

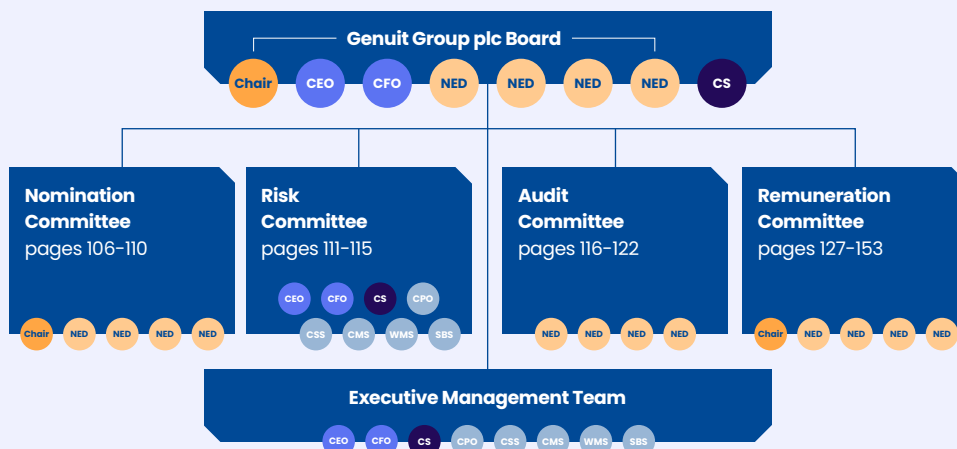
Governance

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Governance at a glance

Our Board

The Board has seven Directors, comprising the Chair, two Executive Directors and four independent Non-Executive Directors, and is supported by the Company Secretary.



The Board

The Board provides the leadership of the Company and represents the shareholders, overseeing and enabling the Company's prosperity and long-term success. Part of its responsibilities include setting strategy, culture, control and management.

- **Independent Non-Executive Chair**
Kevin Boyd
- **Executive Directors**
Joe Vorih and Tim Pullen
- **Independent Non-Executive Directors (NEDs)**
Louise Brooke-Smith, Shatish Dasani, Bronagh Kennedy and Lisa Scenna
- **Company Secretary**
Emma Versluys

The Executive Management Team (EMT)

The EMT is responsible for implementing Company policies, strategies and decisions made by the Board, managing daily operations and steering the Company towards achieving its goals.

- **Chief Executive Officer**
Joe Vorih
- **Chief Financial Officer**
Tim Pullen
- **Group Legal Counsel and Company Secretary**
Emma Versluys
- **Chief Strategy and Sustainability Officer**
Martin Gisbourne
- **Chief People Officer**
Edel Conway
- **Managing Director, CMS Business Unit**
Lee Mellor
- **Managing Director, WMS (interim) & SBS Business Units**
Steve Currier

Highlights

Board meeting attendance	Employee engagement sessions	Board independence	Ethnicity	Average age
100%	8	71%	1 of 7 members	57.5

Meeting attendance

Name	Position	Board*	Audit Committee	Nomination Committee	Remuneration Committee	Risk Committee
Kevin Boyd	Chair	7/7	–	2/2	5/5	–
Joe Vorih	Chief Executive Officer	7/7	–	2/2	–	4/4
Tim Pullen	Chief Financial Officer	7/7	–	–	–	4/4
Lisa Scenna	Senior Independent Director	7/7	4/4	2/2	5/5	–
Louise Brooke-Smith	Non-Executive Director	7/7	4/4	2/2	5/5	–
Shatish Dasani	Non-Executive Director	7/7	4/4	2/2	5/5	–
Bronagh Kennedy	Non-Executive Director	7/7	4/4	2/2	5/5	–

* In addition to the above formally scheduled meetings, four ad hoc meetings were also conducted outside of the annual cycle to cover specific matters.

Workforce engagement and culture

The Board continued to engage directly with the wider workforce, both formally and informally, in order to enhance its ability to review and monitor culture and behaviours to ensure that they remain aligned with the Group's strategy.



UK Corporate Governance Code 2024

A key area of focus during 2024 for the Board, and specifically for the Audit Committee, was the preparations for the changes within the UK Corporate Governance Code 2024, as well as the Company's readiness for changes that will become effective for the 2025 and 2026 financial years. This included, in particular, detailed work to prepare for the new requirements within Provision 29 around risk management and internal controls. Read more about some of the activities during the year in our Audit Committee Report on page 120.

Chair's introduction to Governance

Kevin Boyd
Chair



On behalf of the Board,
I am pleased to present
the Governance Report
for the year ended
31 December 2024."

This Governance Report, as well as the reports of the Audit, Nomination, Remuneration and Risk Committees, gives further insight into the Board's activities during the year, which will allow all stakeholders to determine the Company's compliance with the UK Corporate Governance Code 2018 (the Code). This Report, as well as the Directors' Remuneration Report, sets out in greater detail how the principles and provisions of the Code have been applied during the year and how the Board and its Committees have fulfilled their responsibilities to ensure that high levels of governance are in place across the Group. Engaging with our stakeholders is key to our governance structures performing effectively, and consequently, the successful implementation of our strategy. Further detail on how we have done this during 2024 can be found on pages 9 to 85.

Good governance is not simply an area of compliance but is integral to an efficient, effective and prospering Company. Structured and transparent governance systems hold executives to account for their decisions on behalf of the Company, enable effective leadership and lead to sustainable business practices promoting long-term success for shareholders. The Company has a clear and ambitious strategy to fulfil its purpose of creating sustainable living through the execution of its Sustainable Solutions for Growth strategy. Utilising our extensive portfolio of brands and businesses, combined with meaningful stakeholder engagement, we are working hard to deliver on our growth ambitions and to create financial returns in a sustainable way. The Board played a key role in ensuring that the Company was able to continue to operate within the changing macroeconomic environment seen during the year, supporting and challenging management. This Board oversight was key to providing reassurance to shareholders and other material stakeholders as to the resilience of the Group.

During December 2024, I reached out to our top 10 shareholders to offer them the opportunity to meet to discuss any issues or concerns they might have. I met with four during early 2025 and, overall, the feedback on the Group's strategy, performance and management team was positive.

Preparing for the UK Corporate Governance Code 2024

An area of focus during 2024 for the Board, and specifically the Audit Committee, was the preparations for the changes within the UK Corporate Governance Code 2024, and the Company's readiness for changes that will become effective for the 2025 and 2026 financial years. These will ensure any recommendations can be addressed in a timely manner to ensure full compliance ahead of the new Code coming into force. The changes within the 2024 Corporate Governance Code reflect a broader trend towards accountability, sustainability and long-term value creation, and details on some of the steps we have taken during the year are outlined in the Audit Committee Report on page 120.

The Board will continue to ensure that all applicable laws and regulations are complied with, and we remain confident that the Group continues to operate in a controlled and well-managed way.

Board composition, skills and diversity

The composition, skills and diversity of the Board are regularly monitored. The Board continues to support diversity in the widest sense and acknowledges the advantages that come from having diverse viewpoints across the Group's businesses and in the decision-making processes at Board and senior management level. We conducted a deeper review of the Board's composition and skills to understand in greater detail any potential skills gaps, further detail of which is included on page 102 of this Report. We believe that our Board is well balanced and diverse, with the right mix of skills, experience, independence and knowledge to allow it to discharge its duties and responsibilities effectively. We are proud of the changes we continue to make to create a more diverse and inclusive environment, and are particularly proud of some of our activities during the year. As at the reporting date of 31 December 2024, we are compliant with the Listing Rule requirements on diversity. Further detail on our diversity initiatives and compliance is included in our Nomination Committee Report on page 108.

Our people and culture

One of the most valued and enjoyable aspects for our Board is the opportunity to meet and spend time with colleagues from across the Group. These interactions inform our direct understanding of the sentiment of our workforce and their views on the Group's operations, risks, successes and challenges. Our purpose of 'Together, we create sustainable living' showcases our desire for a collaborative and problem-solving mindset, providing solutions to the challenges faced by our customers in improving the built environment.

Our Trademark Behaviours have established a shared culture that creates an environment for employees to excel and be at their best. It enables employees from different businesses across the Group to collaborate and share knowledge to drive growth and deliver on our strategy. During the year, I spent time with our Water Management Solutions and Climate Management Solutions senior management teams, as well as taking part in a monthly Executive Management Team meeting. In addition, as part of the Board's annual strategy session, various employees from within the Genuit Leadership Team gave presentations on the progress of ongoing strategic workstreams and also met with the Board informally after the session. This was a welcome opportunity for the Board to spend time with colleagues and hear more about the valuable work they have been doing to help achieve our strategic goals, and further information on this is detailed later in this Report on page 101.

Effective management is necessary to enable the delivery of long-term success for all stakeholders, and these interactions at both a senior management and general workforce level assist the Board in assessing and monitoring the Group's culture, beyond the scores and feedback from employee engagement surveys and the Non-Executive Director employee engagement sessions. We remain of the view that decision-making by those people who are closest to their respective customers, understand their markets in detail and are experts in their fields is key to continuing to respond to our customers' needs. As a result, the Board understands the importance of promoting a culture whereby our colleagues understand the common Group purpose and strategy, but also feel empowered to act. The Board continues to prioritise setting the culture from the top, aligning our purpose, behaviours and strategy with the culture of the Group, and believes that our desired culture continues to be embedded across the Group and is demonstrated consistently at all levels.

Looking at 2025 and beyond

During 2025, we will continue to work on providing solutions that address the challenges caused by climate change, focusing on our sustainability framework and its growth drivers, trends and opportunities, in accordance with our defined purpose. Our employees are critical to the success of the Genuit Group, and I am proud of their continued dedication and resilience as they navigate challenging market conditions, proving that it is their contribution, loyalty and commitment that has underpinned our performance over the past few years.

As always, we welcome questions or comments from shareholders, either via our website or in person at the Annual General Meeting (AGM) scheduled to be held at Genuit Group's offices in Leeds on 19 May 2025.

Kevin Boyd
Independent Non-Executive Chair

11 March 2025



Our employees' contribution, loyalty and commitment has underpinned our performance over the past few years."

Section 172 responsibilities

In accordance with the 2018 UK Corporate Governance Code and the Companies Act 2006, the Board, in its decision-making process, considers what is most likely to promote the success of the Company for its shareholders in the long term, as well as considering the interests of the Group's employees and other stakeholders and understanding the importance of taking into account their views. The Board also considers, and takes seriously, the Group's impact on the local communities within which it operates, as well as reviewing actions being taken to mitigate any negative impact our operations have on the environment. Considering this, the Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole. The Board's activities and considerations in meeting this requirement are covered in detail in our section 172 Statement.

Read more on pages 70 to 73

Directors and Officers

Board of Directors



Kevin Boyd
Independent Non-Executive Chair

Committees: **N** **R**

Appointed: 22 September 2020 (Board), 1 November 2022 (Chair)

Contribution to the Board: Kevin has extensive listed plc experience in the engineering and manufacturing sectors, bringing a strong combination of financial, strategic and multi-organisational expertise to the Board. Kevin has a BEng from Queen's University Belfast and is a Chartered Engineer, and a Chartered Accountant (Fellow of the ICAEW and the Institution of Engineering and Technology). Kevin is Chair of the Nomination Committee.

Experience: Previously the Chief Financial Officer of global engineering group Spirax-Sarco Engineering plc (now Spirax Group plc) and prior to that Chief Financial Officer of Oxford Instruments plc and Radstone Technology plc, and until October 2023 was Senior Independent Director and Chair of the Audit Committee of Emis Group plc.

External appointments: Non-Executive Director and Chair of the Audit Committee of Bodycote plc and the Senior Independent Director and Audit Committee Chair of Galliford Try Holdings plc.



Joe Vorih
Chief Executive Officer

Committees: **RI**

Appointed: 28 February 2022

Contribution to the Board: Joe brings broad international engineering expertise in the automotive, aerospace and industrial sectors to the Board. He also has experience in integrating businesses and managing businesses through transition and lean transformation in both public and private equity environments. He has a Bachelor of Science and a Master of Science in Mechanical Engineering from the Massachusetts Institute of Technology.

Experience: Previously at Spectris plc, a FTSE 250 company, where he was president of HBK, a standalone division and key platform business within the Group, from January 2019, having joined Spectris in 2016. Prior to that, he worked for Clarcor Corporation, a NYSE-listed business and Danaher Corporation, also a US-listed global business.

External appointments: Non-Executive Director of Senior plc, and Director of Rocky Neck Partners, LLC.



Tim Pullen
Chief Financial Officer

Committees: **RI**

Appointed: 1 November 2023

Contribution to the Board: Tim brings significant expertise in finance, strategic vision and risk management, as well as bringing to the Board a broad range of public market experience through his roles at a variety of fast-paced and dynamic businesses. He is a Chartered Accountant (ICAEW) and is Chair of the Risk Committee.

Experience: Prior to being appointed as CFO, Tim joined Genuit as Interim Chief Financial Officer on 4 September 2023. Previously, he served as the CFO of IQE plc, an AIM-listed manufacturer of advanced semiconductor materials from 2019 to 2023, and as CFO of Arm Limited from 2017 to 2019. He held senior finance positions in O2/Telefonica UK, Serco plc and Logica plc prior to that.

External appointments: None.



Lisa Scenna
Senior Independent Director

Committees: **R** **N** **A**

Appointed: 24 September 2019 (Board), 7 March 2023 (Senior Independent Director)

Contribution to the Board: Lisa brings a wealth of experience to the Board, with a background in strategic and financial business change in property management, asset management and funds management across both listed and private entities. She has a Bachelor of Commerce from the University of NSW, and is a member of the Australian Institute of Company Directors and the Institute of Chartered Accountants in Australia. Lisa is Chair of the Remuneration Committee.

Experience: Lisa's most recent executive role was with the Morgan Sindall Group as Managing Director of MS Investments. Prior to this, she held executive roles with Laing O'Rourke, Stockland Group and Westfield Group in Australia.

External appointments: Non-Executive Director of Harworth Group plc and Gore Street Energy Storage Fund plc, and Non-Executive Director and Chair of the Audit, Risk & Compliance Committee for Dexis Capital Funds Management Limited. Non-Executive Director and Remuneration and People ESG Committee Chair for Ingenia Communities Group, and Non-Executive Director of Cromwell Property Group, both Australian listed companies.



Shatish Dasani
Non-Executive Director

Committees: **A** **N** **R**

Appointed: 1 March 2023

Contribution to the Board: Shatish is an experienced former FTSE Chief Financial Officer, with a career in financial roles spanning over 30 years. He is currently Audit Committee Chair of three UK publicly listed companies. His historic and current experience within the construction industry, manufacturing, and engineering sectors, as well as experience in the financial sector, provides invaluable knowledge, experience and skills to the Board. Shatish is Chair of the Audit Committee.

Experience: Previously Chief Financial Officer of TT Electronics plc, a global manufacturer of electronic components, and Forterra plc, a manufacturer of building products for the UK construction industry. He was also previously Non-Executive Director of Camelot Group plc and Network Rail.

External appointments: Senior Independent Director and Chair of the Audit & Risk Committee of Renew Holdings plc, and Non-Executive Director and Audit & Risk Committee Chair of SIG plc and Speedy Hire plc. He is also a Trustee and Board Chair at UNICEF UK, the children's charity.



Louise Brooke-Smith
Non-Executive Director

Committees: **N** **A** **R**

Appointed: 24 September 2019

Contribution to the Board: Louise brings extensive expertise in the property, construction and infrastructure industries, being an experienced property and planning adviser. She holds a Bachelor of Science from Sheffield Hallam University and honorary doctorates from Wolverhampton, Sheffield Hallam and Birmingham City Universities. Louise is our nominated workforce engagement NED.

Experience: Past Global President of the Royal Institution of Chartered Surveyors and member of the Royal Town Planning Institute, and formerly a partner at Arcadis LLP. She is a Freeman of the City of London and was awarded an OBE in 2019 for services to the built environment and diversity.

External appointments: Strategic Planning and Development Adviser and Director for Consilio Strategic Consultancy Limited, a Board Trustee of The Land Trust and a Board Member of L&Q Group, and DEI Chair and adviser to the Royal Institution of Chartered Surveyors.

Committees key:

 Chair of Committee

 Audit Committee

 Remuneration Committee

 Nomination Committee

 Risk Committee

Executive Management Team Members



Bronagh Kennedy
Non-Executive Director

Committees:   

Appointed: 3 July 2023

Contribution to the Board:

Bronagh has a broad range of corporate experience, having previously been a Group General Counsel and Company Secretary. Her knowledge and experience across sectors and within corporate governance, HR, legal and sustainability roles complement the skills, diversity and composition of the Board, providing further insight into regulatory and sustainability frameworks.

Experience: Group General Counsel and Company Secretary of Severn Trent plc from 2011 to 2022 and responsible for compliance and regulatory assurance and the group's corporate sustainability programme. Experience across several sectors, including finance, leisure and hospitality, and was HR Director of Mitchells & Butlers plc. Bronagh was also previously a Non-Executive Director of Wolseley (Ferguson plc carve-out prior to its disposal).

External appointments:

Non-Executive Director and Chair of the Remuneration Committee of Treatt plc.



Emma Versluys
Group Legal Counsel and
Company Secretary

Committees: 

Appointed: 28 June 2017

Experience:

Emma Versluys is our Group Legal Counsel and Company Secretary and is Secretary to the Board and three of its Committees. Before joining Genuit, Emma was Deputy Company Secretary at Provident Financial plc, and has also held company secretarial roles at Serco plc and Alliance UniChem plc. Emma has a BA in French and Spanish from the University of Southampton, and is an Associate of The Chartered Governance Institute and is also a solicitor. Emma is a member of the Executive Management Team and the Risk Committee.



Edel Conway
Chief People
Officer

Committees: 

Joined: January 2025

Experience:

Edel joined the Group in January 2025 as Chief People Officer and is a member of our Executive Management Team and the Risk Committee. She brings 25 years of experience from across the Consumer Goods and Entertainment sectors. Edel has performed senior business and HR leadership roles for Mattel, Activision and Mondelez and, in her last role, was Chief HR Officer at C&C Group. Edel has extensive experience in business transformation, change management and M&A activity, gained in international organisations. She has specialised in many facets of HR during her career, including HR Operations, Learning & Development, Talent & Organisation Effectiveness and HR Business Partnering. Edel has a degree in Strategic Human Resources from the National College of Ireland and is a qualified Executive Coach.



Martin Gisbourne
Chief Strategy and
Sustainability Officer

Committees: 

Joined: September 2019

Experience:

Martin is our Chief Strategy and Sustainability Officer and is a member of the Executive Management Team and the Risk Committee. Martin joined the Group in September 2019 as Group Strategy and Marketing Director. With a functional background in a variety of commercial and marketing roles with brands such as Bosch and Geberit, Martin has over 20 years' experience of leading businesses in the construction products sector, most recently as part of the Belgian Aliaxis group, where he was responsible for businesses in the UK, Middle East, South Africa and the Nordic markets. He has a BSc in Financial Management from Loughborough University.



