

# Introduction to governance



**Christopher Rogers**  
Chair of the Board

**Dear Shareholder,**

On behalf of the Board, I am pleased to present our Governance report for the period ended 30 December 2023. This report details our approach to effective corporate governance, including the controls and oversight the Board has established to ensure we are effective in our decision making, and that we have an appropriate diversity of skills, knowledge and experience to manage risk and successfully deliver against our strategy.

This year, we have had one change to the Board with the appointment of Laura Harricks. Laura brings a fresh and different perspective to Board discussion and her appointment has increased the diversity of the Board. We recognise that there remains opportunity to further increase diversity in the broadest sense and this will continue to be an area of focus for the Board over coming years.

Monitoring the performance of the business during these challenging economic times, whilst considering the impact on our colleagues and other stakeholders of the continuing cost of living challenge, was a key focus for the Board during 2023. We have had open and honest discussions about the impact of cost inflation on the business and have been able to respond strategically in an agile way, looking for opportunities to support our growth levers and build the business.

Wickes has an important role to play in society, from the products it sells to the stores it runs and the infrastructure it uses to service its customers and support its communities. In addition, Wickes has a unique and special culture, which the Board recognises the business needs to protect and utilise to attract and retain high-performing talent from all backgrounds. The Company's approach to inclusion and diversity leads to a culture where all colleagues feel at home at Wickes and this is an important foundation for the business.

My personal highlight has been the Board visits to stores and to our outsourced customer service supplier, which enabled us to get closer to Wickes customers and spend time with our colleagues and partners to better understand their perspectives.

The Board Committees have supported the work of the Board during the year, providing assurance and helping to deepen the Non-executives' understanding of the key areas of the business.

The Board remains aware of the value of good governance and I am confident that our governance framework is effective. The commitment demonstrated by our colleagues to help the nation feel house proud has been admirable and I would like to take this opportunity to say thank you to our colleagues on behalf of the Board. Looking forward to 2024, the Board believes the business has a clear strategy and is confident that the business has the right team to deliver this.

**Christopher Rogers**  
Chair of the Board  
18 March 2024

# Compliance with the UK Corporate Governance Code 2018

## Governance underpins every aspect of the Board's considerations and decision making.

The Company has applied the Financial Reporting Council's (FRC) UK Corporate Governance Code 2018 (the 'Code') Principles and complied with all the Code's Provisions throughout the year ended

30 December 2023. The Code is available on the FRC's website at [www.frc.org.uk](http://www.frc.org.uk).

Signposts to where key content showing how the Company has applied the Principles of the Code are shown on this page.

## 1. Board Leadership and Company Purpose

- Information on the work of the Board and its role in setting the Company's strategy, creating an inclusive culture and engagement with stakeholders, as well as details on the Board's leadership in these activities and the findings from the annual Board evaluation can be found in the Governance report on pages 88-90. (Code Principles A, B & D)
- We acknowledge our impact as a business on the environment and communities that we operate in, and are committed to creating long term sustainable success and contributing positively to wider society. More information on our activities in these areas is set out in the Responsible Business report and Responsible Business Committee report on pages 34-55 and 107-110 (Code Principle A)
- The Board has set a clear purpose, to 'Help the nation feel house proud' which is supported by our business model, culture and values. More information can be found in the Strategic report on pages 18-27 (Code Principle B)
- We're proud of the Wickes culture and values and strive to make sure that everyone feels at home. The Board set the tone from the top, demonstrating our Winning Behaviours and always acting with integrity. More information on our Winning Behaviours and workforce can be found on pages 36 and 39. (Code Principle B)
- Our approach to risk management and internal controls is set out on pages 72-74. The Audit and Risk Committee supports the Board with oversight of risk and controls, further details of which can be found on page 106. (Code Principle C)
- The Board values engagement with all of our stakeholders and information on our engagement activities is contained within our Section 172 statement on pages 68-71. (Code Principle D)
- Information on our Whistleblowing policy is set out on page 89 and details on our employment policies and practices and their alignment with our values and strategy is set out on page 114. (Code Principle E)

## 2. Division of responsibilities

- Our governance framework and the division of Board responsibilities, as well as the role of the Company Secretary, is shown in the diagram on page 92 and information on Directors' time commitments and independence are detailed on pages 89 and 95. (Code Principles F, G, H & I)
- The skills and capabilities and other significant commitments of the Board are detailed in the Board biographies on page 86-87. (Code Principles G & H)
- The work of the Nominations Committee is set out on pages 93-99. (Code Principles F, G & H)

## 3. Composition, succession and evaluation

- Board succession planning and the appointment process for Board members is set out in the Nominations Committee report on page 96 and 97. (Code Principle J)
- The composition of the Board, along with biographies and details of the skills, experience and contribution of each Director can be found on pages 86-87 and 94. (Code Principle K)
- The conclusions and recommendations from this year's internal board evaluation can be found on page 99. (Code Principle L)

## 4. Audit, risk and internal control

- The work of the Audit and Risk Committee is set out on pages 100-106. This includes a description of the oversight and effectiveness of the internal and external audit functions. (Code Principle M)
- The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to access the Company's position and performance, business model and strategy. (Code Principle N)
- The principal risks and uncertainties and the procedures in place to manage risks and internal controls are regularly reviewed by the Audit and Risk Committee as set out on pages 75-81. (Code Principle O)

## 5. Remuneration

- Information on our remuneration policies and practices is set out in the Directors' Remuneration report on pages 111-127. Principles P, Q & R)

# BOARD OF DIRECTORS



**Christopher Rogers**  
Non-executive Chair of the Board

**N** **R** **RB** **D**

PRONOUN He/Him  
APPOINTMENT DATE 23 March 2021

**SKILLS AND EXPERIENCE**

Christopher has significant board, retail and finance experience gained during his extensive executive career, having held a number of senior roles in and directorships of public companies. From 2005 to 2016, he was an Executive Director of Whitbread plc, serving as Group Finance Director from 2005 to 2012 and as Global Managing Director of Costa Coffee from 2012 to 2016.

Christopher previously held senior roles in both the finance and commercial functions of Woolworths Group plc, Comet Group plc and Kingfisher plc. He was a Non-executive Director and Audit Committee Chair of Vivo Energy plc from April 2018 to July 2022. Christopher served as a Non-executive Director of Travis Perkins Plc from September 2013 to April 2021.

**CONTRIBUTION**

Christopher brings many strengths to his role as Chair of the Board, in particular his leadership; strategy, commercial and financial acumen; his deep grounding and understanding of corporate governance, risk management, compliance and regulatory issues; his experience in M&A and corporate transactions; and experience both internationally and in retailing and operations.

**EXTERNAL APPOINTMENTS**

- Non-executive Director of Sanderson Design Group plc
- Non-executive Director of Kerry Group plc

**COMMITTEE MEMBERSHIP KEY:**

**C** Chair of Committee    **R** Remuneration Committee    **RB** Responsible Business Committee  
**N** Nominations Committee    **A** Audit and Risk Committee    **D** Disclosure Committee



**David Wood**  
Chief Executive Officer

**D**

PRONOUN He/Him  
APPOINTMENT DATE 23 March 2021

**SKILLS AND EXPERIENCE**

David is a highly experienced executive and CEO with almost 30 years in the retail and consumer sector and extensive board level experience in the UK, Europe and North America, having spent the majority of his career with Tesco, Unilever and Mondelez.

David served as Commercial Director on the Board of Tesco Hungary from 2010 to 2012 and between 2012 and 2015 he served on the UK Operating Board of Tesco plc as Chief Marketing Officer and Group Managing Director.

David was Group President of Kmart Holding Corp from 2015 to 2017, followed by a brief tenure as CEO of Mothercare plc in 2018. David joined Wickes as CEO on 28 May 2019 when Wickes was part of Travis Perkins Plc in anticipation of the demerger.

**CONTRIBUTION**

David is an engaging leader with extensive and international experience in retailing and operations. He has significant experience in change management, strong strategic and commercial acumen, and a proven record in brand building and marketing. David's strong leadership and passion for home improvement drive the effective delivery of the business strategy.

**EXTERNAL APPOINTMENTS**

- Non-executive Chair of the Board of Green Sheep Group Ltd



**Mark George**  
Chief Financial Officer

**D**

PRONOUN He/Him  
APPOINTMENT DATE 29 July 2022

**SKILLS AND EXPERIENCE**

Mark has significant experience in finance and strategy. He has held senior roles in finance, strategy and general management in a number of public listed consumer businesses including Tesco, ASOS and Auto Trader. Most recently, Mark was Chief Financial Officer and a member of the Board of The Gym Group plc from 2018 to 2022.

Mark started his career as a management consultant with McKinsey & Co. and holds a degree in Philosophy, Politics and Economics from Oxford University.

**CONTRIBUTION**

Mark has sound commercial acumen, as well as extensive retailing experience. His financial, risk management, strategic and leadership skills are key strengths for the role of CFO. He is also experienced in M&A and corporate transactions. Mark's financial and strategic strengths will ensure continued focus and development of the long term strategy for the business.

**EXTERNAL APPOINTMENTS**

- None



## Mark Clare

Senior Independent Non-executive Director



PRONOUN He/Him

APPOINTMENT DATE 23 March 2021

### SKILLS AND EXPERIENCE

Mark has extensive public listed company experience in the consumer service, property and construction sectors, particularly in customer facing businesses and has served on a number remuneration committees. Mark was Senior Independent Director at United Utilities Group plc from 2013 to 2022, Senior Independent Director at Ladbroke's Coral Group plc from 2016 until 2018, and Non-executive Director and Audit Committee Chair at BAA plc from 2001 until 2006. Mark's executive career included Chief Executive for Barratt Developments plc from 2006 until 2015; Managing Director of Centrica's retail subsidiary British Gas from 2002 to 2006; and CFO of Centrica plc from 1997 to 2002. He also served as a trustee of the Energy Savings Trust, the Green Building Council and BRE. Mark is a qualified accountant.

### CONTRIBUTION

Mark's wealth of knowledge in governance, compliance and regulatory matters gained from his public listed company experience, as well his leadership skills, enhance his ability to undertake his duties as Senior Independent Non-executive Director. His financial acumen and commercial experience are particularly beneficial in his role as Chair of the Remuneration Committee.

### EXTERNAL APPOINTMENTS

- Chair of Grainger plc
- Chair of Ricardo plc
- Non-executive Director at Premier Marinas Holdings Ltd



## Sonita Alleyne OBE

Independent Non-executive Director



PRONOUN She/Her

APPOINTMENT DATE 23 March 2021

### SKILLS AND EXPERIENCE

Sonita has extensive experience as a Non-executive Director on both private and public sector boards. She was a Non-executive Director of the British Board of Film Classification from 2009 to 2019, including Chair of the Council of Management in 2019 and Chair of the Remuneration Committee from 2016 to 2019. She was Chair of the Radio Sector Skills Council from 2008 to 2012; Non-executive Director of Archant from 2012 to 2016; and a trustee of the BBC Trust from 2012 to 2017. Sonita was a Non-executive Director of the Department for Digital, Culture, Media and Sport, the National Employment Panel and the London Skills and Employment Board. In her earlier media career, Sonita was the co-founder and former CEO of the production company Somethin' Else and worked as a journalist and broadcaster.

### CONTRIBUTION

Sonita's background in communications and journalism brings a different perspective to the Board. She has strong leadership, commercial and strategic skills. Her public sector roles have contributed to her sound governance, compliance and regulatory skills. This and her ESG experience enables her to effectively Chair the Responsible Business Committee. Sonita also fulfils the role of designated non-executive for colleague matters.

### EXTERNAL APPOINTMENTS

- Master of Jesus College, Cambridge

### COMMITTEE MEMBERSHIP KEY:

- Chair of Committee
- Remuneration Committee
- Responsible Business Committee
- Nominations Committee
- Audit and Risk Committee
- Disclosure Committee



## Laura Harricks

Independent Non-executive Director



PRONOUN She/Her

APPOINTMENT DATE 1 June 2023

### SKILLS AND EXPERIENCE

Laura brings a deep experience of developing omnichannel customer journeys that drive engagement and commercial return, with a background in e-commerce, marketing, and strategy consulting.

Laura is currently the Chief Customer Officer for Ocado Retail and previously held roles as Digital Director at Monsoon Accessorize and a number of roles at Dixons Carphone, most latterly Online Trading and Marketing Director for Carphone Warehouse.

She started her career at L.E.K. Consulting and holds a Bachelor of Engineering and Bachelor of Arts from the University of Sydney

### CONTRIBUTION

Being recently appointed, Laura brings a fresh perspective. Her customer focus combined with strategic, ecommerce, commercial, and marketing acumen brings valuable insight to the board. Laura also fulfils the role of Consumer Duty Champion.

### EXTERNAL APPOINTMENTS

- Chief Customer Officer, Ocado Retail Ltd



## Mike Iddon

Independent Non-executive Director



PRONOUN He/Him

APPOINTMENT DATE 23 March 2021

### SKILLS AND EXPERIENCE

Mike has extensive public listed company experience, having held a number of senior finance roles throughout his career, and has been the Chief Financial Officer of Pets at Home Group plc since 2016.

Mike was previously the Chief Financial Officer of New Look from 2014 to 2016, and prior to this he held a number of senior finance roles over 13 years for Tesco plc both in the UK and overseas. These roles included Group Planning, Tax and Treasury Director, UK Finance Director and Chief Financial Officer of Tesco Homeplus (South Korea).

Mike has also held senior roles with Kingfisher plc and Whitbread plc. Mike is a Chartered Accountant and a graduate of the Harvard Advanced Management Programme.

### CONTRIBUTION

Mike's significant experience as an executive of public listed companies, along with his strong strategic and commercial acumen, change management, and current retail experience are a valuable asset to the Board. His financial acumen, leadership, risk management, and governance, compliance and regulatory experience are advantageous for his role as Chair of the Audit and Risk Committee.

### EXTERNAL APPOINTMENTS

- Chief Financial Officer, Pets at Home Group plc



# Board leadership and Company purpose

## Role of the Board

The Board is responsible for promoting the long term sustainable success of the Company, generating value for Shareholders and contributing to wider society. It has ultimate responsibility for the direction and governance of the Company, taking into account the opportunities and risks to the future success of the business.

The effective operation of the Board is supported by the collective skills and experience of the Directors. The diverse experience and views of Board members enable the Board to consider a range of perspectives and make decisions in a balanced way through independent thought and constructive debate. The Board dynamic supports open and honest conversations, which ensures that decisions are made with full consideration of the impact on all stakeholders. You can find information about our Directors and the skills and experience they bring to the Company on pages 86-87.

The Board is passionate about ensuring that, as the business grows, we do so responsibly and in a way that benefits all our stakeholders. We have a clear framework to win, which is guided by our purpose – ‘to help the nation feel house proud’. Our purpose is at the core of the Board’s discussion, decision making and strategy.

The Board sets the strategy to align with our purpose and values. It ensures that the business is resourced appropriately to deliver the strategy and does so through a culture that drives the behaviours we want to see. Elements of the business strategy are discussed at every meeting and an annual strategy event is held to review and develop our strategic plans. Responsibility for developing and implementing strategy

rests with the Chief Executive Officer, who is supported by the Executive Board.

At the strategy event in June 2023, the Executive Board and key members of the leadership team presented a range of opportunities to enhance our strategy. The Board challenged management on, amongst other things, the prioritisation of capital investment, what more could be done to improve and differentiate the customer offer, the opportunities and risks presented by developing and future trends, and whether technology could be further leveraged to drive growth and operational efficiency. The Board agreed that continued investment in technology would be key to remaining competitive and to grow the business. The Board commended the detailed and insightful presentation of the Five-Year Plan and the proposed Capital Allocation Policy and, following a robust discussion, approved the proposals. It was agreed that updates would be provided by way of further presentations and deep dives built into the Board agenda.

The opportunities for and the risks to the future success of the business are carefully considered. Key opportunities are set out in the Strategic report on pages 4-83 and principal risks and uncertainties can be found on pages 75-81. The Board requires management to operate a robust control framework, which enables risk to be assessed and managed and, with support from the Audit and Risk Committee, the Board reviews the effectiveness of this on an annual basis. You can find information about our internal controls framework and the assessment of its effectiveness on page 106.

The Board has implemented a Governance Framework and Delegation of Authority Policy to ensure that an appropriate level of oversight is given to material matters. It has adopted a formal

schedule of matters reserved to it which sets out the significant matters of focus for the Board due to their strategic, financial or reputational importance. The schedule is available on the Company’s website [www.wickesplc.co.uk](http://www.wickesplc.co.uk). You can find more detail on the activities of the Board on page 91.

In line with the Code, the Board places significant importance on the appropriate governance of the Company, discharging its responsibilities not only through its own activities, but also through Committees of the Board – the Audit and Risk Committee; Nominations Committee; Remuneration Committee and Responsible Business Committee. You can find more details on these Committees on pages 93-127.

## Meetings of the Board and its Committees

The Board normally has eight formal meetings scheduled each year and an annual strategy day. Additional meetings are held to consider time-sensitive matters as required.

The number of scheduled meetings of the Board and its Committees during the year is set out below. Directors are expected to attend all Board and relevant Committee meetings. All meetings were held in person and there was near full attendance by all members at all Board and relevant Committee meetings during the year

## Board attendance at scheduled meetings<sup>1</sup>

		Plc Board <sup>2</sup>	Audit and Risk Committee	Nominations Committee	Remuneration Committee	Responsible Business Committee
Christopher Rogers	Chair of the Board	8/8	n/a	3/3	4/4	4/4
Sonita Alleyne <sup>3</sup>	Non-executive Director	7/8	5/5	3/3	4/4	4/4
Mark Clare	Non-executive Director	8/8	5/5	3/3	4/4	4/4
Laura Harricks <sup>4</sup>	Non-executive Director	4/4	3/3	2/2	2/2	3/3
Mike Iddon	Non-executive Director	8/8	5/5	3/3	4/4	4/4
Mark George	Chief Financial Officer	8/8	n/a	n/a	n/a	n/a
David Wood	Chief Executive Officer	8/8	n/a	n/a	n/a	n/a

1 The Chair of the Board has a standing invitation to attend the Audit and Risk Committee meetings. The Chief Executive Officer attends all Audit and Risk and Responsible Business Committee meetings and attends Nomination and Remuneration Committee meetings as required. The Chief Financial Officer has a standing invitation to attend all Audit and Risk Committee meetings and Responsible Business Committee meetings and attends Remuneration Committee meetings as required.

2 Scheduled Board meetings not including the strategy day which had 100% attendance.

3 Sonita Alleyne was not able to attend the Board meeting on 23 May 2023 due to being unwell.

4 Laura Harricks was appointed to the Board on 1 June 2023.

that they were eligible to attend. One Director was absent from the Board meeting on 23 May 2023 due to being unwell.

In the event of a Director being unable to attend a Board or Committee meeting, a process has been agreed for the Chair of the respective meeting to discuss the matters proposed with the Director concerned in advance, seeking their support and feedback accordingly. The Chair will subsequently represent those views at the meeting.

Agenda items are structured to ensure appropriate time is spent on key areas of focus for the Board and that it has sufficient time to properly consider and reach decisions. A programme of work and priorities is agreed with the Board each year which forms the basis of the agendas for each meeting, with topical matters and matters of particular concern or interest incorporated as required. The activities carried out by the Board in the year are set out on page 91.

The Chair of the Board meets with the Non-executive Directors without the Executive Directors present after each Board meeting and at other times as required. The Chair of the Board and the Chairs of each Committee also meet regularly with the Executive Directors and members of senior management.

### Percentage of time spent by the Board



The Senior Independent Director and Non-executive Directors (excluding the Chair of the Board) meet from time to time and specifically on an annual basis to assess the Chair of the Board's performance.

### Independence

Over half of the Board's members, excluding the Chair of the Board, are independent Non-executive Directors. The Chair of the Board was assessed to be independent on appointment.

Relationships and circumstances which could affect the independence of any Director are reviewed annually and the Board remains satisfied that all Non-executive Directors remain independent.

### External appointments

Before appointment to the Board, all Directors are required to disclose any external roles they hold along with the estimated associated time commitment. The competing demands on candidates' time are carefully considered in the selection process. Appointment letters set out the time commitment expected of each Director.

The significant external appointments of current Directors are set out in the biographical details on pages 86-87.

The Board has an Additional External Appointments Policy and process in place for the consideration and, if appropriate, approval of additional external appointments to ensure that each Director continues to have sufficient time to exercise their duties effectively. Appointments must be approved by the Board in advance. Executive Directors are not permitted to take on more than one Non-executive Directorship or other significant appointment.

The Nominations Committee reviews annually the external time commitments of the Chair of the Board and the Non-executive Directors.

### Governance support

All Directors have direct access to the General Counsel and Company Secretary for advice on governance matters. Directors may also seek independent professional advice at the Company's expense in the furtherance of their duties and there is an Independent Professional Advice Policy in place which sets out the procedure. No such requests were made during the year.

The General Counsel and Company Secretary supports the Board to ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.

### Our Wickes culture

The Board is responsible for setting the Company's culture, values and standards and their ongoing review, and recognises the importance of having an engaged workforce where all colleagues, no matter who they are or where they are from, can feel at home. The special culture at Wickes is built on a foundation of personal responsibility and underpinned by our Winning Behaviours.

Key to achieving the desired culture is setting the right tone from the top. Each of the Directors undertakes to conduct themselves in a manner consistent with our Winning Behaviours, (shown below) acting with integrity and leading by example. Our Winning Behaviours are a simple,



yet deeply held set of beliefs, that we ask all colleagues to demonstrate, which underpin our business model and support our culture.

The Board actively monitors culture through regular feedback from management, colleague listening groups and the results of colleague surveys. In addition, a number of Board meetings are held at store and distribution sites during which time is allocated to allow the Board to hear from colleagues first hand.

The Board, the Responsible Business Committee and the Remuneration Committee receive reports on: colleague engagement; updates covering the six inclusion and diversity colleague networks; wellbeing; colleague turnover; reward; recruitment; and whistleblowing.

In addition to chairing the Responsible Business Committee, Sonita Alleyne is our designated Non-executive Director to champion workforce engagement on behalf of the Board and regularly provides feedback from colleagues and insights at the Board meetings to ensure colleagues' views are fully considered in the Board's decision making.

Our Code of Business Ethics sets out the standards and behaviours expected from colleagues and all colleagues receive training on this annually. It sets the tone for responsible business behaviour and legal compliance, and directs colleagues to Company policies for guidance.

### Whistleblowing

The Company's Whistleblowing Policy is reviewed and approved annually by the Board. Colleagues and others are encouraged and empowered to speak up openly and raise any concerns through management or directly to the Board. Should colleagues or third parties feel the need to raise concerns which cannot be resolved through the normal routes of line or executive management, the Company has implemented a third party anonymous online whistleblowing platform, telephone line and mobile phone app through which concerns can be raised in confidence. Information about the whistleblowing service is widely publicised across all sites, referred to in policies, accessible on our supplier portal and included in our monthly colleague communications.

