Remuneration Committee Report Chair's Annual Statement

Barbara Jeremiah | Chair of the Remuneration Committee

"We are extending the scope of our remuneration targets to acknowledge the importance of outstanding performance in managing our impact on the environment and inspiring our people."

Dear Shareholder,

Following my appointment as Chair of the Remuneration Committee in April 2023, I am delighted to introduce the Report of the Committee for the financial year ended 31 December 2023. I would like to acknowledge my predecessor Celia Baxter and her expert chairing of the Committee over the previous nine years. This statement sets out the work of the Committee during the year and provides the context for the decisions taken.

During the year, the Committee undertook a full review of the Directors' Remuneration Policy in advance of proposing a new Policy for shareholder approval at the AGM in April 2024. We are not making fundamental changes to the structure of the Policy or to our overall approach to incentives, but we have taken the opportunity to update the Policy in recognition of Senior's continuing progress and the growth observed during 2023. Full details are set out below.

The link between strategy and remuneration

Senior's Vision remains unchanged: we aim to be a trusted and collaborative high value-added engineering and manufacturing company producing sustainable growth in operating profit, cash flow and shareholder value. This Vision is supported by a number of key strategic priorities, explained in detail in the Strategic Report.

The Remuneration Policy and its implementation aligns with the Vision and the strategy. In particular, the incentive structures – the annual bonus plan and the Long-Term Incentive Plan ("LTIP") – reward participants for meeting stretching targets tied closely to our core financial goals and the focus on shareholder returns. Over time we have evolved our approach to performance measures to reflect changes in strategic focus and the views of shareholders. This year is no different, as we have decided to introduce non-financial measures to a portion of the annual bonus for 2024, linking incentives closely with Senior's sector-leading approach to sustainability and wider ESG matters. Our rationale is explained further below.

Senior's performance during 2023

Committee decisions on remuneration outcomes for 2023 and the Remuneration Policy approach for 2024 take into account the good level of performance reported for the year under review. As explained in the Chair's Statement and the Group Chief Executive Officer's Statement, Senior has continued to make strategic, operational and financial progress, with good order intake across the Group. Key headlines include:

- the Group's revenue increased by 14% (on a constant currency basis);
- adjusted operating profit increased by 61% (on a constant currency basis);
- the Group's adjusted operating margin increased by 140 basis points, to 4.8% for the full year;
- adjusted Earnings per Share ("EPS") increased by 136%, to 10.28 pence; and
- the Group generated free cash flow of £15.5m.

2023 was another strong year for our sustainability strategy as we achieved validation of our Net Zero emission reduction targets by the Science Based Targets Initiative ("SBTi").

Executive Directors' remuneration for 2023

In January 2023, the basic salaries of the Group Chief Executive Officer and the Group Finance Director were increased by 5.4% and 5.5% respectively. In setting these salaries, the Committee was cognisant of the increases applied to the wider UK workforce, which were typically 6% or higher, depending on skills and geographic location. The Committee also undertook a comprehensive benchmarking exercise of the Executive Committee roles and of other key executives.

Both executive Directors were eligible for an annual bonus of up to 125% of basic salary, payable subject to the achievement of targets linked to adjusted EPS (60% weighting) and free cash flow (40% weighting). The Committee considered the 2022 outturn before setting specific targets for the 2023 annual bonus and these targets are disclosed in the Annual Report on Remuneration on page 121. Given the strong level of performance for the year, bonuses were achieved at a level of 85.4% of the maximum, leading to payments of 106.8% of basic salary for both Directors. In reviewing this outcome, the Remuneration Committee considered the wider performance of the business during the year and the contributions of the management team to the successful implementation of the strategy for the year. In line with the Remuneration Policy, bonuses will be paid two-thirds in cash and one-third in Senior shares, deferred for three years.

Shortly after the 2023 year-end, the Committee considered the level of performance achieved against the targets set for the LTIP award granted in 2021. This was the first award in which we added Return on Capital Employed ("ROCE") as a measure to complement adjusted EPS and relative Total Shareholder Return ("TSR"), each metric having a one-third weighting. Senior's progress and recovery over the full three-year performance period was illustrated by the extent to which the targets were met; the adjusted EPS and relative TSR performances were above the respective maximum thresholds, whereas the ROCE performance was below the relevant minimum threshold. Taking into account these achievements, the Committee determined that the 2021 award will vest at a level of 66.7%. The Committee did not exercise any discretion to adjust the LTIP outcome. The awards will vest in March 2024 and will be subject to a two-year post-vesting holding period.