Lee Mellor
Business Unit Managing
Director, CMS

Committees: 

Joined: December 2024

Experience:

Lee joined the Group in December 2024 as Managing Director of the Climate Management Solutions Business Unit and is a member of the Executive Management Team and the Risk Committee. Lee's early career was formed with many years of pan-European general management positions across the business-to-business sector for consumer products and e-commerce for Interface Modular Flooring, Keter and Newell Brands. Lee spent 16 years in President/Vice President roles, with an early functional career in Sales and Marketing. Prior to joining the Group, Lee was Vice President (Europe) for SC Johnson's Professional division and also served as chair of the board for Business in the Community Midlands and spent time in sustainability commercialisation. Lee has an eMBA from HEC Paris.



Steve Currier
Business Unit Managing
Director, WMS (interim) & SBS

Committees: 

Joined: November 2022

Experience:

Steve is Managing Director of the Sustainable Building Solutions Business Unit and is also currently fulfilling the role of MD of the Water Management Solutions Business Unit. Steve is a member of the Executive Management Team and the Risk Committee. Steve joined the Group in November 2022 in the SBS MD role. Prior to this he spent 15 years with Eaton Corporation plc, where he held a variety of commercial and general management roles, most recently, Vice President and General Manager for the Life Safety Division, leading businesses in France, Germany, the UK and the US. The early part of his career was spent in the automotive industry working for GKN plc and Arvin Meritor, covering roles in a variety of disciplines including operations, quality control and engineering. Steve has a BEng in Mechanical Engineering from Portsmouth University.

Corporate governance statement

Kevin Boyd
Independent Non-Executive Chair



This Governance statement outlines the processes the Company has followed throughout the year to comply with the UK Corporate Governance Code 2018 (the Code) and demonstrates compliance with each provision.

Maintaining the highest standards of governance is integral to achieving our long-term strategic goals and sustaining legal and ethical integrity across the Group, and the Board is committed to ensuring that these standards are continually met.

The Board is kept informed of changing regulations and recommendations and welcomes the UK Corporate Governance Code 2024, which continues to uphold the flexibility of 'comply or explain' reporting and seeks to deliver improvements that promote trust, transparency and accountability. The Corporate Governance Code 2024 will apply for the Group from FY 2025, and from FY 2026 for Provision 29, and during the year, the Board began preparations to ensure full compliance with these changes, as outlined in this Governance Report and the Audit Committee Report on pages 116 to 122. The Board will continue to review its current governance structures and implement any required changes in advance of the relevant reporting dates, to ensure that it maintains full compliance with its principles and provisions.

The Board believes that good corporate governance is key to the successful execution of strategy, and this foundation provides confidence to stakeholders in the reliability and future performance of the Company. It is essential for the long-term sustainable success of the Company as it reaches across all areas of the business to ensure sustainable business practices, accountability, fairness and transparency. The Board believes that the Code sets the minimum standards, and endeavours to go beyond this minimum to embed the Code Principles into daily operations and continually improve and develop its governance processes.



Good corporate governance is key to providing confidence to stakeholders in the reliability and future performance of the Company."

Compliance statement

In accordance with the Listing Rules of the Financial Conduct Authority, the Board confirms that throughout the year ended 31 December 2024, and as at the date of this Report, the Company has complied with the principles of the Code. This Corporate Governance Report (the Report), which is also available on the Company's website, explains key features of the Company's governance structure and aims to provide a greater understanding of how the principles of the Code have been applied and the areas of focus during the year. The Code can be found on the FRC's website at www.frc.org.uk.

The Report also includes those items required by the FCA's Disclosure Guidance and Transparency Rules. The Board has ultimate responsibility for the approval of the Annual Report and Accounts. It has considered the content of the Annual Report and Accounts and confirms that, taken as a whole, it is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy. Further detail on the process that was followed to make this assessment can be found on pages 105 and 119.

Governance highlights of 2024

Section 1

Board leadership and company purpose

- Continued focus on creating a sustainable built environment in the pursuit of our purpose, 'Together, we create sustainable living' through the acquisitions of Sky Garden and Omnie & Timoleon
- Further embedding of our Trademark Behaviours across the Group, including within personal development reviews, and the completion of our employee engagement survey
- Launching a new Genuit Group Pension Scheme to consolidate and create consistencies

[Read more – pages 94 to 99](#)

Section 2

Division of responsibilities

- Clear delineation of responsibilities between the Board and management
- Direct engagement by the Chair through visits to our Leeds Head Office outside of the Board cycle, to understand the effectiveness of executive leadership through observation of an Executive Management Team meeting
- Updates from key members of the Genuit Leadership Team to the Board on strategic workstreams, to enable independent challenge by Non-Executive Directors

[Read more – pages 100 to 101](#)

Section 3

Composition, succession and evaluation

- Continued focus on diversity and the implementation of maternity and paternity policies
- Update the Board Skills Matrix to effectively identify skills gaps and support plans for future succession and Board changes
- Internal Board Evaluation conducted across the Board and its Committees, to understand progress made since 2023 and improvements for 2025

[Read more – pages 102 to 105](#)

Section 4

Audit, risk and internal controls

- Improvements to governance structures for Internal Controls in preparation for Provision 29, with the recruitment of a new Group Head of Internal Controls
- Effective reviews of the principal risks and uncertainties and a refresh of our approach to establishing and complying with risk appetite across these principal risks
- Continued to enhance co-sourced internal audit service provision, to embed Internal Audit within the control of our Group Internal Audit Director

[Read more – pages 111 to 121](#)

Section 5

Remuneration

- Application of our updated Remuneration Policy during 2024
- Engagement with employees through the Genuit Group pension initiative. Further additional media shared, outlining the purpose of the Remuneration Committee in the Group's governance framework
- Updated sustainability targets within Long-Term Incentive Plans, to align further with our future plans in the execution of our Sustainable Solutions for Growth strategy

[Read more – pages 128 to 153](#)



Steering to sustainable success

Section 1

Board leadership and company purpose

The primary role of the Board is to lead and steer the Group in such a way that it ensures long-term sustainable success, in accordance with its strategic goals and purpose, setting its culture and expected behaviours from the top.

The Board

The Board establishes Company strategy and financial policy in accordance with its purpose, and ensures that a sound system of internal control and adequate risk management is maintained. It is accountable to the Company's shareholders, balancing their interests with those of all material stakeholders.

The Board delegates the responsibility for implementing the Group's business model and for the day-to-day operational management of the Group to the Chief Executive Officer (CEO), supported by the other Executive Management Team (EMT) members, being the Chief Financial Officer (CFO), the Chief Strategy and Sustainability Officer, the Chief People Officer, the Group Legal Counsel and Company Secretary and the Business Unit Managing Directors. The EMT supported by the Genuit Leadership Team. The Board has direct access to the Company Secretary, who is responsible to the Board for ensuring that Board procedures are complied with and that the Board has full and timely access to relevant information.

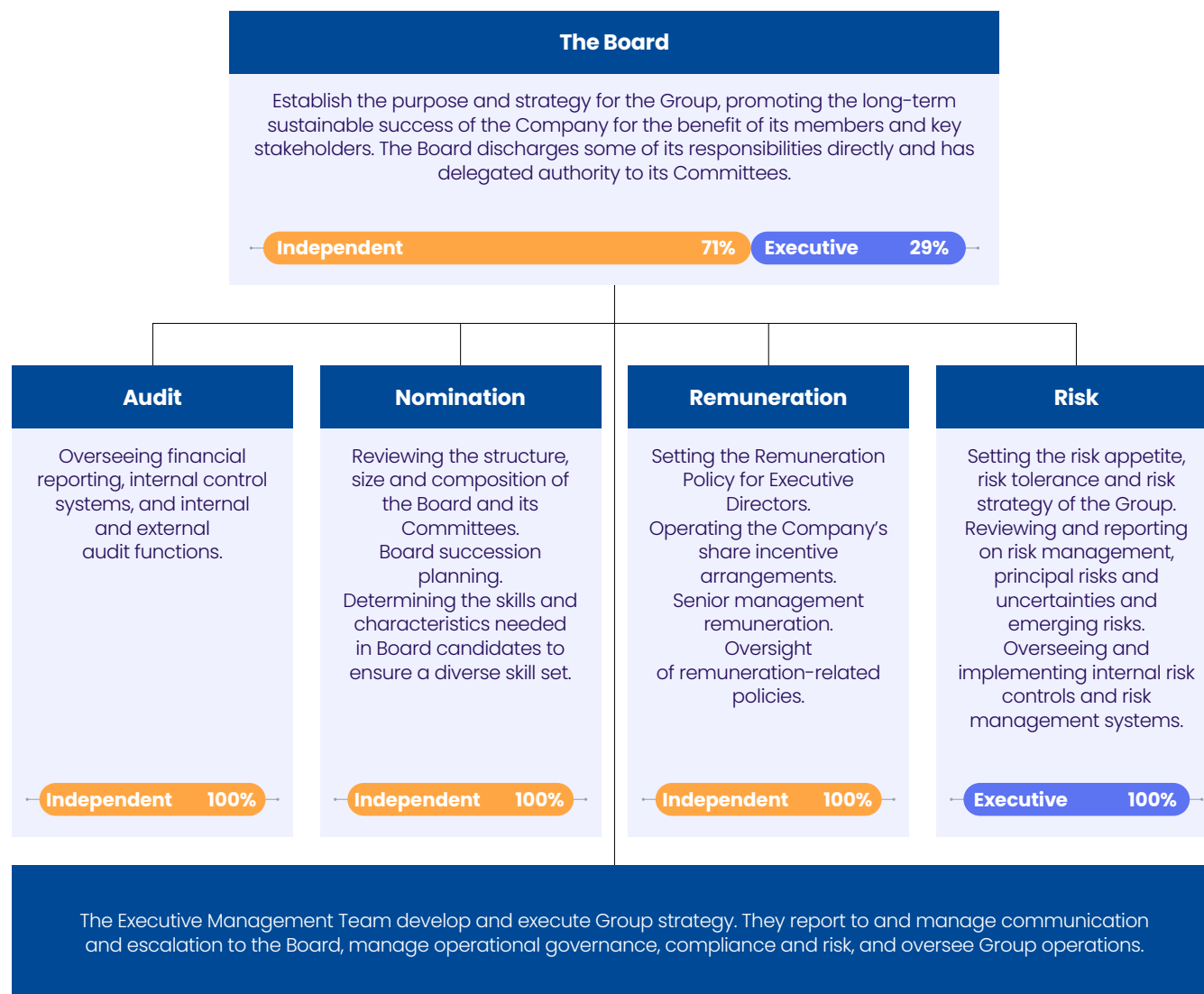
The 2018 FRC Guidance on Board Effectiveness specifies that the Board should ensure there is a formal Schedule of Matters reserved for the Board, to assist with planning and provide clarity over where the responsibility for decision-making lies. The Board may appoint Committees, as it deems appropriate, to exercise certain of its powers. As recommended by the Code, specific areas of delegation are set out in the Terms of Reference for each Committee. While the Board may make use of Committees to assist with its consideration of appointments, succession, audit, risk and remuneration, in accordance with the Code and FRC Guidance, it retains responsibility for, and endorses, final decisions in all of these areas for the Group. The Schedule of Matters sets out those powers reserved for the Board, in accordance with the Code. These are available to all leaders as part of the Delegation of Authorities, which forms part of the internal controls implemented across the Group. As part of its responsibilities for monitoring the deployment of strategy and ensuring that strategic goals are realised, the Board monitors resources and risks to the successful execution of that strategy through the support of its Committees.

The schedule of matters includes, but is not limited to:

Strategy and management	<ul style="list-style-type: none"> – Receive and approve long-term objectives and the strategic direction of the Group – Approve the Group's risk management policies and appetite – Have oversight of the Group's operations, ensuring effective and prudent management, and also ensuring that a sound internal control framework and risk management system is maintained – Approve the commencement of any major new business activity, including acquisitions or capital projects – Assess and monitor culture across the Group, ensuring that policy, practices and behaviours are aligned with its purpose, values and strategy – Take action to identify and manage conflicts of interest and ensure that third party influence does not compromise or override independent judgement
Financial reporting	<ul style="list-style-type: none"> – Approve annual budgets, the dividend policy, annual and half yearly accounts, accounting policies and monetary limits – Approve the issue of shares or of securities, conferring rights of subscription for or conversion into shares in the Company – Ensure that formal and transparent policies and procedures are in place to ensure the independence and effectiveness of internal and external audit functions
Communication with shareholders	<ul style="list-style-type: none"> – Responsible for ensuring a satisfactory dialogue with shareholders – Review and approve shareholder communications in respect of circulars and other relevant communications concerning matters decided by the Board
Capital structure and borrowings	<ul style="list-style-type: none"> – Approve the granting of security over any Group asset – Review any liabilities of materiality, such as credit notes, stock write-offs or guarantees – Review the policy for the financing of the Group
Board and corporate governance arrangements	<ul style="list-style-type: none"> – Review and monitor Group corporate governance arrangements at Board level and senior management level as appropriate – Approve conflicts of interest where permitted by the Company's Articles of Association – Oversee the operation of the Company's share option schemes, as recommended by the Remuneration Committee
Legal and administration	<ul style="list-style-type: none"> – Approve the overall levels of insurance for the Group, including Directors' and Officers' insurance – Review and approve the commencement or settlement of any major litigation

Our governance framework

Our governance framework establishes the boundaries between the Board and Executive Management Team, and effectively delegates areas of responsibility, which is essential for transparency, accountability and effective decision-making and is vital for maintaining stability and fostering growth. Our framework is as follows:



Board and Committees

To ensure that it discharges its duties effectively, the Board has delegated specific responsibilities to its principal Committees: the Audit, Nomination, Remuneration and Risk Committees. Each Committee's responsibilities are clearly defined within their own Terms of Reference. These Terms of Reference are reviewed every year and updated as necessary, to reflect legislative changes and best practice and to ensure that the individual and collective Committees' efficiency and effectiveness is maintained. The Terms of Reference for each Committee are available on the Company's website. The Committees carry out their required duties and make recommendations to the Board for approval. Each Committee Chair provides an update to the Board on the key discussions and decisions made at the preceding Committee meeting. This allows the Board to make reasoned decisions, and, if required, take appropriate action. Each Committee has reported on its contribution to the Board's decision-making during the year, details of which can be found later in each of the Committee Reports.

Biographies of the Chairs of each of the Board Committees, as well as all other Committee members, are set out on pages 90 and 91.



Good governance is the foundation to ensuring transparency, ethical decision-making and accountability. This drives the Group to long-term sustainable success and fosters trust amongst stakeholders."

Steering to sustainable success continued

Board stakeholder engagement

The Board's engagement with the Company's key stakeholder groups remains essential to informing and guiding the decisions it makes in the Boardroom.

Details of some key decisions that the Board made during the year are outlined in our formal Section 172 Statement on pages 70 to 73 of the Strategic Report, with further details on how the Group has engaged with stakeholders during the year on pages 64 to 69. This section of the Governance Report sets out further areas of focus for the Board during the year, to showcase how stakeholders are regularly considered in its decision-making.



Employees

Direct employee engagement is one of the key methods for ensuring that a unified culture exists across the Group. The appointment of a dedicated employee engagement Non-Executive Director means that there is a consistent mechanism in place for employee views to be shared, discussed and considered by the Board. An additional eight sessions were held during 2024 across different sites as outlined overleaf, as part of the Board's employee engagement programme hosted by Louise Brooke-Smith, our dedicated Non-Executive Director for employee engagement.

The Board recognises that, when making decisions, it will sometimes have to consider the competing interests of stakeholders, and that it may not always be possible to deliver an outcome that is welcomed by all stakeholders. In these situations, the Board is guided by the need to consider the long-term sustainability of the business. A timeline is provided over the following pages, detailing the key highlights from the Board activities during the year where stakeholders were considered or discussed as part of its decision-making.

Each session covered five key topics: strategy and vision, communication, diversity and inclusion, health and safety and governance, and invited employees to share their views, these were then anonymised and collectively shared with the Board. Feedback was consistent in respect of being satisfied with working environments, and recognition and endorsement was given for the improvements made across the Group, but it was noted that further steps could be taken in respect of consistent communication and encouraging synergies across businesses. The initiative conducted during the year for reviewing the Group's current communications platform, as outlined on page 57 of the Strategic Report, will help mitigate and improve this during 2025.

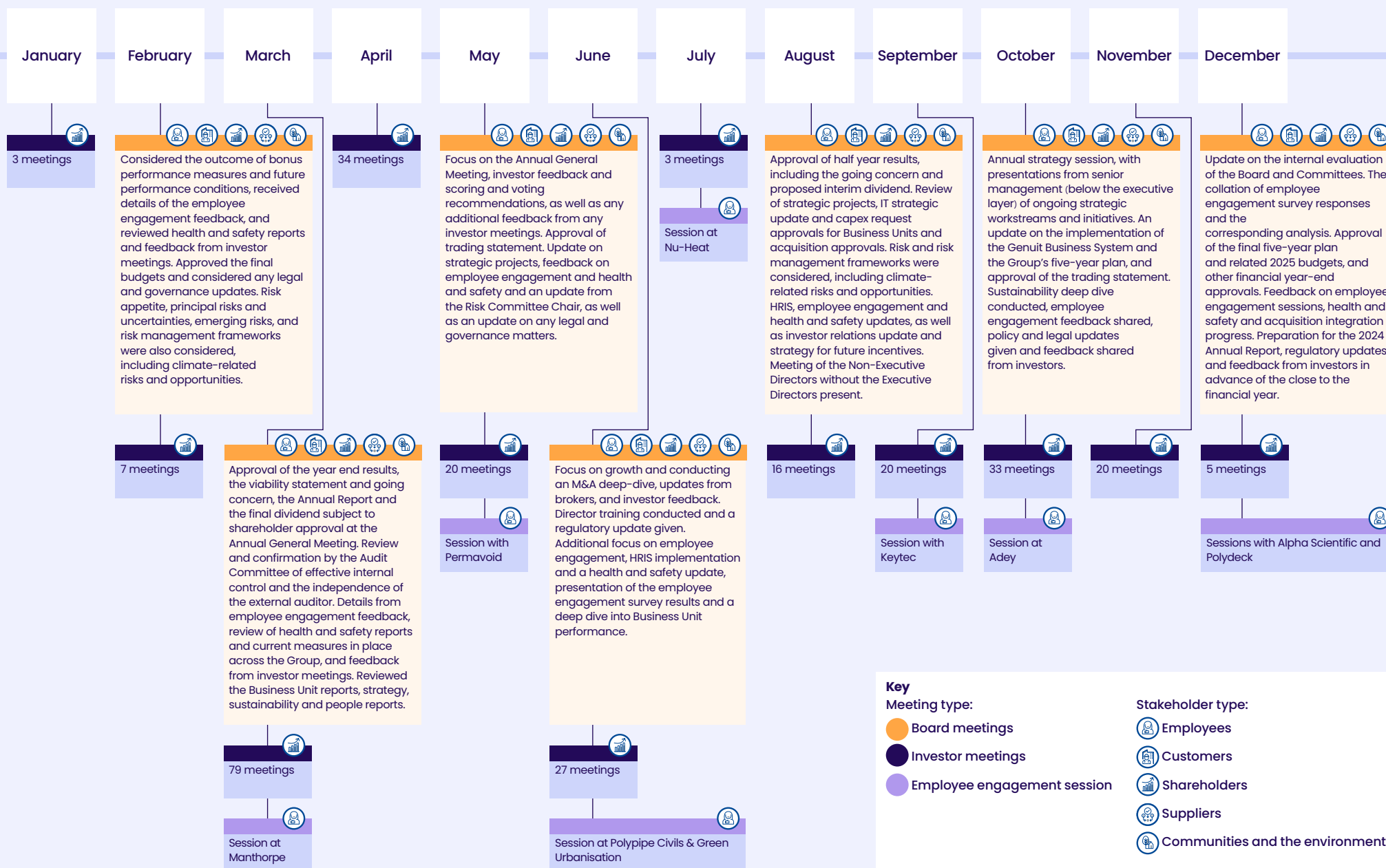
The Board recognises that direct employee engagement platforms are not effective unless the outcomes are adequately fed back to management and action is taken to address the issues raised. It remains of the view that employees are the Group's greatest asset, and obtaining this feedback will only help to develop and build open communication channels, which, in turn, will positively develop the defined Group culture. We will continue to engage regularly with employees across all sites, and the formal employee engagement plan will be reviewed in conjunction with our Chief People Officer, with continued implementation during 2025.