We had a small number of reports made through the whistleblowing service during the year, all of which were fully investigated to conclusion. Concerns raised relating to suspected theft, fraud, conflicts of interest, management issues and breaches of policy. Appropriate actions were taken following the relevant investigation.

The Board monitors the operation of the whistleblowing arrangements and receives reports twice a year on notable outcomes and learnings from reports.

## Governance

### Stakeholder engagement

The Board recognises the importance of listening to and understanding the views of its stakeholders and receives insights through engagement with stakeholders which it uses to inform decision making. The Board and management have a programme of active engagement with, and encourage participation from, the Company's stakeholders.

The Board places particular importance on understanding the views of colleagues. Sonita Alleyne, the designated Non-executive Director champion for workforce engagement, undertook a number of additional activities during the year to support the Board with this aim, including chairing colleague listening groups; discussing the results of colleague surveys with the Chief Executive Officer and Chief People Officer; and integrating informal colleague engagement during store visits.

Understanding customers is at the heart of everything we do. The Board uses customer listening groups, surveys and data analysis to understand customer views and act on what is most important to deliver the best possible customer experience. A monthly management meeting is dedicated to the customer proposition.

The Board values the opportunity to meet colleagues from across the business and to interact with customers. During the year, the Board visited the Chelmsford and Bicester stores where they engaged with store colleagues and received presentations from management. The Board also regularly meets colleagues at the Store Support Centre where a number of Board and Committee meetings are held.

The Board places great importance on ensuring suppliers are treated fairly. This is a key aspect of nurturing long term relationships and building trusted partnerships with our suppliers. These relationships enable us to provide a great offer and service to our customers, and are a great platform for both us and our suppliers to grow.

Our suppliers provide feedback through day-to-day contact with product teams, our risk assessment surveys and through our twice-yearly supplier forums. During the year, the Board visited the Company's outsourced Customer Experience Centre where they met with the team and experienced customer conversations first hand.

Members of the Board, senior management and the Investor Relations team hold regular meetings with existing and potential institutional investors and analysts to understand their views and policies, which are reported to the Board.

The Board received reports on Investor Relations activities, movements on the share register and feedback from Shareholder engagement at every Board meeting. Following year end and half year the Board receives a detailed presentation covering Shareholder feedback from the investor roadshows. The Board noted the questions and issues raised and ensured that our communications to the market addressed these.

As part of our annual Governance Review, the Chair of the Board wrote to major Shareholders in January 2023 to provide an update on governance matters and invite those Shareholders to meet and/or ask questions of himself or the Committee Chairs. The feedback from this letter was positive, with Shareholders confirming they were happy with the Company's open and constructive approach to communication and that there were no issues requiring further discussion.

During the year the Company held an investor roadshow following the publication of the 2022 results. Feedback was obtained regarding capital allocation and this was considered in the Board's decision making in revising the Capital Allocation Policy as detailed on page 70.

The Board encourages Shareholder attendance and participation at the Company's Annual General Meeting, at which all Directors and Committee Chairs will be available to answer questions. The Board intends the 2024 AGM to be held as a physical meeting at the Company's Support Centre in Watford, Hertfordshire.

At the 2023 AGM held on 23 May 2023, all resolutions put to Shareholders were approved, with in excess of 87% of votes in favour for all resolutions. Shareholders were invited to submit questions in advance and could also raise questions during the AGM.

### Policies and procedures

The Board has approved a suite of policies which establish a robust system of control and oversight in matters of ethics and compliance. This is supported by mandatory training for all colleagues, appropriate to their role. The Executive Board oversees the day-to-day operation of these policies and related procedures and ensures they are embedded across the business.

Both the Executive Board and the Board have oversight and receive reports on compliance with policies and procedures at least twice a year. Should a breach of any of these policies occur, there is a robust incident response procedure in place and any material issues are escalated to the Executive Board and, if appropriate, the Plc Board. During the year, the Board reviewed and approved existing policies including Confidential Information, Inside Information, Share Dealing, Anti-bribery, Gifts & Hospitality, Whistleblowing and Safety, and approved new policies including Capital Allocation and Treasury.

### Conflicts of interest

The Company has a Conflicts of Interest Policy in place and all colleagues receive online mandatory annual training in this area. All Directors are required to raise any actual or potential conflicts of interest for consideration and, if appropriate, authorisation. At every meeting, Directors are asked whether there are any new potential conflicts of interest to declare in relation to the matters on the agenda. Where such conflicts exist, Directors would be excused from related discussion and decision making. To date, no such instance has occurred.

A register of interests and authorised potential or actual conflicts is maintained and this is reviewed annually by the Board, with each Director asked to confirm that the register is accurate and up to date.

### Director concerns

Should a Director have concerns about the operation of the Board or the management of the Company, these concerns would be discussed by the Board. If any concerns remained unresolved, they would be recorded in the Board minutes. No such concerns were raised during the year.

## Board activities

for the year ended 30 December 2023



The Board held eight scheduled formal meetings and had a strategy day. During 2023, a number of additional Board meetings and sub-committee meetings were held to consider time-sensitive matters including trading updates for release to the market and to approve matters requiring Board approval under the Matters Reserved to the Board.

The focus of the Board during 2023 has been on monitoring the performance of the business against the backdrop of continuing economic uncertainty and cost inflation, developing strategy around our growth levers and discussing strategic options for future growth.

The information on the following pages demonstrates some of the areas of key activity for the Board for the financial period ending 30 December 2023 and the key stakeholders considered as part of the Board's decision making process.

### Business performance and strategy

**CEO REPORT**

At each Board meeting, the CEO led discussions covering all aspects of performance and progress on key topics including market developments; colleague feedback and engagement; customer insight; marketing activity, commercial and supplier activity and feedback; supply chain and availability challenges; store refits; and community and charity projects.

**OPERATIONAL UPDATES**

During the year, the Board had a deep dive session on the customer proposition, including key insight data on performance statistics, customer experience and using data to improve customer outcomes. The Board also visited the Company's outsourced Customer Experience Centre where they met with the team and experienced customer conversations first hand.

**COMMERCIAL AND SUPPLY CHAIN UPDATES**

During the year, the Board had deep dive sessions covering commercial strategy and supply chain risk. They also visited Wickes virtual selling hub for Wickes Lifestyle Kitchen in the Bicestor store.

**TECHNOLOGY UPDATES**

The Board had a deep dive session on the business's underlying IT infrastructure and capabilities, as well as considering proposals for development over the next five years.

**STRATEGY REVIEW**

In addition to regular discussions at each meeting, the Board had a day dedicated to reviewing strategy. The Board discussed the economic backdrop, customer and competitor behaviour and opportunities to grow the business, including new propositions, sustainability and development of the physical estate.

**STAKEHOLDERS**

### Financial performance

**CFO REPORT**

The CFO led discussions at every meeting on financial performance including risks and opportunities, and the financial impacts of the changing macroeconomic environment during the year.

**RESULTS AND OUTLOOK**

On the recommendation of the Audit and Risk Committee, the Board reviewed and approved the full year 2022 and half year 2023 results announcement, and 2022 Annual Report and Accounts, having considered that the Annual Report and Accounts, taken as a whole, was fair, balanced and understandable.

**BUDGET AND FINANCIAL PLANS**

At each meeting, the Board considered performance against the 2023 budget and updated forecasts. The Board reviewed and approved the budget for 2024 and reviewed the Five-Year Plan.

**INVESTOR RELATIONS**

The Board received updates on Investor Relations activities and plans and feedback from investor engagement at every meeting.

**TREASURY AND TAX**

The Board received regular updates on tax and treasury matters, and approved the Company's Tax Strategy, Treasury Policy and amendments to the Treasury Delegation of Authority Policy.

**DIVIDEND AND CAPITAL ALLOCATION POLICIES**

During the year, the Board reviewed and approved a new Capital Allocation Policy. The Board also recommended a final dividend of 7.3 pence per share for the 2022 financial year to Shareholders, which was approved at the 2023 AGM and paid on 7 June 2023, and approved the payment of an interim dividend of 3.6 pence per share on 3 November 2023.

**STAKEHOLDERS**

### Risk

**RISK REGISTER**

The Board reviewed the Risk Register during the year and reviewed the reporting on the principal risks and uncertainties for the 2022 full year and 2023 half year results.

**AUTONOMY COMPLETION**

As a principal risk, the Board received regular updates on the separation programme to set up the Company's own systems to replace those previously provided by the Company's former parent company under a Transitional Services Agreement (TSA). The Board closely monitored the key milestones to completion of separation and this was successfully concluded in 2023.

**CYBER RISKS AND MITIGATIONS**

The Board received two deep dive reports on the cyber risks facing the business and the mitigations in place, which included an overview of the key controls and progress against the actions from a cyber security internal audit.

**SAFETY UPDATES**

The Board considered reports on safety performance at every meeting along with deep dives at two of its meetings to evaluate progress and provide insight and challenge.

**TCFD**

The Board approved the Group's response to the Task Force on Climate-related Financial Disclosures, including the Group's approach to managing climate-related risks.

**INSURANCE**

The Board reviewed the approach for insuring the Group's risks and approved the renewal of the Group's insurance programme.

**STAKEHOLDERS**

### Governance, regulatory and compliance

**POLICIES AND STATEMENTS**

The Board approved updates to a number of Group policies, including Anti-Bribery and Corruption, Health and Safety and Whistleblowing.

**TERMS OF REFERENCE**

The Board reviewed and approved amendments to the Terms of Reference for each of its Committees.

**BOARD EVALUATION**

The Board reviewed and discussed the findings from its internal Board evaluation and agreed actions to improve the effectiveness of the Board and its Committees.

**PLANNING**

The Board reviewed the forward schedule of activities at every meeting and discussed options for future operational site visits.

**COLLEAGUE VOICE**

The Board received an update from the designated Non-executive Director champion for workforce engagement, Sonita Alleyne, on the themes arising from her listening activities and review of colleague engagement insight.

**COMPLIANCE**

The Board received reports on legal and regulatory compliance including the operation of and reports via the Company's anonymous whistleblowing service.

**CONSUMER DUTY**

In compliance with the new FCA Consumer Duty regulations, which apply to the financial services offered by the Group, the Board received updates on the Consumer Duty implementation. The Board also approved the appointment of Laura Harricks as the Company's Consumer Duty Champion, replacing Sonita Alleyne.

**STAKEHOLDERS**

### Material contracts and arrangements

**CONTRACT APPROVALS**

In line with the Delegation of Authority policy, the Board reviewed a proposal to appoint Novuna as the replacement consumer credit lender following the withdrawal of Barclays from the market.

The Board also approved a Goods for Resale contract which was material due to its size and strategic importance.

**BANKING FACILITIES**

The Board is required to approve changes to or new lending arrangements. During the year, the Board approved a one-year extension to the existing £80m revolving credit facilities.

**STAKEHOLDERS**



# Division of responsibilities

The Company's strong governance framework is built upon a foundation of clear and effective division of responsibilities between the Board, its Committees and operational management. This provides an effective and robust corporate governance structure to enable agile decision making with robust controls, which promote the long term and sustainable success of the business.

The responsibilities of the Chair of the Board, CEO, Senior Independent Non-executive Director, Board and its Committees have been approved by the Board, are set out in writing and are available on the Company's website [www.wickesplc.co.uk](http://www.wickesplc.co.uk)

## THE BOARD

The Board is responsible for overall leadership of the business, setting its purpose, values and strategy, and providing a framework of strong governance and effective controls. There is a formal schedule of matters that require Board approval before any action is taken by the executive management. The schedule of matters is reviewed annually and updated by the Board when necessary.

### COMMITTEES OF THE BOARD

#### AUDIT AND RISK COMMITTEE

Provides independent and objective oversight of the Company's financial reporting, systems of internal control, risk management and compliance, and the effectiveness of internal and external audit.



More information can be found on pages 100-106

#### NOMINATIONS COMMITTEE

Reviews the composition and skills of the Board and leads the process for appointments to the Board and Executive team; oversees the processes for succession planning and the development of a diverse pipeline.



More information can be found on pages 93-99

#### REMUNERATION COMMITTEE

Determines the Remuneration Policy and packages for the Chair of the Board, Executive Directors and Executive Board members, having regard to workforce remuneration and related policies and the alignment of incentives and rewards with culture.



More information can be found on pages 111-127

#### THE CHAIR OF THE BOARD

The Chair of the Board's principal responsibility is the leadership of the Board and ensuring its effectiveness. The Chair of the Board encourages a culture of openness and communication between members of the Board, ensures all Directors contribute to discussions and promotes constructive debate. The Chair of the Board ensures that Directors receive accurate and clear information in a timely manner to enable them to make informed contributions and to support good decision making by the Board.

#### SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR (SID)

The SID provides a sounding board for the Chair of the Board and serves as an intermediary for the other Directors and Shareholders should this be required.

The SID meets with the Non-executive Directors at least once a year to appraise the performance of the Chair of the Board and on other occasions as appropriate.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS (INEDS)

The Non-executive Directors bring independent oversight and provide strategic advice and guidance, offer constructive challenge and hold the Executive Directors to account to support good decision making by the Board.

One of the INEDs is the Designated Non-executive Director for colleague matters, and another INED is the Designated Non-executive Consumer Duty Champion.

#### RESPONSIBLE BUSINESS COMMITTEE

Oversees the development of strategy and monitors performance in relation to environmental, social and governance matters.



More information can be found on pages 107-110

#### DISCLOSURE COMMITTEE\*

The Committee is convened only when a full Board meeting or an authorised sub-committee meeting of the Board is not possible. The Committee oversees the Company's compliance with its disclosure obligations in line with the UK Market Abuse Regulation and Listing Rules. This includes consideration of potentially market sensitive information and the timing and review of such related disclosures.

\*There have been no meetings of the Disclosure Committee during 2023 as all disclosure matters have been considered by the Board.

#### THE CHIEF EXECUTIVE OFFICER (CEO)

The CEO is responsible for the development and implementation of strategy and for managing the day-to-day operations of the business.

The CEO ensures appropriate delegation of responsibilities to the Executive Board to ensure decisions of the Board are implemented. The CEO plays a key role in devising strategies for review by the Board and is responsible for updating the Board on operations of the business.

#### THE CHIEF FINANCIAL OFFICER (CFO)

The CFO is responsible for managing the Group's financial affairs and the system of internal controls, including risk management. The CFO supports the CEO in the implementation and achievement of the strategic objectives and oversees the Company's relationship with the investment community.

The CFO is appointed as the FCA approved person for the purposes of the Group's consumer credit activities.

#### GENERAL COUNSEL AND COMPANY SECRETARY

The General Counsel and Company Secretary is responsible for advising the Board on all governance, compliance and legal matters. The General Counsel and Company Secretary supports the Chair of the Board and the independent Non-executive Directors to ensure that they have access to the necessary resources and information to operate effectively and efficiently.

## EXECUTIVE BOARD

Oversees the day-to-day management of the business including all matters not contained within the Matters Reserved to the Board and its Committees. The Executive Board is chaired by the CEO.

REPORTS, RECOMMENDS, INFORMS

REVIEWS, CHALLENGES, APPROVES

# Nominations Committee report



**Christopher Rogers**  
Chair of the Nominations  
Committee

## Committee members

**Christopher Rogers**, Chair of the Committee,  
Chair of the Board

**Sonita Alleyne**, Independent Non-executive Director

**Mark Clare**, Senior Independent  
Non-executive Director

**Laura Harricks**, Independent  
Non-executive Director

**Mike Iddon**, Independent Non-executive Director

## Dear Shareholder,

I am pleased to present the Nominations Committee report for the year ended 30 December 2023, which outlines our approach to the composition, succession and evaluation of the Board.

During the year, the Committee continued its focus on succession planning and driving improvements in diversity at all levels. The Board was pleased to announce the appointment of Laura Harricks as Non-executive Director, enhancing the skills and diversity of the Board. Laura joined on 1 June 2023 and is a member of all Board Committees as well as taking on the role of our Non-executive Consumer Duty Champion.

The Board strongly supports diversity in its broadest sense in the boardroom, although it recognises that being relatively small in size will make achieving diversity targets more challenging in the short term. Following Laura's appointment, our female representation on the Board has increased from 17% in 2022 to 29% in 2023. Although we are yet to meet the targets for female representation on the Board as set under the Listing Rules, the Board strongly supports the objective to promote greater diversity in the broadest sense on listed company boards and this remains a key focus of our succession plans. More information on the diversity of the Board is set out on pages 97-99.

The Committee carried out an assessment of the Board to confirm that it has the requisite blend of skills and other attributes to enable it to discharge its duties effectively and agree which skills and attributes should be prioritised when identifying future candidates for Board positions. We concluded that the Board collectively has an appropriate blend of skills and other attributes to meet the Company's requirements. The skills matrix for the Board, which can be found on page 95, demonstrates the breadth of experience that the Board has.

Although the Executive team has remained unchanged over the last year, the Committee carried out a full review of our talent pipeline and succession plans for the Executive leadership and wider workforce and was satisfied that there is a robust pipeline of talent and that the high-potential colleagues identified by the process are being developed and supported to prepare them for leadership roles.

Although we currently have no long serving Board members, we also started to consider our options for the orderly succession of the Non-executives, taking into account our aspirations to increase the diversity of the Board whilst retaining its size. We continue to believe that the optimal size for our Board is between six and seven Directors, reflecting the lean structure of our wider business and our operations being retailing only in the UK. More information on succession planning is set out on pages 96-97.

Having conducted a full external evaluation process last year, this year's Board and Committee evaluation was undertaken internally. I am pleased to confirm the view of the Directors that the Board and each Committee is operating effectively. More information on the Board evaluation is set out on page 99.

Looking ahead to 2024, succession planning and tracking progress on increasing diversity across the business will continue to be the key areas of focus for the Committee.

**Christopher Rogers**  
Chair of the Nominations Committee  
18 March 2024

## Nominations Committee report continued

### Committee composition

The Committee membership comprises the Non-executive Directors, all of whom are considered independent, and the Chair of the Board. Details of the experience and skills of Directors are set out in the biographies on pages 86-87. Overall attendance for Committee meetings was 100%. Further details about meetings and attendance can be found on page 88.

### Role of the Committee

The role and responsibilities of the Committee are set out in the Committee Terms of Reference, which are reviewed annually and are available on the Company's website at [www.wickesplc.co.uk](http://www.wickesplc.co.uk).

The Committee's role primarily covers the following areas:

- To review Board and Committee composition and recommend improvements to the Board
- To oversee the development of a diverse talent pipeline and ensure succession plans are in place for the Board and senior management
- To lead the process for appointments to the Board

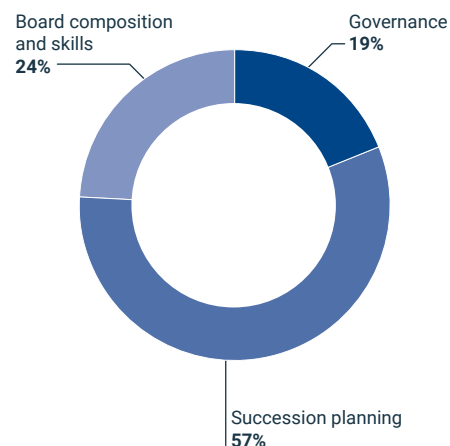
Board evaluation is not delegated to the Committee and this activity is carried out by the Board.

### Activities of the Committee

During the year, the Committee held three scheduled meetings and one unscheduled meeting at which it decided to recommend to the Board the appointment of Laura Harricks as an independent Non-executive Director.

The Committee has a structured forward looking planner to ensure that the responsibilities of the Committee are discharged during the year. The planner is regularly reviewed and developed to meet the changing needs of the Group.

### Percentage of time spent by the Committee in scheduled meetings



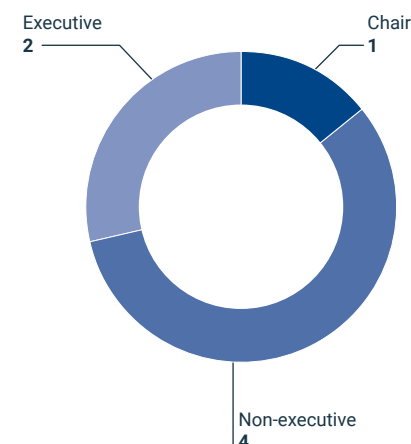
A summary of the key matters considered by the Committee at its scheduled meetings in 2023 is set out below.

	Succession planning	Composition and skills
March	Review of progress with NED recruitment	Review and approval of inclusion and diversity policy
June	Review of Executive Board succession plans	
	Review of talent pipeline throughout the business CEO benchmarking and talent map	
November	Review of plans to talent map other executive roles	Review of skills matrix to ensure appropriate mix/identify gaps
		Review of NED time commitments
		Review of plan for NED refreshment

### Board composition

The Board comprises seven Directors, two Executive Directors, four independent Non-executives and the Non-executive Chair of the Board. The 2018 UK Corporate Governance Code ('the Code') recommends that, on appointment, the chair of a company with a premium listing on the Official List should meet the independence criteria set out in the Code. The Board considers that Christopher Rogers met the independence criteria set out in the Code on his appointment as Chair.

### Board composition



## Board skills and experience

The Board recognises the importance of having complementary and diverse skills and backgrounds within its composition, enabling rich and effective discussions and decision making.

During the year, the Committee reviewed the Board composition against a skills matrix to ensure that the Board and its Committees have the skills needed to provide effective leadership of the Company. More information on the key strengths and experience of each Director can be found on pages 86-87.

The Committee noted that Board members did not have extensive artificial intelligence and cyber experience. The Board requested additional briefings on artificial intelligence and cyber security to increase their knowledge, and it was agreed that specialist external advice would be sought where appropriate.

## Board skills and experience

	Chris Rogers	Sonita Alleyne	Mark Clare	Laura Harricks	Mike Iddon	Mark George	David Wood
Leadership	✓	✓	✓	✓	✓	✓	✓
Strategy	✓	✓	✓	✓	✓	✓	✓
Transformation/change management			✓	✓	✓		✓
Finance	✓		✓		✓	✓	
Risk management	✓		✓		✓		✓
Customer experience	✓	✓	✓	✓			✓
Brand, marketing & media		✓	✓	✓			✓
Supply chain & logistics					✓		
Data/digital				✓		✓	✓
Organisational design & culture		✓	✓	✓	✓		✓
Climate change		✓	✓				
Governance, compliance & regulatory	✓	✓	✓		✓		
Online retailing				✓	✓		✓
Retail/consumer industry	✓	✓		✓	✓	✓	✓
Home repair, maintenance & improvement market		✓	✓				✓
M&A & corporate transactions	✓	✓	✓		✓	✓	
Chair of Plc Board	✓		✓				
Chair of Plc Committee	✓	✓	✓		✓		

## Significant external appointments

Director	Board of listed plc	Other significant appointments
Sonita Alleyne	–	Jesus College
Mark Clare	Chair Grainger plc Chair Ricardo plc	Premier Marinas Holdings Ltd
Laura Harricks	–	Ocado Retail
Mike Iddon	CFO Pets at Home plc	–
Christopher Rogers	NED Kerry Group plc NED Sanderson Design Group plc	–
Mark George	–	–
David Wood	–	Green Sheep Group

## Board time commitments

The Code requires that non-executive directors have sufficient time to meet their board responsibilities. Attendance at scheduled Board and Committee meetings was 99%, with one Director giving apologies for one Board meeting in 2023. Further details of attendance can be found at page 88.