A further LTIP award was granted in March 2023 to the executive Directors and around 50 senior leaders within the Group. As explained in last year's report, the grant size for this award was increased to drive material outperformance during the next stage of Senior's business recovery. For the executive Directors, this meant that the award was granted at a level of 200% of basic salary, an increase above the normal level of 150%. In recognition of the higher grant size, additional stretch was built in to performance targets such that full vesting will require a level of performance in excess of what would have been required for a grant at a level of 150%. We retained a mix of ROCE, adjusted EPS and relative TSR for the award, these continue to be measures which align well with our strategy and with the priorities of many of Senior's major shareholders.

The Committee was delighted with the level of support received from investors, noting in particular the 99% vote in favour of the Directors' Remuneration Report resolution at last year's AGM.

A new Directors' Remuneration Policy

The Directors' Remuneration Policy was last approved by shareholders at the AGM in 2021 and, in accordance with the UK regulations, is due for renewal at the AGM to be held in April 2024. During 2023, the Committee reviewed the Policy and considered whether any changes are required in light of the evolution of Group strategy, wider market trends, regulatory changes and evolution in investor expectations. We concluded that the Policy remains consistent with Senior's focus on recovery, as aerospace customers gradually return to pre-COVID production levels along with our strategy and positioning in attractive and structurally resilient core markets. The Policy is also fully compliant with the UK Corporate Governance Code. As a result, no fundamental changes to the overall shape and structure of the Policy are proposed. We have decided to retain the same mix of fixed and variable remuneration, with incentives provided through the annual bonus plan and the LTIP. The modifications set out below – including in respect of the proposed implementation of the Policy for 2024 – are designed to ensure that the Policy remains appropriate for the next three-year period.

1. **Annual bonus plan.** The maximum bonus opportunity will increase from 125% to 150% of basic salary for both executive Directors. The Committee believes that this enhanced incentive is appropriate given the executive Directors have proved themselves to be highly capable leaders of a company that has made a strong recovery over the post-pandemic period. A maximum bonus of 150% is more closely aligned with standard market practice at relevant UK comparators and is suitably competitive. We recognise that a higher bonus multiple should be accompanied by targets which are appropriately stretching, and we have adopted this approach for the plan design for 2024. As explained below, we have also introduced new non-financial metrics into the plan, extending the strategic linkage for incentives. The deferral mechanism in the bonus plan – requiring one-third of any bonus to be paid in deferred shares – remains unchanged.
2. **LTIP.** The approach of granting equity awards which vest after three years, subject to the satisfaction of challenging performance targets, works well and aligns with Senior's focus on long-term, sustainable performance. Each year, we will continue to set stretching targets which are consistent with the strategic priorities of the business, and vested awards will continue to be subject to a two-year holding period. The one change we are making is that the maximum grant level will be 200% of basic salary, an increase from the 150% limit in the current Policy. This higher level provides an appropriate level of upside reward potential for the current stage of the recovery and growth of the business and for the outstanding levels of performance which are required to hit maximum vesting levels under the LTIP. As evidenced by the targets agreed for the 2024 award, we deliberately set stretching goals which, if achieved, would represent an outstanding level of performance which we believe should be rewarded accordingly.
3. **Post-employment shareholding requirements.** We introduced these requirements at the time of the last Policy renewal in 2021, and we are now making one minor modification. At present, the requirement applies for two years following cessation at the lower of (1) 80% of the in-employment shareholding guideline in place prior to cessation, and (2) the actual shareholding held at the time of cessation. We are changing this so that the first part relates to 100% of the in-employment guideline, which is consistent with the general preference of investors. We are also clarifying that this post-employment requirement excludes shares purchased by the executive Directors from their own resources or shares retained at vesting rather than being sold to cover tax liabilities (i.e. where the executive Director elects to pay the tax themselves).

The Committee believes that these changes will provide a Policy framework which will work well for the next three-year period as Senior embarks on the next stage of its growth trajectory. The full Policy can be found on pages 111 to 117. Alongside the Policy, the Committee has also agreed a new set of formal LTIP rules, as the current plan reaches the end of its 10-year life in 2024. The rules are fully aligned with the new Policy, and shareholders will be asked to vote on both the new Policy and the new rules at the forthcoming AGM.

