

Vanquis Bank Limited

2012 Remuneration Code Pillar III disclosure

Under the FSA guidance on proportionality, Vanquis Bank fall within proportionality level 3 and the below Pillar III disclosure has been prepared on this basis.

Governance

The Board of Directors of Vanquis Bank Limited (VBL) have delegated the responsibility for oversight of VBL's remuneration policy and the remuneration decision making process to its Remuneration Committee (Remco).

The Remco comprises 3 Non-Executive Directors and is chaired by its Senior Non-Executive Director. The terms of reference for the Remco have been approved by the VBL Board of Directors. The Remco's mandate is to:

1. Determine Remuneration Policy in relation to fixed and variable pay for employees;
2. In exceptional circumstances adjust levels of fixed and variable pay for employees;
3. Determine which employees are Code Staff for the purposes of the Remuneration Code. VBL consider the following to be Code Staff:
 - i. Vanquis Bank Executive Directors; and
 - ii. Selected roles which have a significant influence on the firm's risk profile including selected control functions
4. Determine levels of fixed and variable pay for individual Code Staff;
5. Ensure that its decisions are consistent with an assessment of VBL's financial condition and future prospects and in the interests of its shareholder (Provident Financial plc) and other stakeholders; and
6. Monitor that VBL is fully compliant with the requirements of the FSA's Remuneration Code.

Link between pay and performance

Fixed pay (salary and benefits) is primarily set taking into account market rates and benchmarks as appropriate. Variable pay is determined via a combination of long-term performance measures and individual performance ratings;

Long term business performance measures

The long term business performance measures are documented in long term incentive schemes which are operated and provided by VBL's parent company Provident Financial plc

Individual performance ratings

Individual performance ratings are part of the annual review process and reflect individual contribution against personal objectives. Appropriate risk conduct is reflected in the annual performance objectives, and subsequent rating of the employee.

Aggregate quantitative information on remuneration

10 Code Staff

Total Remuneration = £4,960,120

	Senior management	Other members of staff*	Totals
Fixed remuneration	£1,996,500	£68,113	£2,064,613
Variable remuneration	£2,872,188	£23,319	£2,895,507
Number of staff	9	1	10

*Other members of staff whose actions had a material impact on the risk profile of the firm

All of the code staff included in the quantitative remuneration disclosure above are employed in VBL's credit card business area.