Shareholders

Direct shareholder engagement is a crucial tool for maintaining good relationships and supporting long-term value creation and sustainability for the business. In engaging directly with shareholders, the Board is able to identify issues of importance or concern and gain insight, whilst shaping Group strategy to aid better decision-making, especially regarding governance, risk management or compliance.

Proactively engaging with shareholders and seeking their input helps to mitigate risks and attract new investment. Numerous investor and analyst meetings were attended by our Chief Executive Officer and Chief Financial Officer, with our top 10 shareholders given the opportunity to meet with the Chair to raise any concerns. The output of these meetings is shared at each Board meeting and forms part of its discussions and decision-making. Details of the number of investor meetings held during the year are outlined in the timeline overleaf.



Steering to sustainable success continued

Investing in our people and culture

The Board recognises that an inclusive and positive environment improves job satisfaction, increases employee retention, boosts productivity and enhances performance. Our greatest asset for enabling the Group's achievement of its strategic goals is its people, and this is a core element of our strategy as outlined within the Strategic Report on pages 56 to 63. We have spent the last two years developing a culture that is consistent with and supports our purpose. A priority for the Board, now that this culture is established, is to monitor performance.

Our Trademark Behaviours were rolled out during 2023; these effectively complement and support our purpose and strategy. During 2024, we embedded these across our people processes, including recruitment, performance management and leadership development. Our businesses each created unique ways to embed these behaviours further, in the form of local recognition awards, linked reward schemes, shout-out noticeboards and integration into everyday meeting etiquette.

During the year, the Group conducted a Group-wide employee engagement survey, further details of which are included in our People and Culture section on page 57. As part of this survey, targeted questions covering our Trademark Behaviours were included, to enable the Group to obtain a baseline metric for the effectiveness of their integration. This will give the Group a platform to continue to develop and find creative and effective ways to embed these behaviours successfully, so that all employees continue to feel valued and heard, and the behaviours become intrinsic. The Board recognises the effectiveness of this targeted approach and will continue to receive updates and provide insights on a regular basis. Our Trademark Behaviours are visible; they are values in action. They create the standard for all employees to strive towards and they are measurable through actions.

Currently, the Board receives updates in respect of its people and culture, which includes both qualitative and quantitative methods, as follows:

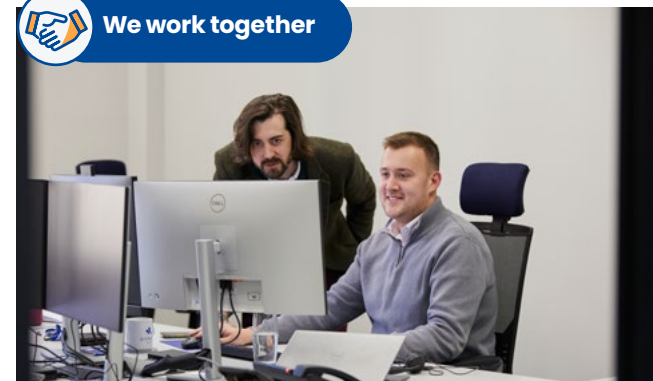
- employee turnover and current headcount;
- Diversity & Inclusion (D&I) data;
- grievances, governance and legal matters;
- policy training updates;
- recent internal communications and engagement activity and surveys;
- talent and development, including talent acquisition and retention;
- absence statistics;
- monitoring of The 5% Club status;
- reasons for leaving;
- leadership development;
- reward, remuneration and incentives; and
- strategic projects.

The Board also obtains feedback directly via its dedicated employee engagement Non-Executive Director through site visits. The Audit Committee receives updates in respect of any whistleblowing reports at each meeting, further information on which is included in our Audit Committee Report on page 122.

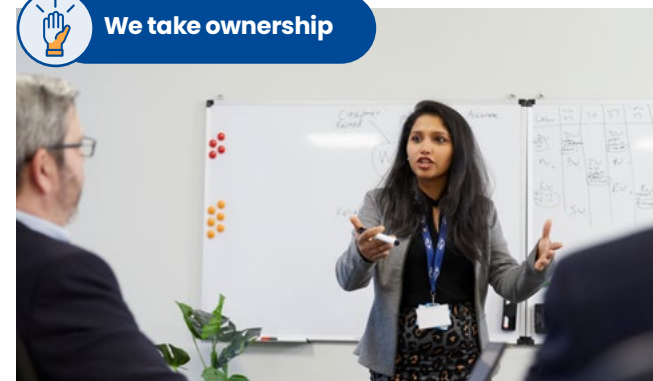
Establishing openness and transparency across the Group, as well as fostering and maintaining a culture which is responsive to stakeholder expectations and the external environment, will continue to be a priority for the Board. As we grow, collaborate, create solutions and innovate, we recognise that continuing to drive this common purpose and our aligned Trademark Behaviours will help realise the achievement of our strategic goals.



We work together



We take ownership



We find a better way



Control framework for the management and assessment of risks

The Board is responsible for determining the nature and extent of the significant risks that it is willing to take in achieving its strategic objectives. It is also responsible for maintaining sound risk and internal control systems, in accordance with the Code.

The Board delegates the specific management and monitoring of this to the Risk Committee (as outlined in the Risk Committee Report on pages 111 to 115), which reports to the Board on all matters, including the effectiveness of these systems. As noted in its Report, the Risk Committee is structured as an executive Committee to the Board, with the Chair of the Audit Committee attending at least one meeting. The Risk Committee reports on all its activities to the Board, and the Board is required to review and approve any relevant papers and changes to the Group's risk appetite, principal and emerging risks, climate-related risk and opportunities, governance procedures and risk management structure. This approach enables Committee meetings to be constructive and effective at reviewing and discussing the granular detail of risk across Business Units and the Group as a whole, whilst still maintaining compliance with Provision 25 of the Code, given that all output must be reviewed and approved by the Board.

The Board is ultimately responsible for ensuring that:

- there is an established framework and supporting systems for identifying, evaluating and managing the principal risks faced by the Group;
- the systems have been in place for the year under review and up to the date of approval of the Annual Report and Accounts;
- the systems are regularly reviewed; and
- the systems accord with the FRC guidance on risk management, internal controls and related financial and business reporting.

The Company has a risk management framework which adopts a top-down and a bottom-up view of the key risks, and involves both the downward cascade and upward escalation of risks between the Group and the businesses.

The framework comprises a risk register template, a risk profile template and assessment guidelines to be used by both the Group and Business Units when considering risk.

The principal risks and uncertainties, together with the emerging risks for the Group, including their potential impact and mitigating actions and more detail about the risk management framework, are set out on pages 75 to 85.

The Board is aware of the upcoming changes in the UK Corporate Governance Code 2024 in respect of Provision 29, and continues to develop its processes and make improvements to the Group's control environment to ensure it maintains compliance with Provision 29 of the 2024 Code by FY 2026. In respect of the financial year under review, the Board has conducted a review of the effectiveness of the system of internal controls and risk management, following a detailed review undertaken by the Risk Committee, and is satisfied that it complies with Provision 29 of the 2018 Code.

Directors' conflicts of interest

Each Director has a duty under the Companies Act 2006 to avoid a situation where he or she may have a direct or indirect interest that conflicts with the interests of the Company. The Company's processes ensure that there is the opportunity for any conflicts to be disclosed, and robust procedures are in place to authorise and manage such conflicts of interest. All potential conflicts approved by the Board are recorded in a conflicts of interest register which is maintained by the Company Secretary. Directors have a continuing duty to update the Board with any changes to their conflicts of interest and any conflicts are reviewed on a regular basis.

The Board confirms that the procedures for managing any conflicts of interest operated effectively during the year.



Promoting openness and transparency across the Group, as well as fostering and maintaining a culture which is responsive to stakeholder expectations and the external environment, will continue to be a priority for the Board.”

Strong foundations

Section 2

Division of responsibilities

There is a clear division of responsibilities between the leadership of the Board and the executive leadership of the Group.

Separation of the roles of Chair and Chief Executive Officer

Principle F of the Code outlines the responsibility of the Chair and their accountability for directing the Company, and demonstrating objective judgement. The Company applies this Principle, and the roles and responsibilities of the Chair and the Chief Executive Officer (CEO) are separate and clearly defined, with a distinct division of responsibilities. This distinguishes the executive management of the Company from Board leadership, which ensures that the Chair and CEO are able to pursue their respective duties without concern that interests in one position might negatively influence the other.

It is the Chair's duty to provide overall leadership and governance of the Board and to ensure that the Company

is run in the best interests of its shareholders. Part of this role includes working with the Company Secretary in setting the Board agendas, ensuring that adequate time is available for the discussion of all agenda items and promoting a culture of openness, challenge and debate at Board meetings. Along with other members of the Board, the Chair also has a role in setting the Company's strategic direction, making key decisions about mergers and acquisitions, capital raises and other important matters.

Supported by the Company Secretary, the Chair keeps under review the adequacy of the training received by all Directors, particularly on; stakeholder-related matters, the induction received by new Directors (especially those without previous Board experience), and ensures that the Board is provided with accurate and timely information, as well as determining how best to ensure that the Board's decision-making processes give sufficient consideration to material stakeholders.

The CEO is responsible for executive management of the Group's business, consistent with the strategy and commercial objectives agreed by the Board and its overall performance. The CEO leads the senior management team in effecting the decisions of the Board and its Committees and is accountable to the Board and, ultimately, the shareholders. The CEO is also responsible for the maintenance and protection of the reputation of the Group, ensuring that the affairs of the Group are conducted with the highest standards of integrity, probity and corporate governance. The CEO, along with the CFO, is also responsible for communicating the Company's vision and performance to shareholders and other stakeholders, and for building and managing a strong Executive Management Team.

Whilst the roles of the Chair and CEO are separate, the partnership between both is based on mutual trust and is facilitated by regular contact between them. This strong partnership and regular communication ensure that the Company's strategic direction is aligned with the expectations of the Board and shareholders. It also helps to ensure that there is clear communication and coordination between the Board and executive management, which, in turn, avoids any potential conflicts or misunderstandings that could negatively impact the performance of the Group. It fosters a positive and productive culture within the Company, which contributes to retaining top talent and maintaining good morale amongst employees. This separation of authority enhances the independent oversight of executive management by the Board and helps to ensure that no one individual on the Board has unfettered authority.

The responsibilities of the Chair, CEO, CFO, SID, Board and Committees are clearly defined and agreed by the Board. The division of responsibilities between the leadership of the Board and the executive leadership of the Group are showcased below.

Chair

Kevin Boyd

- Provides overall leadership and governance
- Sets the Board agenda
- Promotes a culture of openness, challenge and constructive debate
- Ensures that Directors understand the views of major shareholders and stakeholders

Senior Independent Director (SID)

Lisa Scenna

- Acts as a sounding board for the Chair, appraises their performance, leads the other NEDs, and is a direct contact for shareholders if necessary

Non-Executive Directors (NEDs)

Shatish Dasani, Bronagh Kennedy

- Scrutinise and constructively challenge the performance of Executive Directors and contribute to setting strategy, succession plans and remuneration strategy

Employee Engagement NED

Louise Brooke-Smith

- In addition to NED responsibilities, the Employee Engagement NED is also responsible for employee engagement on behalf of the Board, ensuring their views are considered in its decision-making

Non-Executive Directors

Executive Directors & Company Secretary

Chief Executive Officer (CEO)

Joe Vorih

- Executive management of the Group's business
- Develops and implements Group strategy and commercial objectives
- Leads the senior management team in effecting the decisions of the Board
- Communicates with the Board, shareholders, employees and other stakeholders

Chief Financial Officer (CFO)

Tim Pullen

- Implements, manages and controls the Group's financial-related activities
- Develops appropriate financial strategies and manages investor relations
- Ensures appropriate risk management systems are in place
- Works with the CEO to deliver strategy deployment and manage day-to-day operations

Company Secretary

Emma Versluys

- Supports the Board and Committees and provides advice to the Board on all governance and legal-related matters, as well as advising Directors on their duties. Assists with all Board and shareholder meetings and facilitates induction and training programmes for Directors



Chair engagement with employees

In addition to having the opportunity to engage directly with employees through scheduled Board site visits, the Chair took further steps to engage with senior management teams where possible, to enable him to confirm that executive management was operating effectively and in a way that was consistent with the reports to the Board. This allowed a broader, more independent perspective to be shared with the Board on the Group's operations, fostering a better understanding of challenges or opportunities. This engagement improves governance, enhances transparency and contributes to more informed decision-making within the Board.

Role of the Senior Independent Director

Lisa Scenna was appointed as the Senior Independent Director (SID) of the Company on 7 March 2023. She is available to shareholders and other stakeholders if they have concerns that cannot be addressed through normal channels. The role of the SID is to provide an independent perspective on the Board's decisions, act as a sounding board for the Chair and serve as an intermediary for the other Directors when necessary. The SID is also available to chair the Board in the absence of the Chair and has the authority to add items to the agenda of any regular or special meetings of the Board. The role of the SID is considered an important part of the composition of the Board, acting as a check and balance in the Group's governance structure.

Board meetings

During the year, in total, there were seven scheduled Board meetings and four ad hoc meetings held, as well as a number of Committee meetings. Details of attendance at Board and Committee meetings are shown on page 87.

Every effort is made to ensure that all Directors, where possible, attend scheduled Board meetings. However, in the event that a Director is unable to attend a meeting, they are provided with the meeting papers and information relating to the meeting and are able to discuss the matters arising with the Chair and other Directors. Agendas are drafted in line with the Schedule of Matters reserved for the Board, as outlined on page 94, in addition to key items that need to be addressed during the year. Designated senior leaders from across the Group, as well as external advisers, attend some of the meetings on request, for a discussion of specific items in greater depth and to provide training and updates.

It is standard practice, as part of the governance arrangements, for the Board to visit the Group's numerous businesses on a rolling basis each year. This allows Board members to have greater knowledge and visibility of the Group's operations, and enables the Board to engage with employees, complementing the structured employee engagement forums that take place with the dedicated Non-Executive Director.

Board dinners are held ahead of the scheduled meetings, where possible, to provide a more relaxed forum for the Board members to have additional discussions amongst themselves, as well as with the senior management team from that location. This enables the Board to partake in informal discussions outside of the Board meeting itself, and this additional engagement and visibility enables the Board to have a greater understanding of the culture across the Group. The Board visited four different sites during 2024, these being the Nuair site in Caerphilly, the Polypipe Civils & Green Urbanisation site in Horncastle, the Adey site in Stonehouse and the Group Head Office in Leeds.

During the year, the Chair held meetings with the Non-Executive Directors without the Executive Directors being present, and the Chair's performance was assessed as part of the internal Board evaluation. Further detail on the results of the internal Board evaluation can be found in this Report on page 104.

Board oversight of strategy

The Group's purpose, 'Together, we create sustainable living', continues to be underpinned by our people and culture. Each year, the Board holds an annual strategy day, where it spends a full day with senior management to discuss the current performance of the Group and the strategic plan. The strategy day during 2024 was held in October, and the first session was a brief overview of the Group's approach to the five-year planning cycle, with a focus on the output of this approach and validation that it would contribute to delivering our medium-term goals.

Following this, presentations on four strategic workstreams took place, hosted by members of the Genuit Leadership Team (GLT). Each workstream had a specific project team assigned to it, including GLT members along with additional participants, and presentations were given that provided an overview of each project, including workstream objectives and progress to date. This was a different format from previous strategy days, which had typically focused on Business Units. Each presentation highlighted the desire to work together across the Group to continue to meet expectations and exceed targets. A key focus was on how the Group will deliver on growth and the role of artificial intelligence (AI) from both an opportunity and a risk perspective. It was a great opportunity for the Board to meet other senior leaders from within the Group, in addition to its regular engagement with the Executive Management Team (EMT).

The strategy day was attended by all EMT members and was also attended by Lee Mellor in advance of him joining the Group, with a strategy day dinner organised to allow for informal interaction, engagement and challenge around the topics discussed that day. In addition, there was a presentation given by an external economist to help set the scene for strategy progress in 2025.

The Board had the chance to reflect on the presentations at the meeting the following day, with the Chief Strategy and Sustainability Officer in attendance. In addition to the strategy day, there is a formal half year update on strategy to the Board, as well as the regular progress updates given in the CEO reports at every Board meeting. Further information on the execution of our strategy during 2024 is included in our Strategic Report on pages 15 to 85.

Shaping the future

Section 3

Composition, succession and evaluation

A successful Board is one that has a combination of skills, experience and knowledge, allowing all Directors to actively contribute to discussions and provide challenge where appropriate.