Implementation of the Policy for 2024

As part of the Policy review, the Committee also considered carefully how executive remuneration should operate for the year ahead. Basic salaries will increase by 4.8% and 5.0% for the Group Chief Executive Officer and the Group Finance Director respectively, with effect from 1 January 2024. This compares with an average increase of 6% for employees across our UK operations. Pension contributions for the Directors will remain at 15% of basic salary, aligned with the contribution rate available to the majority of the UK workforce.

Subject to shareholder approval of the new Policy, the executive Directors will have the opportunity to earn up to 150% of basic salary as an annual bonus for 2024. A total of 80% of the bonus will remain subject to the achievement of challenging financial targets linked to adjusted EPS and free cash flow. The weightings between the two measures are unchanged (60%/40%).

For the final 20% of the bonus, we have decided to introduce two new quantitative non-financial measures. The first measure (representing 10% of the total bonus) rewards absolute reductions in Scope 1 and Scope 2 emissions in 2024 consistent with our SBTi-validated target of a 30% reduction in these emissions by 2025 (from a 2018 baseline). The second measure (representing the final 10% of the total bonus) mandates improvements to Senior's employee engagement survey score in 2024 compared to the survey results from 2022, highlighting the importance of a highly engaged workforce to achieving outstanding results. The introduction of these new measures extends the scope of performance assessment to areas which are of strategic importance to Senior and recognises the enthusiasm of our employees and shareholders for ESG-focused incentives. Reducing greenhouse gas emissions is a key priority in line with our Purpose of helping engineer the transition to a sustainable world for the benefit of all our stakeholders. Improving employee engagement is aligned to our strategic focus on talent and development across the multiple businesses within Senior as we seek to continually improve the employee experience, retain and reward our talented employees, and make Senior a preferred place to work, wherever we operate around the world.

The specific targets for each element of the 2024 bonus plan are considered commercially confidential but will be published in full in the 2024 Directors' Remuneration Report. Any bonus payment will be subject to the usual deferral arrangements and the standard malus and clawback provisions.

The LTIP award to be granted in 2024 will be at a level of 200% of basic salary, in line with the new Directors' Remuneration Policy. The headline performance metrics will be unchanged, with the retention of the existing mix of ROCE, relative TSR and adjusted EPS, each with a one-third weighting. These metrics provide for a combined focus on absolute financial performance, returns to shareholders and efficient use of capital, all of which are critically important to the business and to investors. After consultation with our major shareholders about the possible addition of a non-financial metric, consistent with our discussion around Bonus metrics, we decided to the keep the focus of the LTIP entirely on financial measures.

The specific targets for the 2024 LTIP award are considered suitably challenging over the performance period, which runs to the end of the 2026 financial year. This approach recognises our long-standing belief that maximum vesting should require material outperformance. The threshold vesting level for each element will be 25%.

For the ROCE measure, we will assess the ROCE forecasted to be achieved in 2026. We are targeting a level of 13.5% for threshold vesting, rising on a sliding scale to 17.0% for full vesting.

The relative TSR element will again involve measuring Senior's TSR against a general group of FTSE 350 companies, excluding those in certain sectors. Threshold vesting will depend on the achievement of median performance against the peer group, rising to upper quintile performance for full vesting.

For the final performance condition, we will measure the level of adjusted EPS achieved in 2026. Threshold vesting will begin for adjusted EPS of 12.00p, rising on a sliding scale to 19.00p for maximum vesting. This is a challenging target in the context of the 10.28p adjusted EPS outcome achieved for 2023 which included 2.54p benefit following a legal entity simplification as noted in the Strategic Report.

Any awards which vest will be subject to the usual Committee assessment of overall performance over the LTIP period as well as a two-year post-vesting holding period. Malus and clawback provisions will apply.