All Non-executive Directors have confirmed that they have sufficient time and capacity to carry out their duties and the 2023 Board evaluation found that the availability, contribution and engagement of the Non-executive Directors was high.

The Company has a policy for additional appointments under which Non-executive Directors may undertake additional external appointments to those disclosed on appointment with prior approval of the Board. Executive Directors may take on one non-executive directorship in a FTSE company or other significant appointment with prior approval of the Board. No new appointments were taken on by any member of the Board during the year.

After considering all relevant factors, the Committee concluded that all Non-executive Directors continue to have sufficient time to meet their Board responsibilities.



### Board appointment in 2023

Following the review of Board skills in 2022, which identified that additional customer and digital experience would be beneficial to support the Board, Laura Harricks was appointed as an independent Non-executive Director, effective from 1 June 2023. Laura has considerable experience in developing omnichannel customer journeys that drive engagement and commercial return, with a background in e-commerce, marketing and strategy consulting.

The process for Laura's appointment was led by Christopher Rogers, Chair of the Committee. An external search firm, Korn Ferry, which has no connection to Wickes or any of its Directors, was appointed to assist the Committee with the search. Open advertising was not used. The recruitment process involved setting rigorous selection criteria, in terms of both technical capabilities and cultural and style attributes which were used to prepare a role specification which was approved by the Committee.

A diverse longlist of candidates was presented to the Committee from which a shortlist of candidates was agreed. The shortlisted candidates were interviewed by the Chair and two preferred candidates also met the Chief Executive Officer. Laura Harricks was selected as the most suitable candidate and met with the other Non-executive Directors and the Chief Financial Officer, all of whom gave their support. The Committee considered that Laura had relevant and suitable experience and would make a valuable contribution to the Board, and therefore recommended her for appointment by the Board as a Non-executive Director.

### Board appointment process

We follow a well-established process which is thorough and inclusive, and is adapted as needed to reflect the specific circumstances.

- 1. SEARCH** – The Chair of the Board leads a process to develop a role specification setting out the skills, experience and background required. The role specification is placed with an executive search agency (the 'agency').
- 2. LONGLIST** – The agency produces a diverse longlist of candidates from a wide range of backgrounds and industries.
- 3. SHORTLIST** – The Committee considers a longlist and agrees a shortlist of candidates.
- 4. ASSESSMENT** – The candidates are assessed against the specification including by interview with Board members.
- 5. APPOINTMENT** – The Committee recommends the preferred candidate to the Board and the Remuneration Committee considers and approves a remuneration package.

### Induction process

Each new Board Director receives a full and tailored induction, led by the Chair of the Board and General Counsel and Company Secretary.

### Induction of new Non-executive Director

Laura Harricks joined the Board from 1 June 2023 and her induction included the following:

#### Meetings with all members of the Board

- Chair of the Board – the Board and its dynamics
- CEO – strategy, business performance and key challenges and opportunities
- Committee Chairs – work and significant matters relevant to their respective Committees
- CFO – financial performance, forecasts, risk management and financial control

#### Meetings with the Executive team and senior management

- Management structure, operations, performance, risks and key areas of focus relevant to each function
- Governance framework and programme of meetings
- Consumer Duty and the role of the Consumer Duty Champion

#### Meetings with colleagues and site visits

- Visits to stores (and competitor stores)
- Visit to our main Distribution Centre

#### Meetings with key advisors

- Detailed briefing covering Directors' duties and all key listing and regulatory compliance areas

Laura was also provided with key materials including strategy, Board and Committee papers, investor information and Company policies.



*“My induction gave me a thorough understanding of the business. As a new Board member, I have really appreciated the time that the Board Chair, the other members of the Board and colleagues across the business have given me.”*

### Laura Harricks

Independent Non-executive Director

## Training and development

The Chair of the Board discusses specific development needs with each Director on an individual basis. Ongoing Board development takes place through briefings at Board meetings and regular store visits. The Board has a programme of scheduled visits and activities to enhance the Directors' knowledge of the business. This year, the Board visited our customer services outsource partner, our Wickes Lifestyle Kitchens virtual showroom in the Bicester Store and a new store in Chelmsford. Future visits are planned to a strategic supplier of goods, a strategic logistics partner and both new and refitted stores. Briefings are provided to the Board and Committees on relevant legal, regulatory and governance developments, emerging risks and specific areas of interest.

## Non-executive Director succession

The majority of the Non-executive Directors have the same tenure as the business was listed on the London Stock Exchange in 2021 and the Committee is mindful of the need to plan an orderly succession in order to avoid a significant change to the Board membership in a short timeframe. During the year, the Committee started to consider options for Non-executive Director succession and intends to explore this further and develop its plans during 2024.

## Board tenure



● Non-executive ● Executive

## Executive Director and senior leadership succession

The Board is committed to recognising and developing talent within senior management across the business, creating opportunities to develop current and future leaders.

Following the work undertaken in 2022 by the Committee and the CEO, the Committee has a clear understanding of the market and potential successors for the CEO role. The plans for succession to other key Executive and leadership roles in the short, medium and long term have also been reviewed by the Committee in detail. The Committee is focused on ensuring there is a robust pipeline of talent and that these high-potential colleagues are developed and supported to prepare them for leadership roles. This includes strengthening the leadership development proposition, supporting mentoring initiatives and planning role moves to provide more experience earlier in the careers of potential future successors.

Diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths were considered carefully to ensure the pipeline is strengthened with appropriate skills and perspectives. Areas for development for succession candidates to key leadership roles have been identified and opportunities for them to present to and engage with the Board have been identified and planned for future meetings.

The Board believes that the succession plans in place will result in a continuously robust leadership structure that can achieve the Company's purpose and ensure its long term sustainable success.

## Inclusion and diversity policy and targets

The Board believes an inclusive culture is a key driver of business success. It is committed to having inclusive and diverse leadership which provides a range of perspectives, insights and the challenge needed to support good decision making.

We have a Board Inclusion and Diversity Policy which complements our wider colleague inclusion and diversity policy. Our ambition through both the Board and colleague inclusion and diversity policies is to make everyone 'Feel At Home' and able to bring their authentic selves to work: knowing their safety, happiness and wellbeing are at the heart of our thinking.

The Board Inclusion and Diversity Policy states that the Board is committed to promoting inclusion and diversity in the boardroom and on its Committees, and aims to meet regulatory targets and industry recommendations while recognising that there may be periods when this balance is not achieved. We define diversity in its broadest sense, encompassing differences in age, gender, ethnicity, sexual orientation, disability or educational, professional and socio-economic backgrounds. The Policy reflects the targets set out in Listing Rule 9.8.6.R (9) as follows:

- (i) female representation on the Board of at least 40%;
- (ii) at least one of the roles of Chair, Senior Independent Director, Chief Executive Officer or Chief Financial Officer filled by a woman; and
- (iii) at least one Director from a minority ethnic background on the Board.

## Board diversity

Board membership reflects a range of skills, backgrounds and business experiences which facilitates a broad evaluation of matters considered by the Board and contributes to a culture of collaborative and constructive discussion.

As at 30 December 2023<sup>1</sup> the Board comprises three male Non-executive Directors (including the Chair of the Board), two female Non-executive Directors and two male Executive Directors. Although female representation on the Board has increased with the appointment of Laura Harricks, the Board has not yet met the Listing Rules gender diversity targets. In addition, none of the four leadership roles specified in the Listing Rules are currently held by a woman.

The Committee has been, and will continue to be, mindful of the targets when reviewing succession plans but notes that with a relatively small Board and the Board's belief that its optimal size is between six and seven members given the size and shape of the business, the fact that many of the Directors have a similar tenure linked to the Company's demerger, and the need to ensure orderly succession, these targets will likely be met over the longer term. The Board has one Director from a minority ethnic background and therefore meets this Listing Rules diversity target.

In accordance with Listing Rule 9.8.6R(10), the prescribed numerical data on the ethnic background and the gender identity of the Board and the Executive Board is set out in the tables on page 98.

## Nominations Committee report continued

### Business diversity

In line with our colleague Inclusion and Diversity Policy, the Board remains committed to improving gender diversity at all levels. Members of the Executive Board comprise two female and six male members, representing a gender split of 25% female and 75% male. The senior leadership team (direct reports to the Executive Board) have a gender split of 35% female and 65% male. The gender split for all colleagues is 40% female and 60% male.

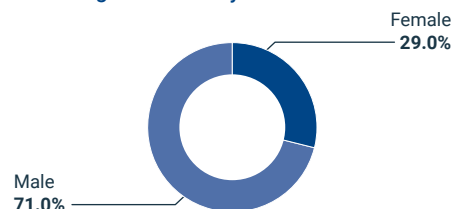
The business is committed to building skills in our local communities to create a diverse and inclusive talent pipeline and to benefit wider society. A key part of the People pillar of our Responsible Business Strategy is the Early Careers proposition, which includes apprenticeships, traineeships and graduate placements. Through our Early Careers programmes, we have created opportunities to attract a significantly more diverse workforce. In 2023, the business supported 280 individuals on Early Career placements and was ranked as one of the top 100 Best Apprenticeship employers.

The Board places great importance on fostering an inclusive and diverse workforce which is representative of the communities in which we operate. The Board, Nominations Committee and the Executive Board receive regular updates on the progress of inclusion and diversity initiatives and feedback from colleagues to monitor progress against our aim of ensuring all colleagues have an opportunity to get on and feel at home at Wickes. During the year management continued to work to improve the quality of the Group's ethnicity data and the latest census data was used to identify sites which were not representative of their local area, enabling more targeted analysis and improvement plans to be developed. Further details of the Company's approach to diversity and inclusion can be found on pages 97-99.

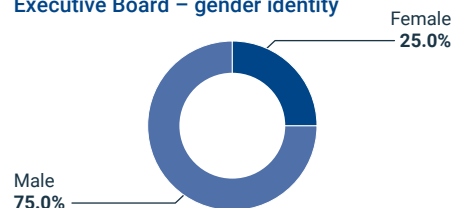
### Diversity data

In accordance with Listing Rule 9.8.6R(10), the prescribed numerical data on the ethnic background and the gender identity of the Board and the Executive Board is published below. For the purposes of making these disclosures, the Company has collected this data by asking each Director or officer of the Company to confirm their gender identity and ethnic background directly. Each response is recorded on the Company's HR system.

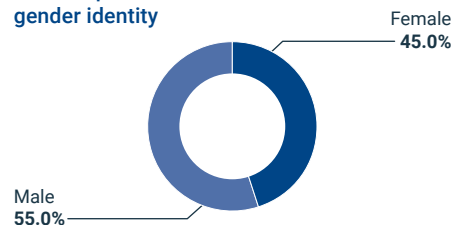
#### Board – gender identity



#### Executive Board – gender identity



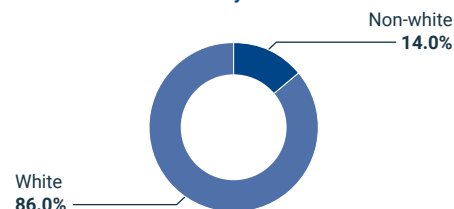
#### Direct reports to Executive Board – gender identity



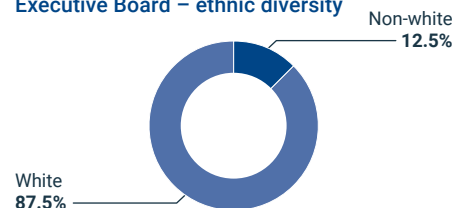
#### All colleagues – gender identity



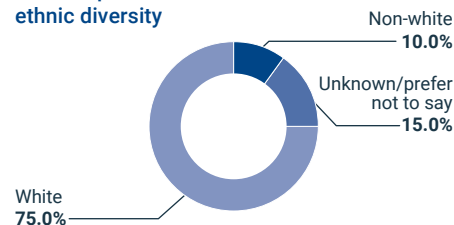
#### Board – ethnic diversity



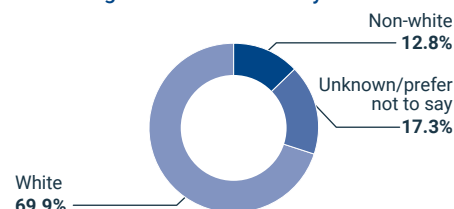
#### Executive Board – ethnic diversity



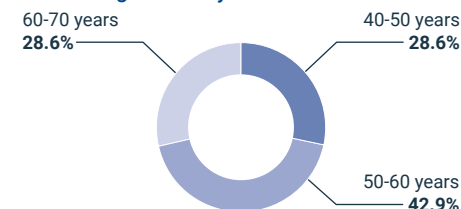
#### Direct reports to Executive Board – ethnic diversity



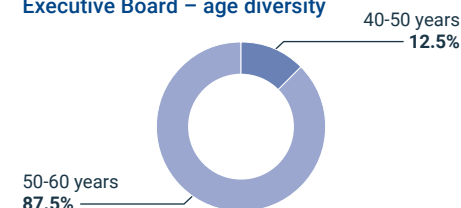
#### All colleagues – ethnic diversity



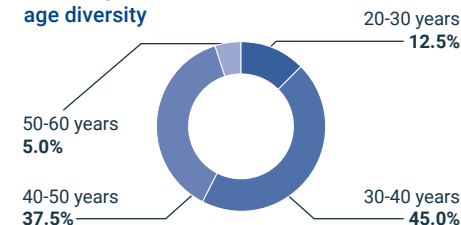
#### Board – age diversity



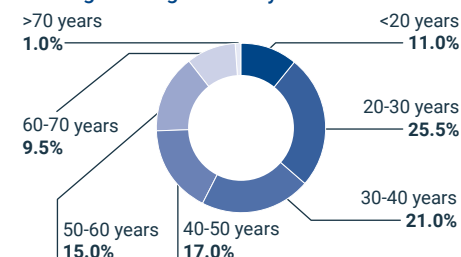
#### Executive Board – age diversity



#### Direct reports to the Executive Board – age diversity



#### Colleagues – age diversity



31 December 2023 is the Company's chosen reference date for the purposes of reporting against Listing Rule 9.8.6R(9).  
 \*Executive Board\* means 'senior management' for the purposes of the Code and the requirements of Provision 26 and includes the Company Secretary.

### Reporting table on ethnicity representation as at 31 December 2023

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	6	85.7	4	7	87.5
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	1	14.3	–	–	–
Other ethnic group, including Arab	–	–	–	1	12.5
Not specified/prefer not to say	–	–	–	–	–

### Reporting table on gender representation as at 31 December 2023

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	5	71.4	4	6	75.0
Women	2	28.6	0	2	25.0
Not specified/prefer not to say	–	–	–	–	–

### Board evaluation

Each year, the Board undertakes a formal and rigorous annual evaluation of its own performance and that of its Committees and individual Directors. The evaluation is externally facilitated at least once every three years.

#### 2023 Board evaluation

Following last year's external evaluation, carried out by Board Alchemy, the Board decided to carry out an internal evaluation this year. Each Director completed a questionnaire in respect of the Board and its Committees. The General Counsel and Company Secretary collated the responses and reported a summary of the key findings to the Board for discussion.

Overall, there was a high level of satisfaction with the effectiveness of the Board and its Committees, with no high priority or urgent matters needing to be addressed. The high scores reflected a healthy Board dynamic and a well-managed Board.

#### 2024 action plan

The Board considered the findings and agreed an action plan which will be reviewed by the Board during 2024 to ensure progress is being made.

The key actions agreed by the Board arising from the review were as follows:

- Review the resourcing model for internal audit (carried over from the 2022 evaluation).
- Keep diversity in the broadest sense under review alongside planning the orderly succession of the Board over the next few years.
- Continue to evolve management reporting on performance against the implementation of strategy.
- Arrange briefings on developments, risks and opportunities in artificial intelligence and cyber security to increase the knowledge of the Board.

### Progress made against last year's action plan

Action	Progress
Develop a plan for the orderly succession of the Board and to increase the diversity of the Board	– An additional Non-executive Director with extensive customer, marketing and digital experience was appointed to the Board in June 2023. Planning for the orderly succession has started and will continue over the coming years.
Continue to develop relationships between Non-executive Directors, Executives and colleagues	– Management development programmes have been extended to include what it means to be a listed business and the role of the Board and Non-executive Directors to increase business leaders' understanding. – More colleagues and leaders have been invited to present at Board meetings to develop relationships.
Keep the Board forward schedule under review to ensure strategic matters are appropriately scheduled	– The Board's annual plan was updated to reflect the development of strategy and is reviewed monthly by the CEO and Company Secretary, and included as a standing item for discussion at every Board meeting.
Propose a plan for the future provision of internal audit services	– The decision on internal audit services was deferred to enable full focus by the Finance team on the financial control improvement plan.
Map out key risks to Board agendas and ensure key risk owners present to the Board at least once each year	– The risk mapping was reviewed by the Board in March 2023 and it was agreed that the principal risk coverage was appropriate. – An annual review of risk mapping is scheduled to ensure risk coverage remains appropriate.

#### Committee effectiveness

The effectiveness of the Committee was considered as part of this year's Board evaluation process. The review concluded that the Committee continues to operate effectively.

#### Director performance reviews

The Chair of the Board reviewed the performance of individual Directors, taking into account feedback from the other members of the Board, and discussed any identified development opportunities with each Director. It was confirmed that each Director continues to make an effective contribution to the Board and demonstrates commitment to their role.

The performance review of the Chair of the Board was conducted by the Senior Independent Director and included feedback from Board members gathered from a questionnaire. The Senior Independent Director discussed the output of the review with the Chair of the Board.

#### Election and re-election of Directors

The Board has confirmed, following a performance review, that all Directors continue to perform effectively and demonstrate commitment to their roles. All Directors will submit themselves for election or re-election at the forthcoming AGM. Directors do not participate in discussions involving their own reappointment.



# Audit and Risk Committee Report



**Mike Iddon**  
Chair of the Audit and  
Risk Committee

## Committee members

**Mike Iddon**, Independent Non-executive  
Director and Committee Chair

**Sonita Alleyne**, Independent  
Non-executive Director

**Mark Clare**, Senior Independent  
Non-executive Director

**Laura Harricks**, Independent  
Non-executive Director

## Dear Shareholder,

I am pleased to present the Company's Audit and Risk Committee report for the year ended 30 December 2023.

I continue to be pleased with the constructive environment that the Committee has created, providing supportive challenge, open discussion and promoting transparent reporting. As Chair of the Committee, I have fostered good working relationships with the external and internal auditors through regular dialogue outside of the Committee meetings.

Building on the work undertaken in 2022 on implementing the new Finance System and improving internal financial controls, the Committee continued to prioritise the development of internal financial processes and controls. During the year it monitored progress against management's improvement plans, with updates presented to the Committee at every meeting. These improvement plans reflect the need for a continued high level of focus to ensure that the key financial controls are documented and assessed for effectiveness, and where necessary enhanced and improved upon. In the near term the improvement plans will also consider the opportunity to increase the robustness and resilience of the manual detective controls in operation. In the longer term they reflect that the delivery of the business transformation plan, which includes upgrades to the Company's commercial and operating systems, will give the Company the opportunity to implement optimised system based preventative controls, which will reduce the reliance on the manual detective controls currently operated.

The Committee spent considerable time during the year reviewing financial results and assessing the accounting policies and procedures adopted by management. In particular, the Committee reflected on the uncertain economic backdrop and its impact on the calculation of impairments on store-related assets and the carrying value of investments in subsidiaries.

The Committee also focused on reviewing the recognition of revenue in Design & Installation.

The Committee received updates on the Company's risk management approach and reviewed the principal and emerging risks and uncertainties with a focus on cyber security, the IT control framework, the implementation of the Finance System, Design & Installation, payroll, data privacy and the regulatory compliance framework.

During the year, the Committee was briefed on preparations for the anticipated changes in audit and corporate governance requirements and the developing climate change reporting requirements and discussed how these will impact the Company's reporting, particularly in relation to climate-related financial disclosures.

As the Company is not a constituent of the FTSE350 index, the Competition and Markets Authority's Statutory Audit Service for Large Companies Market Investigation (Mandatory Use of Competitor Tender Processes and Audit Committee Responsibilities) Order 2014 (the 'CMA Order') does not apply. In the 2022 Annual Report, the Company disclosed its intention to undertake a competitive tender in 2025, reflecting the requirements of the CMA Order. However, after careful consideration and in accordance with applicable legal and regulatory requirements, the Committee decided that on balance it would be best for the business to focus its resources on addressing the requirements of the updated UK Corporate Governance Code (the "Code"), published in January 2024, compliance against which is required for the December 2026 year end.

Looking ahead to 2024, the Committee's key focus will continue to be on overseeing the development of the internal control framework and also the Company's approach to climate-related disclosures.

**Mike Iddon**  
Chair of the Audit and Risk Committee  
18 March 2024

### Committee composition

The Committee is composed solely of independent Non-executive Directors who collectively have considerable financial experience and provide a wide range of insight and expertise necessary to fulfil the duties and responsibilities of the Committee. The Chair of the Committee has recent and relevant financial experience being a current CFO of another listed business, and the Committee as a whole has competence relevant to the sector in which the Group operates. Further details of the Committee members and their experience can be found on pages 86-87. Overall attendance for Committee meetings was 100%. Further details about meetings and attendance can be found on page 88.

The Chair of the Board is not a member of the Committee, but was invited to and attended all meetings in 2023. Members of the Executive Board and senior managers within the business are invited to attend meetings as appropriate to ensure that the Committee maintains a current and well-informed view of events within the business, and to reinforce a strong risk management culture.

### Role of the Committee

The role and responsibilities of the Committee are set out in the Committee Terms of Reference, which are available on the Company's website at [www.wickesplc.co.uk](http://www.wickesplc.co.uk).

The Committee's role primarily covers the following areas:

- Monitoring the integrity of financial reporting and narrative reporting
- Reviewing the Company's internal financial control and risk management systems
- Monitoring and reviewing the effectiveness of internal audit
- Monitoring and reviewing the effectiveness of external audit

During 2023, the Committee undertook a review of the Committee's Terms of Reference and updated them to clarify:

- the Committee's role in reviewing and challenging the assumptions used to determine the going concern and viability statements to be made by the Board.
- the respective responsibilities of the Committee and the Responsible Business Committee in respect of climate-related risks and opportunities.

