUIS BANK Ltd**Customer, Culture and Ethics Committee****Terms of Reference**

The Company	each of Vanquis Banking Group plc (the plc) and Vanquis Bank Ltd (VBL). Where these Terms of Reference are used for either the plc or VBL then it shall mean the relevant company only.
Board	when used as a joint document, the Boards of both the plc and VBL. Where Terms of Reference are used as either of the plc or VBL then it shall mean the relevant Board only.
Committee	when used as a joint document, the CCE Committees of both the plc and VBL. Where Terms of Reference are used as either of the plc or VBL then it shall mean the relevant CCE Committee only.
Director	a director of the Board of each of the plc and VBL.
Group	the plc and its subsidiaries as defined by the Companies Act 2006. Should these Terms of Reference be used solely then the same definition shall apply but when used for VBL then this definition shall mean only those subsidiaries of VBL.
Major subsidiaries	<p>The major subsidiaries of the plc are: Vanquis Bank Limited, Moneybarn No 1 Limited and Moneybarn Limited (together known as “Moneybarn”) and Cheque Exchange Limited.</p> <p>Provident Financial Management Services Limited and Provident Personal Credit Limited (together known as “CCD”), and Provident SPV Limited (for the CCD Scheme of Arrangement also known as ‘SchemeCo’) are in members voluntary liquidation.</p>

The Code

The UK Corporate Governance Code and any later version superseding this version.

1. Overview

- 1.1 The Boards and Committees of the plc and VBL have predominantly identical membership and sit jointly on most occasions. Where a joint meeting takes place these Terms of Reference for the Committee shall apply. Where the Committees of the plc or VBL sit separately, these Terms of Reference shall apply with the exception of those duties and responsibilities where due to statute, regulation or other reasons considered appropriate by the directors/executives they cannot or should not apply.
- 1.2 For the purpose of these Terms of Reference the term 'Articles of Association' shall mean, when the Committee is sitting as a joint Committee, the Articles of Association of each of the plc and VBL. Where the Committee is sitting as either a Committee of the plc or VBL alone then it shall mean the Articles of Association of the relevant company only.
- 1.3 For the avoidance of doubt reference to shares and share schemes are to shares and schemes of the plc only.
- 1.4 Paragraphs or provisions marked with "*" are expected to apply primarily to the Committee of the plc and unless otherwise determined by the Committee that it should also apply to the plc, the paragraphs or provisions marked with a '†' are expected to apply primarily to the Committee of VBL. Such matters are not exclusive and can be amended from time to time on an ad hoc or continuous basis, separate to any agreement to amend these Terms of Reference, provided that a quorum of the relevant Committee agrees and this derogation is minuted as such.
- 1.5 Where a matter relating to VBL requires VBL CCE Committee approval, this matter will not also require approval from the CCE Committee of the plc.

2. Name

This Committee of the Board shall be known as the Customer, Culture and Ethics Committee (the "Committee").

3. Membership

Basic membership

- 3.1 The membership of the Committee shall comprise at least two members.

Requirements of membership

- 3.2 Members of the Committee shall be independent non-executive directors only.

Appointment

- 3.3 Members of the Committee shall be appointed by the Board, in consultation with the Chair of the Nomination Committee.
- 3.4 The Chair of the Committee will be appointed by the Board. In the absence of the Chair of the Committee or an appointed deputy, at a committee meeting, the remaining members present shall elect one of themselves to chair the meeting.
- 3.5 Membership of the Committee will be reviewed by the Board on an annual basis.

Attendance

- 3.6 The Chief Executive Officer (CEO) or their designate must attend meetings of the Committee
- 3.7 Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited by the Chair to attend for all or part of any meeting, as and when appropriate and necessary.

4. Secretary

- 4.1 The Company Secretary, or their nominee, is the Secretary of the Committee.
- 4.2 The Committee Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

5. Quorum

- 5.1 The quorum necessary for the transaction of business will be two members.
- 5.2 In determining whether the members are participating in the meeting, it is irrelevant where the member is and how they are communicating with other attendees.