Consultation with stakeholders during the year

Consultation with shareholders
Since taking over as Chair of the Remuneration Committee I have had a number of conversations with major shareholders on remuneration matters, including in respect of the renewal of the Directors' Remuneration Policy and our proposals for implementing the Policy in 2024. I am pleased to report that most shareholders were supportive of the Committee's approach, including the intention to increase the reward opportunities under the incentive schemes. There is widespread recognition among the investor base of the leadership that has been shown by the executive Directors over the last few years in getting the Group through a very challenging period and putting in place the foundations for a solid recovery. I firmly believe in the importance of genuine two-way dialogue and, as noted above, we elected to retain our current metrics in the LTIP for 2024 after shareholder consultation.

Further shareholder engagement on remuneration matters will take place as appropriate over the coming year.

Consultation with employees regarding executive remuneration
Direct engagement between the Board and with employees is rightly given a high priority at Senior. Following Celia Baxter's retirement from the Board in 2023, I continued her practice of reviewing executive remuneration with employee representatives from the UK operating businesses. In addition, Mary Waldner, as the designated non-executive Director with responsibility for employee engagement, met with employees across the wider Group and discussed a variety of subjects, including remuneration.

Wider workforce remuneration

The Committee continues to pay close attention to remuneration policies and practices across the wider workforce, and takes these into account when agreeing the shape and level of executive Directors' remuneration. During the year, this included consideration of how employees were impacted by levels of inflation which, although declining, remain high by recent historical standards.

Participation in the LTIP extends to around 50 senior executives within the business, all of whom are subject to the same performance conditions as the executive Directors. The new ESG performance measures introduced into the Directors' annual bonus plan for 2024 have been rolled out to all those senior executives who have an element of Group performance in their bonus assessment.

Equity awards in the form of restricted shares are granted to select individuals who are considered to have significant potential or who are key contributors. All-employee share plan arrangements are offered to employees in the UK, US and continental Europe in the interests of encouraging wider levels of share ownership across the business.

AGM

At the AGM on 26 April 2024, shareholders will be asked to vote on the following resolutions:

1. A binding resolution to approve the new Directors' Remuneration Policy, incorporating the changes as explained above;
2. An advisory resolution to approve the Directors' Remuneration Report (excluding the new Policy); and
3. A separate resolution to approve new LTIP rules.

I trust that the Committee will have your support for all three resolutions. If you have any questions on this Report or on remuneration matters more generally, I can be contacted via the Group Company Secretary.

Barbara Jeremiah
Chair of the Remuneration Committee
1 March 2024

2023 Remuneration Report at a glance

Overview of our remuneration framework for 2023

Element of remuneration	Key features
Salary and employment benefits	Market competitive to attract and retain high quality executives (including fully expensed car or car allowance, private medical insurance, life insurance, income protection, and defined contribution retirement benefits or allowances)
Annual bonus: Adjusted EPS 60% Free Cash Flow 40%	Rewards achievement against annual performance objectives: • Maximum bonus is 125% of salary • 1⁄3 of any award is paid in shares, deferred for three years • Group Chief Executive Officer and Group Finance Director target: 62.5% of salary
Long-Term Incentive Plan: Adjusted EPS (33.3%) TSR (33.3%) Return on Capital Employed (33.3%)	Supports the Company's longer-term strategic aims to create sustainable growth in shareholder value and to incentivise, motivate and retain senior talent: • Maximum award is 200% of salary and normal awards are 150% of salary • 25% vesting at "threshold"
Shareholding requirements	Equivalent to 200% of executive Directors' salary Post-employment shareholding requirement applies for a period of two years following cessation, as set out on page 114
Clawback and malus provisions	Cash Bonus Awards subject to clawback Share awards (LTIP and unvested deferred shares) subject to clawback, malus and post-employment shareholding requirement

Performance highlights and incentive outcomes

Annual bonus	Target	Actual	Bonus achieved (% of maximum)
Performance condition			
Free Cash Flow	£14.5m	£15.5m	63.6%
Adjusted EPS (1)	6.14p	10.72p	100%
Bonus award to Group Chief Executive Officer and Group Finance Director: 85.44% of maximum			

(1) Adjusted EPS is measured on a constant currency basis to reduce the impact of exchange rate movements on bonus outcomes.For information, the maximum performance threshold for the adjusted EPS element of the annual bonus was met without including the benefit arising from the legal entity simplification.