### Activities of the Committee

During the year, the Committee held five scheduled meetings.

The Committee has a structured forward looking meeting planner to ensure that the responsibilities of the Committee are discharged during the year and reflects the reporting cycle of the Group. The planner is considered at each meeting and developed where appropriate to meet the changing needs of the Group.

Prior to the start of each Committee meeting, the Committee meets without the Executive Directors present to discuss any relevant matters with the internal and external auditors. Where appropriate, these matters are then raised during the course of the meeting. The Committee Chair also meets the internal auditor and external auditor prior to all meetings to provide additional opportunity for open dialogue and feedback without management present.

### Percentage of time spent by the Committee in scheduled meetings



### Climate reporting

The Committee's role is to gain assurance that the effects and consequences of climate change are being adequately reflected in our financial statements and valuations.

Last year we reported on all areas of the TCFD framework other than under the 'Strategy' b) and c) recommendations. This year, with the support of a third-party specialist partner, management has made further progress and this year we are in full compliance with the TCFD recommendations. For more information see pages 56-66.

During the year, the Committee received updates on progress against forthcoming sustainability related reporting requirements. The Committee will continue to monitor developing best practice, and seek training/professional guidance when required, to ensure that it continues to effectively oversee the reporting in this area.

## Audit and Risk Committee Report continued

The Committee receives reports and updates from management, along with internal and external audit. A summary of the key matters considered by the Committee in 2023 is set out below.

	<b>Financial reporting</b>	<b>Risk management/internal control</b>	<b>Internal audit</b>	<b>External audit</b>
January	Review of store related assets and Plc investment carrying value for potential impairment	Review of implementation of new Finance System	Review of Internal Audit Plan for 2023	Review of progress on year end audit
	Review of revenue recognition	Review of processes and controls of goods received not invoiced	Review of reports on the implementation of internal audit actions	Approval to recommend the reappointment of external auditor to the Board
	Review of goods received not invoiced	Review of principal risks and mitigations Annual review of findings by the Operations Audit team from key control audits on stores and Distribution Centres Annual review of findings of work completed by Security and Investigations Department		Approval of external audit fees
March	Review of store related asset and Plc investment carrying value for potential impairment	Review of progress on internal controls improvement plan	Review of reports on progress against the Internal Audit Plan for 2023	Review of reports on annual financial statements
	Review of revenue recognition	Review of the effectiveness of internal controls		
	Review of goods received not invoiced	Review of Corporate Risk Register		
	Review of FRC letter in relation to the 2021 Annual Report and proposed disclosure improvements			
	Review of management's response to the FRC letter on the 2021 Annual Report & Accounts	Review of principal risks for disclosure in the Annual Report		
	Review of considerations of the Group's viability and going concern	Review of emerging risks		
Review of final dividend recommendation and distributable reserves				
Review of Annual Report and Accounts, including the 2022 financial statements				
June	Review of the Company's accounting policy in relation to Software as a Service (SaaS)	Review of progress on internal controls improvement plan	Review of reports on progress against the Internal Audit Plan for 2023	Approval of the interim review strategy and plan
		Review of Treasury Policy		
		Review of contractor and consultancy spend Review of principal risks and mitigations		
September	Review of store related assets and Plc investment carrying value for potential impairment	Review of progress on internal controls improvement plan	Review of reports on progress against the Internal Audit Plan for 2023	Review of reports on the interim financial statements
	Review of revenue recognition	Review of ESG reporting landscape		Review of non-audit fees
	Review of goods received not invoiced	Review of Corporate Risk Register		Briefing on ESG reporting and corporate governance developments
	Review of considerations of the Group's going concern			
	Review of interim dividend recommendation and distributable reserves			
Review of interim financial results and statements				
November		Review of progress on internal controls improvement plan	Review of reports on progress against the Internal Audit Plan for 2023	Approval of the external audit strategy and plan
		Review of accounting policies	Assessment of the effectiveness of internal audit	Assessment of the effectiveness of external audit
		Review of risk management approach	Approval of Internal Audit Plan for 2024	Review of non-audit policy and fees

### Key judgements and financial reporting matters

A key aspect of the Committee's work is monitoring the integrity of the annual and interim reports, including a review of the significant financial reporting matters and judgements contained in them. Key accounting judgements considered, conclusions reached and their financial impacts for the year ended 30 December 2023 are set out below.

In reaching its conclusions, the Committee considered papers and explanations given by management, discussed each matter in detail, challenged assumptions and judgements made and sought clarification where necessary. It reviewed and discussed reports from the external auditor on the work undertaken to arrive at the conclusions set out in its audit report on pages 132-139 and had the opportunity to discuss it with the external auditor in depth.

### The carrying value of right-of-use assets

The Group balance sheet contains £537.1m (2022: £542.4m) of right-of-use assets. The Directors are required to determine whether those assets have suffered any impairment or whether there has been any reversal of an impairment previously recorded, taking into account appropriate indicators, for example store profitability, stores with recent losses or those with high value assets. Where there are indicators of impairment or reversal calculations are performed which compare the present value of future cash flows for each cash generating unit (CGU) with the carrying value of assets. CGUs are determined to be individual stores: each store's profitability is reviewed, after apportioning an appropriate amount of central costs and IT investment costs (such as SaaS). The calculations undertaken to help arrive at a conclusion incorporate a consideration of the risks associated with each CGU and are based upon forecasts of their cash flows over the remaining

term of the lease, which by their nature require judgement to be exercised and are subject to considerable uncertainty. The cash flow forecasts used for impairment considerations are prepared taking into consideration the historical financial performance, the annual budget, the Five-Year Plan presented to and approved by the Board of Directors, plus an estimate of the long term growth rate beyond the Five-Year Plan.

Management presented the Committee with papers setting out the results of the work performed, the methodology used, the assumptions made and the conclusions reached. Management explained to the Committee how the cash flow, central cost allocation (including IT investment) and discount rate calculations were prepared, how individual stores were determined to be potentially impaired or which indicated reversals of prior impairments, the key assumptions and judgements that were made and how sensitive the cash flows were to changes in key assumptions. After reviewing these papers and obtaining further explanation where necessary, the Committee concluded that management's final position, after appropriate challenge and review, reached a balanced and reasonable conclusion regarding the impairment charges and reversals of prior charges recognised and included acceptable judgements.

### Revenue recognition

The Group recognised £364.7m (2022: £371.1m) of revenue in the financial year in respect of Design & Installation revenue and carried forward Design & Installation revenue of £28.5m (2022: £43.6m) as a liability on its balance sheet where orders had been paid in advance but either fully or partially undelivered at the period end. Design & Installation revenue represents a large number of individual transactions and recognition is driven from a number of different systems, including the product delivery system, the ordering system, as well as the data automatically posted in the Finance System, with each system showing some timing differences on the point of completion of individual orders. To ensure appropriate revenue recognition in the accounting records, management therefore maintains a separate order book to track the revenue that should actually be recognised in the period.

Management performs a significant amount of analysis and reconciliation to compare revenue recognised by each system, determine how the timing differences arise and ensure revenue is appropriately recognised in line with its accounting policies. Management reported to the Committee on the outcome of this exercise and presented final papers to the Committee at the year end setting out how conclusions were reached on the reported revenue. The Committee reviewed and discussed the information presented, received a report from the external auditor on the work undertaken to arrive at the conclusions set out in its audit report and discussed the progress with the external auditor. After reviewing these papers and obtaining further explanation where necessary, the Committee concluded that the process of review and controls operated by management had resulted in an accurate revenue and deferred revenue number being reported in the financial statements.

### The carrying value of investment in subsidiaries (Company only)

The Company balance sheet contains £603.4m (2022: £598.9m) of investments, representing its investment in Wickes Group Holdings Limited. The Group contains only one trading entity, Wickes Building Supplies Limited, and the investment therefore represents the entire trading business. The Directors are required to determine whether this investment has suffered any impairment whenever there are indicators of possible impairment. They do this by comparing the net present values of future cash flows from the investment with the carrying value of the investment in the balance sheet. The calculations undertaken to help arrive at a conclusion incorporate a consideration of the risks associated with the business and are based upon forecasts of its long term future cash flows, which by their nature require judgement to be exercised and are subject to considerable uncertainty. The cash flow forecasts used for impairment considerations are prepared taking into consideration the historical financial performance, the annual budget and the Five-Year Plan presented to and approved by the Board of Directors.

Management presented the Committee with papers setting out the results of the work performed, the methodology used, the assumptions made and the conclusions reached. Management explained to the Committee how the cash flow and discount rate calculations were prepared, the key assumptions and judgements that were made and how sensitive the cash flows were to changes in key assumptions. After reviewing these papers and obtaining further explanation where necessary, the Committee concluded that management's final position, after appropriate challenge and review, reached a balanced and reasonable conclusion and included acceptable judgements.



### External auditor

The Committee is responsible for overseeing the relationship with the external auditor, including recommending to the Board its reappointment or removal, assessing external audit independence and approving the statutory audit fees.

KPMG LLP ('KPMG') continued as the Company's external auditor for the financial period ended 30 December 2023, having been reappointed as auditor of the Company on 23 May 2023 by Shareholders at the AGM.

KPMG was appointed under a competitive audit tender in 2015. Wickes became a public interest entity (PIE) in April 2021 when its shares were admitted to trading on the London Stock Exchange and therefore, under the Companies Act 2006, the next tender will be required no later than in respect of the 2031 financial year (ten years from the date of the Company becoming a PIE). Auditor rotation is required 20 years from the date of the Company becoming a PIE and therefore this will be due no later than 2041.

When the Company's shares were admitted to trading on the London Stock Exchange, the Company was in the FTSE 350 and subject to the CMA Order which would require the next tender for an external auditor for the 2025 year end (ten years from the last tender). As the Company is not now in the FTSE 350, the CMA Order does not apply and, after careful consideration and in accordance with applicable legal and regulatory requirements, the Committee determined that it would be in the best interests of the Company and its Shareholders to delay tendering the auditor until after completion of the Internal Control Improvement Programme to allow management to fully focus on the improvement of controls to meet the new Code requirements without having to manage the considerable additional work that an audit tender would entail at the same time.

The Committee agreed that KPMG has a detailed knowledge of the business and an understanding of the sector, and continues to demonstrate that it has the necessary expertise and capability to undertake the audit. It was further noted that the audit partner will rotate after the 2024 year end, which will bring a fresh approach to the audit. The audit will be tendered ahead of the audit of the 2031 financial year.

KPMG's role is to express an opinion on the financial statements of the Group. It discusses its findings with management and it reported to the Committee during the year on its audit work and audit opinion. The Committee reviews any recommendations made by KPMG and agrees what actions should be taken with management.

### External audit effectiveness

During the year, the Committee considered the quality, effectiveness, independence and objectivity of KPMG through the review of all reports provided and the regular contact with the auditor both during Committee meetings and through other interactions. In addition, an annual assessment was conducted in accordance with a process agreed with the Committee which involved seeking the views of the Committee, as well as those of colleagues who have regular interactions with the external auditor, on the following areas:

- Appropriateness of the scope of the audit and the planning process for the delivery of an effective and efficient audit.
- Expertise of the audit team conducting the audit.
- The audit team's knowledge and understanding of the business.
- Degree of independence applied by the external auditor.
- Robustness of the external audit process and degree of challenge to matters of significant audit risk and areas of management subjectivity.
- Quality of audit findings and reporting.

A summary of the responses was presented to the Committee at its meeting in November 2023. The Committee used the feedback to assist its assessment of whether the external auditor met the required standards of qualification, independence, expertise, effectiveness and communication, and discussed its conclusions and opportunities for improvement with the external auditor. The overall feedback was positive and no significant issues were identified as part of this process. It was agreed that the audit was robust and professionally performed, the audit team had a good understanding of the business and there was a high degree of constructive challenge from the external audit team. It was recognised that there continued to be opportunities for both management and the auditor for making the audit process more efficient.

The Committee concluded that KPMG had applied appropriately robust challenge and professional scepticism throughout the year which demonstrated KPMG's independence and that it possessed the skills and experience required to perform its duties and, in particular, the audit effectively.

### External audit independence

The Committee regards the independence of the external auditor as crucial in safeguarding the integrity of the audit process and takes responsibility for ensuring the relationships between the Committee, the external auditor and management remain appropriate. The Committee recognises that independence is also a key focus for the external auditor, and KPMG has confirmed that it has complied with its own ethics and independence policies. KPMG provides confirmation of independence during the planning stage of the audit, disclosing matters relating to its independence and objectivity, and a final independence confirmation statement at the conclusion of each audit. There were no independence issues raised in respect of the 2023 audit.

### Non-audit services

Additional non-audit services provided by the auditor may impair its independence or give rise to a perception that its independence may be impaired. The Non-audit Fees Policy was originally approved by the Committee in 2021 and reviewed in November 2023. The policy is designed to ensure the ongoing independence and objectivity of the external auditor. The policy sets out the permitted and prohibited services for which the external auditor may not be engaged, and includes approval limits and a cap on allowable non-audit fees. Key provisions of the policy:

- Fees for non-audit services provided by the statutory auditor in any year may not exceed 70% of the average fees for the Group statutory audit in the three previous years.
- The auditor is prohibited from providing certain non-audit services, including almost all tax work, internal audit, corporate finance, and involvement in management activities.
- The external auditor may not be engaged to provide any non-audit services without the approval of the Committee.

During the year, the Committee reviewed the non-audit fees at each of its meetings. For the year ended 30 December 2023, the total fees for non-audit services provided by the auditor to the Group did not exceed 70% of the average of the statutory audit fee for the Group's consolidated financial statements and statutory accounts paid to the auditor in the last three consecutive financial years\*. The fees paid to the auditor are set out on page 150 of the notes to the financial statements.

The Committee is satisfied that the Non-audit Fees Policy was complied with throughout the year and, in its opinion, the external auditor remains independent.

\* Fees paid in previous periods to the auditor in relation to Reporting Accountant services in respect of the Wickes demerger, which were agreed by its former parent company prior to separation, have been excluded from the calculation of the non-audit fee ratio when assessing the Company's compliance with the Non-audit Fees Policy. No such fees were paid in the current period.

## Internal audit

The internal audit function provides the Committee and management with independent and objective assurance on the adequacy and effectiveness of the Group's internal controls.

The Group's internal audit function is outsourced to BDO LLP ('BDO'). The Committee decided to outsource internal audit when the Company listed on the London Stock Exchange, primarily to enable the business to focus on its core business and bedding in other new requirements of being a listed company. It was determined that outsourcing the internal audit function would also give the business access to a wide range of expertise in a cost effective way.

The work of internal audit is set out in an Internal Audit Charter, which is agreed annually with the Committee. Internal audit has an independent reporting line to the Chair of the Committee and a dotted reporting line to the Chief Financial Officer. The Committee meets with internal audit without executive management present before each Committee meeting and meets with the Chair of the Committee on a quarterly basis or more frequently if required.

At every Committee meeting, the Committee received and reviewed reports from internal audit setting out progress against the agreed Internal Audit Plan, findings from individual internal audits undertaken and progress against audit actions previously identified.

Internal audit also provided the Committee with thought leadership on sector specific insights, as well as more general updates on areas such as 'Audit Reform' and corporate governance changes.

## Internal Audit Plan

Each year an audit needs assessment (ANA) is carried out. This considers the Group's principal risks, the Group's appetite for risk, any changes to the business and findings from prior audits, along with priorities and specific areas of focus highlighted by the Executive Board, senior management and the Committee. The output from the ANA is used to establish the Internal Audit Plan for the year.

The Internal Audit Plan for 2023 was approved by the Committee and included a combination of risk-based assurance audits and advisory projects. The following reviews were commenced in 2023:

Internal audit review	Overview of scope
HR, Resourcing & Retention	Recruitment, induction processes, succession planning, performance development and promotional opportunities.
Estates Management	Estates Management, including property management strategy, rent reviews, property costs, maintenance and repairs, compliance with lease conditions and complaints management processes.
Finance System Implementation	Assessment of the achievement of the original business specification and any subsequent necessary workarounds put in place.
Senior Accounting Officer	VAT, corporation tax, employment taxes, customs and excise and stamp duty land tax.
Customer Experience	Strategy, policies and procedures, monitoring of the quality of customers' experience, feedback and lessons learned, responding to customers' needs, management information and reporting, refund management and product recalls.
Fraud Management	Fraud Management framework used to manage and mitigate organisational fraud related risks.
Design & Installation	The end-to-end Design & Installation operational process from a customer raising an enquiry through to the order being fulfilled, including quotes, order management, third party installer management, Order Fulfilment, data quality and reporting.
Regulatory Compliance	The Group's overarching regulatory compliance framework, governance and accountability, policies and procedures, training, compliance requirements, risk assessments, monitoring compliance, reporting mechanisms and management information and escalation of compliance issues and instances of non-compliance.
Payroll	Processing of data, amendments to standing data, approvals, oversight and monitoring, bonuses, pensions, loans, and salary advances and third party management.
Data Privacy	Review of data privacy programme including awareness, joint controllers, processors, data transfers, lawful basis for processing, transparency, individual rights, breaches, Data Protection Impact Assessments, governance and accountability.
IT General Controls	IT governance and strategy, physical security, user access, change management, asset management, incident management, patch management, back-up and recovery and third party management.
National Minimum Wage	The control framework in place to ensure the Group is compliant with National Minimum Wage requirements. This review was requested by the Committee as an addition to the FY2023 Internal Audit Plan.

Any proposed changes to the Internal Audit Plan are presented to the Committee for approval as necessary during the year, to take account of any new internal or external developments. During the year, a number of minor changes were made to the Internal Audit Plan to ensure planned assurance activity focused on the key needs of the business. Timings of some audits were also adjusted to ensure that management resources were available to fully support and engage with the internal audit team.

The high-level scope of each internal audit review is agreed with the Committee when the Internal Audit Plan is set, as well as confirming the Executive sponsor. The sponsor is involved in the planning stages of each audit, overseeing completion of the work and supporting BDO to agree conclusions and agreeing recommendations.

Ongoing visibility of the internal control environment is provided via internal audit reports to the Executive Board and the Committee. Reports are graded to reflect an overall assessment of the design and operational effectiveness of the control environment under review, and the significance of any control weaknesses identified.

Improvement actions to address findings are identified and agreed with management. The Committee regularly reviewed actions arising from internal audits. Reports on the progress of the audit actions are presented to the Executive Board every month and to the Committee at every meeting, with a focus on the status of any deferred and overdue actions.

## Audit and Risk Committee Report continued

### Internal audit effectiveness

During the year, the Committee assessed the effectiveness of internal audit to satisfy itself that the quality, expertise and experience of the function is appropriate for the Group. The assessment was conducted in accordance with a process agreed with the Committee and involved seeking the views of the Committee, as well as the Executive Board and those of colleagues who have regular interactions with the internal audit team on the following areas:

- The internal audit team's resources and knowledge and its understanding of the business
- Quality of internal audit planning and delivery
- Degree of independence applied by the internal audit team
- Quality of internal audit findings and reporting

A summary of the responses was presented to the Committee at its meeting in November 2023. The Committee used the feedback to assist its assessment of the effectiveness of the internal audit function and discussed its conclusions and opportunities for improvement with the internal audit team. The overall feedback was positive and no significant issues were identified as part of this process. It was agreed that the internal audit function was effective, although there continued to be opportunities for further improvement to reporting. It was also concluded that further consideration should be given to whether a co-resourced rather than a fully outsourced model would be more appropriate for the business now the Finance team had been strengthened and work on other priorities, including the control improvement programme, was progressing well.

### Risk management and internal controls

In addition to internal audit services, BDO provides the Committee with support and advice concerning the Group's assurance framework more generally and during the year provided advice and assistance with the full year risk management process.

Risks are actively managed on an ongoing basis. Details of risks faced by the Group are maintained in the Group Risk Register, with key risks regularly collated and reviewed by management and the Executive Board to assess the potential impact and likelihood of occurrence, after taking into account key controls, mitigating factors and interdependencies. Additional focus is given to any risks that fall outside of the Company's risk appetite, and further mitigating actions are put in place, where appropriate, to manage risks to an acceptable level. The principal risks and uncertainties are developed from this Group view of risk management, and are set out on pages 75-81, together with information on how those risks are mitigated and how emerging risks are assessed.

The Committee receives regular reports to provide assurance over the extent and performance of the control environment and to assist in its oversight of the principal risks. These reports include:

- reports from management on progress with the control improvement plan;
- reports from internal audit providing a status update on the delivery of control improvement recommendations;
- reports from internal audit on its audit reviews and recommendations as part of the Internal Audit Plan; and
- KPMG's external audit findings and insight from the external audit process.

Building on the foundations of the new accounting system delivered at the end of 2022, and in anticipation of the changes to the Code published in January 2024, management initiated a programme to capture and formally document its key financial controls. With full support from the Committee, these activities commenced in the second half of the year and focused on the core transactional processes and, in particular, an assessment of the robustness and resilience of the related key financial controls. These activities will continue during 2024, forming the foundation of the Company's response to the Code changes and ultimately supporting the Directors' statement on the December 2026 financial statements.

During the year, the Committee received updates on the programme and its key findings from management, as well as discussing the effectiveness of the control environment in relation to the 2023 financial year. The Committee noted that there had been improvements made to controls during the year and concluded that, with the support from the manual detective controls and reviews in place, the internal control environment was effective.

The Committee recognises the importance of continuous improvement in the effectiveness of the Company's systems and processes, and that the improvement of internal financial controls remains a key priority. In the near term this will be focused on opportunities to increase the robustness and resilience of the manual detective controls in operation. In the longer term, the delivery of the business transformation plan, which includes upgrades to the Company's commercial and operating systems, will allow the Company the opportunity to implement optimised system based preventative controls, which will reduce the reliance on the manual detective controls currently operated.

### Committee effectiveness

The effectiveness of the Committee was considered as part of this year's Board evaluation process, more details of which can be found on page 99. The review concluded that the Committee continues to operate effectively.

# Responsible Business Committee report



## Sonita Alleyne

Chair of the Responsible Business Committee

### Committee members

**Sonita Alleyne**, independent Non-executive Director, Committee Chair

**Mark Clare**, Senior Independent Non-executive Director

**Laura Harricks**, independent Non-executive Director

**Mike Iddon**, independent Non-executive Director

**Christopher Rogers**, Chair of the Board

### Dear Shareholder,

It gives me great pleasure to present the Responsible Business Committee report, covering the year ended 30 December 2023. Following the launch of our Responsible Business Strategy, 'Built to Last', in 2022, we have continued to move at pace this year to implement our sustainability plans. I have set out some highlights below. More details can be found on the following pages and in the Responsible Business section on pages 34-66.

