

## Compliance statement against the Code

# Compliance Statement

Until 16 May 2023, while listed on AIM, the Board complied fully with the provisions of the QCA Governance Code. Since 17 May 2023, on entry to the Premium segment of the Main Market of the London Stock Exchange, the Company adopted the UK Corporate Governance Code.

The Code can be found at [www.frc.org.uk](http://www.frc.org.uk).

The Board is pleased to report that they applied the principles and complied with all provisions of the Code with the exception of Provision 9 Chair independence and Provision 36 with regards to a formal policy for post-employment shareholding requirements. Further details on non-compliance are provided below.

### Provision 9 – Chair independence

The Chair, Amit Bhatia was not deemed to be independent upon his appointment as Chair.

The Code recommends that a chair should meet the independence criteria set out in the Code on appointment. Mr Bhatia is not considered to have been independent on appointment to the Board, having been initially appointed as the representative of Abicad Holding Limited, a significant Breedon shareholder pursuant to the terms of a relationship agreement in force at the time of his appointment as Chair.

Accordingly, although Mr Bhatia is no longer a representative of Abicad Holding Limited, he is not considered to have been independent on appointment to the Board and therefore the current Board structure does not comply with Provision 9 of the Code.

By way of background, Mr Bhatia was appointed to the Breedon Board in August 2016, appointed Deputy Chair in April 2018, and non-executive Chair in 2019. He has considerable experience in both the material sector and through corporate finance. Previously, Mr Bhatia was appointed as executive Chair of Hope Construction Materials in 2013, then the UK's largest independent building materials business before it was acquired by the Group in August 2016 (which is when he subsequently joined the Breedon Board).

Given Mr Bhatia's longstanding experience in the sector and tenure with the Group, the Company does not propose to appoint a new independent Chair in order to comply with the UK Corporate Governance Code.

### Provision 36 – Long-term shareholdings

The Company did not fully comply with the provision in regards to post-employment shareholdings for its executive directors.

The Code states that remuneration schemes should promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests. Share awards granted for this purpose should be released for sale on a phased basis and be subject to a total vesting and holding period of five years or more. The Remuneration Committee should develop a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares.

The Directors' Remuneration Policy which can be found on page 145 to 168 which will be put to shareholders at the forthcoming AGM being held on 24 April 2024 provides for the incorporation of a post-cessation shareholding requirement for executive directors. If approved by shareholders, then the Company will fully comply with this provision.

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<b>1</b> <b>Board leadership and Company purpose</b>		
<b>A</b> <b>Board's role</b>  A successful company is led by an effective and entrepreneurial board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society.	<p>The Board has collective responsibility for the long-term success of the Company. The Board holds a periodic strategy day with discussions at every meeting through a robust decision-making process. Long-term strategy, divisional strategies and a progressive dividend policy are all considerations of the Board in generating value for shareholders. The Group's strategy and business model and details of the governance arrangements in place which contribute to the delivery of our strategy can be found in our Annual Report.</p> <p>The Board is responsible for leading and controlling the Company and has overall authority for the management and conduct of its business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Company. The Board has a governance framework in place which includes the directors, board committees, an executive committee and a formal schedule of those matters that are reserved to the Board and is satisfied that during 2023 its responsibilities were met.</p>	<p><b>The Company applied all of the principles and complied with the provisions of Section 1</b></p> <p><b>Provision 1:</b> pages 50 to 68 Managing our risks and opportunities pages 22 to 27 Business model pages 111 to 172 Governance report</p>
<b>B</b> <b>Purpose and culture</b>  The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.	<p>The Schedule of Matters Reserved for the Board specifies that the Board is responsible for ensuring that its culture and values are aligned to the Group's purpose, long-term strategy and objectives. Procedures for the regulation of Board conduct are detailed in individual appointment letters. The Annual Report sets out the activities taken by the Board in respect of monitoring culture and its approach to investing in and rewarding its workforce.</p> <p>To promote a common culture across the organisation, the Board defined a clear purpose and set of values that support the successful delivery of our strategy. Led by the Board and Executive Committee, the purpose 'to make a material difference to the lives of our colleagues, customers and communities' to create a workplace where people feel safe, proud and motivated to do their best. The values at the heart of our business: keep it simple; make it happen; strive to improve; and show you care, will drive the performance of the business, motivating and engaging colleagues, building customer loyalty and strengthening our relationship with local communities.</p>	<p><b>Provision 2:</b> page 118 Monitoring culture pages 145 to 168 Directors' Remuneration report</p>
<b>C</b> <b>Resources and controls</b>  The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.	<p>The Board set and monitor the strategy for the Group, holding management to account on their delivery of the agreed strategy. This is assisted by a robust internal control and risk management framework, which is overseen by the Audit &amp; Risk Committee. The Annual Report sets out how resources have been used to meet our strategy for the Group and those of the individual businesses. The Board has identified five strategic risks, acquisitions and material capital projects, climate change, markets, land and mineral management and people, all of which are detailed in the Annual Report.</p>	<p><b>Provision 1:</b> pages 50 to 68 Managing our risks and opportunities pages 28 to 35 our CEO review and strategy pages 36 to 41 Operating reviews</p>