Long-Term Incentive Plan (2021 award)	Targets (threshold – maximum)	Actual	Achieved (% of maximum)
Adjusted EPS (33.3%)	5.67p (minimum threshold) to 7.56p (maximum threshold) for the final Financial Year of the three-year performance period	10.28p (1)	**100%**
Return on Capital Employed (33.3%)	9.8% (minimum threshold) to 11.0% (maximum threshold) for the final Financial Year of the three-year performance period	7.1%	**0%**
Total Shareholder Return (33.3%)	TSR ranking: 50th percentile (minimum threshold) to 75th percentile (maximum threshold)	98th percentile	**100%**
66.7% of the LTIP 2021 award of the Group Chief Executive Officer and Group Finance Director shall vest in March 2024.			

(1) For information, adjusted EPS excluding the 2.54p benefit following a legal entity simplification would be 7.74p.

Changes made in 2023

There were no changes to the Remuneration Policy in 2023. The details of the full Remuneration Policy are for ease of reference laid out on pages 111 to 117.

About this Report

The rest of this Remuneration Report includes the new Directors' Remuneration Policy pages 111 to 117 and the Annual Report on Remuneration pages 118 to 127. These have been prepared in accordance with the Directors' Remuneration Reporting Regulations and the relevant provisions of the Listing Rules of the Financial Conduct Authority. Parts of the Annual Report on Remuneration are subject to audit, as indicated within this Report.

2023 Remuneration Report: Policy

This part of the Report sets out the proposed Remuneration Policy to be put to a binding vote of the shareholders at the AGM to be held on 26 April 2024. This policy applies for a maximum of three years from the date of approval. In developing the updated policy, which builds on the policy approved by shareholders at our 2021 AGM, the limited number of proposed modifications are intended to ensure that the policy remains appropriate in the context of Senior's strategic priorities, wider market developments and evolution of the views of investors.

When developing policies and practices, the Remuneration Committee regularly considers the approach to remuneration and makes decisions to ensure it is aligned to the business strategy. We do this by developing an overall package that reflects the skills and experience of the individuals and incorporating appropriate short- and long-term incentive plans. The key performance metrics for both the bonus plan and the long-term incentive plan are directly linked to the delivery of the strategy and the creation of shareholder value.

Bonus – One Policy change: we are increasing the maximum annual bonus opportunity for the executive Directors from 125% to 150% of basic salary. This is appropriate given the introduction of the new, non-financial, performance measures which will apply for 2024 and the intended stretch in the target range. Further, it more closely aligns with standard market practice at relevant UK comparators, thus ensuring that our reward offering is suitably competitive. As salary structure for the executive Directors remains market competitive, the real benefit to the CEO and CFO of this Policy change will result from improvements in business performance over the year.

LTIP – Our approach to the LTIP remains broadly unchanged: the LTIP continues to operate effectively as a multi-year incentive tied to long-term performance goals. For 2024, we intend to retain the existing mix of ROCE, relative TSR, and Adjusted EPS as the core performance measures for the LTIP.

After further consideration and based on last year's discussions of raising the maximum LTIP grant size to 200%, we are making the change permanent. We believe having additional upside LTIP reward available for outstanding performance, particularly in the financial metrics, is an appropriate adjustment at this stage of recovery in our markets.

The current LTIP rules were approved by shareholders at the AGM in 2014 and, as a result, will be subject to renewal in 2024. The new rules will effectively replicate the existing rules, updated as required to fully align with the Directors' Remuneration Policy and to reflect current market practice.

Post-employment shareholding requirements – As outlined on page 114, these requirements were introduced in the 2021 Policy renewal. We are making one change: at present, the post-employment requirement applies for two years following cessation at the lower of (1) 80% of the in-employment shareholding guideline in place prior to cessation, and (2) the actual shareholding held at the time of cessation. We are changing this so that the first part relates to 100% of the in-employment guideline. This post-employment requirement excludes shares purchased by the executive Directors in their own right or shares retained at vesting rather than being sold to cover tax liabilities (i.e. where the executive Director elects to pay the tax from their own resources).