6. Meetings

Frequency

- 6.1 Meetings will be held at least three times a year and otherwise as required at appropriate intervals.
- 6.2 Outside of the formal meeting programme, the Committee Chair, and to a lesser extent the other committee members, will maintain a dialogue with key individuals involved in the Group's governance of customer-facing processes, including product and channel development, and ongoing marketing, product design, customer service and collections activities. Regular dialogue with the Chair of the Risk Committee, Chair of the Remuneration Committee and Chair of the Audit Committee will be undertaken, as well as active engagement with members of relevant management committees.

Notice

- 6.3 Meetings of the Committee shall be called by the Committee Secretary at the request of the Chair of the Committee.
- 6.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and the relevant supporting papers, shall be made available to each member of the Committee and any other person required to attend, as soon as reasonably practical and by five working days before the date of the meeting.

Voting and conflicts

- 6.5 The members of the Committee, at the beginning of the meeting, shall declare the existence of any conflicts arising and the Committee Secretary shall minute them accordingly.
- 6.6 Although normally decisions are reached on a consensus, in the event of a disagreement, decisions on any matter are made by the majority, with the Chair of the Committee having the casting vote in the event of a tie. A Committee member who remains opposed to a proposal after a vote is taken, can ask for their dissent to be noted in the minutes.

Minutes

- 6.7 The Committee Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.8 Draft minutes of Committee meetings shall be agreed with the Committee.

- 6.9 Once finalised, minutes will be made available to all members of the Board, unless it would be inappropriate to do so in the opinion of the Committee Chair.
- 6.10 Final signed copies of the minutes of the meetings of the Committee should be maintained for the company's records, in hard and soft copy where possible.

7. Engagement with Shareholders

- 7.1 *The Chair of the Committee should attend the annual general meeting to answer any shareholder questions on the Committee's activities
- 7.2 *In addition, the Chair of the Committee should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility, as and when required.

8. Duties

The Committee adopts a KPI and evidence based approach to its work. The Committee aligns its priorities with the Board, and its objectives with stakeholder engagement expectations:

- 8.1 *The Committee shall oversee that appropriate arrangements are in place to support compliance with the 2018 UK Corporate Governance Code and the accountabilities under Section 172 of the Companies Act 2006 as appropriate, with the assistance of the Company Secretarial team.
- 8.2 The Committee will support the Board in overseeing relevant policies, procedures, standards and progress against KPIs, to ensure that the Group conducts and develops business responsibly and consistently in accordance with the Company's customer and customer outcome objectives, purpose and corporate culture. In doing so, the Committee will align its work with the Company's overall goals including its Strategy and Purpose.
- 8.3 The Committee will assist the work of the Board's Risk Committee in reviewing the design and performance of the Group's products and specifically for customer centricity and customer outcomes, and in assessing whether the Company's culture and purpose is embedding across the employee population. While it is expected that Conduct Risk will remain within the focus of the Risk Committee, regular reviews of various customer, colleague and culture metrics in the CCE committee will provide an additional and important line of sight into the many areas where our conduct is a key contributor to delivering fair customer outcomes.

- 8.4 The Committee will assist the Remuneration Committee in factoring dimensions like customer centricity, environmental, and community impact, cultural and governance issues into the setting of performance conditions for annual bonus schemes and share incentive plans of executive directors and senior management teams, and where appropriate, offer inputs on individuals' and teams' attainment of these goals.
- 8.5 The Committee will review and provide guidance for external communications and the Group's public posture on key reputational issues that the Group may encounter on the areas within its remit, e.g., with respect to customers, diversity, and sustainability (ESG agenda: environment, social, governance).
- 8.6 The Committee shall review the improvement opportunities and proposed actions on Gender Pay Gap, monitor and oversee the progress made regarding improvement opportunities and provide feedback and guidance on any further content that needs to be included in the final publication on the website.
- 8.7 Specific duties shall include review and oversight of:
- 8.7.1 *The CCE Committee will work to ensure that requirements under the prevailing UK Corporate Governance Code applicable to the plc, in so far as it relates to the precise remit of the Committee, are being addressed by the Board, and that the Company is taking into account, where appropriate, the views and concerns of the Group's stakeholders, including customers, employees, suppliers, and the community, as well as shareholders.
- 8.7.2 Delivering positive customer experiences and fair customer outcomes
- Provide oversight of the Group's efforts to ensure that its policies, business processes, procedures, systems, culture and behaviours are consistent with improving the customer experience and delivering fair customer outcomes. The spirit in this regard will be to ensure that we are mapping to (according to our best understanding of) the priorities and focus of our regulators, our customers' expectations, and the need to provide a sustainable, commercially viable set of products and services, all of which are critical to creating a sustainable business.
- 8.7.3 Embedding the Group's target culture and ethics
- To oversee development, embedding and monitoring by management of the Group's customer objectives, purpose, culture and ethics within its