The business created the new role of Head of Inclusion and Diversity to further develop our inclusion and diversity strategy. In the year, the business continued to receive external recognition for the great initiatives and work done in this area, including being placed 11th in the top 100 of the Stonewall Workplace Equality Index 2023. The list recognises exceptional employers who are committed to supporting their LGBTQ+ colleagues and customers. Further details on this can be found on page 40.

The Committee received updates on the further steps being taken to improve the ethnic diversity within Wickes and, in September 2023, we were the first retailer to partner with Flair Impact (a racial equity technology company), to undertake a colleague anti-racism survey. Further detail on the results of this survey can be found on page 37.

The business completed its partnership with YoungMinds and I was delighted with its success, raising £2.3 million and exceeding its target. A new corporate partner, The Brain Tumour Charity, was selected by colleagues from a shortlist. The business also celebrated the first full year of its Community Programme which has helped 1,468 local good causes, just slightly shy of our ambitious target of 1,500. Further details can be found on pages 42-43.

I very much enjoyed the colleague listening session that I hosted during 2023 on behalf of the Board, which formed part of a programme of listening initiatives that supports the Company's 'always on' listening approach. Key themes from the insights gathered across the year have been grouped into areas of strength and areas that require further attention. Colleagues are confident in the direction of the business strategy and are incredibly proud of the culture of inclusion and diversity. Areas that require attention are: ensuring that colleagues in store and distribution feel their work is meaningful; improving dialogue and engagement in day-to-day communications; and ensuring that we continue to monitor pay and reward in the face of external market changes. The business's overall level of engagement is stable and continues to perform positively against the external retail benchmark. The June 2023 colleague engagement survey measured engagement at 79%, with over 84% of colleagues participating.

I am encouraged by the Company's evolving plans with meeting its near term science-based targets for Scopes 1, 2 and 3, and I was pleased to see the business submitting its first Forests submission to the Carbon Disclosure Project (CDP). The Committee reviewed the business's ongoing progress with developing its climate-related disclosures in line with external regulations. With the development of the disclosure landscape, this will be a key area of focus for the Committee going forwards.

The Committee was briefed on how the business is performing against its plans to deliver against its strategic objectives for Homes, and is excited about the new product ranges that were launched during the year to support our customers with improving the energy efficiency of their homes, particularly in light of the ongoing cost of living challenges.

Looking forward to 2024, the Committee will continue to closely monitor the implementation and development of our Responsible Business Strategy, along with monitoring the Company's performance on ESG matters.

Further information on the Responsible Business Strategy can be found on pages 34-66 or on our website at [www.wickesplc.co.uk](http://www.wickesplc.co.uk).

**Sonita Alleyne**  
Chair of the Responsible Business Committee  
18 March 2024

## Responsible Business Committee report continued

### Committee composition

The Committee membership comprises the Non-executive Directors, including the Chair of the Board. Details of their experience and skills are set out in the biographies on pages 86-87. Overall attendance for Responsible Business Committee meetings was 100%. Further details about meetings and attendance can be found on page 88.

The CEO and CFO are not members of the Committee but, along with other key members of management, are invited to and attend all meetings to provide valuable operational and financial insight and feedback on performance against the Responsible Business Strategy.

### Role of the Committee

The role and responsibilities of the Committee are set out in the Committee Terms of Reference, which are available on the Company's corporate website at [www.wickesplc.co.uk](http://www.wickesplc.co.uk).

The Committee's role primarily covers the following areas:

- Review, approve and monitor the strategy and targets for managing the Group's ESG responsibilities in such a way as to build trust and confidence
- Review and monitor the Group's Responsible Business disclosures, including climate-related financial disclosures
- Monitor the Group's Responsible Business engagement and communications with its stakeholders

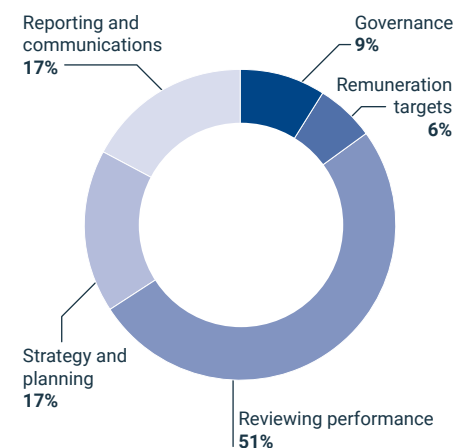
The Committee reviewed and updated the Terms of Reference during the year, the main change being to clarify the respective responsibilities of the Committee and the Audit and Risk Committee in respect of climate risks.

	Strategy	Performance	Reporting and communications
January		<a href="#">Review of Early Careers progress</a> <a href="#">Review of products and services progress</a> <a href="#">Review and approval of ESG remuneration targets</a>	
June	<a href="#">Review of timber policy</a> <a href="#">Review of impact of Green Claims</a>	<a href="#">Review of colleague representation against the census</a> <a href="#">Review of the Community Programme</a> <a href="#">Review of waste and packaging progress</a> <a href="#">Review of environmental management system</a>	Review of creative designs
September	<a href="#">Review of approach to climate related risks and opportunities</a>	<a href="#">Review of progress with decarbonisation plans</a>	Review of climate reporting landscape, gap analysis and action plan
November	<a href="#">Review of strategy and 2024 programme</a> <a href="#">Review of environment and packaging policies</a> <a href="#">Review of climate related risks and opportunities</a>	<a href="#">Review of gender and ethnicity performance</a> <a href="#">Review of Early Careers progress</a> <a href="#">Review of charity partnership and Community Programme progress</a> <a href="#">Review of environmental progress</a> <a href="#">Review of products progress</a> <a href="#">Review of packaging progress</a>	Review of stakeholder feedback and communications plan

### Activities of the Committee

The Committee held four scheduled meetings during the year and received detailed updates on each of the three pillars of the Responsible Business Strategy: People, Environment and Homes. A summary of the key activities of the Committee is set out below.

### Percentage of time spent by the Committee





## People

### Inclusion and diversity

The Committee oversaw the introduction of the Feel at Home vision, based on three drivers, the Feel at Home Plan, the inclusion and diversity strategy and the Colleague Experience Programme. The Feel at Home vision aims to achieve gender balance and ethnic diversity representative of the communities we serve across all levels of the Company, and provide a colleague experience underpinned by equity and equality. The business continued to engage with colleagues to improve the quality of its gender and ethnicity data. The Committee received updates on the Company's gender diversity performance and the progress against meeting its targets, including bonus targets. Further details on the gender bonus targets can be found in the Annual Report on Remuneration on pages 120-121.

The Committee received updates on the Company's ethnicity diversity performance compared with national census data to understand where its composition doesn't reflect the local community and identify opportunities for improvement.

The Committee commended the external recognition received by the business. More details on this and our inclusion and diversity strategy can be found in the People section on pages 36-43.

### Early Careers

During the year, the Committee received updates on the evolution of the Early Careers offering. Although apprenticeships remain the key focus, the business also offers work experience placements, and graduate, intern and business placements. The business has continued to broaden its apprenticeship offering with a clear focus on programmes that support the development of specialist skills (e.g. installations), key pipelines for growth (e.g. design consultants), and building new capabilities for the future (e.g. data). There has been positive feedback from colleagues who have successfully completed an apprenticeship and the business was pleased to have made the RateMyApprenticeship's Best 100 Apprenticeship employers for 2023. Further details about Early Careers can be found on page 38.

### Community

An overview of the work undertaken throughout the year on the Company's Community Programme was provided to the Committee. In 2023, the business supported 1,468 community projects, which are estimated to have benefited over 500,000 people. Every Wickes store is allocated an annual budget to support local community projects through the supply of products. In 2023, there was a significant increase in the number of charities and community organisations seeking support under the Company's Community Programme. The Committee is pleased that the business is able to provide support to these good causes, particularly during the cost of living crisis.

2023 also saw a trial of a more formal volunteering programme through the use of the Neighbourly platform. This platform connects charities and community organisations with companies offering volunteering time. Colleagues were encouraged to take part in this programme and, over the course of 2023, the business supported ten community projects with gardening and painting.

### Charitable donations

The business completed its partnership with YoungMinds in March 2023, raising £2.3 million in total through fundraising, exceeding its target of £2 million. Following this, the business started a new two year partnership with The Brain Tumour Charity. Between April to December 2023, the business donated £10,000 directly and £718,060 was generated from fundraising activities and customer donations. Throughout the two year partnership, colleagues at Wickes will complete a series of fundraising activities to raise funds to enable The Brain Tumour Charity to further its work in research and increase the number of people it can support.

### Environment

#### Science-based targets

The Committee reviewed progress against delivering the three science-based carbon reduction targets, which received validation by the Science Based Targets initiative (SBTi) in 2022. The business made good headway in 2023 on its net zero trajectory. In particular, the business made significant progress with delivering the 42% Scope 1 and 2 reduction target by 2030 (against a 2021 baseline). By the end of 2023, the Group had reduced Scope 1 and 2 emissions by 36.9% compared to our baseline, primarily as a result of the switch to a 100% renewable electricity contract for the entire Group from April 2023 onwards.

The Committee also received updates from the business on plans and progress with engaging the supply chain to galvanise support with delivering the Scope 3 targets. The Committee was pleased that, by the end of 2023, 23 suppliers had set a science-based target. This equates to 23.8% of Scope 3 emissions compared with the target of 45% by 2027.

### Climate-related financial disclosures

The Committee reviewed and discussed the evolving reporting landscape on climate-related disclosures, including the Task Force on Climate-related Disclosures and the new climate-related financial disclosure requirements under the Companies Act 2006. A gap analysis was carried out to evaluate the performance of the Company's 2022 disclosures against the mandatory requirements the Company must meet with its 2023 disclosures. The Committee reviewed an action plan put in place to drive further improvement and meet compliance. Further details of our climate-related financial disclosures can be found on pages 57-66.

The Committee conducted a review of the climate-related risks and opportunities register to determine that risks are correctly allocated and categorised in line with the Company's risk appetite. The Committee reviewed the high-level risks and opportunities proposed by the business as financially material, and made a recommendation to the Audit and Risk Committee that these be disclosed in the Annual Report. Further information on climate-related risks can be found on pages 60-62.

### Waste and packaging

The Committee was updated on the Company's progress on reducing consumer plastic packaging waste through range reviews and targeted supplier activity, with all unnecessary packaging being removed from Wickes own brand products. The Company is continuing to work with its suppliers on increasing the amount of recycled materials used in packaging.

## Responsible Business Committee report continued

### Environmental management system and environmental obligations

During the year, the Committee was updated on work the business was doing to develop the Environmental Management System to meet the requirements of the International standard ISO 14001. Opportunities for improvement were identified and are being implemented by the business with the aim of achieving certification during the next two years.

The Committee reviewed the progress of the business in applying the principles of the Green Claims Code. Work during the year to improve the business knowledge of this subject included cross-departmental training sessions and a roundtable with external advisors. The Committee was also informed about the business's plans to meet the four-year compliance cycle of the Energy Savings Opportunities Scheme (ESOS).

### Policies

The Committee reviewed the Company's updated Environmental Policy, which is in line with the Responsible Business Strategy and meets the policy requirements of the ISO14001 international standard. The Committee also approved the Company's new Packaging Policy.

The Committee was briefed on the Company's updated Timber Sourcing Policy, which was published in 2023. The policy outlines the steps the business is taking to source timber and timber products from legal and sustainable sources, and to ensure compliance with the UK Timber Regulation (UKTR, which replaced EUTR in the UK from 1 January 2021). The policy details the Company's commitment to comply with all relevant timber regulations for the countries in which we operate.

These policies can be found on the Company's corporate website [www.wickesplc.co.uk](http://www.wickesplc.co.uk).

### Homes

The Committee was updated on the progress that the Company is making with delivering its aim to provide products and services that help our customers save energy and reduce the carbon footprint of their homes. This covered an update on how the business is building customers' awareness of energy efficiency in store and on the website. This included the 'Wickes Energy Efficient Home', an online hub that provides an easy-to-follow guide on how to increase energy efficiency and reduce energy bills. An overview was also provided of the new solar and heat pump range launched in the year. More information can be found on pages 50-51.

### ESG targets

The Committee closely monitors progress against targets for all areas of the Responsible Business Strategy. It also considers the key areas of strategy to link to remuneration and recommends ESG targets for incentive purposes to the Remuneration Committee. At the end of each year, the Committee considers performance against targets and makes a recommendation on the level of payout against the targets to the Remuneration Committee. Further details can be found in the Directors' Remuneration report on pages 111-113.

### Committee effectiveness

The effectiveness of the Committee was considered as part of this year's Board evaluation process, more details of which can be found on page 99. The review concluded that the Committee continues to operate effectively.

# Remuneration Committee report



**Mark Clare**

Chair of the Remuneration Committee

Committee members

- Mark Clare**, Senior Independent Non-executive Director and Committee Chair
- Sonita Alleyne**, Independent Non-executive Director
- Laura Harricks**, Independent Non-executive Director
- Mike Iddon**, Independent Non-executive Director
- Christopher Rogers**, Chair of the Board

**Dear Shareholder,**

On behalf of the Remuneration Committee, I am pleased to present the 2023 Directors' Remuneration report for Wickes. The report covers three key areas:

- This letter, which provides a summary of the key remuneration decisions made in respect of 2023 and our proposed approach for 2024.
- Our new Directors' Remuneration Policy, which will be subject to a binding Shareholder vote at the 2024 AGM.
- The Annual Report on Remuneration, which describes how the existing Policy has been applied for 2023 and how we intend to implement the new Policy for 2024.

Wickes delivered a solid performance for 2023, despite a challenging market. Pressure on consumer spending dampened the demand for home improvements, a trend we observed across the retail sector. Despite these challenges, management and colleagues have worked hard to execute the strategy and deliver value to Shareholders and other stakeholders, as demonstrated by growth in our market share and financial performance ahead of consensus.

The existing Directors' Remuneration Policy is now three years old, having been agreed at the time of the demerger in 2021 (though formally approved by our Shareholders in 2022). As such, the Committee agreed that 2023 was the right time to review the Policy to make sure that it continues to reflect Wickes' business strategy and culture, and is aligned to UK governance standards.

A summary of the new Directors' Remuneration Policy is provided later in this letter, with the detailed Policy beginning on page 115.

The Committee carefully considered the experience of key stakeholders during the year, including colleagues and Shareholders, when making remuneration decisions.

**Reward and benefits across the Group in 2023**

We continue to support our colleagues with the cost of living crisis, and offer market leading benefits that cover direct financial support combined with comprehensive financial education and wellbeing resources. Further details of our approach to colleague reward and wellbeing can be found on page 125.

**>7%**

**average salary increase awarded to the wider workforce for 2024**

**1,090**

**colleagues utilised our direct financial support in 2023, in the form of salary advance or loans**

**£422k\***

**invested in our Company wide recognition plans during 2023**

**0.1%**

**our median gender pay gap in 2023 (down from 2.6% in 2022)**

\* Comprised of loyal service awards, manager 'instant awards', and recognition events held during the year.

**Responsible Business**

Building skills in our local communities through our Early Careers offering is essential to ensure we continue to attract and develop the skills required for future growth at Wickes. In 2023, we supported

280 individuals into Early Careers placements (248 individuals enrolled on an apprenticeship programme, 27 work experience placements, and five graduate, intern and business placements). People in these placements are more diverse in terms of gender and ethnicity when compared with our colleague population overall.

In 2023, we had our first full year of delivering Built to Last, our Responsible Business Strategy, which we have focused on integrating into the business. Our inclusion and diversity targets were linked to the Executive Annual Bonus Scheme, and our near term Science Based Targets were linked to the Long Term Incentive Plan for 2023-2025.

**Group performance highlights for 2023**

In 2023, despite very challenging operating conditions, we delivered sales of £1,553.8m. Our adjusted profit for the year was £52.0m\*.

**£1,553.8m**

**adjusted revenue (2022: £1,559.0m)**

**£52.0m\***

**profit before tax (adjusted) (2022: £75.4m)**

**£46.1m**

**free cash flow (2022: £29.0m)**

**15.1p**

**adjusted basic earnings per share (2022: 23.8p)**

\* The 2023 PBT (adjusted) outcome for bonus calculation purposes was £59.5m. This is an adjusted figure before the incremental impact of SaaS accounting (see note 32 of the financial statements).

## Remuneration Committee Report continued

### Shareholder experience in 2023

The Board is pleased to recommend a final dividend of 7.3 pence per share, taking our full year ordinary dividend to 10.9 pence per share. We recognise the importance of cash returns to our Shareholders, and, given the strength of our balance sheet, we have maintained the full year dividend per share at the same level as 2022.

In July, we announced a £25m share buyback programme as a way of further increasing returns to our Shareholders. The first £12.5m tranche of the programme commenced in July and an aggregate market value equivalent to £10m was bought back during 2023. This first tranche was subsequently completed in early 2024.

## EXECUTIVE REMUNERATION IN 2023

### Basic salary

From 1 April 2023, the annual salary for David Wood was increased by 4% to £527,670, and the salary for Mark George was also increased by 4% to £390,000. Both increases were below the average increase awarded to the wider workforce in 2023 of more than c.8%.

### Annual bonus outcome

The 2023 annual bonus paid out at 86.9% of maximum. 63.6% of this related to PBT, 20% related to free cash flow, and 3.3% related to ESG.

Measure	Weighting	Threshold	Target	Max	% maximum achieved	% bonus achieved
Profit before tax (adjusted)*	70%	£52.3m	£59.5m	£60.5m	90.9%	63.6%
Free cash flow	20%	£30.2m	£46.1m	£40.2m	100%	20.0%
% female representation in store leadership	5%	33%	33.9%	34.5%	65.3%	3.3%
% female representation in Support Centre management	5%	44%	43.5%	46%	0%	0%
<b>Total</b>	<b>100%</b>	<b>0%</b>	<b>50%</b>	<b>100%</b>	<b>86.9%</b>	<b>86.9%</b>

\* PBT outcome shown is an adjusted figure before the incremental impact of SaaS accounting, which was the basis for setting the targets at the beginning of the year (see note 32 of the financial statements).

The Committee considered the formulaic bonus outcome against the targets which were set at the beginning of the year. At the time that the targets, were set, the Committee was comfortable that they were appropriately stretching in the context of the Group's ambitions and taking into account the anticipated headwinds highlighted above in this letter. The Committee considers the bonus outcome to be fair and appropriate, therefore no discretion has been exercised in relation to the bonus payout. Further details can be found on page 120.

Colleagues below the Executive Directors eligible for annual bonus received a payment of 91.6% of maximum for 2023, in recognition of their contribution to Group performance.

### Transitional Award

As referenced in last year's Annual Report and Accounts, the second tranche of the Transitional Award for David Wood vested in April 2023 following achievement of the performance hurdles. These awards are subject to a two year holding period for executives. Further details can be found on page 121.

### 2023 LTIP award

LTIP grants were made during the year in line with the Remuneration Policy. The LTIP awarded to David Wood was 175% of base salary, and the award to Mark George was 150% of base salary. More details on the performance measures and targets are set out on page 122.

There were no LTIP awards due to vest during 2023.

### Changes to the Remuneration Committee

We were pleased to welcome Laura Harricks to the Remuneration Committee in 2023. Her experience and knowledge will prove valuable to the Committee.

## Our approach to remuneration in 2024

### Remuneration policy review

As noted above, the Committee took the opportunity to review the Remuneration Policy during 2023.

As part of the review, the Committee undertook an extensive Shareholder consultation exercise, with 20 major Shareholders representing c.54% of our issued share capital. In addition, the Committee consulted with the proxy voting agencies that our Shareholders subscribe to. The review considered the Policy in the context of UK governance standards, UK general market practice and that of our retail peers, the views of our Board and management, and the business strategy and culture.

The Committee concluded that the overall structure of the Policy remains appropriate for Wickes and continues to support the delivery of our strategy and the generation of Shareholder value.

However, after careful consideration, the Committee is proposing some changes to the CEO's remuneration package. The changes to the CEO's package and rationale for these changes, are set out below.

Other minor changes to the policy are also detailed below.

### Rationale for the proposed changes to the CEO's remuneration Performance in role

The Board and Committee have been impressed with the performance of the CEO since his appointment. Key strategic achievements include:

- The seamless delivery of the demerger from Travis Perkins despite difficult market conditions.
- Introducing a clear strategy for the business including growth of trade customers, updating stores and range reviews, all of which are being successfully executed.

- Delivering consistently high and improving levels of customer and employee satisfaction across the three year period since the demerger.
- Setting a clear environmental strategy with Science Based Targets, and delivering on a number of decarbonisation objectives ahead of plan.
- Delivering strong levels of profit despite the difficult backdrop (including energy price increases and material price inflation) whilst achieving record levels of revenue and market share growth.
- Making a compelling investment case for Wickes, to maximise engagement and build strong relationships with our Shareholder base.
- Setting a clear Capital Allocation Policy to deliver an efficient balance sheet and under which Wickes has been able to commence a share buyback programme.

#### Proven in role

On the demerger in 2021, David was a first time CEO of a listed entity. His remuneration at the time was set to reflect that this was a first time appointment with a clear understanding that he needed to prove himself in role. After three years, given his performance as outlined above, the Committee believes that it is now appropriate to regard him as a proven CEO and pay him the appropriate market rate for a valued and experienced CEO in a similar sized retail organisation.

#### Lack of market competitiveness of package

To establish the appropriate market rate for a high performing proven CEO, the Committee undertook a market benchmarking exercise during 2023 to test the competitiveness of the current package against a custom peer group of retailers selected based on market capitalisation, revenue, and colleague headcount. The exercise showed that the CEO's current compensation opportunity was

not sufficiently competitive compared to our peers. The proposed incentive increase (when taken together with the salary increase for 2024, as detailed below) will move the total remuneration for the CEO towards the median of the peer group. Given Wickes' relative size compared to the benchmarking peers, the Committee were comfortable that the proposed market positioning of the total package is appropriate. When reviewing the market data, the Committee were also mindful of the Group's growth in market capitalisation over the last 12 months, which at the time of writing positioned Wickes just outside of the FTSE 350.

#### Change to the CEO's remuneration

The Committee is proposing a moderate increase to the incentive opportunity for the CEO:

- Increase in the annual bonus maximum opportunity to 160% of base salary from 140%.
- Increase in the normal LTIP opportunity to 185% from 175% of salary (within the current defined Policy limit of 200%).

#### Base salary increase

In addition to the Policy changes outlined above, the Committee intends to increase the CEO's base salary over the next two years to reflect his performance in the role, and to bring it up to a level commensurate with an established CEO.

In 2024 it is proposed that the CEO base salary is increased to £580k, an increase of 9.9%. This is only slightly higher than the average increase awarded to the wider workforce of more than 7% but the Committee believes this is appropriate given the level of performance and the relative position of the CEO's package against the comprehensive benchmarking carried out.