Factors considered in reviewing the Policy

The Committee is comfortable that the Policy and its implementation are fully consistent with the factors set out in Provision 40 of the 2018 UK Corporate Governance Code (set out below):

- Clarity – The Policy and the way it is implemented is clearly disclosed in this policy section of the Directors' Remuneration Report, with full transparency of all elements of Directors' remuneration.
- Simplicity – The Policy is simple and straightforward, based on a mix of fixed and variable pay. The annual bonus and LTIP include performance conditions which are aligned with Senior's business strategy.
- Risk – The Committee believes that the performance targets in place for the incentive schemes provide appropriate rewards for stretching levels of performance without driving behaviour which is inconsistent with the Company's risk profile and Values. Potential reward is aligned with market levels of peer companies and the reputational risk from a perception of "excessive" pay-outs is limited by the maximum award levels set out in the Policy and the Committee's discretion to adjust formulaic remuneration outcomes.
- Predictability – The Policy includes full details of the individual limits in place for the incentive schemes as well as "scenario charts" on page 115 which set out potential pay-outs in the event of different levels of performance, based on a number of reasonable assumptions. Any discretion exercised by the Committee in implementing the Policy will be fully disclosed.
- Proportionality – The link between the delivery of strategy, long-term performance, shareholder return and the remuneration of the executive Directors is set out in the Remuneration Report.
- Alignment to culture – The approach to Directors' remuneration is consistent with the Group's culture and Values.

Summary of decision-making Process for Policy changes

In determining and implementing the Policy, the Committee follows a robust process which includes discussions on the content of the Policy at Remuneration Committee meetings. To support this process, the Committee receives advice from independent advisers. It also considers representations from other key stakeholders, including shareholders, executive management and employees (whilst ensuring potential conflicts of interest are suitably managed), in the context of the evolving corporate governance landscape. The Committee monitors changes in corporate governance guidance and regulations to ensure the Policy remains compliant. The implementation of the Policy takes account of the remuneration of the wider workforce and is aligned with the Group's strategy by appropriately incentivising the executive Directors to deliver the strategic objectives.

Policy for executive Directors

The overall shape of the Policy remains consistent with our focus on recovery from the challenges faced by our aerospace customers as they recover to pre-COVID production levels along with our strategy and positioning in attractive and structurally resilient core markets. The Committee does not intend to make fundamental changes with the implementation of the proposed updated Policy. We will retain the same mix of fixed and variable remuneration, with incentives provided through the annual bonus scheme and the LTIP. The modifications set out below are intended to ensure that the Policy remains appropriate in the context of Senior's strategic priorities, wider market developments and evolution of the views of investors.

The proposed changes in the 2024 Policy have been highlighted in **bold** in the table below. Other proposed changes to the Policy are of a housekeeping nature or changes which are intended to provide some degree of future-proofing as we set down the Policy for the next three years.

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Salary	• Reflects the performance of the executive Director, his or her skills and experience over time and the responsibilities of the role • Provides an appropriate level of basic fixed pay avoiding excessive risk arising from over-reliance on variable income	• Will normally be reviewed annually with effect from 1 January • Benchmarked periodically against companies with similar characteristics and sector companies • Normally positioned within a range around the mid-market level taking into account the experience and performance in the role of the individual, complexity of the role, market competitiveness and the impact of salary increases on total remuneration	• Other than to reflect change in the size and complexity of the role/Company, the Committee will have regard to the basic salary percentage increases taking place across the Company more generally when determining salary increases for the executive Directors • No maximum salary cap	• Individual performance in the role and Group performance are among the factors taken into consideration when awarding increases
Bonus	• Incentivises annual delivery of corporate financial and non-financial goals • Delivery of a proportion of bonus in deferred shares provides alignment with shareholders and assists with retention	• **Up to 100% of salary paid in cash with up to a further 50% of salary paid as a conditional award of deferred shares** • Maximum bonus only payable for achieving demanding targets • Deferred shares are released three years after award but are subject to forfeiture by a "bad leaver" • Executives are entitled to receive the value of dividend payments that would have otherwise been paid in respect of vested deferred shares • All bonus payments are at the discretion of the Committee • Different performance conditions may be set when recruiting an executive Director • The Committee may review the performance conditions from time to time • The Committee has the discretion in certain circumstances to grant and/or settle an award in cash. In practice, this will only be used in exceptional circumstances for executive Directors • The Committee has the discretion to adjust bonus targets or outcomes if deemed appropriate, where the bonus outcome feels perverse. In practice, this will only be used in exceptional circumstances for executive Directors	• **Overall maximum of 150% of salary**	• The Committee determines appropriate performance targets and weightings at the start of each year • Details of the performance targets will normally be disclosed in the following Annual Report on Remuneration for reasons of commercial sensitivity • The Committee may include non-financial metrics up to 25% of the overall award • Performance below threshold results in zero payment. Payment rises from 0% to 100% of the maximum opportunity for levels of performance between the threshold and maximum targets • For financial targets, typically, threshold is around 90% of target, and on-target performance delivers approximately 50% of the maximum opportunity • Subject to clawback at the Committee's discretion over cash bonus outcomes and unvested deferred shares in the event of situations such as material misstatement, gross misconduct, serious reputational damage or corporate failure and, if required, over any unvested LTIP awards