Board composition, qualification and experience

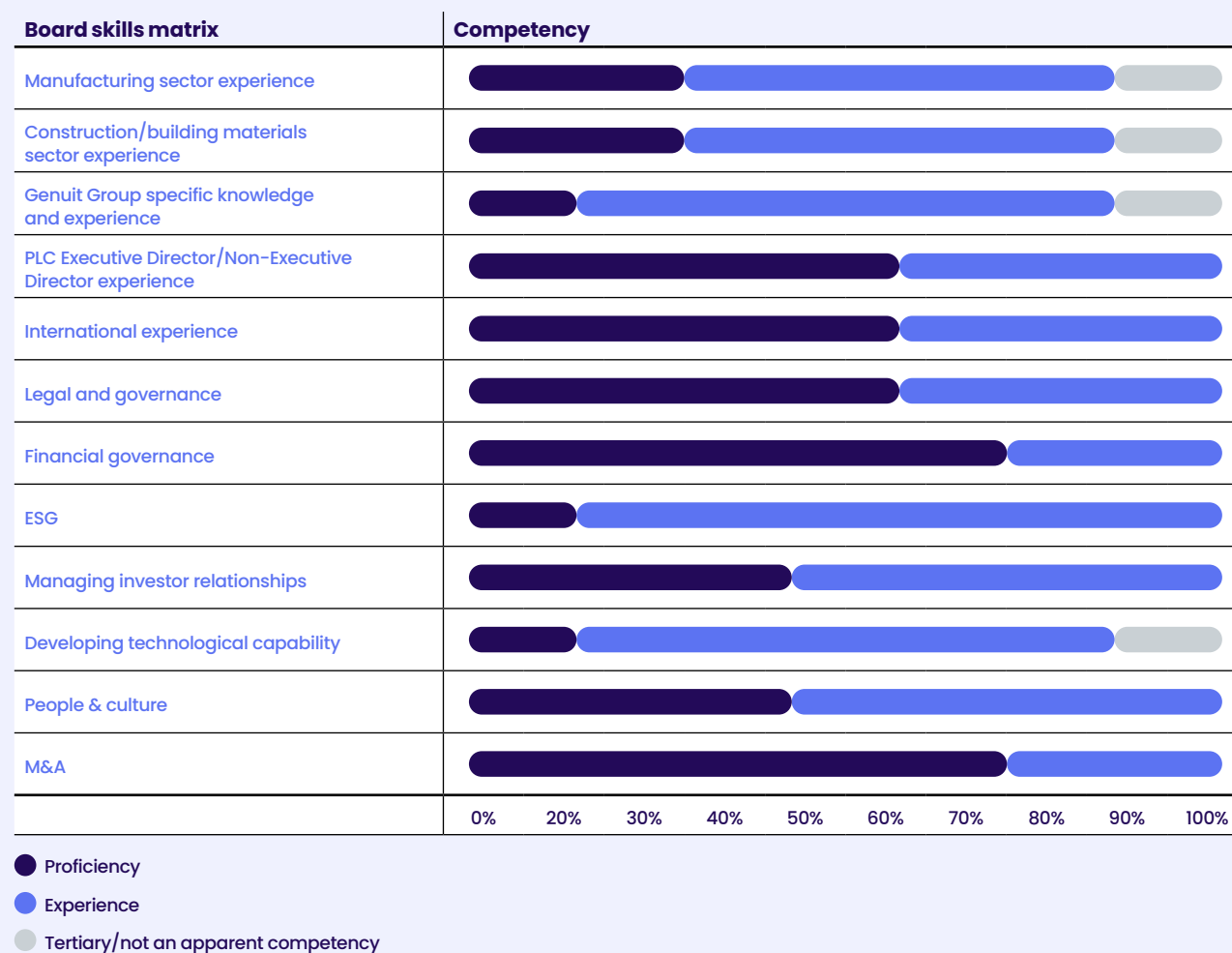
At the year end, the Board comprised the Independent Non-Executive Chair, two Executive Directors and four Non-Executive Directors. The Non-Executive Directors were appointed for the diversity of their backgrounds, as well as for their personal attributes and experience.

During the year, the annual review was conducted regarding the current skills of the Board, and the skills matrix was reformatted to differentiate between proficiency and experience. All the expected skills of Board members will continue to be reviewed on a regular basis and will be considered by the Board and Nomination Committee in recruitment and succession-planning decisions. The skills matrix also places focus on the diversity of the Board and is a useful tool to identify where further training or education is required for individual Directors, as well as for the Board, collectively. Following completion of the matrix, the Board remained satisfied with the recruitment strategy of the Nomination Committee.

The Nomination Committee and the Board have also considered the independence of each of the Non-Executive Directors. As part of the appointment process, Directors are assessed on their skills, experience and independence, which is reviewed on an annual basis in line with the skills matrix, their roles on the Board and Provision 10 of the Code. The Board considered the Chair and all the Non-Executive Directors to be independent throughout the period (or, where applicable, from appointment). In accordance with Code Provision 18, all of the Directors are subject to annual re-election.

Board skills to promote long-term success

The Board uses a skills matrix to identify the balance of skills, knowledge and experience of the Board for its composition review and succession planning. The matrix highlights where the skills and experience of Directors are particularly strong, and where there are opportunities to further enhance the Board's collective knowledge. A high-level summary of the Board skills matrix as at 31 December 2024 is below.



Appointment and tenure

The Non-Executive Directors serve on the basis of letters of appointment, which are available for inspection at the Company's registered office. The letters of appointment set out the expected time commitment of the Non-Executive Directors, who, on appointment, undertake that they have sufficient time to carry out their duties. There is no fixed expiry date. The Executive Directors' service contracts are also available for inspection at the Company's registered office. The notice period for Executive Directors is 12 months.

External appointments

In accordance with Principle H, the Board takes seriously the requirement that all Non-Executive Directors should have sufficient time to meet their Board responsibilities. Whilst it recognises the benefits that greater Boardroom exposure provides for Directors, it also closely monitors the nature and number of external directorships held, to ensure continued compliance with Principle H. All Executive and Non-Executive Directors' external appointments are reviewed at each Board meeting as standard, including details of all those appointments over the previous five years. The Board reviews the nature of each appointment and the expected time commitment for each Director as part of this process and concluded that, as at the end of 2024 and the date of this Report, none of these appointments compromise the effectiveness of any individual Director or their ability to provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. Further details of our Non-Executive Directors' external appointments can be found in their biographies on pages 90 and 91.

Directors' induction and training/professional development

The Chair, with the support of the Company Secretary, is responsible for the induction of new Directors and the ongoing development of all Directors. Where necessary, new Directors are provided with training to address their role and duties as a Director of a quoted public company. The Chair and Company Secretary continue to review the induction process and endeavour to make improvements wherever possible, to ensure that any newly onboarded Directors are successfully integrated into the Group and their role as quickly as possible. Directors may take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

As the internal and external business environment changes, it is important to ensure that Directors' skills and knowledge are refreshed and updated regularly, to allow them to adapt to these changes and make informed and effective decisions. The Board was given presentations during the year by the Company's financial advisers, brokers and lawyers, as well as several presentations by senior management, and participated in Director training in addition to the annual strategy day referred to earlier in this Report.

The Company Secretary maintains responsibility for updating the Board on new legislation and regulation, as well as changes to the current legislative and regulatory regimes to which the Company is subject. This is included in a report to the Board at every Board meeting.

Board and Director recruitment process

The recruitment process is designed to ensure that the search for new Directors is thorough and inclusive, and ensures that recruits possess the necessary experience and skills to support the Company's strategic direction, as well as showcasing an understanding of the Group's culture and purpose. The Chair leads the Nomination Committee to develop a candidate specification and brief, using the Board skills matrix as a basis for identifying gaps that should be addressed as part of the selection process. This brief is then placed with an executive search agency, who must be a signatory to the Voluntary Code of Conduct for Executive Search Firms, in line with our Board Diversity Policy. Any agencies that are used as part of the recruitment process must confirm their independence on appointment. The executive search agency then provides a longlist of potential candidates from various backgrounds and industries, based on this candidate brief. The candidates are then shortlisted following discussions between the Chair, the Senior Independent Director and other members of the Committee (or appointed sub-Committee, as appropriate).

The candidates are interviewed and assessed against pre-determined criteria and considered in line with the specific candidate brief, which often involves meeting various Board members on a more informal basis to determine interpersonal dynamics. The successful candidate is then recommended for appointment to the Board, by the Nomination Committee, with the Company Secretary being tasked with the formalities.



Shaping the future continued

Board evaluation and effectiveness

In accordance with Code Provision 21, the Board conducted an internal evaluation during the financial year. This process involved the completion of anonymous online questionnaires for the Board and each Committee. The responses were then collated into an overall feedback report for the Board. Specific questions were included to identify progress that had been made since the previous evaluation, and progress made during the year since the 2023 internal Board evaluation is documented below:

Internal Board evaluation 2023	Progress during 2024
Review of interactions with colleagues to enable the Board to fully understand any concerns or challenges within the culture of the organisation and, therefore, fulfil its obligation to ensure that the Group's purpose, behaviours and culture are all aligned	Increased employee engagement meetings and the addition of updates at each Board meeting to ensure that the employee 'voice' is present in the Boardroom at every meeting
Board agendas and papers streamlined to allow for deeper dives into topical/key issues, whilst allowing sufficient time for governance-related matters	Review conducted of Board agendas and deep dives scheduled during the year on key areas such as sustainability, IT and people and culture. Legal and governance updates at each meeting
Review of the composition of the Board to ensure appropriate knowledge of the industry, to enable effective strategic review and challenge	Annual review of the composition of the Board and updates made during the year to the format of the Board skills matrix, to differentiate between proficiency and experience. This enables the Board to identify any further areas that can be improved upon

The Board was asked as part of the 2024 internal evaluation to detail its key strengths and specific areas for improvement. This enabled detailed responses, which, when collated, provided an honest and transparent insight into the views of the Board, allowing the identification of areas of focus for improvement during 2025:

Outcomes of the internal Board evaluation 2024	Plans for improvement in 2025
Additional focus on emerging markets and sustainability practices	Focus on further training opportunities for the Board during 2025 and continued updates to the Board on regulatory developments
Continue to improve the breadth of exposure of NEDs to the culture and people of Genuit, as well as to customers and industry experts, to keep abreast of areas impacting strategy	Update to the employee engagement programme to improve access, hosting as a virtual session in addition to in-person sessions. Continued deep dives of Business Units planned to allow the Board to obtain further insight into customers, suppliers and the wider industry

Overall, the results of the evaluation were positive, with the Board and its Committees being viewed as operating effectively and in line with their respective remits. The next external evaluation will be conducted in 2025, in accordance with the Code requirements to conduct an external audit at least once every three years.

Sections 4 & 5

Audit, risk and internal controls & Remuneration

The final principles and provisions of the Code are vital for maintaining effective governance within financial operations and remuneration practices. They ensure that the Group has robust systems in place to manage and monitor financial risk, maintain accurate records and ensure compliance, as well as setting parameters to ensure the fair and transparent remuneration of executives. These principles and provisions help safeguard the integrity of our operations and ensure that our remuneration practices are competitive, fair and aligned with our strategic goals. We have covered these in more detail in our Audit and Risk Committee Reports on pages 111 to 122, and in the Remuneration Report on pages 128 to 153.



The audit, risk and internal controls & remuneration principles and supporting provisions of the Code are vital for maintaining effective governance within financial operations and remuneration practices."

Financial and business reporting process

The Board recognises its duty to ensure that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the position and performance, strategy and business model of the Company. In addition to the Annual Report and Accounts, the Company also ensures that other price-sensitive reports and other information are published externally.

The Group has a thorough assurance process in place in respect of the preparation, verification and approval of periodic financial reports, which is set out in the Audit Committee Report on pages 118 and 119.

In accordance with Principle N of the Code, the Board is required to ensure that its financial and business reporting is fair, balanced and understandable. To ascertain whether this is the case, it firstly establishes whether or not the information presented within the Annual Report and Accounts is fair, reviewing whether the whole story is presented and done so accurately, and if the key messages in the narrative reflect the way in which it is presented in the financial reporting. Secondly, it assesses whether the information presented is balanced, ensuring that there is a good level of consistency between the narrative reporting in the front and the financial reporting in the back, as well as satisfying itself that the statutory and adjusted measures are explained clearly, with appropriate prominence. The final element to the assessment is to determine whether the Annual Report and Accounts are understandable. The Board assesses whether the Annual Report and Accounts uses language which is accessible to a reasonably well-informed reader or provides clear definitions for technical vocabulary and acronyms where this is not possible; it should not be disjointed or repetitive and should tell a complete and straightforward story. The Board also ensures that important messages are highlighted or cross-referenced appropriately throughout the document. Completion of this process provides comfort to the Board that the Annual Report and Accounts, when, taken as a whole, is fair, balanced and understandable, and following its review, the Board was of the opinion that the 2024 Annual Report and Accounts is representative of the year and presents a fair, balanced and understandable overview.

Annual General Meeting

The Company's Annual General Meeting (AGM) is scheduled to be held on 19 May 2025. All shareholders have the opportunity to attend and vote, either in person or by proxy, at the AGM. A copy of the notice of AGM can be found on the Company's website.

The AGM is the Company's principal forum for communication with private shareholders. The Chair of the Board and the Chair of each of the Committees will be available to answer shareholders' questions at the AGM.

The notice of AGM will be sent out to shareholders at least 20 working days before the meeting. The results will be announced to the London Stock Exchange via a Regulatory Information Service announcement and published on the Company's website.

Directors' indemnity and insurance

The Company maintains Directors' and Officers' liability insurance to cover legal proceedings against Directors and Officers acting in that capacity.

Details of the Directors' indemnity arrangements can be found on page 124 of the Directors' Report.

Re-election of Directors

At the AGM, all Directors will retire and submit themselves for re-election. As a result of the Board evaluation exercise, as Chair, I am satisfied that each Director continues to show the necessary level of commitment to their role and has sufficient time available to fulfil his or her duties to justify their re-election.

Approved by the Board and signed on its behalf.

Kevin Boyd
Chair of the Board

11 March 2025



The Group has a thorough assurance process in place in respect of the preparation, verification and approval of periodic financial reports."

Nomination Committee Report

Kevin Boyd
Chair of the Nomination Committee



Members



**Louise
Brooke-Smith**
Non-Executive
Director



Lisa Scenna
Senior
Independent
Director



**Shatish
Dasani**
Non-Executive
Director



**Bronagh
Kennedy**
Non-Executive
Director

Dear Shareholder

I am delighted to present the Report of the Nomination Committee (the Committee) for 2024, reporting on the work of the Committee during the year.

The Committee plays a crucial role in the governance structure of the Company, establishing and maintaining the process for appointing new Board members and the Executive Management Team (EMT), and ensuring a diverse and skilled leadership team. It operates independently of Executive management and effectively assesses the skills needed for leadership roles, engaging in thorough and transparent candidate selection processes.

In keeping with Corporate Governance Code requirements, the senior management succession plan was reviewed and updated at the Committee meeting in February 2024, following a robust review process led by the EMT. Whilst there were no changes to our Board composition during the year, there were changes to the EMT, involving the Committee. Clare Taylor stepped down from her role as Chief People Officer (CPO) during the year, and Tim Pullen, our Chief Financial Officer, covered this role as Interim CPO in accordance with our established policy for contingency planning, whilst the process of recruiting a replacement was completed. Following a robust recruitment process, we are pleased to welcome Edel Conway to the Group and EMT as our new CPO, to continue to lead our people and culture journey. Edel has attended two Committee meetings since joining us in January 2025, and we look forward to her future contributions to the Committee and its work. In addition, we welcome Lee Mellor, our newly appointed Business Unit Managing Director for the Climate Management Solutions (CMS) Business Unit, to the Group and the EMT. Lee will drive the deployment of the Group strategy within CMS to support the delivery of the Group's medium-term objectives and, therefore, its purpose. As EMT members, both Edel and Lee are members of the Risk Committee, as referenced in our Risk Committee Report on page 112.

The Committee has demonstrated its effectiveness in successfully supporting the Executives in recruiting and onboarding new members of the EMT, as well as operating a successful succession plan, identifying the diverse skills and experience required to support the Company's strategic direction in keeping with its culture and purpose, as well as its plans for future growth.

During the year, the Committee reviewed and updated its Board skills matrix to record those Board members offering proficiency in certain areas versus experience. This allows the Committee to further differentiate between the level of skills across the Board and identify any current or potential future gaps. The Board skills matrix supports the Committee in its succession planning, by identifying skills gaps and ensuring that these are carefully considered by the Committee when making changes to the Board. The Committee will continue to focus on ensuring that individual Directors and the Board as a whole have the necessary experience and skills to support the Company's strategic direction, as well as the Board's ability to successfully oversee the delivery of such strategy.

Equality, diversity and inclusion continue to be a priority for the Committee. The Board's membership currently comprises 42.8% of female members, one Director is from an ethnic minority background, and one senior Board position is held by a female. In addition, the data collection pool capturing gender data has extended, following the merging of the Executive Committee and EMT to capture the roles reporting into the EMT. We can therefore confirm that the Company complies with the diversity-related recommendations within Listing Rules LR 6.6.6R(9), further details of which are reflected within this Report.

I will be available at the AGM to answer any questions about the work of the Committee.

Kevin Boyd
Chair of the Nomination Committee

11 March 2025

2024 key achievements

Review of the structure, size and composition of the Board

Review of the senior leadership succession plan

Review and update of the Board skills matrix to enhance the review of skills and experience on the Board and the resulting gap analysis

Supported the EMT in the recruitment of a Chief People Officer and CMS Business Unit Managing Director

2025 areas of focus

Review the Board composition and succession planning for Non-Executive Directors

Review the enhanced senior management succession plan following integration with performance management modules within Workday, HRIS

Recommend the adoption of an ethnicity target for senior leadership

Members and meetings

The Committee comprises Kevin Boyd (the Chair) and all the Non-Executive Directors, these being Shatish Dasani, Bronagh Kennedy, Lisa Scenna and Louise Brooke-Smith. In accordance with best practice, Joe Vorih (Chief Executive Officer) and Edel Conway (Chief People Officer) attend the Committee meetings by invitation only.

The Committee is chaired by the Chair of the Board, except when considering their own re-election.

All the Committee members are independent, in accordance with Code Provision 17. Further details on the members of the Committee and their attendance at Committee meetings are set out on page 87. The Company Secretary acts as Secretary to the Committee.

Under the Committee's Terms of Reference, the Committee will normally meet not less than twice a year and at such other times as the Chair shall require. The Committee held two scheduled formal meetings during the year under review. After each Committee meeting, the Chair reports to the Board on the main items that were discussed, as well as reporting on the nature and content of its discussions, recommendations and actions to be taken.

Governance

The Committee's main responsibilities are to:

- evaluate the structure, size and composition (including the skills, knowledge, experience and diversity) required of the Board and the Committees;
- give full consideration to succession planning of Directors and other senior executives; and
- assist with the selection process for new Executive and Non-Executive Directors, including the Chair of the Board.

The Committee's Terms of Reference explain the Committee's role and responsibilities and were reviewed in January 2025 to ensure they remain appropriate and reflect any updates in Corporate Governance guidance. The Terms of Reference can be found on the Company's website, and this Report explains how the Committee has complied with these in more detail, along with the activities it has undertaken during the 2024 financial year.

In accordance with Code Principle L, the Board and its Committees are required to be evaluated on an annual basis. Following the external evaluation of the performance of the Board and its Committees during 2022, an internal evaluation was conducted during 2024. This evaluation focused on the remit of the Committee and how effectively members work together to achieve the Committee's objectives. At its meeting in January 2025, the Committee considered the results of the review and concluded that the evaluation had found the Committee to be operating effectively, and communicating as required with the Board in relation to matters within its remit. It was noted by Committee members that a review and refresh of senior management succession planning would be beneficial, and that this will be considered during 2025. Further details on the internal Board evaluation can be found on page 104 of the Corporate Governance Report.