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<p><b>1</b> <b>Board leadership and company purpose</b> continued</p> <p><b>D</b> <b>Stakeholder engagement</b></p> <p>In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties.</p>	<p>The Board regularly receives and considers updates on the views of shareholders through reports from its brokers and directors following shareholder engagement. The Head of Investor Relations reports and analyst notes are reviewed to maintain a broad understanding of varying investor views. The Board, including the Chair and the Committee Chairs engage with shareholders at the AGM and in 2023 through communications such as the prospectus and other media relating to the move to the Main Market. The Chair of Remuneration Committee consulted with shareholders with regards to the proposed Remuneration Policy.</p> <p>At the AGM in 2023 there were no resolutions where 20% of the vote had been cast against a Board recommendation. The results are published following our AGM.</p> <p>The Board has appointed Pauline Lafferty as DNED for Workforce Engagement and during 2023 she has undertaken both face-to-face and virtual sessions across both our GB and Ireland businesses.</p>	<p><b>Provision 3:</b> pages 119 and 120 Engaging with shareholders</p> <p><b>Provision 4:</b> no AGM votes below 80%</p> <p><b>Provision 5:</b> pages 105 to 109 S172 Statement</p> <p>page 117 Engaging with our workforce</p>
<p><b>E</b> <b>Workforce policies and practices</b></p> <p>The board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern.</p>	<p>Group-wide policies are reviewed regularly and are accessible to all employees. The Board undertakes an annual engagement survey with all employees with the results being reviewed by the Board to ensure that a supportive and inclusive culture is in place. The Board engages directly with the workforce through site visits and through the DNED responsible for workforce engagement.</p> <p>The Group has in place a Whistleblowing Policy for any employee to raise concerns. The policy provides for a confidential process for notification and the arrangement for independent investigation to take place. The policy is monitored by the Audit &amp; Risk Committee and overseen by the Board.</p> <p>The Board has a Conflicts of Interest Policy and all directors declare any potential interest at meetings and provides a list of all external directorships together with any third-party relationships. If a director has any concern regarding the operation of the Board then any such concerns will be minuted in the Board minutes. During the year, the Board determined that there were no relationships that posed any actual or potential conflict.</p>	<p><b>Provision 6:</b> page 117 Engaging with our workforce</p> <p><b>Provision 7:</b> pages 112 and 113 Board of Directors</p> <p><b>Provision 8:</b> Director appointment letters</p> <p>Board Conflicts of Interest Policy</p>

