

Statement pursuant to s.430(2B) Companies Act 2006

On 6 November 2018, the Company announced that Andrew Fisher, Finance Director, would step down from the Board on 3 December 2018 and would remain employed for a period to provide an orderly handover to his successor.

The information required to be made available in accordance with s.430(2B) Companies Act 2006 is set out below. In accordance with Andrew's Service Agreement and the Company's Remuneration Policy, the following arrangements will apply:

Andrew will remain employed until 4 March 2019, notice having been served on 5 November 2018. He will continue to receive salary and benefits under his Service Agreement during this period.

Thereafter, Andrew will be paid in lieu for the balance of his 12-month notice period (£496,368). The amount of this payment may be reduced by reference to mitigation, as provided for in the Remuneration Policy. He will also receive a compensation payment of £70,000.

Andrew will be eligible to receive a bonus for the 2018 financial year to be determined by the Remuneration Committee in March next year, having regard to the applicable performance measures and subject to the Company's malus and clawback policy. One third of the bonus will be deferred into the Company's Performance Share Plan as provided for in the Remuneration Policy. Andrew will not be entitled to receive a bonus in respect of 2019.

Andrew's outstanding awards under the Company's Long Term Incentive Plan and Performance Share Plan will continue to vest on the applicable vesting date in accordance with and subject to the rules of those plans, including malus and clawback.

Details of the above arrangements will be published in the Company's next Directors' Remuneration Report.

Provident Financial plc

6 November 2018