The Chair confirms that the Committee has considered the performance evaluation and the contribution and commitment of all Directors. The Chair has confirmed to the Board that the performance and commitment of all Directors is such that the Company should support their re-election.

In addition, the Board evaluated each Director's time commitments and was satisfied that, in line with the Code, they each continued to allocate sufficient time in order to discharge their responsibilities effectively. This includes attendance at Board and applicable Committee meetings, as well as the time needed to prepare for meetings and for other additional commitments that may arise during the usual course of business. Further details of the Directors' appointments are included in the biographies on pages 90 to 91.

As stated in the Corporate Governance Report, all of the Company's Directors will retire and each will offer themselves for re-election at the forthcoming AGM, in accordance with Code Provision 18. No Director is able to vote in respect of their own election/re-election when consideration is given to Director election/re-election at the AGM.

Nomination Committee Report continued

Role of the Committee and its activities during the year

Succession planning and tenure

The Committee is satisfied that all key roles have credible succession and contingency plans in place. Notwithstanding this, the Committee considers succession and contingency planning regularly. When considering succession planning, the Committee takes into account the challenges and opportunities facing the Group and the future skills and expertise needed on the Board to enable the effective execution of the Company's strategy using objective criteria, whilst promoting diversity and inclusion. In accordance with Code Principle J and the FRC Guidance on Board Effectiveness recommendations, a key activity of the Committee is to keep under review and maintain an effective succession plan for members of the Board and senior executives across the Group. The Committee's succession planning includes:

- **contingency planning** – for sudden, unplanned and unforeseen departures, whereby interim cover on a short-term basis is implemented;
- **medium-term planning** – the orderly replacement of current Board members and senior executives (e.g. retirement); and
- **long-term planning** – the relationship between the delivery of the Company strategy and objectives and the skills needed on the Board, both now and in the future.

Nurturing talent is a key enabler to delivering our growth strategy, creating a high-performance, purpose-led, inclusive culture. Management training and development plans are provided to senior and middle management where appropriate, in order to continue to develop a diverse pipeline of internal talent for the future, ensuring that the composition of the Board and senior management teams remains appropriately balanced between new and innovative thinking and longer-term stability and corporate knowledge. The Group Talent Director is responsible for managing the talent programmes within the Group, and during 2024, we launched the Genuit Leadership Programme for our senior leaders. The programme consisted of assessments, coaching and in-person learning, delivered by an experienced third party.

Diversity and inclusion (D&I)

The Committee supports and endeavours to drive increased diversity in line with Principle J of the Code, and encourages equality, diversity and inclusion across the Group. It recognises its role in establishing a diversity-led culture to increase innovation, creativity and engagement, as well as gaining a broader understanding of diverse stakeholder needs. The Company's recruitment and appointment strategy is based on the merits of the individual candidates, without bias towards age, gender, marital or family status, race, sexual orientation, religion or belief or any disability, and encourages leaders, employees and our external partners and stakeholders to make a positive difference through proactively supporting our diversity and inclusion principles. The diversity of the wider leadership team is monitored with reference to data extracted from the Company's secure HR information system, Workday. All employees are able to use this system to provide their individual diversity data, including gender identity and ethnic background, should they wish to do so.

The D&I Policy is reviewed and approved annually, and diversity and policy initiatives are embedded across the Group through dedicated engagement events throughout each year, which remain static to enable consistent reviewing of progression and development. During 2024, this included the following, as noted in the Strategic Report on page 59:

- **March 2024 International Women's Day** – this is an important lever for the Group in promoting gender equality across the organisation. In March 2024, we asked employees to highlight and discuss everyday stereotypes across our businesses. This set a culture of raising awareness and supported local businesses in implementing updates and changes
- **June 2024 Pride** – we asked colleagues via an anonymous survey what questions they wanted to ask experts about Pride, and shared the responses to their questions in a podcast
- **September 2024 National Inclusion Week** – we asked employees via a survey what would they like us to focus on in 2025 and expanded the membership of the D&I working group
- **November 2024 Movember** – we held sessions both on our sites and virtually, and leaders held 'Mo-ments', which provided an opportunity to discuss difficult subjects locally

As reported in our 2023 Annual Report and Accounts, in early 2024 we issued new maternity and paternity policies, following a review which was prompted by one of our D&I initiatives, and we were proud to share this development and level of responsiveness with our employees. We continue to promote direct engagement with employees to assist us in identifying and making improvements to our diversity-related policies and procedures.

Diversity requirements form part of the succession-planning framework, as outlined earlier in this Report, as well as being a key criteria for any recruitment partners with whom we engage. The data relating to the next layer of senior management indicates that 41% identify as female and 59% as male, whilst across the wider workforce, the split is 26% female and 74% male. Since the launch of Workday, we are capturing more diversity data, such as age, sexual orientation, disability and ethnicity, to further understand the diversity of our workforce.

The table on page 109 shows our Board's composition in line with the Listing Rule requirements, including gender, ethnicity and the percentage of women in senior Board positions, as at 31 December 2024. It also shows gender diversity at senior management level, this being the EMT and its direct reports. The Committee supports the FTSE Women Leaders Review target, which seeks to improve Board and senior leadership diversity across FTSE 350 companies, as well as the FRC Board Diversity and Effectiveness in FTSE 350 Companies. As at the reference date of 31 December 2024, our EMT comprises 83% male and 17% female members. The Committee and the Board also fully support the Parker Review's 'One by 2024' recommendation, and is pleased to confirm compliance with this as at 31 December 2024. Additionally, the Parker Review requests data on the senior management team and its current percentage for minority ethnic groups. The percentage figure for the Group as at 31 December 2024 was 4.6%. No target for the Company was submitted for the year ended 2024; however, further analysis will be conducted during the year to ascertain an appropriate target for the Group prior to the 2025 year end. The Committee will review and approve the future targets in this area and further details will be included in the 2025 Annual Report and Accounts. Further information about diversity and inclusion and how it contributes to our strategic objectives is included in the Strategic Report on pages 59 to 61.

FCA Diversity Disclosure table

Data under LR 6.6.6R (9)

In line with LR 6.6.6R (9), as at the reference date of 31 December 2024, the composition of the Board and Senior Leadership is as follows:

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Senior Leadership positions ¹	Percentage of Senior Leadership
Women	3	43%	1	16	36%
Men	4	57%	3	28	64%

Ethnic Background	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Senior Leadership positions ²	Percentage of Senior Leadership
White British or other White	6	86%	4	41	93%
Mixed/multiple Ethnic Groups	–	–	–	2	5%
Asian/Asian British	1	14%	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other Ethnic Group including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	1	2%

1. Per the definition above on page 108.

2. Per the definition above on page 108.

Gender is captured as sex for all employees at the onboarding stage and is held on the Company's secure HR system, Workday. Genuit has 100% completion of sex data for the members of the Board and Senior Leadership, which is the data used when reporting the above gender diversity data. Recognising that for some, gender identity can differ from that assigned at birth, all employees are offered the opportunity to volunteer their gender identity directly within Workday. Ethnicity data is also provided voluntarily and can be offered in the same way as gender identity. Genuit has voluntary completion of ethnicity data for the members of the Board and executive management, and this data is used when reporting the above ethnicity data. All information is strictly confidential, in accordance with Genuit Group's Privacy Notice, in line with the UK General Data Protection Regulations (UK GDPR, GDPR 2018 and DPA 2018).

In addition, the Committee considers emergency succession planning and is comfortable that a framework is in place should key senior management roles need to be covered on an interim basis. Board appointment criteria are considered automatically as part of the Committee's review of succession planning, and matters of Director tenure are viewed on a case-by-case basis.

During 2024, we launched our talent and performance module within Workday, which will enable us to adopt a Group-wide approach to performance management and to use this data when considering succession planning. We will be implementing this module across the Group during 2025, ensuring a consistent approach to performance management across all of our businesses. More information on our annual performance review process is included in our People and Culture section on pages 62 to 63.

During the year, 44 of our Genuit Leadership Team (GLT) members participated in the Genuit Leadership Programme, which had a positive impact and received positive feedback. The year end review also provided an opportunity to review the diversity of this strategically important group. The overall GLT population at 31% female continues to track higher than the total organisation, which is 26% female as at 31 December 2024. Gender diversity is an improving picture across the Group, following this greater representation in senior leadership. Hiring of female colleagues has increased during the year, with 30% of applications and 26% of hires being female. This is positive progress, given the challenges we see across our industry in attracting female talent. Whilst we are still in the early stages of using Workday to track and review diversity data, there has been progress during the year and positive outcomes, such as an overall reduction in the number of employees who 'Prefer not to say', and the ability to track the data of new hires across the year, of whom 12% were from a minority ethnic group.

Nomination Committee Report continued

Tenure of Non-Executive Directors

Appointments to the Board are typically made for an initial term of three years and are ordinarily limited to three consecutive terms in office, subject to annual re-election by shareholders at the AGM.

The Committee recognises the recommendations in Principle K and Provision 19 of the Code in respect of the Board tenure of independent directors, and, in accordance with this, a nine-year tenure is the maximum for any Non-Executive Director appointed to the Board (with exceptions permitted only with a sufficient explanation and where agreed by the Committee as a whole).



Recruitment of Chief People Officer

During the year, we embarked on the recruitment of a new Chief People Officer. We engaged an external recruitment firm and reviewed the technical and cultural fit of the shortlist of candidates, in addition to considering diversity and the long-term goals of the Group.

Following a rigorous and robust recruitment process, we are pleased to welcome Edel Conway, who joined the Group as Chief People Officer in January 2025 to lead our people and culture journey, as we position the Group for continued success and future growth.

Recruitment of Executive and Non-Executive Directors

The Committee's role in recruiting Executive and Non-Executive Directors includes:

- identifying any skills or experience gaps in the composition of the Board and its current diversity;
- having regard to any such gaps, identifying and nominating candidates to fill Board vacancies, as and when they arise, and recommending them for the approval of the Board; and
- reviewing the time commitment required from Non-Executive Directors.

The Committee recognises the importance of the time commitment of each Director to shareholders, and this will, therefore, continue to be kept under review for all Directors during 2025. A considered process supports director appointments to the Board and is set out below. It is bolstered by the Group's Diversity & Inclusion Policy, which drives action to promote diverse appointments and inclusive recruitment.

During the year, there were no changes to the Board composition; therefore, the Committee did not require any confirmation of the independence of third parties. Information on the Directors' service agreements, shareholdings and share options is set out in the Directors' Remuneration Report on pages 131 to 151.

Board evaluation and composition

As part of its role in monitoring the composition and structure of the Board, the Nomination Committee will:

- review the structure, size and composition of the Board and make recommendations to the Board, as appropriate;
- identify the balance of skills, knowledge, diversity and experience on the Board;
- review and approve the Group's diversity policy and evaluate its effectiveness on a regular basis;
- review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace and deliver the Company's strategy and objectives; and
- review the results of the Board performance evaluation process that relate to the composition of the Board and the Committee's own performance.

Recruitment process



Board skills and experience

The Committee uses a skills matrix when identifying the balance of skills, knowledge, experience and diversity of the Board for its evaluation and composition review and succession planning. During the year, the matrix was updated to differentiate between those Directors who are proficient in specific subject matters, and those who are experienced. This allows the Committee to identify any areas of expertise which are lacking or that require further development. It also highlights those areas where there are opportunities to further grow the Board's collective knowledge and level of diversity. Following the annual review, the skills of the Board are considered appropriate to provide constructive challenge, as well as guidance and support in order to continue to deliver the Company's strategy. The skills matrix of the Board as at 31 December 2024 is included in the Governance Report on page 102.

By order of the Board.

Kevin Boyd
Chair of the Nomination Committee

11 March 2025

Risk Committee Report

Tim Pullen
Chair of the Risk Committee



Members



Joe Vorih
Chief Executive
Officer



Emma Versluys
Group Legal
Counsel and
Company
Secretary



Martin Gisbourne
Chief Strategy
and Sustainability
Officer



Edel Conway
Chief People
Officer (with effect
from 27 January
2025)



Lee Mellor
Business Unit
Managing Director
(BU MD), CMS
(with effect from
1 December 2024)



Steve Currier
Business Unit
Managing Director
(BU MD), WMS
(interim) & SBS

Dear Shareholder

I am pleased to present the Risk Committee (the Committee) Report for the year ended 31 December 2024, having completed my first full year as Chair of the Committee.

During 2024, the risk profile of the Group was impacted by both the global and domestic macroeconomic environments. In the context of this ever-evolving environment, the Committee focused on overseeing and regularly reviewing the Group's principal and emerging risks, to ensure that mitigating actions remained effective and that the Group was able to adapt the tolerances of its risk appetite. Internationally, conflict continued in the Middle East, and our focus as a Committee was on ensuring that our employees in our Dubai operations remained safe and that input supplies to the Group were unaffected by supply chain disruption. We remain vigilant but satisfied with the mitigations in place, and continue to monitor the situation.

Across the world, the impact of climate change is evident, with warmer temperatures being recorded and intense rainfall events becoming more frequent, causing significant flooding events. Climate-related risks and opportunities remain a key agenda item for the Committee, and during the year, we conducted further quantitative scenario analysis on key risks and opportunities as part of our obligations under the Financial Conduct Authority (FCA) Listing Rules and recommended Task Force on Climate-Related Financial Disclosures (TCFD). Whilst climate change poses risk, it also presents opportunities for the Group, with structural drivers in both mitigating and adapting to the impacts of climate change, that are expected to provide growth opportunities for the Group over the medium term. Given the Group's overall purpose, it is important that the Committee continues to review and remain aware of the risks, to enable the Group to capitalise on any opportunities. Within the context of the assessments under TCFD, overall, our assessment was that any changes would have a minimal impact on our short-term future revenues or growth. Further details on this are provided later in this Report and in the TCFD Report on pages 42 to 53.

Domestically, the market remained subdued in respect of residential and commercial construction. During the year, a new Government was elected in the UK, and we are encouraged by the new administration's focus on growth and in particular the desire to promote construction and address the structural housing shortage. However, there are also risks posed by policy changes and, following the Autumn Budget, the Group has quantified that c.£5m of additional costs will be incurred during



We remained resilient to the changing markets and continued to invest in the Genuit Business System."

2025, associated with National Insurance and minimum wage changes. The Group remains committed to increasing productivity, and the deployment of the Genuit Business System is one example of this commitment. Public policy and regulation provide both opportunities and risks, and during 2025, this will be an area of active focus for the Committee.

Internally, we expanded the Group through two acquisitions, as we welcomed new employees from Sky Garden and Omnie & Timoleon, and the Committee oversaw the risk aspects of the integration process for both acquisitions. The recruitment and retention of key personnel and the associated risks were monitored as part of the Business Unit and Function reviews that take place on a rotational basis. The Committee remains satisfied that local teams continue to manage risks effectively, with strong progress being made in the cultural development and diversity of the Group, supported by the Group's inaugural employee engagement survey in March 2024. In addition, the Committee placed a focus on compliance rates for learning and development courses, noting the importance of this for mitigating a broad range of risks. Further information on our people strategy and engagement with our employees can be found in the Strategic Report on pages 56 to 65.

During the year, the Committee improved its visibility on changes in risk through more frequent reporting. This was achieved by requirements for Business Units and Group functions to highlight any material movements in risk at each meeting. This has been effective in enhancing the Committee's agility in overseeing risk management within a dynamic environment. The Committee also reviewed its approach to defining and monitoring risk appetite during the year.

Risk Committee Report continued

The subsequent improvements made ensure that the consideration of risk appetite is at a principal risk level, enabling detailed assessment of whether mitigating actions bring the inherent risk exposure in line with risk appetite. The Committee will continue to review and make improvements to processes to maintain effective risk reporting and mitigation across the Group.

Following the updates made to the Terms of Reference in 2024, as a result of which one Non-Executive Director will attend at least one Risk Committee meeting, Shatish Dasani, Chair of the Audit Committee, attended one meeting during the year. This provided additional opportunity for challenge and oversight by the Board and Mr Dasani reported his observations on the effectiveness of the Committee to the Board following his attendance.

As part of its annual cycle, at its meeting in early 2025, the Committee reviewed, discussed and agreed the final changes to the Group's principal risks and uncertainties and emerging risks prior to submitting the list to the Board for approval, to ensure that the reporting of these risks remained current, proportionate and appropriate. This Report describes in more detail how the Committee has fulfilled its role in supporting the Board in overseeing and advising on future and current risk exposures and monitoring the effectiveness of the Group's risk management framework. Further detail is also included about the performance and effectiveness of the Committee, which was reviewed as part of the internal Board evaluation carried out during the year.

The Committee's work in 2024 has continued to strengthen the Group's risk management structure. It acts as a dedicated forum to consider risk management, and we will endeavour to continue to apply continuous improvement measures during 2025. I remain confident that we are well positioned to meet the challenges and uncertainties that the current macroeconomic conditions pose. Details of our principal risks and uncertainties, as well as our emerging risks, can be found on pages 75 to 85.

I will be available at the AGM to answer any questions about the work of the Committee.

Tim Pullen
Chair of the Risk Committee

11 March 2025

2024 key achievements

Improvement to our risk appetite analysis to enable principal risk level assessment

Completion of scenario analysis on two further climate-related risk and opportunity areas

Establishment of a cross-functional working group to consider the potential risks and opportunities posed by artificial intelligence

Monitoring of changes in macroeconomic risk at both international and domestic levels

2025 areas of focus

Completion of training workshops to further embed the Group risk appetite process within operations

Changes to reporting templates to further enhance the quality of reporting to the Committee

Further embedding of climate-related risk and opportunity assessment outputs within strategic workstreams

Oversight of the Group's programme to implement compliance with Provision 29 changes under the Corporate Governance Code

Members and meetings

The Committee was reviewed during the year to ensure that it remained fit for purpose and continued to have the skills and experience required to perform the roles and responsibilities within its remit. Following the departure of Clare Taylor, Chief People Officer, and Steve Durdant-Hollamby, Business Unit Managing Director of WMS during the year, Lee Mellor, Business Unit Managing Director of CMS, and Edel Conway, Chief People Officer joined the Committee on 1 December 2024 and 27 January 2025, respectively. The current Committee membership, therefore, comprises Tim Pullen, Joe Vorih, Martin Gisbourne, Edel Conway, Emma Versluys, Steve Currier and Lee Mellor. Accordingly, there are seven members. The Group Financial Controller and the Group Internal Audit Director are invited to attend all meetings, and Group function heads and senior managers within the Business Units are invited to attend and provide an update to the Committee on a rotational basis. The Deputy Company Secretary acts as Secretary to the Committee. The Committee is required to meet not less than four times a year, and it held four meetings during the year under review.

As reported in the 2023 Annual Report and Accounts, it was agreed by the Board that, given the wholly executive membership of the Risk Committee, it would be beneficial for the Audit Committee Chair to attend at least one Committee meeting a year. This provides independent insight to the Board on the activities of the Committee to ensure the Committee is managing risk appropriately and effectively, complementing the work of the Audit Committee. Shatish Dasani, Audit Committee Chair, was invited to all Committee meetings and, in accordance with the Committee Terms of Reference, he attended one meeting in April 2024.