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<b>2</b>	<b>Division of responsibilities</b>	
<b>F</b> <p><b>Role of the Chair</b></p> <p>The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.</p>	<p>The Chair was not independent on appointment. The Chair does not represent a significant shareholder, however he is a Closely Associated Person of a significant shareholder.</p> <p>The Chair sets the Board's agenda and the Board is provided with clear, regular and timely information on the financial performance of the businesses within the Group, and of the Group as a whole. In addition, other trading reports, contract performance and market reports and data, including reports on personnel-related matters such as health and safety and environmental issues, are provided. The Board has approved a schedule of matters reserved for the Board.</p>	<p><b>The Company applied all of the principles and complied with the provisions of Section 2 with the exception of Provision 9 in respect of the Chair's independence on appointment</b> (see page 135 for details)</p> <p><b>Provision 9:</b> pages 112 and 113 Board of Directors</p> <p>page 111 Corporate governance at a glance</p>
<b>G</b> <p><b>Composition of the Board</b></p> <p>The board should include an appropriate combination of executive and non-executive (and, in particular, independent non-executive) directors, such that no one individual or small group of individuals dominates the board's decision-making. There should be a clear division of responsibilities between the leadership of the board and the executive leadership of the company's business.</p>	<p>All non-executive directors (excluding the Chair) have been identified by the Board as independent. The Board has a majority of independent directors. No changes to the composition of the Board occurred during the year.</p> <p>There is a clear division of responsibilities between the Chair, Senior Independent Officer and Chief Executive Officer. Each Board Committee has Terms of Reference agreed by the Board which sets out the role and responsibilities of that Committee.</p> <p>The Chair encourages and facilitates each directors contribution to ensure that no one individual can dominate its proceedings. All directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational. The Senior Independent Director undertakes an evaluation of the Chair annually and the Board undertakes an external validation of its performance every three years.</p>	<p><b>Provision 10, 11 &amp; 12:</b> pages 112 and 113 Board of Directors</p> <p><b>Provision 14:</b> Committee terms of reference</p> <p>Division of responsibilities</p> <p>page 111 Corporate governance at a glance</p>

## Compliance statement against the Code

Requirements and principles

Application

Compliance and provisions

### 2 Division of responsibilities continued

There is a division of responsibilities between the CEO, the Chair and the SID which is summarised below.

Chair	Senior Independent Director	Chief Executive Officer
<ul style="list-style-type: none"> <li>— Ensure the Board is effective in setting and implementing the Group’s direction and strategy.</li> <li>— Oversee the operation of the governance framework.</li> <li>— Chair the meetings of the Company, Board and Nomination Committees.</li> <li>— Ensure the Board is effective in all aspects of its role, including its legal, regulatory and shareholder responsibilities.</li> <li>— Maintain dialogue with the CEO and the Board on important and strategic issues.</li> </ul>	<ul style="list-style-type: none"> <li>— Act as a sounding board for the Chair and other members of the Board.</li> <li>— Be an alternative point of contact for shareholders.</li> <li>— Work with the Chair, Board and shareholders to resolve significant issues.</li> <li>— Obtain a balanced understanding of the issues and concerns of shareholders.</li> <li>— Lead the performance evaluation of the Chair on behalf of the Board.</li> </ul>	<ul style="list-style-type: none"> <li>— Oversee the operational day-to-day management of the Group’s businesses in line with the strategy and long-term objectives.</li> <li>— Make decisions affecting the operations, performance and strategy of the Group’s businesses, except for matters reserved to the Board or Committees.</li> <li>— Implement the strategy and long-term objectives, annual budget and operating plan.</li> </ul>

There are clear responsibilities to ensure appropriate decision-making with delegations in place through the terms of reference for each Board Committee. The four main Board committees are:

Audit & Risk Committee Report on pages 125 to 130	Nomination Committee Report on pages 131 and 132	Sustainability Committee Report on pages 133 and 134	Remuneration Committee Report on pages 145 to 168
Supports the Board’s responsibilities with regard to internal controls and the risk management framework together with overseeing financial reporting.	Supports the Board with succession, appointments and the promotion of diversity and inclusion for the Board and Executive Committee together with ensuring a balance of skills and experience.	Review strategies, policies and performance in relation to sustainability together with the environmental impact and sustainability of the Group’s operations and to promote socially responsible values.	Responsible for determining the Remuneration Policy for executive directors, Executive Committee and the Chair together with appropriateness of workforce remuneration and share schemes.

