

Policy on Remuneration

LOLC HOLDINGS PLC

Contents

1. Introduction	2
2. Policy for remunertation for Executive Directors	2
3. Policy for remunertation for Non - Executive Directors	2
4. Policy for remunertation for Alternate Directors	3
5. Policy for remunertation for Chief Executive Director (CEO)	3
6. Policy on Bonus/ ex gratia	3

Policy on Remuneration

1. Introduction

The Remuneration Committee, in setting the remuneration policy, has considered the following:

1. the need for LOLC Holdings PLC and its listed or wholly owned subsidiaries to be competitive in the local market;
2. the need to attract, motivate and retain talent;
3. the need to encourage and reward high levels of performance and achievement of corporate goals and objectives;

It is believed that the aligning of remuneration with corporate performance ensures that shareholder and other stakeholder interests are also being met. Therefore, a portion of the executive directors' potential remuneration packages will be performance-related.

2. Policy for remuneration of Executive Directors

Accordingly, Executive Directors should receive base salaries comparable with companies of a similar size and standing under diversified sectors and have the opportunity to earn enhanced total remuneration for meeting the performance targets set by the Committee.

In setting remuneration levels for the Executive Directors, the Committee takes account of the remuneration policy and practice applicable to other Group employees and also of prevailing market rates.

The components of remuneration for Executive Directors comprise;

- a) base salary (a fixed sum payable monthly which is reviewed annually in April);
 - b) other perquisites;
 - c) bonus (based on performance and meeting of the Company's and Group's objectives);
- and

3. Policy for remuneration of Non-Executive Directors

Non - Executive Directors will be paid a monthly retainer, together with a fee per Board meeting (payable on attendance).

Additional meeting attendance fees will be paid to the members of the Board Sub Committees - the Audit Committee, the Integrated Risk Management Committee, the Nominations & Governance Committee, the Talent Development & Remuneration Committee and the Related Party Transactions Review Committee.

4. Policy for remuneration of Alternate Directors

Alternate Directors will be paid the meeting attendance fee which would have been payable to the Director whose alternate they are, on attendance.

5. Policy for remuneration of Chief Executive Officer (CEO)

The remuneration of the CEO will be based on performance. Other terms of employment shall be as of comparable companies.

6. Policy on Bonus / ex gratia

The bonus in the case of Executive Directors will comprise a fixed amount and a variable amount. The variable amount will be based solely on performance.