The UK Corporate Governance Code 2018 (the Code) Provision 25 requires that risk management systems be either reviewed by the Audit Committee, a risk committee comprising independent Non-Executive Directors, or the Board.

Although the Committee comprises solely Executive Directors and senior management, it reports regularly on all its activities to the Board and the Board is required to approve any changes to the Group's risk appetite, principal and emerging risks, the Group's risk management structure and climate-related risks and opportunities. Therefore, such decisions are not made without Board approval. The executive composition of the Committee enables meetings to be effective at reviewing and discussing the granular detail of risk across Business Units and the Group as a whole. The attendance by the Audit Committee Chair at one Committee meeting each year provides independent oversight and assurance to the Board that it continues to have appropriate oversight of the activities of the Committee and the Group's risk management processes.

Governance

In accordance with Code Principle L and Provision 21, the Board and its Committees are required to be evaluated on an annual basis, with external evaluations conducted at least every three years. An external evaluation was conducted in 2022, and, therefore, an internal evaluation was conducted during the year. The 2023 internal evaluation included recommendations to improve the length and frequency of meetings, which, as reported in the 2023 Annual Report and Accounts, resulted in an update to the Terms of Reference to increase meetings from a minimum of two to four, and the issue of standardised templates to ensure consistent reporting to the Committee. This has improved visibility and contemporaneous reporting on risk rating to the Committee and will continue to be applied during 2025. The Committee evaluation held in December 2024 highlighted that the executive composition of the Committee remained appropriate, and that the membership comprised the necessary knowledge and skills, and, as a result, was well equipped to manage the Group's risk framework on behalf of the Board. A recommendation was made for additional training of Committee members on the assessment of risk, given the change in membership during the year, and a review as to the implementation of this training will take place during 2025.

The Committee is responsible for monitoring and reviewing risk management systems; therefore, it has oversight of the Group risk profile and risk appetite as a whole and, unless required otherwise by regulation, carries out the duties below, reporting to the Board as appropriate:

- it reviews, manages and agrees the risk appetite, tolerance and strategy of the Group for approval by the Board;
- it assists the Board in fulfilling its reporting responsibilities in the Annual Report and Accounts for risk reporting, including:
 - the internal risk management and control systems in place;
 - principal risks and uncertainties;
 - emerging risks;
 - climate-related risks and opportunities and associated scenario analysis;
 - risk appetite and any respective stress testing;
 - overseeing and implementing the Group's risk management systems and internal controls;
 - reviews the alignment of any identified risks to Group strategy; and
 - supports the Remuneration Committee in ensuring that remuneration policy is aligned to the Group's risk appetite.

All proceedings of the Committee are reported formally to the Board by the Chair of the Committee, who reports on the key items discussed, as well as reporting on the nature and content of the discussion, making recommendations and proposing actions to be taken or approvals requested. The Deputy Company Secretary acts as Secretary to the Committee, and the minutes of all Committee meetings are shared with the Board as part of the Committee Chair's report to the Board.

The Committee's Terms of Reference explain the Committee's role and responsibilities and were reviewed in October 2024 to ensure that they remained appropriate. The Board approved the Terms of Reference at its meeting in December 2024, and a copy can be found on the Company's website.

Role of the Committee and its activities during the year

Ensure adequate and effective risk management systems and controls, and assesses the effectiveness of the internal control environment

In accordance with Principle O of the Code, one of the Committee's responsibilities is to ensure, on behalf of the Board, that adequate and effective risk management systems and controls are in place across the Group. In the UK Corporate Governance Code 2024, Principle O was updated to include the requirement to 'maintain' the framework, in addition to establishing its procedures. In readiness, the Board already has processes in place to ensure compliance with the updated Code, given the requirement for the Committee to provide a detailed report to the Board after each meeting, currently held a minimum of four times a year. Management of risk is treated as a critical and core aspect of Group activities, and whilst the Board has ultimate responsibility for the Group's robust risk identification and management procedures, risk management activities are delegated to the Risk Committee, which is more able to oversee and manage everyday business, strategic and operational risk. Updates from the Group Internal Audit Director outlining principal and emerging risks and reporting timelines are presented at each Committee meeting. In the event that weaknesses in the risk management systems are identified, plans for strengthening these systems are discussed and agreed by the Committee, implemented as appropriate and reported to the Board. Monitoring and progress updates are then provided by the Group Internal Audit Director, as required.

The Committee also provides recommendations to the Board on the effectiveness of the internal control environment in relation to risk management. The Committee's responsibilities include:

- monitoring and reviewing the effectiveness of the Company's risk management and internal control systems;
- reviewing the Company's procedures for managing or mitigating principal risks and identifying emerging risks; and
- reviewing and approving the statements to be included in the Annual Report and Accounts concerning internal risk controls and risk management.

Risk Committee Report continued

Risk management process

As outlined above, the Board, with the support of the Committee, is responsible for ensuring that an effective risk management system is in place. Through ongoing review during the year, it ensures that it is fit-for-purpose and that it operates effectively. It is therefore imperative that the Committee ensures the Board has a clear view of the level of risk across the Group, in accordance with the risk management system outlined on page 76 of the Strategic Report.

Each business and Group function is responsible for monitoring and maintaining individual risk registers, allowing the most significant risks to be identified and prioritised. The risk management process is prescribed and organised by the Group Internal Audit Director, who ensures that each business complies with the Group's mandatory standards. Businesses are required to formally review their risk register and risk profile at least twice a year. This requirement extends to climate-related risk, and the process for climate-related risk is in line with the process above, managed by the Chief Strategy and Sustainability Officer. Committee meetings include a requirement for Business Unit and Group function leads to report any movement in reported current or emerging risks. This was implemented during 2024 and has proven to be an effective mechanism to enable the Committee to have regular oversight of changes to risk outside of the six-monthly cycles.

To ensure compliance with the Code and to operate the highest governance standards, the Board remains responsible for reviewing and approving risk management and internal controls and approves the Group risk appetite on an annual basis. The Board reviews and approves any material output of the Committee, which ensures that principal risks and uncertainties and emerging risks are adequately reviewed and challenged by the Board and support the setting of overall Group strategic objectives. The Committee works alongside the Board to set the risk tolerance levels for the Group by drafting its risk appetite and monitoring its implementation to set a culture in line with this. It monitors and reviews the Group's risk registers, identifying and evaluating principal and emerging risks, approving climate-related risks and presenting to the Board for approval and inclusion in the Annual Report and Accounts.

Internal risk controls and management systems

The Committee relies on the effectiveness of senior leaders across the Group to implement its controls and risk management systems. Business Unit Managing Directors (MDs), as Committee members, are still required to present their specific Business Unit risk register on a rotational basis. This is beneficial for ensuring that all Business Unit MDs are aware of other identified current and emerging risks across all Business Units, which enables the Committee to synergise mitigation where appropriate and take a high-level and consolidated approach to managing emerging risks. Group function heads are also required to present to the Committee on a rotational basis and risk register owners are required to provide updates at each Committee meeting on any material changes to their respective risk registers. Senior leaders are responsible for maintaining the Group's risk registers and implementing the bottom-up approach to the reviewing of risks. They are ultimately responsible to the Committee for managing and adequately implementing the Group's risk management procedures and for monitoring the operation and effectiveness of key internal risk controls. They also provide support, guidance and advice to employees in identifying risk, assessing the likely impact, and proposing and implementing mitigation plans, which is critical to the effective operation of the Group's risk management systems and controls.

Business Unit and Group function risk registers must be submitted at least twice a year, so that the Group principal risk register can be updated every six months. The Group risk register represents the consolidation of all risks considered to be significant at Group level. It is maintained by the Group Internal Audit Director and is reviewed and updated by the Committee.

Following the Committee's reviews during the year, the Committee confirms that it is satisfied that the Group's internal risk control and management procedures:

- operated effectively throughout the period; and
- are in accordance with the guidance contained within the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting.

Evaluate and assess the principal and emerging risks of the Group on behalf of the Board

One of the key responsibilities of the Committee is to assess principal and emerging risks and monitor these on an ongoing basis. The Committee reviews these at every meeting as a standing agenda item and ensures that any principal or emerging risks which are prevalent are added as individual agenda items.

The Committee's role includes:

- assisting in the Board's assessment of principal and emerging risks;
- evaluating the Group's principal risks, to be considered by the Board when assessing the Company's prospects; and
- advising the Board on the likelihood and the impact of principal risks materialising, and the management and mitigation of principal risks to reduce the likelihood of their incidence or their impact.

A robust assessment of the principal and emerging risks facing the Group is performed by the Group Internal Audit Director, following the collation of the Group risk registers. This process identifies those risks that could threaten future performance and solvency or liquidity, as well as the Group's strategic objectives, over the coming 12 months. Emerging risks that are identified across the Group are consolidated in the same way and highlight areas that could indicate an increase to the Group's risk exposure. These are discussed by the Committee and decisions are taken as to their prominence, likely impact, and timescale to impact. Any significant increase in risk or proposed emerging risks or current principal risks is subject to challenge by the Committee and requires a robust justification and clear supporting data. Relevant details are included in the Chair's report to the Board, and on an annual basis, principal and emerging risks are submitted in full to the Board for final approval and inclusion in the Annual Report and Accounts.

Artificial intelligence (AI) as an emerging risk

During the year, a strategic workstream was established to better define the Group's approach to exploring AI opportunities, as well as creating processes and a governance framework to enable us to build experience and capability without importing undue risk. This workstream considered the impact that AI has on the workplace, either by enhancing productivity, or by executing key tasks currently performed by humans. The working group acknowledged that AI has the potential to improve efficiencies and the accuracy of operations, changing how we measure capability and performance, and this was presented to the Board as part of its strategy day in October 2024.

With transformational digital change comes emerging risks which are multi-faceted, impacting various functions and operations. Therefore, it was important prior to proceeding to implement any growth or improvement initiatives, to identify those areas which posed a potential risk to the Group. This included data and information security risks, competitor advantage, internal adoption challenges, data quality concerns and uncertain organisational impact. The Group will continue to monitor and address these potential and emerging risks as part of its risk management processes throughout 2025 and assess any opportunities capitalised in this arena.



AI has the potential to improve efficiencies and accuracy of operations, changing how we measure capability and performance."

Principal risks are documented to include a comprehensive overview of the key controls in place to mitigate the relevant risk and the potential impact on strategic objectives, KPIs and our business model. Changes to those principal risks which are disclosed annually can only be made with approval from the Committee and the Board. Principal risks are presented to the Committee at every meeting to ensure that they are monitored on an ongoing basis, and the Committee places a focus on the effectiveness of mitigations in reducing the risk. More detail on the Group's principal risks and uncertainties and emerging risks can be found on pages 77 to 85 of the Strategic Report.

Climate

In line with the recommendations in the Task Force on Climate-Related Financial Disclosures (TCFD) and the FCA's Listing Rules, the Committee is responsible for monitoring, assessing and mitigating the impact of climate change on the Group and the possible effects on its strategy. It is responsible for ensuring that the Board has adequate oversight of these risks and opportunities and ensures that the impact is adequately assessed and appropriate mitigations identified, ensuring that the Company is resilient enough to manage these over the short, medium and long term.

Quantitative and qualitative analysis was conducted by the Committee to assist with the completion of its TCFD disclosure, which provided further clarity and insight into the impact of those risks that had been identified as significant. At its meeting in July, the Committee approved one transition risk and one opportunity to undergo further quantitative scenario analysis, to enable it to understand the potential financial impact of these on the Group as a whole and allocate adequate metrics to monitor their movement.

Climate is categorised as a principal risk, as outlined in the principal risks and uncertainties on page 81, and the qualitative and quantitative scenario analysis and subsequent monitoring of the climate risk register has positively contributed to the accuracy of the controls surrounding climate as a principal risk, thus reducing its overall scoring. Further details about the findings of our quantitative assessments and the monitoring of the qualitative assessments can be found in our TCFD Report on pages 42 to 53.

Advises the Board on its risk appetite, tolerance and strategy, as well as ensuring that the Group is acting in accordance with its approved risk appetite

The Committee is responsible for:

- advising the Board on the Company's overall risk appetite, tolerance and strategy, along with the principal and emerging risks that the Company is willing to take to achieve its long-term strategic objectives; and
- reviewing and assessing the Company's risk appetite and the associated stress testing.

During the year, the Committee reviewed its risk appetite statement and submitted it to the Board for review and approval in accordance with its annual reporting requirements.

The review of the risk appetite statement and the risks that the Company it is willing to take to achieve its strategic objectives includes:

- reviewing the defined accepted tolerance levels for individual risks in accordance with the risk appetite statement;
- reviewing risks in the context of the overall strategic direction of the Group; and
- reviewing and monitoring updates from senior management about their principal and emerging risks and their approach to risk management, monitoring and mitigation to ensure that each is aligned with the Group risk reporting structure and current appetite.

The Committee will continue to ensure that it reviews and mitigates Group risk on an ongoing basis, with transparent and frequent reporting to the Board to ensure that adequate governance structures remain in place throughout the upcoming financial year.

By order of the Board.

Tim Pullen
Chair of the Risk Committee

11 March 2025

Audit Committee Report

Shatish Dasani

Chair of the Audit Committee



Members



**Louise
Brooke-Smith**
Non-Executive
Director



Lisa Scenna
Senior
Independent
Director



**Bronagh
Kennedy**
Non-Executive
Director

Dear Shareholder

On behalf of the Board, I am pleased to present the Report of the Audit Committee (the Committee) for 2024.

The Committee's main role is to monitor and review the integrity of the Company's financial information. Consequently, it is responsible for overseeing the financial reporting processes of the Group and ensuring that they are accurate and transparent. Its key responsibilities include reviewing financial statements, overseeing the external audit processes and ensuring that the auditor remains independent, monitoring internal controls, and fostering effective communication between executive management, the Group's external auditor and the Board. We continued to see professional, comprehensive and robust work across our employees and partners, which has meant that the Committee was able to discharge its obligations effectively throughout the year.

Following a competitive tender process during 2023, Ernst & Young LLP (EY) were selected to remain as the Company's External Auditor and were re-appointed by shareholders at the 2024 AGM. External auditor independence and effectiveness is of critical importance to the Committee, and a formal framework for the assessment of the effectiveness of the external audit process and the quality of the audit has been established, covering all aspects of the audit service provided by EY. While part of the assessment is managed annually, it is treated as an ongoing review throughout the cycle. I am satisfied that auditor independence, objectivity and effectiveness have been maintained, and monitoring this will continue to be of importance to the Committee. Further details about this process are detailed later in this Report.

Areas of focus in 2024

2024 proved to be another year of uncertainty within the macroenvironment, following the UK General Election, the 2024 Autumn Budget and continued high inflation. The Committee remained vigilant to the impact of these challenges, scrutinising assumptions related to going concern and other key accounting judgements. We considered the ongoing challenges that this presented and their financial implications, complementing the work of the Risk Committee in understanding the principal risks and the effectiveness of any mitigations in place. Further information on the Risk Committee's work and its approach to monitoring principal and emerging risks is set out in the Risk Committee Report on pages 111 to 115. The Committee considered the resulting implications of these



The reviews conducted during the year provided the Committee with confidence in the robustness of the Group's financial reporting, audit processes and control environment."

and other challenges for the interim and full year financial statements. Throughout the year, the Group remained effective at identifying external challenges quickly and proactively mitigating them to the greatest possible extent.

The Committee also closely monitored communications and Group reporting processes, ensuring that the progress of the external and internal audits remained on track throughout the year, that current internal controls remained effective, and that any resulting actions were addressed in a timely manner. The reviews conducted during the year provided the Committee with confidence in the robustness of the financial reporting, audit processes and control environment. The internal audit plan continued to operate effectively and continues to evolve to reflect the changing needs of the Group. Further detail on the role of internal audit is outlined later in this Report.

In relation to the acquisitions of Sky Garden and Omnie & Timoleon in August 2024, the Committee ensured that it was satisfied with the appropriateness of the external communications regarding the transactions and the integrity of the acquisition process. The Committee also took appropriate steps to satisfy itself that these businesses are being effectively integrated into the Group, ensuring that there is effective implementation of the Group's internal control requirements, financial reporting practices, IT systems, and governance and ethical practices.

The Committee is committed to enhancing internal controls to protect the Group's shareholder interests now and in the future; therefore, during the year, particular focus was given to the upcoming UK Corporate Governance Code changes, specifically in relation to audit, risk and internal controls, effective from 1 January 2026. The Committee oversaw the roadmap and implementation of a programme to assess and action certain enhancements to financial controls to ensure compliance with the new requirements. Further details on the action taken during the year to prepare for these changes, including the recruitment of a new Group Head of Internal Controls, are detailed later in this Report.

As part of its responsibilities under its Terms of Reference, the Committee is required, on behalf of the Board, to oversee the process for determining whether the Annual Report and Accounts, when taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's financial position and performance, business model and strategy. The judgements and factors that the Committee considered when reviewing the 2024 Annual Report and Accounts are outlined on page 119, as well as its conclusions in this regard.

As a result of its work undertaken during the year, and taking into account the feedback from the Board and Committee evaluations, (further details of which are set out on page 104), the Committee considers that it has been effective in ensuring that it has due regard for the matters within its remit. My attendance at one Risk Committee during the year has enhanced the oversight of the activity of the Risk Committee, complementing the work of the Committee during the year. This Report outlines some of the main activities of the Committee during the financial year.

I will be available at the AGM to answer any questions about the work of the Committee.

Shatish Dasani
Chair of the Audit Committee

11 March 2025

2024 key achievements

Review of full year and half year financial statements, including key accounting judgements, estimates and assumptions

Review and assessment of changes required to comply with the revised UK Corporate Governance Code 2024

Overseeing the roadmap for compliance with the new Corporate Governance code, including the establishment of a Provision 29 steering group

2025 areas of focus

Development of a proportionate plan to support the Group in further strengthening its control environment to ensure compliance with Provision 29 of the revised UK Corporate Governance Code 2024

Review of the integration of 2024 acquisitions to ensure that key business controls remain effective

Continue to enhance co-sourced internal audit service provision, to further embed Internal Audit within the control of our Group Internal Audit Director

Members and meetings

The Committee comprises four Non-Executive Directors, these being Shatish Dasani, Lisa Scenna, Bronagh Kennedy and Louise Brooke-Smith. In accordance with Provision 24 of the UK Corporate Governance Code 2018 (the Code), the Chair of the Board is not a member of the Committee. All Committee members are considered to be independent, in accordance with the Code.

The composition of the Committee was reviewed by the Board and Nomination Committee during the year to ensure it was compliant with the Code and the respective FRC Guidance, which highlights that audit committees should consist of a minimum membership of three independent non-executive directors, one of whom must have recent and relevant financial experience, as well as expecting that the Committee as a whole has competence relevant to the sector in which the Company operates. In accordance with the requirements of Provision 24 of the Code and the FRC's Guidance on Audit Committees, Shatish Dasani is designated as the Committee member with recent and relevant financial experience. He has extensive experience of the financial reporting requirements of FTSE companies and the required compliance for public companies, and of dealing with internal and external auditors, having had a 30-year career in financial roles as a FTSE Chief Financial Officer, as well as his current Audit and Risk Committee Non-Executive Directorships.