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<p><b>2</b> <b>Division of responsibilities</b> continued</p> <p><b>H</b> <b>Role of Non-executive Directors</b></p> <p>Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account.</p>	<p>All non-executive directors have letters of appointment which detail their responsibilities of the role and time expectations. The Chair holds regular sessions with the non-executive directors without executive directors being present. The Nomination Committee which is constituted of non-executive directors has the responsibility for recommending to the Board any appointments or removal of directors.</p> <p>The duties of the Board are detailed in our Schedule of Matters Reserved for the Board, which aligns to the requirements of this principle and includes the key role of appointing and removing executive directors.</p> <p>Each non-executive director's letter of appointment sets out the commitments expected to discharge their duties. Executive directors are prohibited from taking more than one additional listed directorship, with none of the executive directors holding any such positions during the year.</p> <p>All directors undergo an induction on appointment and training and development is provided throughout the year.</p>	<p><b>Provision 13:</b> Letters of appointment pages 131 and 132 Nomination Committee report</p> <p><b>Provisions 15:</b> Letters of appointment Schedule of Matters Reserved for the Board pages 112 and 113 Board of Directors pages 131 and 132 Nomination Committee report</p>
<p><b>I</b> <b>Role of the Company Secretary</b></p> <p>The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.</p>	<p>The Group General Counsel has been appointed by the Board as Company Secretary to act as a trusted advisor to the Board and its Committees, and ensure there are appropriate interactions between senior management and the non-executive directors. He is responsible for advising the Board on all governance matters and all directors have access to him for advice. The Matters Reserved for the Board states that only the Board can appoint or remove the Company Secretary.</p>	<p><b>Provision 16:</b> Schedule of Matters Reserved for the Board</p>

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<p><b>3</b></p> <p><b>Composition, succession and evaluation</b></p> <p><b>J</b></p> <p><b>Appointment to the Board and succession planning</b></p> <p>Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.</p>	<p>The Board has established a Nomination Committee to which it delegates certain responsibilities. The majority of the membership of the Committee are independent non-executive directors. The Chair of the Board is Chair of the Committee, however the terms of reference set out the process for another member to Chair the meeting when dealing with the Chair's successor. The Chair was not independent on appointment and is reaching nine years tenure on the Board. The SID chaired parts of the Nomination Committee meeting when discussions have taken place regarding Chair succession; the Chair was not present during these discussions.</p> <p>The Nomination Committee reviews succession plans for the Board and senior executives together with talent management strategies. The Board has a Diversity and Inclusion Policy which is detailed in the Annual Report.</p> <p>All directors are subject to re-election as per the Company's Articles and the supporting reasons for each directors re-election are set out in the Notice of Meeting.</p>	<p><b>The Company applied all of the principles and complied with the provisions of Section 3</b></p> <p><b>Provision 17:</b> Terms of reference pages 131 and 132 Nomination Committee report</p> <p>pages 121 and 122 Diversity reporting</p> <p><b>Provision 18:</b> Notice of meeting</p>
<p><b>K</b></p> <p><b>Skills, experience and knowledge of the Board</b></p> <p>The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and membership regularly refreshed.</p>	<p>The current composition of the Board comprises various skills, knowledge and experience that the Nomination Committee considers is requisite for the Board to discharge its responsibilities effectively. At 31 December 2023, the tenure of the Board consisted of one non-executive director in their third term (Chair), two in their second term (SID and Chair of Sustainability), with the remaining two in their first three-year term. The Chair has not been in post beyond nine years. The composition and performance of the Board, and the skills and experience of each director, are regularly evaluated, to ensure that they best fit the evolution of the Group's business. The Nomination Committee regularly reviews the succession plan to ensure that when seeking to recommend new members to the Board, consideration of a range of relevant matters including the diversity of its composition is given.</p> <p>The Board considers that each of the directors brings a senior level of experience and judgement to bear on issues of operations, finance, strategy, performance, governance and standards of conduct. Directors are given regular access to the Group's operations and personnel as and when required. Non-executive directors have a wealth and breadth of experience gained from their appointments on other boards.</p>	<p><b>Provision 19:</b> pages 112 and 113 Board of directors</p> <p><b>Provision 20:</b> pages 131 and 132 Nomination Committee report</p>