The Committee intends to increase the CEO's salary further in 2025, dependent on the CEO's continued strong performance in the role.

By introducing the base salary increase in a phased manner over two years, this enables the Company to spread the absolute increase for the CEO over a more appropriate multi-year period. The level of increase in 2025 is yet to be determined.

#### Other remuneration policy changes

##### Minor amendments to bring the Remuneration Policy in line with market practice / UK governance standards.

- Strengthened the Committee's power, in exceptional circumstances, to exercise discretion upwards as well as downwards when determining incentive outcomes.
- Clearer wording around leaver provisions, specifically around 'bad leaver' circumstances and treatment of incentives.
- Strengthened malus and clawback provisions, in line with the new UK Corporate Governance Code.

The Committee agreed that the remuneration package for the CFO was set at a broadly appropriate level, having been recently appointed to the Group.

Details of the revised Remuneration Policy can be found on page 115.

#### ESG targets for the 2023 and 2024 LTIPs

As disclosed on page 48 we will rebase our near term Science Based Targets (SBTs) in 2024. As a result, we will restate the ESG targets for the 2023 LTIP and set the 2024 LTIP targets in accordance with the revised baseline. The Committee will ensure the revised 2023 targets are no less challenging than the original targets set. We expect this process will be completed within 6 months of the date of this report, and we will communicate the updated targets under both plans at the same time.

#### Implementation of remuneration policy in 2024

Mark George will receive a 4% salary increase in April 2024, which is below the average increase of more than 7% awarded to the wider workforce as part of the annual review.

#### 2024 annual bonus measures

The annual bonus for 2024 will continue to be based 70% on profit before tax (adjusted), 20% on free cash flow, and 10% on people measures that form part of our wider ESG strategy. Further details can be found on page 124.

The Committee will continue to set challenging but motivating targets which reflect our internal projections, the external market which is expected to remain challenging, and analyst consensus estimates. Our approach to target setting has been consistent over the last three years where the average payout against bonus was 57%.

#### 2024 LTIP measures

There are no changes proposed to the LTIP measures and weightings.

While there continues to be real uncertainty about the speed of recovery of consumer markets, the Committee will continue to set targets that it believes are stretching but achievable assuming some recovery in the retail market over the period of the award. Further details on the 2024 LTIP measures and targets can be found on page 124.

We continue to consider colleague pay structures when implementing our reward strategy for executives, and further details on colleague pay can be found on page 125.

The Committee remains focused on maintaining an open dialogue with Shareholders and welcomes any comments you may have on this report or our remuneration arrangements in general.

#### Mark Clare

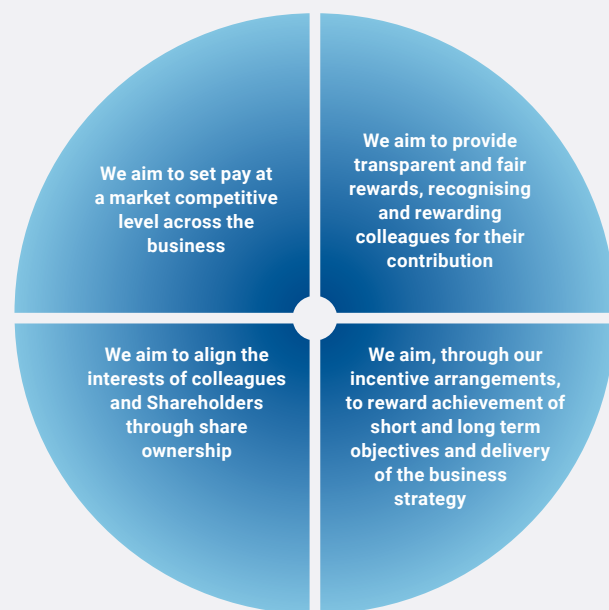
##### Chair of the Remuneration Committee

18 March 2024



# Our remuneration philosophy

**Our remuneration philosophy is aligned to Wickes' business strategy and informs pay decisions at and below Board:**



Whilst we recognise that, due to the nature of the role of our executives, their remuneration structure will have a higher performance-related element and greater alignment to long term measures when compared with colleagues, our reward principles apply across both populations to ensure alignment.

## Strategic alignment of executive incentive plan metrics with KPIs

Key performance indicator	Measure	Annual bonus scheme	Long term incentive
<b>Profit</b>	Profit before tax (adjusted)	●	
<b>Earnings growth</b>	Earnings per share (adjusted)		●
<b>Cash</b>	Free cash flow	●	
<b>Share price growth</b>	Total Shareholder Return (relative)		●
<b>ESG objectives</b>	People <sup>1</sup>	●	
	Environment <sup>2</sup>		●

<sup>1</sup> Based on our inclusion and diversity targets in relation to our gender mix in management roles, and in 2024 will also cover ethnicity

<sup>2</sup> Based on our approved Science Based Targets for carbon reduction

The table below sets out how our Remuneration Policy cascades throughout the organisation:

Pay element	Approach for Executive Directors	Approach for wider workforce
<b>Base salary</b>	Base salary is typically set with reference to the market, performance and wider workforce considerations.  Annual increases are typically in line with or less than those for the wider colleague population.	Base salary is typically set with reference to the market, individual performance and our internal pay structures.  Annual cost of living salary increases typically take place in April each year
<b>Benefits</b>	A wide range of market competitive benefits plus contractual car and private medical benefits.	A wide range of market competitive benefits are available to all colleagues, including a cycle to work scheme, health benefits, and enhanced maternity, paternity and adoption leave.
<b>Pension</b>	Pension comprises a contribution into the Wickes Retirement Savings Plan or a cash allowance in lieu of pension contributions (or a mix of both).	All colleagues are members of the Wickes Retirement Savings Plan unless they have opted out.
<b>Short term incentives</b>	Annual bonus scheme rewarding achievement of stretching annual performance targets linked to delivery of the business strategy. Deferral of one third of the bonus into Wickes Group shares.	All colleagues have the opportunity to participate in a variable pay plan normally linked to either Company or team performance.
<b>Long term incentives</b>	Long term incentive plan with performance measures over three years incentivising and rewarding long-term Shareholder value creation.	All colleagues may participate in the annual Sharesave (SAYE) plan over three years.

# Directors' Remuneration Policy

The existing Directors' Remuneration Policy is now three years old, having been agreed at the time of the demerger in 2021 (though formally approved by our shareholders in 2022). As such, during 2023 the Committee carried out a review of the Policy to make sure that it continues to reflect Wickes' business strategy and culture, and is aligned to UK governance standards. The review included conversations with key management and Board members, remuneration benchmarking, and a review of remuneration market practices and governance developments. The Chair of the Committee also wrote to the Company's largest Shareholders in respect of proposed changes and took Shareholders' feedback into account when finalising the new Policy (more details of which are set out in the Chair's Letter on page 112).

Further to the review, the Committee concluded that whilst the overall structure of the Policy remained fit for purpose, some changes were desirable, and a summary of the key changes is set out on pages 112-113. Shareholders are being asked to approve the new Policy, which is intended to apply for three years from the date of approval, at our 2024 AGM due to take place on 24 May 2024.

## BASE SALARY

Purpose and alignment to business strategy:	Opportunity:	Operation:	Performance measurement:
<ul style="list-style-type: none"> <li>To provide fixed remuneration that will attract and retain the executive talent required to develop and execute our strategy. Base salary levels will reflect the responsibilities of the role, the business and the individual incumbent's performance and expertise.</li> </ul>	<ul style="list-style-type: none"> <li>There is no maximum salary, or maximum salary increase level.</li> <li>Salary increases will generally be in line with or lower than the average increase awarded to the wider workforce. However, as with all employees, the Committee may make increases above this level in specific circumstances such as (but not limited to): where a larger increase is considered necessary to reflect changes in market practice; where the incumbent's salary has fallen significantly behind market levels; stepped or one-off increases to bring a recently appointed executive up to the desired level; an increase in the scope or responsibilities of the role; an increase to the size/complexity of the business.</li> <li>Base salary levels are reviewed in the context of the potential value of the total remuneration package.</li> </ul>	<ul style="list-style-type: none"> <li>Salary levels are generally reviewed annually with any increases typically taking effect from 1 April. Base salary levels are reviewed with reference to the skills, performance, and experience of the executive, pay data for other management and employee populations, and periodic review of the external market rate for similar roles in companies of a similar size and complexity (including sector peers and FTSE listed general industry peers).</li> </ul>	<ul style="list-style-type: none"> <li>Recent business and individual performance will be taken into consideration when reviewing base salary levels.</li> </ul>

## PENSION

Purpose and alignment to business strategy:	Opportunity:	Operation:	Performance measurement:
<ul style="list-style-type: none"> <li>To enable executives to save for their retirement and to enhance the market competitiveness of the total remuneration package.</li> </ul>	<ul style="list-style-type: none"> <li>The maximum pension provision will be in line with the maximum rate available to the wider workforce, currently up to 10% of base salary per annum.</li> </ul>	<ul style="list-style-type: none"> <li>Pension comprises a contribution into the Wickes Retirement Savings Plan or a cash allowance in lieu of pension contributions (or a mix of both).</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>

## BENEFITS

Purpose and alignment to business strategy:	Opportunity:	Operation:	Performance measurement:
<ul style="list-style-type: none"> <li>To enable the executives to perform their role by providing benefits that enhance their wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>There is no maximum benefits value. The value of benefits is equal to the cost to the Company of providing benefits and may change year on year based on the cost of the provider. However, the Company will endeavour to select the best value benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Benefits include family private medical, life assurance, income protection, and company car or allowance. Other benefits, including but not limited to relocation allowances may be provided as appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>There is no performance assessment when determining benefit values.</li> </ul>

## Directors' Remuneration Policy continued

ANNUAL BONUS			
Purpose and alignment to business strategy:	Opportunity:	Operation:	Performance measurement:
<ul style="list-style-type: none"> <li>- To reward achievement of stretching annual performance targets that are directly linked to delivery of the business strategy.</li> <li>- Deferral of one third of the bonus into Wickes Group shares aligns Executive Directors with Shareholder interests over the long term.</li> </ul>	<ul style="list-style-type: none"> <li>- The maximum opportunity for the Chief Executive Officer is 160% of salary and 120% of salary for other Executive Directors. For on target bonus performance 50% of the maximum bonus will be earned. For achievement of threshold performance 20% of the maximum will be earned. There is a straight-line payout between these points.</li> </ul>	<ul style="list-style-type: none"> <li>- A minimum of one third of the bonus earned is deferred into Wickes Group shares for a period of three years. The remainder of the bonus is delivered in cash.</li> <li>- The Committee may use its discretion to amend the bonus payout level upwards or downwards to override the formulaic outcomes in exceptional circumstances (see page 117).</li> <li>- Malus and clawback terms apply (see page 117)</li> </ul>	<ul style="list-style-type: none"> <li>- Performance measures, weightings and targets are set each year with reference to the business strategy. Measures may include financial and non financial goals, including personal objectives. The overall bonus will be weighted with at least 70% set on financial performance.</li> <li>- Details of measures and weightings will typically be disclosed in advance. Target ranges will be disclosed on a retrospective basis alongside actual performance.</li> </ul>
LONG-TERM INCENTIVES			
Purpose and alignment to business strategy:	Opportunity:	Operation:	Performance measurement:
<ul style="list-style-type: none"> <li>- To incentivise and reward long term stakeholder value creation.</li> <li>- Enables Executive Directors to build meaningful long term Wickes Group shareholdings, and further align the interests of the Executive Directors with Shareholders and other key stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>- The maximum annual LTIP opportunity is 200% of base salary.</li> <li>- The normal LTIP opportunity for the Chief Executive Officer is 185% of salary and for the Chief Financial Officer it is 150% of salary. 20% of the maximum award will be earned for achievement of threshold performance and 100% for maximum. There will be a straight-line payout between these points.</li> </ul>	<ul style="list-style-type: none"> <li>- Performance is assessed over a minimum of three years. The vested shares (net of tax and National Insurance) will be held for a further two years, during which time they may not ordinarily be sold.</li> <li>- The Committee may use its discretion to amend the LTIP vesting level upwards or downwards to override the formulaic outcomes in exceptional circumstances (see page 117)</li> <li>- Malus and clawback terms apply (see page 117).</li> </ul>	<ul style="list-style-type: none"> <li>- Performance measures, weightings and targets are set each year with reference to the business strategy.</li> <li>- Details of measures, weightings and targets will typically be disclosed in advance.</li> </ul>
EMPLOYMENT SHAREHOLDING GUIDELINES AND POST-CESSATION SHAREHOLDING GUIDELINES			
Purpose and alignment to business strategy:	Opportunity:	Operation:	Performance measurement:
<ul style="list-style-type: none"> <li>- To encourage Executive Directors to build meaningful shareholdings and to align Executive Director interests with those of Shareholders both during their service and for a period afterwards.</li> </ul>	<ul style="list-style-type: none"> <li>- During their employment, Executive Directors are expected to retain at least 50% of post tax shares acquired from Company share plans to accumulate a shareholding in Wickes Group shares of 200% of salary within five full years of this Policy being approved.</li> <li>- Post-cessation of employment, Executive Directors are required to hold the lower of 100% of their actual holding at cessation and 200% of salary for two years after leaving.</li> </ul>	<ul style="list-style-type: none"> <li>- Shares directly owned by the Executive Directors and their spouses or partners and shares that have vested and are not subject to further conditions count towards the guideline.</li> <li>- Shares held under the Deferred Annual Bonus Plan (DABP) and shares that have vested under the LTIP but are held within the two year holding period count towards the guideline on a net of tax basis.</li> <li>- We expect Executive Directors, upon the exercise of options, to retain net of tax shares that are subject to further holding requirements within the Company's nominee account.</li> </ul>	<ul style="list-style-type: none"> <li>- n/a</li> </ul>

## Notes to the Executive Directors' Remuneration Policy table

### Pre-existing remuneration arrangements

Remuneration entitlements that were in place prior to this Policy being adopted, or prior to an Executive Director joining the Board and being unrelated to Board duties, will be allowed to continue in line with the terms originally agreed, notwithstanding that they may not be in line with the terms of this Remuneration Policy.

Incentive awards granted prior to the introduction of this Policy will continue to operate in line with the terms agreed at grant, including the Transitional Awards granted in relation to the demerger.

### Minor changes

The Committee reserves the right to make minor changes to remuneration policy to reflect changes to statutory or accounting requirements, or minor changes to regulation, without obtaining prior Shareholder approval.

### Performance measurement

Performance measures are selected based on their importance and alignment to the business strategy.

The Committee is also mindful of selecting straightforward metrics that provide ongoing line of sight to participants.

Careful thought is given to selecting an appropriate balance of measures that motivate the right behaviours and encourage sustainable growth.

We seek to set realistic yet stretching performance targets and take into account a range of factors when setting targets, including our strategic goals, past performance, analyst forecasts, governance guidelines and market practice.

### Malus and clawback (applies to all awards made under the (DABP and LTIP))

The Committee may decide, at any time prior to the third anniversary of share awards vesting, that all or part of an award may be subject to malus and clawback if the Committee forms the view that any of the following occurred, leading to awards vesting to a greater extent than would otherwise have been the case:

- A material misstatement of financial results.
- A calculation in the assessment of any performance condition was based on inaccurate or misleading information.
- Serious misconduct by the award holder prior to awards vesting that could have warranted dismissal from employment.
- Corporate failure resulting in the appointment of a liquidator or administrator.
- Serious reputational damage to Wickes Group or a division of Wickes Group which as determined by the Committee is at least partly due to the actions of management.

To satisfy application of malus and clawback, the Committee may reduce (including to nil), any future bonus payments, existing and future share award grants. The Committee may require the relevant individual to pay to the Group such an amount as required for malus and clawback to be satisfied.

Any application of malus and clawback during the financial year will be disclosed in the Directors' Remuneration report for that year.

### Differences between the policy for Directors and colleagues

The remuneration provided to Group colleagues is guided by the same overall philosophy. Details are set out on page 114.

### All employee share plans

The Executive Directors are also eligible to participate in any all employee share plans operated by the Company on the same terms as other eligible employees.

### Share award terms (applies to all awards made under the DABP and LTIP)

Share awards vesting under any of Wickes Group's share incentive plans may include the right to receive dividends accrued between the grant date and the date of vesting, and this may assume dividends are reinvested.

Share awards may be granted in the form of nil cost options or conditional shares.

Performance conditions may be adjusted by the Committee if an event occurs which causes the Committee reasonably to consider that it would be appropriate to amend the performance condition and the amended conditions will not be materially less challenging to satisfy.

In the event of a variation of the share capital, demerger, special dividend or similar event which affects the market price of shares to a material extent, the Committee may adjust the number of shares comprised in an award.

The Committee may reduce award grant levels in the event of a material reduction in the share price in the period prior to the date of grant.

### Remuneration Committee discretion Bonus

The Committee in its absolute discretion will determine the bonus award outcomes, taking into account the achievement of performance conditions and the performance of the incumbent and Group. In exceptional circumstances, the Remuneration Committee may reduce or increase the level of bonus payout, up to the individual maximum level, to the extent that the overall performance of the Group over the relevant performance period is not considered to be reflective of incentive outcomes. Any use of discretion will be explained in the relevant Directors' Remuneration report.

### LTIP

The Committee shall determine the extent to which the performance conditions have been met. LTIP awards shall only vest to the extent that the Committee is satisfied with the overall performance of the Group over the performance period. Any use of discretion will be explained in the relevant Directors' Remuneration report.

## Directors' Remuneration Policy continued

### Remuneration on recruitment

The Committee will provide any new Executive Director with a total remuneration package that is market competitive. Remuneration elements and their operation will be aligned to the ongoing Remuneration Policy. The overall incentive plan maximum for new executives is 360% of salary for the CEO and 320% of base salary for other Directors (however, award levels may be set lower than this). This total comprises of the ongoing annual bonus maximum for each executive role, and awards of up to 200% of salary under the LTIP rules (currently 185% for the CEO and 150% for the CFO). The Committee is entitled to compensate new executives for forfeited incentive awards. The treatment of such awards will be determined on a case-by-case basis, however, the Committee will seek to make compensatory awards on a similar basis to those forfeited, taking into consideration; the form of award (e.g. cash or shares); the performance conditions; the timeframes; and the approximate value based on a best estimate of likely performance outcome. Where the existing LTIP plan cannot be used to satisfy such awards, the Committee may utilise Listing Rule 9.4.2 to make share awards.

### Director service contracts/ letters of appointment

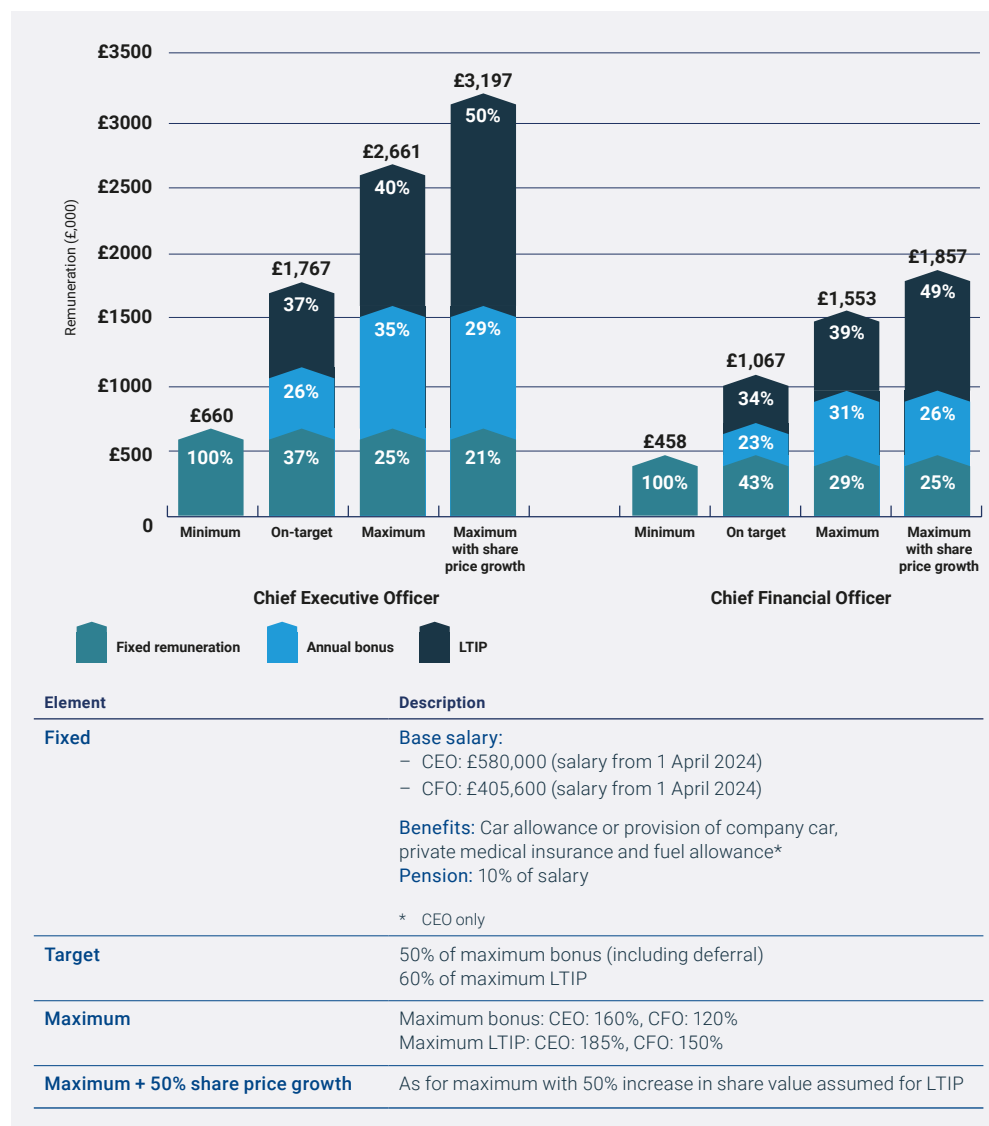
The service contracts for Executive Directors includes 12 months notice of cessation from the Company and 6 months from the Executive Director.

The policy for remuneration on cessation is set out elsewhere in this report. The Non-executive Directors have letters of appointment that include a three month notice period, from either Company or Director. Non-executive Directors are not eligible for any loss of office payments.

All Directors are subject to annual re-election by Shareholders. Service contracts and Letters of Appointment are available for inspection at the Companies' registered office.

### Illustration of application of remuneration policy

The following chart illustrates how much the Executive Directors could receive in 2024 under a range of different scenarios:





### Alignment of the Wickes Remuneration Policy to the UK Corporate Governance Code

Wickes remuneration philosophy and principles are set out on page 114. We will continue to review and evolve these principles with the growth of the business and advancement of our business strategy and culture.