All other members of the Committee are deemed to have the necessary ability and experience to understand financial issues, given their mix of skills and backgrounds, and the Audit Committee as a whole has competence relevant to the sector in which the Group operates. The Committee and Board is confident that its composition, balance and expertise provide shareholders with the confidence that the financial reporting and control processes of the Group are subjected to the appropriate level of independent, robust and challenging oversight.

Audit Committee Report continued

The Committee discharges its responsibilities through a series of scheduled meetings during the year. Each meeting has a formal agenda, which is linked to the events in the financial calendar of the Group. Attendees at each of the meetings include the Committee members, as well as, by invitation, the Chair of the Company, the Chief Executive Officer, the Chief Financial Officer, the Group Internal Audit Director, the Group Financial Controller, the external auditor, EY, and Grant Thornton UK LLP, who provide specific internal audit services to the Group. The Company Secretary is also Secretary to the Committee.

The Committee held four formal meetings during the year.

In accordance with best practice, the Committee met regularly with the EY lead audit partner without executive management being present. The Committee also met with the Group Internal Audit Director and Grant Thornton UK LLP without executive management being present. In addition, the Committee Chair has regular meetings with EY and separate meetings with the internal audit team.

Governance

The responsibilities of the Committee are set out in its Terms of Reference. The Terms of Reference are reviewed on an annual basis to ensure that they remain appropriate and reflect any changing governance requirements and recommendations, with any relevant updates made accordingly. The Committee Terms of Reference were reviewed and approved in October 2024 and are available on the Company's website. One of the Committee's responsibilities is to ensure that it adequately reports to the Board on how it has discharged its responsibilities under these Terms of Reference.

In accordance with best practice, the effectiveness of the Committee was evaluated this year as part of the internal Board and Committee evaluation. This evaluation involved an anonymous questionnaire to encourage open feedback, ensuring that the evaluation provided a valuable feedback mechanism for identifying concerns, improving effectiveness and highlighting areas for further improvement. There was also the opportunity at the end of the questionnaire to detail strengths and areas for improvement, to allow the Committee to have a broader understanding of its effectiveness outside of the structured questions. The questionnaire circulation was also extended beyond the Committee membership to include regular attendees, including the external auditor. At its meeting in December 2024, the Committee considered the results of the

internal evaluation. Responses to the questionnaire showed that the Committee and regular attendees were unanimous in their view of the effectiveness of all functions of the Committee. Feedback was positive, noting that dialogue was open, that there was an appropriate balance of support and challenge, and that meetings were effectively chaired, ensuring that there was sufficient time dedicated to discussion of key agenda items. The results of the evaluation, therefore, provided the Committee with a high level of assurance that key issues are being dealt with appropriately. Following the feedback in the 2023 evaluation, which recommended increased convergence with the Risk Committee, the Committee Chair is now invited to attend all Risk Committee meetings, with a minimum attendance of one meeting each year. This was implemented during 2024, and further information regarding the effectiveness of this can be found in the Risk Committee Report on page 112.

As part of the process of working with the Board to discharge its responsibilities and to maximise its effectiveness, meetings of the Committee normally take place immediately prior to Board meetings, and the Chair of the Committee will then provide an update to the Board on the Committee's discussions and decisions. Details of the role of the Committee and its activities in the year are set out in the remainder of this Report.

Role of the Committee and its activities during the year

Independent oversight of reporting procedures and financial statements

The Committee's role in overseeing reporting procedures and financial statements includes:

- monitoring the integrity of the financial statements of the Group, including its annual and half-yearly reports, trading updates, results announcements and any other formal announcements relating to its financial performance;
- reviewing significant financial reporting matters and judgements; and
- reviewing the content of the Annual Report and Accounts and advising the Board on whether, taken as a whole, it is fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's financial position and performance, business model and strategy.

When approving the Group's interim and final results announcements, Committee meetings are scheduled prior to the Board meetings to allow the Committee to fully consider the financial reporting judgements made by management, prior to submitting the announcements to the Board for approval. The Committee considers the principal accounting policies that are used when preparing results, as well as reviewing the significant accounting issues and areas of judgements made and other key areas of focus. The Committee receives regular reports from the Chief Financial Officer and Group Financial Controller to support this work. The Committee's considerations are based on a review of the accounting papers and financial reports prepared and presented by management as referred to above, along with the reports prepared and presented by the Company's external auditor.

Viability Statement

The Viability Statement is a longer-term view of the sustainability of the Company's proposed strategy and business model, considering wider economic and market developments as well as giving a clearer and broader view of solvency, liquidity and risk management. Its purpose is to provide assurance to shareholders that the Group is financially stable, and capable of meeting its financial obligations over a longer period of time. The Committee considered and challenged the current Viability Statement during the year, as well as the current three-year period and relevant stress testing, and remained of the opinion that this continued to be appropriate. Part of its assessment of the Viability Statement involved considering the risk scenarios presented, the sensitivities for the impact of the combined risks, the reverse stress testing, and the available headroom after applying the sensitivities. The full statement can be found in the Directors' Report on page 123, which contains further detail on the process, assumptions and testing that underpin it.

Going concern

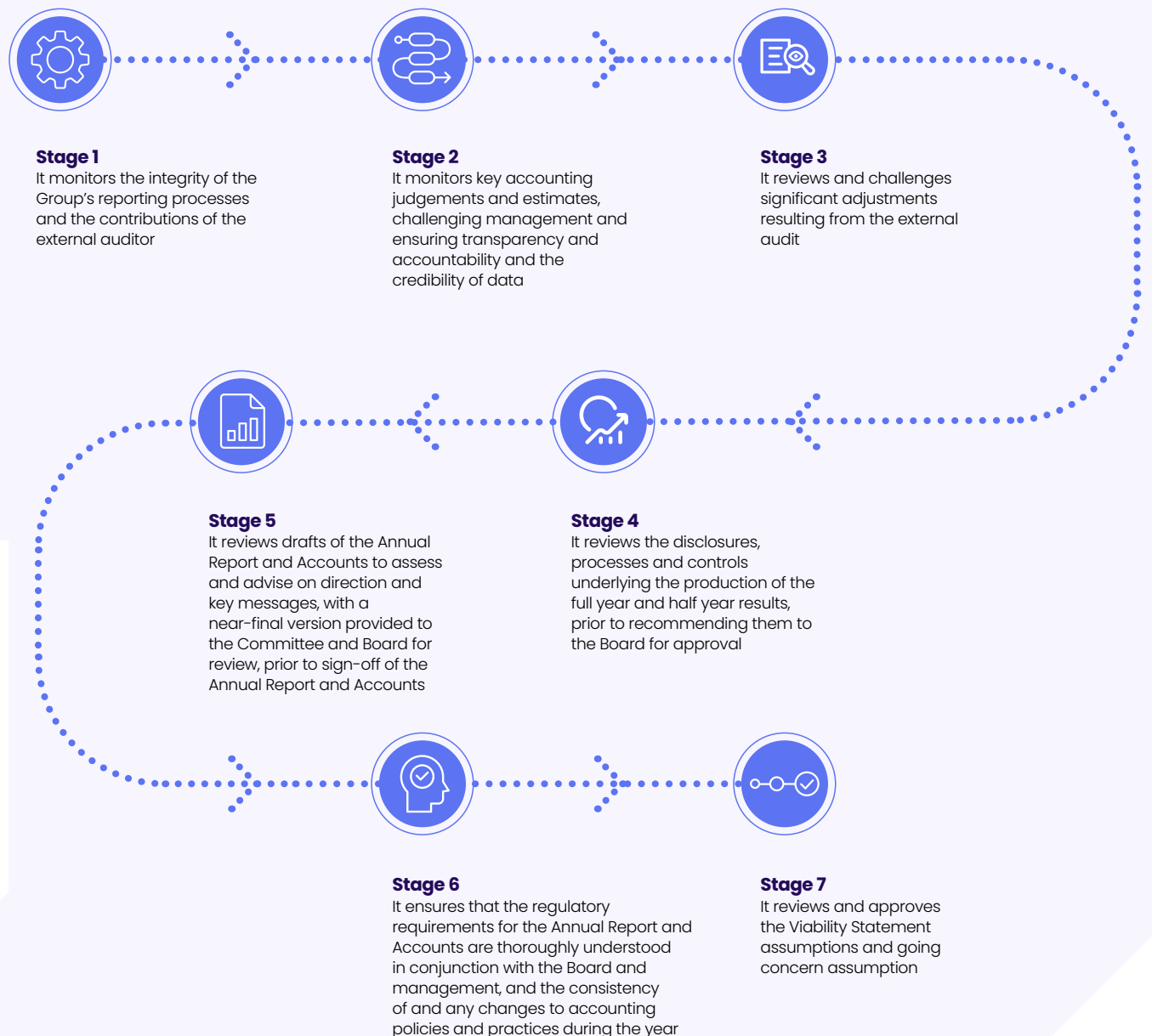
In determining whether the Group can continue to adopt the going concern basis, the Committee considers and reviews the Group's overall resources for the foreseeable future, covering a period of at least 21 months. Following this review, the Committee agreed that the forecasts presented were reasonable; therefore, the Annual Report and Accounts have been prepared on a going concern basis. The going concern statement for the Group can be found in the Directors' Report on page 123.

Fair, balanced and understandable

A key requirement of the financial statements and Annual Report and Accounts is that they are fair, balanced and understandable (FBU). These principles aim to ensure that the financial statements accurately and fairly reflect the financial position and performance of the Group, that they are presented in a clear and concise manner, and that they include the information necessary for shareholders to assess the Group's position, performance, business model and strategy. This includes monitoring and assessing the Group's reporting processes throughout the year, culminating in the final summary, as included in the Annual Report and Accounts, which correctly reflects the Company's performance in the reporting year in a clear and concise manner in line with the FBU principles, as well as ensuring that there is consistent formatting and terminology throughout. The Committee plays a key role in this process, as follows:

The Committee undertakes this review with both management and the Group's external auditor, and focuses on ensuring compliance with the relevant financial and governance reporting requirements. Further details on the FBU process can be found in the Corporate Governance Report on page 105.

Following the Committee's assessment of the Annual Report and Accounts, it concluded and was able to recommend to the Board that the Annual Report and Accounts is fair, balanced and understandable and provide the information necessary to assess the Group's position and performance, business model and strategy.



Audit Committee Report continued

Financial reporting

The significant financial reporting judgements reviewed by the Committee in respect of the year under review were as follows:

- Revenue recognition and customer rebates – the Committee considered the operating effectiveness of controls surrounding revenue recognition and management's assessment and the recognition of customer rebate liabilities at the half year and year end.
- Impairment of non-financial assets – the Committee considered a detailed report, prepared by management, setting out the assumptions used in determining whether goodwill, other intangible assets or property, plant and equipment required impairment. This included a review of the discount rate (using mid-year discounting) and the growth factors used to calculate the discounted projected future cash flows, the sensitivity analysis applied, and the discounted projected future cash flows used to support the carrying amount of the goodwill and the recoverable amount of cash generating units.
- Cash generating units (CGUs) – the Committee considered and approved the 2024 acquisitions being integrated into the existing CGU structure.
- Classification of non-underlying items – the Committee considered a report, prepared by management, setting out the basis and assumptions used in determining income and expenses as underlying or non-underlying at the half year and the year end.

The Committee is also responsible for considering the impact of new financial reporting standards and legislative requirements on the Group, reviewing the Group's tax strategy and recommending the Report of the Audit Committee for approval by the Board. All these activities were completed during the year and implemented as appropriate.

Selection and supervision of the independent auditor

The Committee's responsibility for selecting and supervising internal and external independent auditors includes:

- assisting the Board with the discharge of its responsibilities in relation to internal and external audits;
- overseeing the relationship with the external auditor, including their appointment, re-appointment and/or removal; approval of the scope of the annual audit, their remuneration and the terms of engagement; monitoring and reviewing their independence and objectivity, considering the effectiveness of the audit process and reviewing the extent of non-audit services performed; and
- monitoring and reviewing the effectiveness of the Group's internal audit function in the overall context of the Company's risk management system and the work of the compliance and finance functions and the external auditor.

Internal controls and internal audit

The Group maintains a co-source approach to internal audit, with a Group Internal Audit Director (GIAD) role and a contract for the delivery of selected internal audits by a third party, which is currently Grant Thornton UK LLP (GT). An Internal Audit Charter, which is reviewed and updated annually, is in place to govern the function and provide guidance, purpose and clarity to the GIAD as to the scope and objectives of the function. Internal audit, as a function, spans the whole Group, including (as and when relevant) acquired businesses, and provides independent and objective assurance over the Group's systems of internal controls through a risk-based approach. A rolling three-year internal audit plan is in place, and the specific annual plans are developed in advance of the relevant financial year through discussion with various stakeholders before being presented to, and approved by, the Audit Committee. This plan, which is subject to regular review and adaptation as necessary, addresses the Group's principal risks on a rotational basis whilst maintaining a focus on basic financial accounting and reporting controls. The Group has a rolling list of findings and agreed remedial actions, which are tracked and monitored by the Audit Committee. GT bring best-practice thinking and

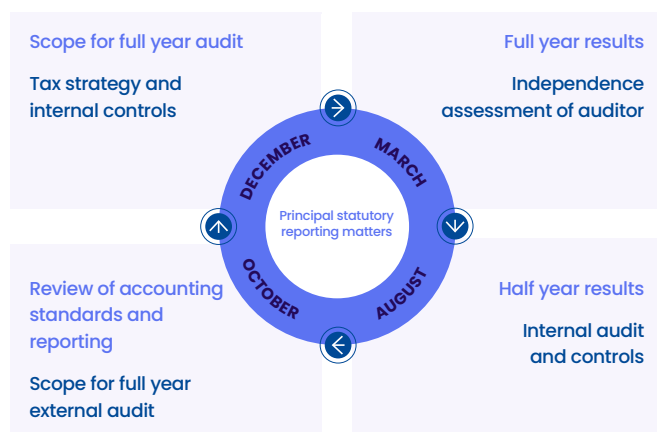
UK Corporate Governance Code 2024

The FRC conducted a consultation during 2023 and subsequently published the updated UK Corporate Governance Code in January 2024. The revised Code will apply to financial years beginning on or after 1 January 2025, other than Provision 29, which will come into effect for financial years beginning on or after 1 January 2026. As we focus on Provision 29 of the revised UK Corporate Governance Code, we are in the process of performing a full review of our entity-level controls, with the objective of consolidating our existing controls and identifying potential areas requiring improvement. We are strengthening our programme to review and monitor the effectiveness of the management of risk and the overall system of Internal Control. The Group Head of Internal Controls joined the Group in October 2024 as part of the Group's journey to comply with the revised Code and, specifically, the focus on the effectiveness of material internal controls by developing and delivering a proportionate plan to support the business in further strengthening its control environment. Overall, the Committee remains confident in the Group's compliance with the existing Code and is working closely with the Group Head of Internal Controls to ensure that the requirements of the revised Code are addressed in advance of applicable dates.



I'm very excited about joining Genuit and having the opportunity to be part of the Group's internal controls journey. Progressing towards a stronger internal control environment means more than just compliance – it's about building a company culture where excellence, reliability, and accountability thrive in every decision we make."

Juliana Zillmann,
Group Head of
Internal Controls



approaches to the function and continue to support the strengthening of the Group's internal control environment.

In accordance with its Terms of Reference, which are reviewed and updated annually, the Audit Committee has ultimate responsibility for (amongst other matters) ensuring the effectiveness of internal audit, approving the three-year rolling internal audit plan and the scope of each planned audit. The Group Chief Financial Officer has day-to-day responsibility. In addition, the internal audit delivery is subject to an Internal Audit Charter. Key areas covered in the 2024 internal audit plan included topics such as IT disaster recovery, the Group's M&A process, pay compliance and procurement. Rotational balance sheet reviews were completed in respect of a majority of sites and ad hoc audits were completed in respect of some of the remainder.

The Committee provides independent oversight, regularly considering the internal audit plan, internal audit reports and action tracker, and reviewing and challenging the internal audit results and reports, as well as the adequacy and timeliness of management's responses and proposed resolutions.

The Risk Committee has responsibility for risk management on behalf of the Board, and details of how risk is assessed, managed and controlled, as well as an outline of its purpose in the governance structure of the Group, can be found in the Risk Committee Report on page 111 to 115. Details of the Group's principal risks and uncertainties and emerging risks can be found in the Strategic Report on pages 75 to 85.

External audit appointment

The Committee carefully considers the re-appointment of the external auditor each year, prior to making its recommendation to the Board. As part of this process, the Committee considers the independence of the external auditor, the effectiveness of the external audit process, its remuneration and the terms of engagement. Following this review and the external audit tender conducted in 2023, when EY were re-appointed as external auditors, the Committee recommended to the Board that EY should be re-appointed for the 2024 audit.

In accordance with current professional standards, the external auditor is required to change the lead audit partner every five years, in order to protect auditor independence and objectivity. EY were awarded the external audit in 2023, following a competitive tender process. The lead audit partner was rotated in 2017 and again in 2022, and the senior audit manager was rotated in 2019, following completion of the 2018 full year audit. In accordance with the Code, the Competition and Markets Authority (CMA) Order and the EU Audit Directive, it is the Company's intention to put the audit out to tender at least every 10 years.

Effectiveness and independence of the external auditor

A review of the external auditor's performance and effectiveness is undertaken by the Committee each year. In respect of the 2024 full year audit, EY confirmed its independence in October 2024 and March 2025, as it presented to the Committee on its determination of independence, to enable the Committee to fully, and appropriately, assess its independence. This review includes considering the qualification, expertise, resources and re-appointment of the external auditors, as well as ensuring that no issues have arisen that may adversely affect their independence and objectivity. The review also considers how robust the external audit has been, as well as the quality of delivery. It also assesses how well the external auditors has exercised professional scepticism and whether they have provided an appropriate degree of constructive challenge to management. Following this review, the Committee concluded that the external auditor remained independent. As a result, and after considering the above matters, the Committee considered that the external audit had been effective and recommended to the Board that EY be re-appointed as external auditor to the Group. A resolution to this effect will be proposed at the 2025 AGM.

Non-audit services

The Group's non-audit services policy restricts the external auditor from performing certain non-audit services, in accordance with the Revised Ethical Standard 2019 issued by the FRC. All non-audit services proposed to be performed by the external auditor must be pre-approved and sponsored by a senior executive via a detailed written recommendation, including: the nature and scope of the proposed service, the supplier selection process and criteria, the chosen supplier and selection rationale, the relationship of the individual within the external auditor to perform the proposed service with those undertaking the audit work, a fee estimate and the category of non-audit service, if relevant. In addition, the external auditor must provide a written statement of independence, approved by the lead audit partner. All non-audit services proposed to be performed by the external auditor with a fee estimate in excess of £10,000 must also be pre-approved by the Committee.

