

FY21 Discretionary Payment FAQs

09 June 2021

Q. Why are we not receiving a TTG Annual Bonus?

A. Despite the great progress made in the Company in FY21, we did not meet the minimum Financial targets to enable a Bonus payment to be made.

Q. Who is eligible for the discretionary payment?

A.

- You must have joined the company before 1st January 2021.
- You must be on payroll and have not given, or have been given, notice on or before 30th June 2021. This applies to termination by any reason whether instigated by you or the Company.
- If you are leaving by reason of redundancy, it was agreed that you are not eligible to receive any discretionary payments as part of collective consultation.
- You must not be on a formal disciplinary, performance improvement or any similar process at the time of payment, nor received a formal warning between 1 April 2020 and the payment date.
- Excludes colleagues who were not eligible to participate in the Annual Bonus scheme for FY21.

Q. How is the discretionary payment calculated?

A. It is calculated based on your eligible earnings from April 20 – March 21, multiplied by half of your target bonus percentage during this period.

Example:

Eligible Earnings	Target Bonus %	On Target Bonus Value	Discretionary Payment (half of Target bonus)
£25,000	5%	£1,250	£625

Q. What target bonus % is being used?

A. The grade of your role determines the on target % used and you can find it the compensation tab of Workday.

Q. Why is this discretionary payment 50% of my target bonus level?

A. We did not reach the minimum EBITDA and Cash performance required to make a payment under the TTG Annual Bonus Scheme. However, we wanted to recognise and acknowledge the work undertaken by TalkTalk colleagues, whilst being conscious of our financial position.

Q. How do you calculate my eligible earnings?

A. These are your actual base pay related earnings paid to you via payroll during April 20 – March 21. Other payments such as allowances, one off payments and overtime do not contribute to eligible earnings.

Q. Is my eligible earnings figure the same as my salary?

A. In most cases yes. Eligible earnings reflect your actual salary for the year. So, normally you can use salary to calculate eligible earnings – however, this does not account for many personal anomalies (e.g. salary changes in year, unpaid time off, etc).

Q. I joined TalkTalk during this last year as a Fixed Term Contractor, am I eligible?

A. If you joined after 1 April 2020 you will be subject to the rules of the FTC bonus scheme and not eligible for this payment. If you joined prior to 1 April 2020 and have not received a bonus under the FTC bonus scheme, please contact your People Partner to discuss.

Q. How does 'MAP&P' leave impact my eligible earnings?

A. If you are absent from work on maternity, adoption, parental leave, paternity leave (MAP&P), we want to make sure that you remain eligible. As long as you have worked for three consecutive months of the 2020/21 year, your actual base pay received, company enhanced pay and minimum statutory payments are included when calculating your eligible pay.

Q. How does sickness impact my eligible earnings?

A. If you have worked for three consecutive months of the 2020/21 year, you will be eligible for the payment (unless on PHI). In calculating your eligible earnings, we will include company enhanced sick pay or statutory sick pay you receive whilst off work.

Q. I joined on 4 January, am I eligible?

A. No. You must have joined TalkTalk prior to 1 January 2021 to receive the payment.

Q. I changed roles during the year and had a salary change, does this impact my calculation?

A. Yes. The calculation of your payment relates to eligible earnings. As your salary is higher in some months, this will favourably impact your actual earnings for that month.

Q. I changed grade during the year and so my target bonus level increased. What will be used in the calculation?

A. Any changes in your target bonus level will be reflected. All calculations will be pro-rata and use the appropriate target bonus % for relevant parts of the year.