The table below summarises how we have considered the UK Code provisions when developing and implementing our remuneration strategy:

<p><b>Clarity</b></p> <p>By creating simple incentives with relevant performance measures and clear communication our aim is to make our variable pay plans clear to participants and Shareholders.</p>	<p><b>Simplicity</b></p> <p>Our incentive plans and performance measures are market typical and easy to understand. Financial performance measures are used on a day-to-day basis to monitor performance and so provide clear line of sight to participants.</p>	<p><b>Risk</b></p> <p>Our incentives are based on realistic but stretching performance targets – colleagues are encouraged to act within the business’ risk appetite.</p>
<p><b>Predictability</b></p> <p>Our approach to target setting each year considers the same internal and external factors to avoid inconsistency. Fixed pay elements provide a predictable level of reward each year.</p>	<p><b>Proportionality</b></p> <p>Pay is set at an appropriate level relative to the market and this positioning is consistent throughout the organisation. Pay is weighted towards variable remuneration which is then aligned to performance.</p>	<p><b>Alignment to culture</b></p> <p>We have sought to design an incentive plan that aligns to our culture of simplicity, fairness and rewarding high performance.</p>

### Policy on payment for loss of office Contractual salary and benefits

- The Company is required to give executives 12 months’ notice of employment termination, 6 months for termination by the executive.
- Payments include base salary, benefits and pension.

### Good Leaver definition

- Good Leaver circumstances include death, ill-health, injury or disability, redundancy, retirement, the employing entity no longer being part of the Group and any other circumstances where the Committee determines ‘Good Leaver’ treatment should apply.

### Bad Leaver definition

- Any leaver scenario other than the ‘Good Leaver’ circumstances, including if an individual has been dismissed for cause or potentially following a malus and/or clawback trigger.

### Annual bonus

- Annual bonus is not a contractual entitlement.
- For ‘Good Leavers’, an annual bonus may be paid for the period served to cessation, the value is dependent on an assessment of performance and generally pro-rated for time. Bonus is generally paid at the normal time.
- For ‘Good Leavers’, any unvested deferred bonus shares would generally continue and vest at the normal time.
- For ‘Bad Leavers’, ordinarily awards will be forfeited unless the Committee exercises discretion.

### Long term incentives

- Treatment of long term incentive awards is subject to the rules of the plan as approved by Shareholders.
- For ‘Good Leavers’, unvested awards would generally be permitted to continue. Awards would vest subject to an assessment of performance and generally be pro-rated for time.
- For ‘Good Leavers’, unvested awards would generally vest at the normal time.
- For ‘Bad Leavers’, ordinarily awards will lapse unless the Committee exercises discretion.

### Post-cessation shareholding

Post-cessation shareholding requirements will continue to apply, as set out in the remuneration policy table. In exceptional circumstances, the Committee may waive or partially waive this requirement.

### Statement of consideration of Shareholder views

During 2023 we consulted with Shareholders (through face-to-face meetings and phone calls) in relation to the new Policy. We were pleased with the level of engagement from Shareholders and for the support shown for our proposed changes, which following consideration of Shareholder feedback, the Committee agreed remained appropriate.

### Statement of consideration of employee views

The Committee does not formally consult with employees specifically about Director remuneration. However, during the year, the Committee reviewed in-depth information concerning the broader colleague reward structure and pay levels/outturns, including relative market positioning and pay ratios. We also held a listening group where colleagues were given the opportunity to share their views on executive pay.

Further details in relation to colleague pay and reward can be found on page 125.

### Non-executive Director Remuneration Policy table

#### Chair of the Board and Non-executive Director fees and benefits

##### Purpose and alignment to business strategy

To pay market competitive fees to attract and retain non-executive talent.

##### Operation

Non-executive Directors are paid a basic fee for their Board membership. The Chairman of the Board is paid a separate fee.

Additional fees are paid to the Chair of each Board Committee and the Senior Independent Director.

The Directors may also be paid expenses incurred in connection with the discharge of their responsibilities as Directors of the Company for example, travel, hotel, and subsistence costs in relation to attendance of Board meetings.

Directors do not participate in any incentive or pension arrangements.

##### Opportunity

Fees are reviewed periodically. Any increases will be determined in the context of salary increases awarded to the wider workforce.

Fees are set within the maximum level approved by Shareholders in the Articles of Association.

### Non-executive Director letters of appointment

Non-executive Director letters of appointment contain a 3 month notice period, from either Company or Director. Non-executives are subject to annual re-election by Shareholders.

# Annual Report on Remuneration

## Single total figure of remuneration (audited)

The table below sets out the remuneration received by the Directors in respect of the year ended 30 December 2023.

Director	Salary/fees £,000		Benefits <sup>1</sup> £,000		Pension <sup>2</sup> £,000		Bonus <sup>3</sup> £,000		Long term incentives <sup>4</sup> £'000		Other (restated) <sup>5</sup> £'000		Total fixed remuneration £'000		Total variable remuneration (restated) £'000		Total remuneration (restated) £'000		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
<b>Executive Directors</b>																			
David Wood	523	504	21	13	52	50	642	33	0	257	0	0	596	567	642	290	1,238	857	
Mark George <sup>6</sup>	386	183	12	6	35	16	407	10	0	0	0	367	433	205	407	377	840	582	
<b>Non-executive Directors</b>																			
Christopher Rogers	195	188	0	0	0	0	0	0	0	0	0	0	195	188	0	0	195	188	
Mark Clare	77	74	0	0	0	0	0	0	0	0	0	0	77	74	0	0	77	74	
Sonita Alleyne	69	66	0	0	0	0	0	0	0	0	0	0	69	66	0	0	69	66	
Mike Iddon	69	66	0	0	0	0	0	0	0	0	0	0	69	66	0	0	69	66	
Laura Harricks <sup>7</sup>	34	-	0	-	0	-	0	-	0	-	0	-	34	-	0	-	34	-	
<b>Total</b>	<b>1,353</b>	<b>1,081</b>	<b>33</b>	<b>19</b>	<b>87</b>	<b>66</b>	<b>1,049</b>	<b>43</b>	<b>0</b>	<b>257</b>	<b>0</b>	<b>367</b>	<b>1,473</b>	<b>1,166</b>	<b>1,049</b>	<b>667</b>	<b>2,522</b>	<b>1,833</b>	

1 Includes the cost to the Company of private medical insurance and company car benefit. David Wood also receives a fuel allowance.

2 Pension contributions equal to 10% of base salary were paid as a combination of pension payments and cash in respect of 2023, in line with the maximum rate available to the wider workforce.

3 One third of bonus earned will be deferred into shares, in line with Policy.

4 Please note that the estimated figures disclosed in the previous Annual Report for David Wood's 2023 Transitional Award vesting have been restated to reflect the share price on the date of vesting.

The estimated share price used was £1.354 and the actual share price on vesting was £1.314. The difference in value was £7,049.05.

5 For Mark George the amounts included in 2022 have been restated from £183,973 (including a one-off cash buy out award upon joining of £183,973) to £367,337 to now also include the award of 148,114 shares measured at the share price at the date of award which was omitted from the table in 2022. This award was made to replace shares forgone when leaving his previous employer. Of the shares granted in 2022 101,216 shares vested in September 2023 when the share price was £1.375 and 46,898 shares will vest in March 2024.

6 For Mark George, base salary, benefit and pension figures for 2022 relate to the date he became a Director of Wickes Group Plc (6 July 2022).

7 Laura Harricks was appointed to the Board on 1 June 2023.

## Base salary

	Salary effective from 1 April 2023
David Wood	£527,670
Mark George	£390,000

## Benefits

For 2023, benefits for Executive Directors included the provision of private medical insurance, life assurance, income protection and a company car or car allowance.

## Pension

David Wood and Mark George received pension contributions equal to 10% of base salary, paid as a combination of pension payments and cash, which is in line with the maximum rate available to the wider workforce.

## Annual bonus

The table below sets out details of the bonus targets and outturns for 2023:

Measure	Weighting % of bonus	Threshold	On-target	Maximum	Actual	% achievement of bonus	Discretion or adjustment to targets?
Profit before tax (adjusted) <sup>1</sup>	70%	£52.3m	£55.0m	£60.5m	£59.5m	63.6%	N
Free cash flow <sup>2</sup>	20%	£30.2m	£33.5m	£40.2m	£46.1m	20%	N
ESG							
% female representation in store leadership	5%	33.0%	33.8%	34.5%	33.9%	3.3%	N
% female representation in Support Centre management	5%	44.0%	45.0%	46.0%	43.5%	0%	N
<b>Total outturn</b>	<b>100%</b>					<b>86.9%</b>	

1 Excludes adjusting costs such as demerger and IT separation costs. Represents an adjusted figure before the impact of SaaS accounting (see note 32 of the financial statements).

2 Cash generated from operations, before the impact of adjusting items, after capex, interest and tax.

Further details on performance against the ESG targets is below:

- % female representation in store leadership: We saw a positive increase of 21 females over 2023 from 471 (32.6%) to 492 (33.9%).
- % female representation in Support Centre management: We saw a positive increase of 11 females over 2023 from 154 (44.1%) to 165 (43.5%), however, the % increase in the number of males was higher.

#### Statement of Director shareholdings and share interests (audited)

A summary of the Directors' share interests is set out below.

Director	Shares owned		Awards over nil cost options – 2023				Shareholding requirement	Shareholding as % of salary	
	30 Dec 2023	31 Dec 2022	Exercised	Vested but not exercised	Unvested and subject to continued employment	Unvested and subject to performance			
<b>Executive Directors</b>									
David Wood	484,814	367,436	222,085	0	0	1,556,973	200%	107,327	146%
Mark George	58,130	0	110,025	0	46,898	886,926	200%	2,534	22%
<b>Non-executive Directors</b>									
Christopher Rogers	140,000	71,272	0	0	0	0	–	–	–
Mark Clare	42,797	42,797	0	0	0	0	–	–	–
Sonita Alleyne	0	0	0	0	0	0	–	–	–
Mike Iddon	0	0	0	0	0	0	–	–	–
Laura Harricks	0	–	0	0	0	0	–	–	–

Shareholdings include all shares beneficially owned by the Director and their partner and the post-tax value of any awards that have vested but have not been exercised. Unvested awards subject to performance or continued employment are not counted. The calculation is based on the closing share price at year end of £1.421. There have been no changes in the shareholding of Directors between 30 December 2023 and the date this report is signed.

The Executive Directors have five years to meet their shareholding guidelines, in line with Policy.

#### Long term incentives

The Transitional Awards were intended to address a long term incentive 'gap' whereby Wickes executives and management would not otherwise have had any LTIPs vesting until 2024 as no awards were made to the executives from Travis Perkins plc in 2019.

The second tranche vested in full for David Wood on 28 April 2023 following achievement of the performance conditions outlined in last year's Annual Report and Accounts.

#### Payments to past Directors and payments for loss of office (audited)

No payments were made during 2023 for loss of office or to past Directors.

## Annual Report on Remuneration continued

### Share awards made during the financial year (audited)

The below table summarises the terms for the long term incentives and DABP awarded to Directors during 2023.

Director	Type of award	Plan name	Date of grant	Number of shares/options	Award as % of salary	Face value	Performance period	Vesting date	Holding period
David Wood	Nil cost option	LTIP	31/03/23	682,802	175%	£923,421	1/1/23–31/12/25	31/03/26	2 years
David Wood	Nil cost option	DABP	31/03/23	8,158	2.09%	£11,032	n/a	31/03/26	n/a
Mark George	Nil cost option	LTIP	31/03/23	432,564	150%	£584,999	1/1/23–31/12/25	31/03/26	2 years
Mark George	Nil cost option	DABP	31/03/23	2,534	0.88%	£3,426	n/a	31/03/26	n/a

The number of shares under award for David Wood and Mark George's awards was calculated using a share price of £1.352, being the average of the closing market prices of the Company's shares on the five dealing days immediately preceding the grant date. The Company's share plan rules are available from the Company Secretary on request.

### 2023 LTIP

LTIP grants were made during the year in line with the Remuneration Policy. The LTIP awarded to the CEO was 175% of base salary, and the award to the CFO was 150% of base salary.

### Performance conditions attached to long term incentive awards granted during 2023

Measure	Weighting	Threshold	Maximum	Vesting at threshold	Vesting at maximum
Adjusted basic EPS in FY2025	60%	16.3p	22.1p	20%	100%
Relative TSR vs constituents of the FTSE 250 (excluding investment trusts)	30%	Median	Upper quartile	20%	100%
ESG (Science Based Targets)	10%	See below			

Note – Vesting is on a straight-line basis between threshold and maximum.

The ESG target was based on Wickes' approved near term Science Based Targets covering Operations, Suppliers and Products, as detailed in last year's Annual Report and Accounts.

- Target 1 (Operations) – Reduction in absolute Scope 1 and 2 emissions by 25% by 2025.
- Target 2 (Suppliers) – 30% of Wickes' suppliers by emissions will have science-based targets by 2025.
- Target 3 (Products) – Reduce Scope 3 GHG emissions from the use of sold products by 16% by 2025.

Measure	Weighting	Threshold	Maximum	Vesting at threshold	Vesting at maximum
Operations	3.33%	22.5%	27.5%	20%	100%
Suppliers	3.33%	27.0%	33.0%	20%	100%
Products	3.33%	14.4%	17.6%	20%	100%

Please note that we will rebaseline our near term Science Based Targets (SBTs) in 2024 (see page 48) and will restate the ESG targets for the 2023 LTIP to align with the rebaselined SBTs. We expect this process will be completed within 6 months of the date of this report and we will announce our restated SBTs and publish these on our website. We will communicate the restated ESG targets for the 2023 LTIP at the same time.

Adjusted basic EPS has been selected because this is a key performance indicator of the business and is reported externally. It is also a relevant Shareholder measure of Group profitability. Relative Total Shareholder Return (TSR) has been selected because it aligns executives to our investors' experience and helps to reward outperformance of the market and long term value creation.

### CFO remuneration arrangements

As detailed in last year's Annual Report and Accounts, upon joining Wickes the Remuneration Committee agreed to buy out some of the Gym Group incentive awards forfeited by Mark George. In September 2022, Mark George was awarded a total of 148,114 Wickes shares to replace his foregone 2020 and 2021 Gym Group LTIPs. A total of 110,025 shares (including dividend equivalents) vested on 9 September 2023.

### TSR performance graph and history of CEO pay

The graph below shows the Group's performance from the date of listing to the financial year end, measured by TSR, compared with the FTSE 250 (exc. investment trusts). The Remuneration Committee has chosen the FTSE 250 (exc. investment trusts) as the comparative index as it is also the peer group used for the TSR performance condition in the 2023 LTIP. The table details the total remuneration for the Chief Executive over this period.

### Wickes Total Shareholder Return vs FTSE 250 (exc. investment trusts)



Director	Year	Total single figure of remuneration (£,000)	% of annual bonus paid out	% of LTIP vested*
David Wood	2023	1,238	86.9%	n/a
David Wood	2022	857	4.66%	100%
David Wood	2021	1,357	79.0%	100%

\* There was no LTIP award due for performance testing in 2023.

### External appointments

External appointments must be approved by the Board in advance and Executive Directors are restricted to one Non-executive Directorship or other significant appointment. They are entitled to retain any fees paid for these services. During the year, David Wood served as Non-executive Chairman, 'Green Sheep Group Ltd'<sup>1</sup> and Director, 'Dremt Consulting Ltd'. David Wood was paid a fee of £60,307 by 'Green Sheep Group Ltd'. Mark George served as Director, 'HMNG Ltd', Director, 'The Prentice and Seabright Cups Ltd' and Director, 'Fallows Green Ltd'. No fees applied to any of these appointments for Mark George.

<sup>1</sup> Fees earned from Green Sheep Group Ltd are paid to Dremt Consulting Ltd.

### Dilution limits

Where shares for use in connection with the Company's share plans are newly issued, the Company complies with Investment Association dilution guidelines on their issue. These provide that overall dilution under all plans should not exceed 10% of the Company's issued share capital over a ten-year period, with a further limitation of 5% in any ten-year period for executive plans.



## Annual Report on Remuneration continued

### Summary of remuneration implementation for 2024

The table below summarises the implementation of the Remuneration Policy for 2024. The rationale for the changes to the Policy and CEO's remuneration package are set out in the letter on pages 112-113.

Element	Implementation details												
<b>Base salary</b>	<ul style="list-style-type: none"> <li>– Base salary for the CEO will be increased by 9.9% to £580,000 from 1 April 2024 (subject to approval).</li> <li>– Base salary for the CFO will be increased by 4% to £405,600 from 1 April 2024.</li> </ul>												
<b>Annual bonus</b>	<ul style="list-style-type: none"> <li>– The annual bonus will operate in line with the framework set out in the Policy table. The maximum opportunity will be 160% of salary for the CEO (subject to approval of, and in line with, our new Policy) and 120% of salary for the CFO.</li> <li>– The performance focus areas and weightings will remain broadly the same as for 2023:</li> <li>– 70% will be based on profit before tax (adjusted).</li> <li>– 20% will be based on free cash flow.</li> <li>– 10% will be based on ESG people targets focused on the gender and ethnicity representation of our management population.</li> <li>– Due to commercial sensitivity, the performance targets will be disclosed retrospectively.</li> </ul>												
<b>LTIP</b>	<ul style="list-style-type: none"> <li>– The LTIP will continue to operate in line with the framework set out in the policy table. The maximum opportunity will be 185% of salary for the CEO (subject to approval of, and in line with, our new Policy) and 150% of salary for the CFO.</li> <li>– The performance metrics and weightings will remain the same as for 2023: 60% earnings per share (adjusted), 30% relative TSR, 10% ESG.</li> <li>– We will rebaseline our near term Science Based Targets (SBTs) in 2024 (see page 48). The Remuneration Committee will delay setting the ESG targets for the 2024 LTIP in order to reflect the rebaselined SBTs. We expect this process will be completed within 6 months of the date of this report and we will announce our restated SBTs and publish these on our website. We will communicate the ESG targets for the 2024 LTIP at the same time.</li> <li>– The performance targets for the 2024 LTIP awards are as follows:</li> </ul> <table border="1"> <thead> <tr> <th>Measure and weighting</th> <th>Threshold (20% vesting)</th> <th>Maximum (100% vesting)</th> </tr> </thead> <tbody> <tr> <td>EPS growth (60%)</td> <td>21.0p</td> <td>28.4p</td> </tr> <tr> <td>Relative TSR (30%)</td> <td>Median ranking</td> <td>Upper quartile ranking</td> </tr> <tr> <td>ESG targets (10%)</td> <td>To be confirmed</td> <td>To be confirmed</td> </tr> </tbody> </table>	Measure and weighting	Threshold (20% vesting)	Maximum (100% vesting)	EPS growth (60%)	21.0p	28.4p	Relative TSR (30%)	Median ranking	Upper quartile ranking	ESG targets (10%)	To be confirmed	To be confirmed
Measure and weighting	Threshold (20% vesting)	Maximum (100% vesting)											
EPS growth (60%)	21.0p	28.4p											
Relative TSR (30%)	Median ranking	Upper quartile ranking											
ESG targets (10%)	To be confirmed	To be confirmed											
<b>Pension and benefits</b>	– There are no changes to the benefits provision for Executive Directors and pension will continue to be 10% of base salary in line with the maximum rate available to the wider workforce.												

### Implementation of Non-executive Director Policy in 2024

Non-executive Director fees will be increased by 4% from 1 April 2024, which is below the average increase for the wider workforce. Fees as at 1 April 2024 are set out below:

Role	Fee level per annum
Basic Non-executive Director	£60,976
Board Chair	£205,099
Senior Independent Director	£8,315
Chair of a Committee	£11,087

In line with our Policy, reimbursement of reasonable expenses in relation to Non-executive duties may be paid.

## Director remuneration in the context of colleague pay

### Remuneration approach for the wider Group

The approach to remuneration for our colleagues is aligned with the principles that apply to our Policy for the Executive Directors. Pay and benefits reflect the nature and contribution of the role and take into account levels of pay in comparable roles in the market. Our reward framework is regularly reviewed to ensure colleague pay is fair and appropriate.

During 2023 we recognised the ongoing impact of the higher cost of living on our lower paid colleagues. Basic pay was increased by more than c.8% on average for the wider workforce, and we invested over £3.5m in bringing forward the annual salary review for this population from April 2023 to January 2023. In 2024, we have increased average wider workforce pay by more than 7%. With fairness in mind, we awarded a lower increase of 4% to our management and head office populations.

All colleagues are eligible for a performance bonus, to support our strategy and to encourage and reward collaboration. Within our stores in 2023 we paid £2.7m to colleagues under our monthly gainshare plan, which allows colleagues to earn a share of store profit achieved above target.

The central annual bonus plan for Support Centre and management colleagues is based on achievement against Company profit and sales targets. The plan paid out at 91.6% of maximum bonus to colleagues for 2023, rewarding their contribution to business performance.

During the year we further enhanced our comprehensive wider wellbeing support. In May we introduced 'Digicare', a market leading suite of wellbeing services for all colleagues which includes digital GP, home health test kits, and mental health support all free of charge.



We continue to work closely with our colleague led cost of living working group to develop meaningful support for colleagues. In 2023 we introduced 'Advance', to give colleagues more flexibility as to when they can access their pay, and over 660 of our colleagues used this service since introduction in August 2023 to year end. Having listened to colleague feedback, we extended and improved the store food provision 'Brunch Box', with over 78k food items ordered during 2023.

### Reward and ESG

We continuously review our wider reward offering to ensure it supports our wider ESG priorities as a business. We recently introduced a 'Green Car' scheme, which gives colleagues access to electric or hybrid vehicles with significant savings via salary exchange. For company car drivers, we have introduced a new policy; from 2025, all new corporate cars ordered will be electric.

### Our Winning Behaviours

Personal responsibility lies at the centre of our culture and our business is powered by highly engaged individuals and teams who embody our winning behaviours.

See more on our Winning Behaviours on page 89.



### Gender and ethnicity pay gap

We continue to focus on gender equality at all levels of the business, and in 2023 the ESG element of the executive bonus plan included specific targets relating to female representation across our management population.

In February 2024, we published our third gender pay gap report as an independent business. We reported that our median gender pay gap has improved from 2.6% to below 0.1%, and our mean gender pay gap has also reduced to 6.5%.

We also reported our ethnicity pay gap for the first time. We are pleased with our negligible median and mean ethnicity pay gaps of -0.7% and 0.04% respectively, which we believe reflects our focus to date on equal treatment in this area.

**0.1%**

**Our gender pay gap (median)**

**-0.7%**

**Our ethnicity pay gap (median)**

### Engagement with Shareholders

In our engagements with Shareholders since listing, we have had a number of discussions on key topics relating to the wider workforce, including the link between ESG and remuneration, fair pay and colleague wellbeing. We will continue to take Shareholder feedback on board when developing our approach to these important topics.