This policy and approach further enhances auditor objectivity and independence, and was reviewed by the Committee at its meeting in October 2024. There were no exceptions to this policy during 2024.



Audit Committee Report continued

Fraud, compliance, whistleblowing and the UK Bribery Act

As part of its roles and responsibilities, the Committee monitors and reviews internal controls in the context of ethics and compliance, with the aim of strengthening governance systems across the Group.

Whistleblowing	Fraud and the UK Bribery Act	Cyber and information security
<p>The Committee recognises the importance of effective whistleblowing policies as being a key tool to strengthen governance, acting as a mechanism for ensuring internal control. The Committee ensures that a reliable system is in place to identify and correct any unlawful or unethical conduct, and is responsible for ensuring that adequate reporting tools and policies are in place, in accordance with Principle E of the Code. It regularly reviews the arrangements whereby all of the Group's employees may, in confidence, raise concerns about illegal, unethical or improper behaviour or other matters and ensures that these concerns are investigated and escalated as appropriate. As part of this process, it monitors any reported incidents under its whistleblowing policy and via the third party reporting provider.</p> <p>The Whistleblowing Policy is accessible across the Group as a standalone policy and sets out the procedure that employees should follow to raise legitimate concerns about any wrongdoing in financial reporting, or other matters such as:</p> <ul style="list-style-type: none"> – something that could be unlawful; – a miscarriage of justice; – a danger to the health and safety of any individual; – damage to the environment; and – improper conduct. <p>The anonymous hotline and online reporting tool support the internal processes and enable employees to feel confident to freely report any concerns they may have. During the year, the Company Secretary provided regular updates to the Committee on any reports received via the third party reporting line, and the action taken, where required, to address the concerns raised. The Group will continue to monitor any national laws that implement additional, relevant requirements and make any required changes to policies and procedures where appropriate.</p>	<p>As part of its commitment to drive a workplace that promotes honesty, integrity and good ethical practices, the Committee is also responsible for reviewing the Group's compliance procedures for detecting fraud and the systems and controls in place to prevent a breach of anti-bribery legislation.</p> <p>The Committee receives an update on the effectiveness of the ethics and compliance policies in place across the Group as part of its ethics and compliance update at each meeting, as well as reviewing and approving any updated versions of key policies. These policies must be adhered to by all employees and are aimed at reducing the risk of fraud occurring. The Group is committed to a zero-tolerance position with regard to bribery and has in place an Anti-Bribery and Corruption Policy which must be complied with by all employees, regardless of their possible risk of exposure. The efforts made during 2024 for all employees to complete updated training has ensured that the Company continues to foster an environment whereby every employee takes responsibility and feels empowered to ensure that the zero-tolerance position is upheld and that there are no breaches of anti-bribery legislation. The Group will continue to request biannual confirmations from relevant individuals, stating that they have complied with the Group's policy. Refresher training will be reissued in line with the policy renewal and all new starters are required to complete the training on commencement of employment. The appointment of our Group Head of Internal Controls during the year will continue to improve oversight and transparency in this area.</p>	<p>The Committee is responsible for ensuring that adequate cyber and information security protections are in place across the Group. The Committee received regular cyber security updates from the Group's Information Security (IS) Director throughout the year, in addition to those received by the Board as a whole and the rotational cycle of updates given to the Risk Committee. The Committee was updated by the Group IS Director on the successful defence against new AI-led attacks and techniques, which validates the Group's ongoing investment in its cyber defences. It approved the onboarding of all businesses into one 'Infrastructure as a Service' to provide full coverage of the Group's cyber security umbrella for the first time. Annual training was reissued to all employees and there is growing momentum in cyber risk and awareness across the Group. The Committee remains satisfied with the ongoing investment and commitment to robust cyber defences.</p>

By order of the Board.

Shatish Dasani
Chair of the Audit Committee

11 March 2025

Directors' Report

Statutory and other information

Introduction

The Directors present their Annual Report and Accounts for the year ended 31 December 2024. In accordance with the Companies Act 2006 as amended, and the Listing Rules and the Disclosure Guidance and Transparency Rules, the Reports within the Governance section of the Annual Report and Accounts should be read in conjunction with one another, and with the Strategic Report. As permitted by legislation, some of the matters normally included in the Directors' Report have instead been included in the Strategic Report (pages 2 to 85) as the Board considers them to be of strategic importance.

The Company

Genuit Group plc is a public company limited by shares, incorporated in England and Wales, with registered number 06059130. Since 16 April 2014, the Company has been listed on the London Stock Exchange. While the Group operates predominantly in the UK, it does have operations in Ireland, Italy, the Netherlands and the Middle East.

Strategic Report

The Companies Act 2006 requires the Company to present a fair review of the development and performance of the Group's business during the financial year and the position of the business at the end of that year. This review is contained within the Strategic Report on pages 2 to 85. The principal activities of the Group are described in the Strategic Report on pages 14 to 63.

Financial risk management

The Group's financial risk management objectives and policies, including information on financial risks that materially impact the Group and financial instruments used by the Group (if any), are disclosed in Note 29 to the Group's consolidated financial statements on pages 194 to 196.

Viability Statement

In accordance with Provision 31 of the Code, the Directors have assessed the prospects of the Group over a longer period than that required by the 'going concern' provision.

The Board has determined that a three-year period to 31 December 2027 is the most appropriate period of assessment. Whilst the Board has no reason to believe the Group will not remain viable over a longer period and the Group produced a five-year plan during the year, three years has been chosen as this is considered the period over which it has reasonable visibility of the market and industry characteristics to be able to develop reasonable forecasting assumptions and perform a realistic viability assessment.

The Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency, or liquidity. In performing scenario analysis, the Directors have assumed the Group's banking facilities and Sustainability-Linked Loan revolving credit facility agreement of £350.0m, with a £50.0m uncommitted accordion facility that expires in August 2027, will continue to be available, albeit at a reduced level of £310.0m. Within the base case scenario, the Directors have assumed that the Group's volumes will move in line with industry forecasts and inflationary pricing. The Directors believe that the Group is well placed to manage its business risks successfully, having considered the current economic outlook. In their assessment of the viability of the Group, the Directors have considered 6 scenarios each considering the impact of one of the Group's principal risks and uncertainties, detailed on pages 75 to 85 of the Strategic Report. In addition, the Directors have considered a combined scenario which reflects the impact of multiple risks. The most severe scenario considers the impact of both a recession, with a similar impact to that of the 2007 to 2010 Global Financial Crisis, a delay in recovering increases in raw material costs of 25% from customers and an increase in raw materials to lower carbon alternatives and the associated supply chain and taxes. Even under these scenarios the Group would not be required to pursue any of its available mitigating actions in order to avoid a breach of covenants or exhaust available liquidity. Notwithstanding the Directors' expectation that they would not need to pursue mitigating actions, they have identified the reduction of capital expenditure and dividend payments as the two most significant mitigations. The Board included this in its assessment of the viability of the Group.

The Directors have considered the potential impact of climate change on the viability assessment, particularly in the context of the risks and opportunities identified in the Task Force on Climate-Related Financial Disclosures Report on pages 42 to 53 of the Strategic Report. The Directors do not currently expect any

material short-and-medium-term impacts under the scenarios modelled that could not be mitigated, and climate change presents a number of opportunities for the Group which are built into the Group's strategy. The risks over the longer term are more uncertain and the Directors will continue to assess these risks against key areas of judgement and estimations within the Group's Annual Report.

Accordingly, the Board believes that, considering the Group's current position, and subject to the principal risks faced by the business, the Group will be able to continue in operation and to meet its liabilities as they fall due for the period up to 31 December 2027, being the three- period considered.

Going concern statement

The Directors have made enquiries into the adequacy of the Group's financial resources, through a review of the Group's budget and medium-term financial plan, including cash flow forecasts. The Group has modelled a range of scenarios, with the base forecast being one in which, over the 24 months ending 31 December 2026, sales volumes grow in line with or moderately above external construction industry forecasts. In addition, the Directors have considered several downside scenarios, including adjustments to the base forecast, a period of significantly lower like-for-like sales, profitability and cash flows. Consistent with our principal risks and uncertainties, these downside scenarios included, but were not limited to, loss of production, loss of a major customer, product failure, recession, increases in interest rates and increases in raw material prices. Downside scenarios also included a combination of these risks and reverse stress testing. The Directors have considered the impact of climate-related matters on the going concern assessment and they are not expected to have a significant impact on the Group's going concern.

At 31 December 2024, the Group had available £228.6m of undrawn committed borrowing facilities in respect of which all conditions precedent had been met. These borrowing facilities are available until at least August 2027, subject to covenant headroom. At August 2026, the borrowing facility will reduce from £350m to £310m until August 2027. The Directors are satisfied that the Group has sufficient liquidity and covenant headroom to withstand reasonable variances to the base forecast, as well as the downside scenarios. In addition, the Directors have noted the range of possible additional liquidity options available to the Group, should they be required.

As a result, the Directors have satisfied themselves that the Group has adequate financial resources to continue in operational existence for a period of at least the next 21 months. Accordingly, they continue to adopt the going concern basis in preparing the consolidated financial statements.

Directors' Report continued

Directors

The current Directors' biographies are set out on pages 90 and 91. In accordance with the Code, each Director will retire annually and put themselves forward for re-election at each AGM of the Company.

Appointment and replacement of Directors

The rules about the appointment and replacement of Directors are contained in our Articles of Association (the Articles). They provide that Directors may be appointed by ordinary resolution of the members or by a resolution of the Directors.

Directors must retire and put themselves forward for election at the first AGM following their appointment and every third anniversary thereafter. However, the Directors wishing to continue to serve as members of the Board will seek re-election annually, in accordance with the Code.

Details of the Non-Executive Directors' letters of appointment are given on page 103 under 'Appointment and tenure'. The Executive Directors have service contracts, under which 12 months' notice is required by both the Company and the Executive Director.

Powers of Directors

The general powers of the Directors set out in Article 104 of the Articles provide that the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, subject to any limitations imposed by applicable legislation or the Articles.

The general powers of the Directors are also limited by any directions given by special resolution of the shareholders of the Company that are applicable on the date that any power is exercised.

Compensation for loss of office

The Company does not have arrangements with any Director 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. Further information is provided in the Directors' Remuneration Report on page 140.

Directors' indemnity arrangements

Directors and officers of the Company are entitled to be indemnified out of the assets of the Company in respect of any liability incurred in relation to the Company or any associate Company, to the extent the law allows. In this regard, the Company is required to disclose that, under Article 224 of the Articles, the Directors have the benefit of an indemnity, to the extent permitted by the Companies Act 2006, against liabilities incurred by them in the execution of their duties and exercise of their powers.

This indemnity has been in place since the Company's listing in 2014 and remains in place. The Company has purchased and maintained throughout the financial period Directors' and Officers' liability insurance.

Share capital

As at 31 December 2024, the share capital of the Company was 249,170,247 ordinary shares of £0.001 each, of which 375 ordinary shares were held in treasury. Details of the Company's share capital are disclosed in Note 24 to the Group's consolidated financial statements on page 189. As at 11 March 2025, the share capital of the Company was 249,170,247 ordinary shares of £0.001 each, of which 375 ordinary shares were held in treasury.

Authority of the Directors to allot shares

The Company passed a resolution at the AGM, held on 28 May 2024, authorising the Directors to allot ordinary shares up to an aggregate nominal amount of £166,113.25 (representing approximately two thirds of the ordinary share capital). This authority will expire at the Company's 2025 AGM and the Directors will be seeking a new authority to allot shares, to ensure that the Directors continue to have the flexibility to act in the best interests of shareholders, when opportunities arise, by issuing new shares. There are no current plans to issue new shares, except in connection with employee share schemes.

Issue of shares

A special resolution was passed at the AGM, held on 28 May 2024, granting the Directors the authority to issue shares on a non-pre-emptive basis up to an aggregate nominal amount of £24,916.99 (representing 24,916,987 ordinary shares or approximately 10% of the ordinary share capital). A special resolution was also passed granting the Directors the authority to issue shares on a non-pre-emptive basis in respect of an additional 10% of the ordinary share capital in connection with an acquisition or specified capital investment.

These authorities will expire at the Company's 2025 AGM. The Directors will, therefore, be seeking a new authority to issue

shares for cash on a non-pre-emptive basis up to £166,113.25, and the Directors also propose to seek authority to issue non-pre-emptive share capital of the Company in accordance with the updated Pre-Emption Group's Statement of Principles 2022 on Disapplying Pre-Emption Rights, this being no more than 24% in total, rather than the previous thresholds of 10% in accordance with the Pre-Emption Group's Statement of Principles published in 2015. The Directors will also seek authority to issue non-pre-emptively for cash shares up to £24,916.99 (representing 24,916,987 ordinary shares or approximately 10% of the ordinary share capital) for use only in connection with an acquisition or specified capital investment, and a further authority of no more than 2%, to be used only for the purposes of making a 'follow on offer', as set out in the Pre-Emption Group guidance.

Purchase of own shares by the Company

A special resolution was passed at the AGM held on 28 May 2024 granting the Directors the authority to make market purchases of up to 37,350,563.81 ordinary shares with a total nominal value of £37,350.56, representing approximately 14.99% of the Company's issued ordinary share capital. The authority to make market purchases will expire at the Company's 2025 AGM and the Directors will be seeking a new authority to make market purchases up to 14.99% of the Company's issued ordinary share capital, which will only be exercised if the market and financial conditions make it advantageous to do so. Further details are set out in the explanatory notes of the notice convening the AGM.

Rights attaching to shares

The rights attaching to the ordinary shares are summarised as:

- the ordinary shares rank equally for voting purposes;
- on a show of hands, each shareholder has one vote, and on a poll, each shareholder has one vote per ordinary share held;
- each ordinary share ranks equally for any dividend declared;
- each ordinary share ranks equally for any distributions made on a winding-up of the Company;
- each ordinary share ranks equally in the right to receive a relative proportion of shares in the event of a capitalisation of reserves;
- the ordinary shares are freely transferable; and
- no ordinary shares carry any special rights with regard to control of the Company and there are no restrictions on voting rights.

Amendment to the Company's Articles

The Company may alter its Articles by special resolution, passed at a general meeting of the Company. A resolution to amend the Articles was voted on and passed by shareholders at the 2020 AGM.

Political donations

The Group made no political donations during the year.

Greenhouse gas emissions

Information on the Group's greenhouse gas emissions is set out in the Strategic Report on pages 33 to 41, and forms part of this Report by reference.

Future developments within the Group

The Strategic Report contains details of likely future developments within the Group. The Group's research and development costs are disclosed in Note 6 to the Group's consolidated financial statements on page 179.

Overseas operations

As explained in the Strategic Report, the Group operates in the UK, Ireland, Italy, the Netherlands and the Middle East.

Post balance sheet events

There have been no significant post balance sheet events to report.

Principal risks and uncertainties

The Board has carried out a robust assessment of our current key risks and these are summarised in the Principal Risks and Uncertainties section of the Strategic Report on pages 75 to 85.

Results and dividends

An interim dividend of 4.1 pence per share was paid on 2 October 2024. The Board recommends a final 2024 dividend of 8.4 pence per share.

Shareholders will be asked to approve the final dividend at the AGM, for payment on 4 June 2025 to shareholders whose names appear on the register on 2 May 2025. Total ordinary dividends paid and proposed for the year amount to 12.5 pence per share or a total return to shareholders of £31.1m.

Employees

The Group is committed to employment principles which not only follow best practice, but are based on equal opportunities for all colleagues, irrespective of gender, pregnancy, race,

colour, nationality, ethnic or national origin, disability, sexual orientation, age, marital or civil partner status, gender reassignment or religion or belief. Full and fair consideration is given to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. The Group encourages and supports the continued employment and training, career development and promotion of disabled persons employed by the Group, including making reasonable adjustments where required. If any employee becomes disabled, every effort is made by the Group to support and ensure their continued employment, either in the same or in an alternative position, with appropriate retraining given if necessary.

The Board is aware of its obligations to engage with employees and the Group's wider stakeholders, as outlined under The Companies (Miscellaneous Reporting) Regulations. Further detail of its activities during the year can be found in our Stakeholder Engagement section on pages 64 to 69,

our s172 statement on pages 70 to 73, and our Board employee engagement activities on page 65 of the Governance Report.

Substantial shareholders

As at 31 December 2024 and 11 March 2025, the Company was aware of the interests in voting rights representing 3% or more of the issued ordinary share capital of the Company set out below. This information was correct at the date of notification. It should be noted that these holdings may have changed since they were notified to the Company. However, notification of any change is not required until the next applicable threshold is crossed.

Auditor

A resolution to re-appoint Ernst & Young LLP as the Company's external auditor and to authorise the Directors to fix the auditor's remuneration will be proposed at the 2025 AGM.

Name of shareholder	As at 11 March 2025		As at 31 December 2024	
	Ordinary shares	% Voting Rights	Ordinary shares	% Voting Rights
FIL Investment International	23,715,691	9.52	23,763,350	9.54
Impax Asset Mgt	19,483,449	7.82	19,610,729	7.87
Lansdowne Partners	9,742,701	3.91	9,912,358	3.98
Vanguard Group	9,590,798	3.85	9,442,451	3.79
AEGON Asset Mgt	9,488,174	3.81	10,019,307	4.02
Aberdeen	8,742,523	3.51	8,394,485	3.37
Janus Henderson Investors	7,727,872	3.10	8,588,492	3.45
Franklin Templeton Investments	4,696,817	1.89	10,249,817	4.11

Directors' statement of disclosure of information to auditor

Each of the Directors has confirmed that as at the date of this Report:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all reasonable steps that they ought to have taken as Directors, in order 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 the provisions of Section 418 of the Companies Act 2006.

Requirements of the Listing Rules

Apart from the details of any long-term incentive scheme as required by Listing Rule 9.3.3.(R), which is disclosed in the Directors' Remuneration Report on pages 128 to 153, disclosure of the information listed in Listing Rule 6.6.1(R) is not applicable.

Annual General Meeting

The 2025 AGM is scheduled to be held on 19 May 2025. A full description of the business to be conducted at the meeting is set out in the separate notice of AGM.

By order of the Board.

Emma Versluys
Company Secretary

11 March 2025

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Group's consolidated financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group's consolidated financial statements in accordance with UK-Adopted International Accounting Standards (IFRSs).

Under company law the Directors must not approve the Group's consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing the Group's consolidated financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
- state whether IFRSs have been followed, subject to any material departures disclosed and explained in the Group's consolidated financial statements; and
- prepare the Group's consolidated financial statements on the going concern basis unless it is appropriate to presume that the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Group's consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Section 172 Statement, 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 included on the Company's website.

Directors' responsibility statement

The Directors confirm, to the best of their knowledge:

- the Group's consolidated financial statements, prepared in accordance with UK-Adopted International Accounting Standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and undertakings included in the consolidation taken as a whole
- the Annual Report and Accounts, including the Strategic Report, includes a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- they consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy

By order of the Board.

Joe Vorih
Chief Executive Officer

Tim Pullen
Chief Financial Officer

11 March 2025