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Long-Term Incentive Plan (LTIP)	• Incentivises sustained performance over the longer term • The use of longer-term performance targets and delivery of awards in shares rewards the achievement of the Company's strategic goals and increases in shareholder value	• Annual grants of performance shares which vest subject to performance (normally measured over three years) and continued service • Executives are entitled to receive the value of dividend payments that would have otherwise accrued during the three-year vesting period in respect of vested LTIP awards • All awards are subject to the discretions contained in the plan rules • The Committee may review the performance conditions from time to time • The Committee has the discretion in certain circumstances to grant and/or settle an award in cash. In practice, this will only be used in exceptional circumstances for executive Directors • A two-year post-vesting holding period applies to LTIP awards (excluding those shares required to be sold to pay tax on vesting), creating a five-year period between the grant of the awards and their final release	• **200% of salary**	• The Committee determines performance conditions and weightings at the start of each year depending on the stategic priorities of the business at that time • In respect of each performance element, performance below the threshold target results in zero vesting. Vesting of each performance element starts at the 25% threshold and rises to 100% for maximum level of performance • Subject to malus during the the period prior to vesting and to clawback during the period of three years following the date of vesting, at the Committee's discretion, in circumstances such as material misstatement, gross misconduct, fraud, dishonesty, serious reputational damage or corporate failure
All-Employee Share Schemes	• Employees, including executive Directors, are encouraged to become shareholders through the operation of the Sharesave Plan, the HMRC-approved all-employee share plan	• The Sharesave Plan has standard terms under which participants can normally enter a savings contract in return for which they are granted options to acquire shares at the market value of the shares at the start of the performance period • The rules for this plan were first approved by shareholders at the 2006 AGM and the updated rules were approved at the 2016 AGM	• Employees can normally elect for a three-year savings contract under standard terms and within HMRC limits • The option price for Sharesave awards can be set at a discount of up to 20% of the market value of the shares at the start of the savings contract, although to date no awards granted under the Sharesave Plan have been set at a discount	• N/A
Pension	• Provides competitive retirement benefits for the Group's employees	• The executive Directors may participate in the Senior plc Group Flexible Retirement Plan ("Senior GFRP"), a contract-based, money purchase pension plan and/or receive cash allowances • Bonuses are not included in calculating retirement benefits • Executive directors receive a pension contribution in line with that available to the majority of employees in the relevant jurisdiction • The pension contributions or pension allowance for executive Directors were aligned with the majority of the UK workforce by the end of 2022	• The pension contributions or allowances for executive Directors of 15% of salary aligns with the pension contribution available to the majority of the UK workforce	• N/A

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Other benefits	• Provides a competitive package of benefits that assists with recruitment and retention	• Benefits include provision of a fully expensed car or car allowance, private medical insurance, life insurance and income protection, tax equalisation and relocation benefits • Any reasonable business-related expenses (including tax thereon) can be reimbursed	• The value of benefits is based on the cost to the Company and is not predetermined • There is no monetary cap on other benefits	• N/A
Shareholding guidelines	• Aligns executive Directors' interests with those of other shareholders in the Company	• Executive Directors to retain at least 50% of the shares that vest under the LTIP and Deferred Bonus Award, after allowing for tax liabilities, until a shareholding equivalent in value to 200% of base salary is built up • Post-employment shareholding requirements apply, for all LTIP awards granted from 2021 onwards and any shares that vest from deferred bonus from the 2021 bonus scheme onwards, for a period of two years following cessation of employment at the lower of **(1) 100% of the in-employment shareholding guideline in place prior to cessation and** (2) the actual shareholding held at the time of cessation.	• N/A	• N/A

Recruitment of executive Directors

Salaries for newly appointed executive Directors will be set to reflect their skills and experience, the Company's intended pay positioning and the market rate for the role.