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<p><b>3</b> <b>Composition, succession and evaluation</b> continued</p> <p><b>L</b> <b>Board evaluation</b></p> <p>Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.</p>	<p>The Board regularly reviews its own effectiveness and the Chair is in regular contact with each member of the Board to ensure that any concerns are identified and acted upon. The SID undertakes an annual performance review of the Chair gaining feedback from the other members of the Board.</p> <p>The Board carries out an externally facilitated Board Performance Review every three years and welcomes input as part of the process from stakeholders outside of the Board. The Board also conducts an internal review of its effectiveness during the intervening period. The Board is committed to actioning any suggestions or recommendations that are made to improve its effectiveness. The Board undertook an external Board performance review in 2023, the details of which can be found in this Annual Report.</p> <p>The Board considers and reviews the requirement for continued professional development and each director is encouraged to reflect on their own individual needs. The Board is provided with development opportunities inside and outside the boardroom on a wide range of areas.</p>	<p><b>Provisions 21 and 22:</b> pages 123 and 124 Board performance review</p> <p>pages 115 and 116 Board in action</p> <p><b>Provision 23:</b> pages 131 and 132 Nomination Committee report</p> <p>pages 121 and 122 Diversity reporting</p>
<p><b>4</b> <b>Audit, risk and internal control</b></p> <p><b>M</b> <b>Internal and external audit</b></p> <p>The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements.</p>	<p>The Board has established an Audit &amp; Risk Committee. Membership solely consists of non-executive directors. Two members have recent and relevant financial experience and the Committee as a whole has competence relevant to the sector. The Chair of the Board is not a member. Terms of reference have been approved which complies fully with the roles and responsibilities set out in the Code.</p> <p>The Audit &amp; Risk Committee manages the relationship with the internal and external audit functions on behalf of the Board satisfying itself of their independence and effectiveness. On an annual basis, the Committee considers reports on the effectiveness of both the internal and external audit functions which is carried out through assessments in which both the Group and the audit functions contribute. The Committee has evaluated and considers that the external auditor is independent and is compliant with the Committee's policy on the provision of non-audit services.</p> <p>The Committee also has oversight of the Risk and Control function within the Group together with the finance function. The Committee is responsible for reviewing the internal financial controls and risk management systems in order to ensure the integrity of the financial and narrative statements. The Audit &amp; Risk Committee has an approved policy on the supply of non-audit services.</p> <p>The Directors' Responsibilities Statement, Going Concern and Viability Statements are contained within the Annual Report and are approved by the Board.</p>	<p><b>The Company applied all of the principles and complied with the provisions of Section 4</b></p> <p><b>Provisions 24 and 26:</b> pages 125 to 130 Audit &amp; Risk Committee report</p> <p><b>Provision 25:</b> Terms of reference</p> <p>pages 125 to 130 Audit &amp; Risk Committee report</p> <p>pages 69 and 70 Viability Statement</p> <p>page 172 Statement of Directors' responsibilities</p>



## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<p><b>4</b> <b>Audit, risk and internal control</b> continued</p> <p><b>N</b> <b>Fair, balanced and understandable assessment</b></p> <p>The board should present a fair, balanced and understandable assessment of the company's position and prospects.</p>	<p>The Audit &amp; Risk Committee provides advice to the Board as to whether it considers the Annual Report, taken as a whole, to be fair, balanced and understandable, and provides information necessary for shareholders to assess the Company's position, performance, business model and strategy. This responsibility of the Board is presented and confirmed by the Board in the Annual Report.</p> <p>The Annual Report contains disclosures that the Board considers it appropriate to adopt the Going Concern basis of accounting and how it has assessed the prospects of the Company. The Viability Statement confirms that the directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall. The Statement of Directors' Responsibilities provides details of the director's responsibility for preparing the Annual Report.</p>	<p><b>Provision 25 and 27:</b> pages 125 to 130 Audit &amp; Risk Committee report</p> <p><b>Provision 30 and 31:</b> pages 173 to 226 Financial statements pages 69 and 70 Viability Statement</p>
<p><b>O</b> <b>Risk management and internal control framework</b></p> <p>The board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.</p>	<p>The Board is ultimately responsible for the internal control framework including risk management and internal controls, and for ensuring robust systems are in place for the assessment of principal risks and the emerging risks faced by the Company. The Board conducts an annual assessment of those risks, together with monitoring the risk management and internal controls and confirms that it has done so in the Annual Report. The procedures that the Board has in place to identify emerging risks and how these are being managed or mitigated are disclosed in the Annual Report. The Audit &amp; Risk Committee supports the Board with their responsibility.</p>	<p><b>Provisions, 28 and 29:</b> pages 50 to 68 Managing our risks and opportunities pages 125 to 130 Audit &amp; Risk Committee report</p>
<p><b>5</b> <b>Remuneration</b></p> <p><b>P</b> <b>Remuneration policies and practices Code</b></p> <p>Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy.</p>	<p>The Board has established a Remuneration Committee consisting of independent non-executive directors and a Chair who has the requisite experience as set out in the Code. The Remuneration Committee assists in fulfilling the Board's oversight responsibilities relating to the Directors' Remuneration Policy and practices and is responsible for the formalisation of all elements of remuneration for the Chair, the executive directors, and the Executive Committee.</p> <p>The Remuneration Committee reviews workforce remuneration and relation policies and the alignment of those incentives and rewards with the culture of the Group. The policies are aligned to our purpose and values and are designed to support the Company's long-term strategic aims.</p>	<p><b>The Company applied all of the principles and complied with the provisions of Section 5 with the exception of provision 36 regarding a formal policy for post-employment shareholding requirements</b> (see page 135 for detail).</p> <p><b>Provisions 32 and 33:</b> Terms of reference pages 145 to 168 Directors' Remuneration report</p>

## Compliance statement against the Code

Requirements and principles	Application	Compliance and provisions
<p><b>5</b> <b>Remuneration</b> continued</p> <p><b>Q</b> <b>Executive remuneration</b></p> <p>A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome.</p>	<p>The Remuneration Committee has established remuneration schemes that promote long-term shareholding by executive directors that support alignment with long-term shareholder interests, with share awards subject to a total vesting and holding period and post-employment shareholding requirements. The Remuneration Policy will be put to shareholders at 2024 AGM for approval.</p> <p>The Directors' Remuneration Policy is aligned with the Company's culture to drive behaviours consistent with Company strategy and purpose and values, which aims to attract, retain and motivate successfully without paying more than is necessary. Pension contribution rates for executive directors are aligned to those available to the workforce. A proportion of remuneration is performance-related with any such elements structured so as to be transparent, stretching and rigorously applied which do not reward poor performance.</p> <p>Details of all directors service agreements and letters of appointment are detailed in the Annual Report. Both executive directors have a contract notice period of one year, whether given by the individual or the Company. The Board's overriding approach to payments for loss of office is to act in shareholders' interests.</p> <p>Non-executive remuneration remains the responsibility of the Board, as specified in the Schedule of Matters to be Reserved for the Board and does not include share options or any performance-related elements.</p>	<p><b>Provisions 34:</b> page 160 Directors' Remuneration report</p> <p><b>Provisions 36, 37, 38, 39:</b> pages 145 to 168 Directors' Remuneration report</p> <p><b>Provisions 40 and 41:</b> pages 145 to 168 Directors' Remuneration report</p>
<p><b>R</b> <b>Remuneration outcomes and independent judgement</b></p> <p>Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.</p>	<p>The Remuneration Committee consists of only independent non-executive directors and a Chair who has the requisite experience as set out in the Code.</p> <p>The Remuneration Committee is supported by an external consultant who provides independent advice and benchmarking and is identified in the Annual Report.</p> <p>Policies are in place to override formulaic outcomes and provide provisions for the Remuneration Committee to recover or withhold sums or share awards. Details of the proposed policy for 2024 is provided in the Annual Report.</p>	<p><b>Provision 35:</b> page 167 Directors' Remuneration report</p> <p><b>Provision 37:</b> pages 145 to 168 Directors' Remuneration report</p>