operations, consistent with the Group's strategy and Purpose.

To frequently review whether the culture of the organisation is evolving to meet the changing expectations of stakeholders and identify (and flag to the Board) areas where more effort is required and that such expectations are reflected in the Board's decision making.

To ensure that any material issues which relate to the culture and ethics of the Group are reported to other relevant Board Committees and are reflected in the Board's decision making process.

8.7.4 Being a responsible and inclusive employer

To oversee the engagement of employees in relation to the Group's purpose, culture and ethics, and identify where improvements should be undertaken and are reflected in the Board's decision making process.

8.7.5 Enhancing community involvement

To oversee the Company's engagement with the communities in which the Group operates to ensure that its community investment activities are consistent with the Group's customer objectives, social purpose, culture and ethics and that the output is taken into account in the Board's decision making process.

8.7.6 Supporting environmental protection

To provide oversight of the Group's approach to managing and reporting its impact on the environment, such as through the Climate Risk Committee, and that the output is taken into account in the Board's decision making process.

9. Reporting responsibilities

9.1 The Committee Chair shall formally report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities. The report shall include any other issues on which the Board has requested the Committee's opinion.

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

9.3 The Committee shall produce a report about its activities to be included in the Company's annual report and financial statements.

10. Other matters

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;
- 10.2 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;
- 10.3 arrange for a periodic review of its own performance, and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it consider necessary to the Board for approval;
- 10.4 give due consideration to all relevant laws and regulations, in particular, the directors' duties contained in the Companies Act 2006, the provisions of the Code and published guidance, the requirements of the Financial Conduct Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate;
- 10.5 oversee any investigation of activities which are within this terms of reference;
- 10.6 work and liaise as necessary with all other Board committees, taking particular account of their respective remits, and their likely review and oversight of similar/related topics such as risk, reward and control; and
- 10.7 Agree the forward agenda planner, with particular attention to the coverage of key matters at the Board and other Board Committee meetings noting the customer centric lens of this Committee.

11. Authority

- 11.1 The Committee is a committee of the Board from which it derives its authority and to which it regularly reports;
- 11.2 The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference. The Committee may sub-delegate any or all of its powers and authority as it sees fit,

including, without limitation the establishment of sub-committees to analyse particular issues or themes and to report back to the Committee;

- 11.3 The Committee is concerned with the business of the whole Group and accordingly its authority extends to all relevant matters relating to the plc and its subsidiaries; and
- 11.4 The Committee Chair is authorised to request remedial action be taken in relation to any matter, within the Committee’s Terms of Reference, which the Committee Chair considers has not been addressed promptly or sufficiently.

The Committee is authorised to:

- 11.5 seek any information it requires from any employee of the Group in order to perform its duties;
- 11.6 obtain, at the Group’s expense, independent legal or other professional advice on any matter within its terms of reference it believes it necessary to do so, providing the cost of the advice in relation to a specific matter does not exceed £20,000 (exclusive of VAT). Should it exceed this figure, approval from Board is to be obtained in advance;
- 11.7 call any employee to be questioned at a meeting of the Committee as and when required; and
- 11.8 have the right to publish in the Company’s annual report, details of any issues that cannot be resolved between the Committee and the Board.

12. Change Control

Date	Summary of Changes	Approved by
February 2022	Combined with VBL CCE and updated with best practice for combined committees	Board
March 2023	Updated for plc name change and Consumer Duty	None required