### Engagement with colleagues (UK Code requirement)

When considering remuneration arrangements for Executive Directors, the Committee takes into account, as a matter of course, the pay and conditions of colleagues at all levels throughout the Company, to ensure appropriate alignment. The Committee receives regular updates regarding any major changes to colleague remuneration during the year and also reviews information on internal measures, including details of our gender pay gap and the ratio of Chief Executive Officer remuneration to that of our colleagues, and considers how these compare externally.

The Board continues to place great importance on listening to the views of our colleagues on a range of issues including pay and benefits, and Sonita Alleyne, our designated Non-executive Director representing colleague views, takes the lead on ensuring these are heard by the Board (see page 129 for further details). To facilitate more in depth and open discussion with colleagues on a broad range of current issues, we held a colleague listening group in September 2023, with Sonita in attendance. One of the focus areas of this session was sharing our approach to executive pay, including how this aligns with wider Company pay policy, and colleagues were given the opportunity to share their views on this topic.

## Annual Report on Remuneration continued

### CEO to employee pay ratio

The table below sets out the ratio of CEO total remuneration to the 25th, 50th and 75th percentile colleagues. Approach B has been used in order to identify the relevant colleagues to calculate the ratio. This was chosen as it utilises data already collected for gender pay gap calculation from April 2023, providing consistency. The Committee is comfortable this approach provides a realistic assessment of the differential between CEO and colleague pay.

Year	Method	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2023	Approach B	53:1	52:1	44:1
2022	Approach B	45:1	43:1	31:1
2021	Approach B	97:1	90:1	71:1

The CEO total remuneration has been taken from the single figure table and reflects 2023 remuneration earned over the full financial year. Colleague remuneration has been calculated on the same basis. Where relevant, each colleagues' pay and benefits were calculated on a full-time equivalent basis, and no further adjustments were made. The values for total remuneration for the 25th, median and 75th percentiles consist of salary, bonuses and employer contribution to pension. To ensure these three colleagues were a suitable representative of their quartile, the total pay figures calculated were compared against a sample of colleagues either side of the three identified colleagues.

There has been an increase in the CEO pay ratio in 2023 compared with 2022, which is mainly reflective of the lower executive annual bonus outcome in 2022 compared with 2023.

The Remuneration Committee considers pay ratios as one of a number of reference points when reviewing executive remuneration and considers that the median pay ratio for 2023 is consistent with the pay and progression policies for the Company.

	P25	P50	P75
Base salary	£22,161	£22,254	£24,871
Total remuneration	£23,377	£23,964	£28,217

### Relative importance of spend on pay

The table below illustrates the total spend on colleague remuneration in 2023 compared with other financial dispersals.

	2023 £m	2022 £m	%
Total colleague cost <sup>1</sup>	234.3	220.5	6.3%
Total distributions to Shareholders <sup>2</sup>	37.2	31.2	20.2%
Total income taxes paid <sup>3</sup>	0.3	4.3	(93.0)%
Total capital expenditure <sup>4</sup>	38.2	40.4	(5.4)%

- Includes social security, pensions and share-based payments (see note 8 of the financial statements)
- (See page 12 of the Annual Report)
- (See the cash flow statement on page 143)
- (See the cash flow statement on page 143)

### Percentage change in Directors' and colleague remuneration

The table below summarises the change in each Director's base salary/fee, benefits and bonus received for 2023 compared with the prior year.

Director	% change in remuneration between 2022 and 2023			% change in remuneration between 2021 and 2022		
	Salary/fee	Taxable benefits	Bonus <sup>2</sup>	Salary/fee	Taxable benefits	Bonus
<b>Executive Directors</b>						
David Wood <sup>1</sup>	3.63%	61.52%	1839.35%	3.80%	(2.02%)	(93.95%)
Mark George <sup>3</sup>	111.02%	105.15%	3854.61%	n/a	n/a	n/a
<b>Non-executive Directors</b>						
Christopher Rogers	3.63%	n/a	n/a	2.03%	n/a	n/a
Mark Clare	3.63%	n/a	n/a	1.70%	n/a	n/a
Sonita Alleyne	3.63%	n/a	n/a	2.49%	n/a	n/a
Mike Iddon	3.63%	n/a	n/a	2.49%	n/a	n/a
Laura Harricks <sup>4</sup>	n/a	n/a	n/a	n/a	n/a	n/a
<b>All employees<sup>5</sup></b>	<b>17.33%</b>	<b>n/a</b>	<b>91.18%</b>	<b>3.52%</b>	<b>n/a</b>	<b>(12.09%)</b>

- The large percentage change in benefits provision relates to the valuation of David Wood's company car, having previously been in receipt of cash allowance.
- The large percentage change in bonus provision for the Executive Directors is due to the 2022 bonus paying out at c. 5% of maximum vs c.87% of maximum for 2023. Actual value increases on an absolute basis are more moderate and within the scope of our remuneration policy.
- For Mark George, base salary, benefit and pension figures for 2022 relate to the date he became a Director of Wickes Group Plc (6 July 2022).
- Laura Harricks was appointed to the Board on 1 June 2023.
- The salary, benefit and bonus figures for colleagues are based on the median earning colleagues identified for the CEO pay ratio calculation, for consistency. Actual annual increases were aligned at c.8% for colleagues and 4% for Executive Directors as part of the 2023 annual pay review, however due to the timing of the increases in 2023 the % change figures are different in this table.

## Remuneration Committee

### Remuneration Committee

The Committee is responsible for determining the Remuneration Policy for the Chair of the Board, Executive Directors and other designated senior management. In doing so, the Committee is required to consider all factors which it deems necessary, including:

- relevant legal and regulatory requirements;
- alignment to Company purpose and values;
- the link to the successful delivery of the Company's long term strategy and long term Shareholder interests;
- workforce remuneration and related policies and the alignment of incentives and rewards with culture; and
- feedback from the engagement process with colleagues.

The Committee comprises all the independent Non-executive Directors and the Chair of the Board (who was considered independent on appointment). Prior to appointment, the Chair of the Committee had served on a Remuneration Committee for at least 12 months in line with the Code. Biographical details on the Chair of the Committee and members of the Committee can be found on page 87.

The Committee operates in line with its Terms of Reference, which are available on the Company's website at [www.wickesplc.co.uk](http://www.wickesplc.co.uk)

### Committee activities

The table below sets out the meetings and key activities undertaken in the year:

	Feb 23	March 23	Sept 23	Nov 23
Approved Remuneration Committee Terms of Reference	●			
Discussed 2023 bonus and LTIP targets	●			
Approved 2023 annual salary review	●			
Reviewed progress against shareholding requirements		●		
Approved 2022 annual bonus outcome		●		
Approved 2023 bonus and LTIP targets		●		
Approved Chair of Board fee review		●		
Approved Directors' Remuneration report		●		
Reviewed trends in remuneration and governance			●	
Reviewed Group wide remuneration and cost of living support			●	
Reviewed progress against bonus targets for the financial year ended 30 December 2023			●	
Discussed Remuneration Policy Review			●	●
Discussed approach for 2023 annual salary review				●
Reviewed CEO and Chair of the Board expense claims				●
Discussed the gender and ethnicity pay gap reporting outcome for 2023				●
Noted the colleague SAYE plan outcome for 2023				●
Reviewed Committee forward agenda and meeting schedule				●

### Advice to the Committee

Members of the executive leadership team may attend meetings at the invitation of the Committee, but are not present when their own remuneration is being discussed. The Committee is supported by the Chief People Officer, Head of Reward, Chief Financial Officer and General Counsel and Company Secretary.

The Committee received external advice during 2023 from Willis Towers Watson, who are members of the Remuneration Consultants Group and operate under the executive remuneration consulting Code of Conduct. The Committee is satisfied that no conflict of interest arose in the provision of these services.

The total fees paid to Willis Towers Watson in respect of services to the Committee during the year were £101,365.

### Shareholder voting

The voting outcome from the 2023 AGM showed strong support for our 2022 Directors' Remuneration report. The following table sets out the votes cast at the 2023 AGM in respect of the 2022 Directors' Remuneration report.

Resolution	Votes for (and % of votes cast)	Votes against (and % of votes cast)	Proportion of shares voted	Shares on which votes were withheld
<b>Directors' Remuneration report (2023 AGM)</b>	<b>167,952,389</b>	<b>957,863</b>	<b>65.06%</b>	<b>17,416</b>
	99.43%	0.57%		
<b>Directors' Remuneration Policy (2022 AGM)</b>	<b>161,449,811</b>	<b>3,683,296</b>	<b>63.60%</b>	<b>14,929</b>
	97.77%	2.23%		

We remain committed to engaging proactively with Shareholders and advisory bodies on remuneration matters.

The Directors' Remuneration report has been approved by the Board of Directors and is signed on its behalf by:

### Mark Clare

Chair of the Remuneration Committee

18 March 2024

# Directors' report

The Directors present their report, together with the audited financial accounts for the 52 weeks ended 30 December 2023. This report sets out information required to be disclosed in the Directors' report in accordance with the Companies Act 2006 (the 'Act'), the Financial Conduct Authority's Listing Rules ('Listing Rules'), the Disclosure Guidance and Transparency Rules (DTRs) and the Code.

## Principal activity and areas of operation

The principal activity of the Group is the operation of retail home improvement stores across the UK.

## Articles of Association

The Company's Articles of Association ('Articles') may only be amended by special resolution at a general meeting of the Shareholders. The Articles are available on the Company's website [www.wickesplc.co.uk](http://www.wickesplc.co.uk)

## Directors

Details of the Directors at the date of this report are set out on pages 86-87, together with their biographical information including all significant appointments. Laura Harricks was appointed as a Non-executive Director of the Company with effect from 1 June 2023. All other Directors held office throughout the year.

The appointment and removal of Directors is governed by the Articles, the Act, the Code and related legislation. In accordance with the Code and to promote good governance, all Directors shall retire and those wishing to serve again will put themselves forward for election or re-election at the AGM.

## Powers of Directors

The powers and responsibilities of the Directors are governed by the Act, the Articles and any direction given by Shareholders by special resolution, and subject to these conditions the Board may exercise all of the powers of the Company.

## Directors' interests

The Company has robust procedures to identify, authorise and manage actual and potential conflicts of interest. If any potential conflicts arise they are reviewed and, if appropriate, approved by the Board. At no time during the year did any Director have a material interest in any contract of significance to the Group's business.

Information relating to the Directors' interests in, and options over, ordinary shares in the capital of the Company are shown in the Directors' Remuneration report on pages 121.

## Directors' indemnities

In accordance with the Company's Articles and s.234(2) of the Act, a qualifying third party indemnity is in force to the extent permitted by law for the benefit of each of the Directors in respect of liabilities incurred as a result of their office. For those liabilities for which Directors may not be indemnified, the Company has maintained Directors' and Officers' Liability Insurance throughout the financial year.

## Share capital and voting rights

The Articles contain provisions governing the ownership and transfer of shares and voting rights. As at 30 December 2023, the Company had an allotted and fully paid issued share capital of 252,125,375 ordinary shares of 10 pence each, with an aggregate nominal value of £25,212,537.

The ordinary shares of the Company are listed on the London Stock Exchange and each share carries the right to one vote at general meetings of the Company. No Shareholder holds securities having special rights with regard to control of the Company. There are no restrictions on voting rights or the transfer of securities in the Company. The Company is not aware of any agreements between holders of securities that result in such restrictions. Details of the Company's share capital are set out on page 160.

## Employee Benefit Trust

As at 30 December 2023, The Wickes Employee Benefit Trust held 5,045,663 ordinary shares (2% of the issued share capital) and the Wickes Share Incentive Plan (SIP) Trust held 872,435 ordinary shares (0.35% of the issued share capital) in the Company for use in connection with the Company's share plans.

Shares held by the trusts rank *pari passu* with the shares in issue and have no special rights. Voting rights and rights of acceptance of any offer relating to the shares held in these trusts rests with the trustees, who may take account of any recommendation from the Company. It is the Company's policy not to give voting instructions to the trustees.

The trustees of the SIP Trust may vote in respect of shares held in the SIP Trust, but only as instructed by participants in the SIP in respect of their Free Shares and Dividend Shares. The trustees will not otherwise vote in respect of shares held in the SIP Trust.

## Authorities

Allotment of shares: At the AGM on 23 May 2023, the Directors of the Company were authorised to allot new shares in the Company or grant rights to subscribe for, or to convert any security of the Company in, shares up to a maximum number of shares representing not more than one third of the share capital of the Company. The Directors were also given the authority to allot relevant securities in connection with an offer by way of a rights issue up to a further one third of the issued share capital of the Company. No shares were allotted under either authority during the financial year.

Purchase of shares: The Company was further authorised at the same AGM to purchase its own shares in the market up to a maximum of approximately 10% of the Company's issued share capital.

The Company commenced a share buy programme on 31 July 2023 under the authority granted at the 2023 AGM, allowing it to purchase its own shares in the market up to a maximum of approximately 10% of the Company's issued share capital. During the 2023 financial year, 7,512,623 shares with a nominal value of 10 pence per share representing 2.9% of the issued share capital were purchased and immediately cancelled. The aggregate amount paid for the shares was £10.1m. The reason for the purchase of shares was to reduce the Company's share capital.

The Company is seeking to renew these authorities at the forthcoming AGM, within the limits set out in the notice of that meeting and within the limits specified by the Pre-Emption Group.

## Political Donations Policy

The Group's policy is not to make donations to political parties and no such payments have been made to either political groups or individual candidates, nor did it incur any political expenditure during the year.

The Company is seeking to renew the authority to make political donations at the forthcoming AGM, within the limits set out in the notice of that meeting. This is on a precautionary basis to avoid any unintentional breach of the relevant provisions of the Act.



### Significant agreements

The Company's revolving credit facilities require the Company, in the event of a change of control, to notify the Facility Agent of such occurrence. Following a change of control, a lender will not be obliged to fund a utilisation request and may notify the Facility Agent that they wish to cancel their commitment, resulting in their share in all outstanding loans, together with accrued interest, becoming due and payable.

The Company does not have agreements with any Director or officer that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the Company's share plans may cause options and awards granted under such plans to vest on a takeover.

### Dividends

The profit for the financial year ended 30 December 2023 after taxation amounts to £29.8 from continuing operations. The Directors have paid or declared dividends as follows:

Ordinary shares	£m
Paid interim dividend of 3.6 pence per share <sup>1</sup>	9.1
Proposed final dividend of 7.3 pence per share <sup>2</sup>	18.0
Total dividend of 10.9 pence per share in respect of financial year ended 30 December 2023 <sup>2</sup>	27.1

1 Excludes £0.3m dividends waived.

2 Subject to Shareholder approval at the 2024 AGM, the final ordinary dividend in respect of the 2023 financial year will be paid on Wednesday 6 June 2024 to all Shareholders on the Register of Members at the close of business on Friday 26 April 2024.

Further information on dividends can be found in note 26 to the accounts on page 162.

### Dividend waivers

The Wickes Employee Benefit Trust (EBT) and the Wickes SIP Trust hold shares in the Company in connection with the operation of the Company's share plans. An evergreen dividend waiver is in place on the shares held by the EBT and for shares held by the SIP Trust that have not been allocated to employees.

### Substantial Shareholders

Information provided to the Company pursuant to the Disclosure Guidance and Transparency Rules (DTR) is published via a Regulatory Information Service and on the Company's website. As at 30 December 2023, the following substantial interests (3% or more) in the Company's issued share capital had been notified in accordance with DTR 5. These figures represent the number of shares and percentages held as at the date of notification to the Company. No further such notifications have been received since year end to the date of this report.

Ordinary shares	Number of shares	% of voting rights	Date of notification
Jupiter Fund Management Plc	12,801,742	4.93	17 September 2021
Pzena Investment Management, Inc	12,885,980	4.96	22 June 2021

### Colleague engagement

We know that our high levels of colleague engagement and unique culture are what make our colleagues feel at home at Wickes. We communicate with colleagues regularly through a variety of channels tailored to each area of the business to ensure they are informed about the business direction, including Company performance, and that they are listened to and inspired to play their part in delivering our strategy and purpose.

We engage with our colleagues formally and informally, using weekly newsletters, regular 'team 5s' (informal team briefings), 'The Scoop' intranet communications, Google communities, and regular Company wide updates via email, video and monthly business briefings. We also host an annual managers' meeting which brings together store managers and leadership teams to communicate strategy and priorities for the coming year and to equip them to brief their own teams on the same messaging.

We use varied communication channels to engage colleagues in the Company's share schemes, giving them the opportunity to share in the future success of the business and a personal connection to Company performance. More information on colleague reward and engagement can be found in the Directors' Remuneration report on page 125 and the Responsible Business section on pages 36-41.

Colleagues have an opportunity to give regular feedback through our colleague engagement surveys, topical mini surveys, listening roadshows with our Executive team and quarterly Colleague Voice sessions. In September, we held a virtual Colleague Voice session which was represented by colleagues from across the business, and the Plc Board was represented by our designated Non-executive Director for employee voice, Sonita Alleyne. The matters raised were fed back and discussed by the Board in December 2023.

The Company's culture and values are critical to sustaining an engaged workforce, but we know things can sometimes go wrong. Grievance and disciplinary policies have been designed to ensure all colleagues are treated fairly in line with our values and in a professional and sensitive manner. Colleagues know where to go for support and guidance is available to help them every step of the way.

Policies are designed to engage and retain talent in the business and set out the behaviours expected, what colleagues are entitled to, where they can go for help and how we will treat all colleagues fairly and consistently.

### Employment of disabled persons

All employment policies and processes are designed to ensure that anyone with a disability is treated equitably. We regularly review our facilities and working practices to ensure we cater for people with special requirements or disabilities. Applications for employment by disabled persons are given full and fair consideration having regard to their particular aptitudes and abilities. Line managers are given support and coaching to help understand mental or physical health and wellbeing conditions so they can make suitable adjustments to ensure their colleagues can perform at their best and feel at home at Wickes, including any colleagues who may have become disabled during employment.

We do not tolerate any kind of disability discrimination. We focus on ability and not disability, ensuring that all colleagues are able to flourish. The Wickes Ability network is made up of colleagues across the business who are committed to making a difference and help the business create an environment where everyone can be themselves. The Ability network champions each colleague's own ability to ensure they reach their full potential, promotes education about disabilities and highlights opportunities where the business can continue to improve accessibility to colleagues and customers.

### Events occurring after the reporting period Corporate transaction

On 18 March 2024, the Group agreed to acquire 51% of the issued share capital of Gas Fast Limited, operator of leading solar installations company Solar Fast. The business comprises a core solar panels installation business, in addition to a smaller business installing gas boilers. The acquisition will enable Wickes to expand its offering into the fast growing market for home energy solutions, initially with solar and gas boilers and, in time, air source heat pumps and other services. The acquisition is subject to FCA approval.

The initial 51% controlling interest will be for initial consideration of £5.1m (net of cash acquired), with a further contingent payment, based on an earnings based valuation multiple, delivered in calendar year 2024. The contingent payment is capped at £13.2m.

The Group has an option to buy the remaining 49% issued share capital for a period of 5 years following completion. The purchase price is based on a pre-agreed earnings based valuation multiple at that time.

### Revolving credit facility

After the year end the Group completed an 'Amend and Extend' of its Rolling Credit Facility, lengthening the term by a further two years to March 2028, with an option for an additional one year extension. Total commitments on the facility remain £80m, as well as retaining the £20m accordion.

Further details can be found in note 31 to the financial statements on page 167.

### Statement of disclosure to auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that the Director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with s.418(2) of the Act.

### Branches

The Company does not have any branches outside of the UK.

### Research and development

The Company does not undertake any research or development activities.

### Additional disclosures

Other information that is relevant to this Directors' report and which can be incorporated by reference can be located as follows:

Applicable disclosures required pursuant to Listing Rule 9.8.4R	Page
Long term incentive schemes LR9.8.4(4)	122
Dividend waivers LR9.8.4(12)(13)	129
Sections (1)(2)(5)(6)(7)(8)(9)(10)(11)(14) are not applicable.	
Disclosures incorporated by reference into this Directors' report	Page
Business review	8-11
Future likely developments	4-83
Financial review and KPIs	28-33
Directors' interests in shares	121
Corporate Governance statement	84-127
Going concern and viability statements	82-83
Principal risks and uncertainties	75-81
Financial instruments and financial risk management	166-167
Colleague engagement	27,36-39
Stakeholder engagement including customer and suppliers	68-71,90
Streamlined Energy and Carbon Reporting (SECR) disclosures	48

### Cautionary statement regarding forward looking information

Where this Annual Report contains forward looking statements, these are based on current expectations and assumptions, and speak only as of the date they are made. These statements should be treated with caution due to the inherent risks, uncertainties and assumptions underlying any such forward looking information.

The Group cautions investors that a number of factors, including matters referred to in this document, could cause actual results to differ materially from those expressed or implied in any forward looking statement. Such factors include, but are not limited to, those discussed under principal risks and uncertainties on pages 75-81.

Forward looking statements can be identified by the use of relevant terminology including the words: 'may', 'will', 'seek', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe' or other words of similar meaning and include all matters that are not historical facts. They appear in a number of places throughout this Annual Report and Accounts and include statements regarding the intentions, beliefs or current expectations of our officers, Directors and employees concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the business.

Neither the Group, nor any of its officers, Directors or employees, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Annual Report and Accounts will actually occur.

Undue reliance should not be placed on these forward looking statements. Other than in accordance with our legal and regulatory obligations, the Group undertakes no obligation to publicly update or revise any forward looking statement, whether as a result of new information, future events or otherwise.

### Disclosures in the Strategic Report

The Company has chosen, in accordance with s.414C(11) of the Act, and as noted in this Directors' report, to include certain matters in its Strategic report that would otherwise be required to be disclosed in the Directors' report. The Strategic report can be found on pages 4-83 and includes an indication of future likely developments in the Company, details of important events and the Company's business model and strategy.

The Directors' report, which comprises pages 84-110 and pages 128-130, has been approved by a duly authorised Committee of the Board of Directors on 18 March 2024 and is signed on their behalf by:

**Helen O'Keefe**  
General Counsel and Company Secretary  
18 March 2024

# Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements

Under company law, the Directors are responsible for preparing the Annual Report and Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law. The Directors have elected to prepare the parent company financial statements in accordance with UK accounting standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the Group's profit or loss for that period. In preparing each of the Group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;

- for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing the Strategic report, Directors' report, Section 172 statement, Directors' Remuneration report and Corporate Governance statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule ("DTR") 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

## Responsibility Statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Statement of Directors' Responsibilities has been approved by the Board of Directors and is signed on their behalf by:

**David Wood**  
Chief Executive Officer  
18 March 2024

**Mark George**  
Chief Financial Officer  
18 March 2024