Where it is appropriate to offer a below median salary initially, the Committee will have the discretion to allow phased salary increases over time for newly appointed directors, even though this may involve increases in excess of the rate for the wider workforce and inflation.

Benefits will be provided in line with those offered to other employees, with national or international relocation expenses/arrangements (e.g. schooling, tax equalisation) provided for if necessary.

The aggregate incentive offered to new recruits will be no higher than that outlined in the Policy on pages 111 to 117. Different performance measures may be set initially for the annual bonus and LTIP, taking into account the responsibilities of the individual, and the point in the financial year that they joined.

Current entitlements (including benefits, bonus, share schemes) may be bought out on terms that are no more favourable than as calculated on a like-for-like basis (with a comparable time horizon, fair value and subject to performance conditions). Existing incentive arrangements will be used to the fullest extent possible, subject to performance conditions (where relevant), although awards may also be granted outside these schemes if necessary and as permitted under the Listing Rules. In the case of an internal hire, any outstanding variable pay awarded in relation to the previous role will be allowed to pay out according to its terms of grant (adjusted as relevant to take into account the Board appointment).

Rationale behind performance metrics and targets

The performance-related elements take into account the Company's risk policies and systems and are designed to align the Directors' interests with those of shareholders. Variable pay elements aim to reward executive Directors for performance at the highest levels and, as such, the Committee aims to set targets that are both stretching and achievable. The Committee reviews the annual bonus measures set for all the Company's senior executives (not only the executive Directors) every year in order to ensure that they are aligned with the Company's strategy and annual goals and to ensure that bonus arrangements amongst the Company's senior Executive team are consistent.

The annual bonus may include a mix of financial and non-financial measures reflecting the key annual priorities of the Group. The financial metrics currently include two of the Company's KPIs: Free Cash Flow, which is a key measure of the business's ability to fund future acquisitions; and Adjusted EPS, which will reflect the Group's ability to expand into new regions and product markets and increase the profitability of the existing operations. Adjusted EPS is measured on a constant currency basis to reduce the impact of exchange rate movements on bonus outcomes. Where non-financial measures are selected, these may include reference to the Group's sustainability, safety, people and organisational goals.

For 2024, the annual bonus will be based 80% on financial measures and 20% on non-financial measures. For the financial element, the weighting of 60% Adjusted EPS and 40% Free Cash Flow used in previous years has been retained. For the non-financial element, two new measures have been introduced, weighted equally: reduction in Scope 1 and Scope 2 carbon emissions, and improvements to Senior's employee engagement survey score.

The performance measures used in the LTIP awards currently consist of Adjusted EPS, TSR and ROCE. In line with the Policy, the Committee retains the ability to amend performance measures to reflect changes in market conditions and business strategy. For 2024, the existing equally weighted mix of Adjusted EPS, relative TSR and ROCE will remain the core performance measures for the LTIP.

The use of a climate measure for the annual bonus recognises the importance of this issue to the business and introduces additional incentive to outperform our already aggressive reduction targets.

The targets will be reviewed prior to each grant by taking account of internal and external expectations. The targets for awards granted under this Remuneration Policy are set out in more detail in the Annual Report on Remuneration.

Relationship between executive Director and employee pay

The Remuneration Policy for the executive Directors is designed taking into account the policy for employees across the Group as a whole. There are some differences in the structure of the Remuneration Policy for the executive Directors and other senior employees, which the Remuneration Committee believes are necessary to reflect the different levels of responsibility of employees across the Company and reflect different market norms for different roles. The key differences in remuneration policy between the executive Directors and employees across the Group are the increased emphasis on performance-related pay and the inclusion of a share-based long-term incentive plan for executive Directors.

The majority of senior managers are eligible to participate in annual bonus arrangements with challenging targets tied to the performance of their operating business, Division and, for the most senior executives, the Group's performance.

Long-term incentives are provided to the most senior executives and those anticipated as having the greatest potential to influence performance levels within the Company. A lower aggregate incentive quantum operates below the senior executive level, with levels driven by the impact of the role and market comparatives.

Awards under the Restricted Share Award Plan, a deferred share award plan without performance conditions, are a retention tool and are made to selected individuals who do not typically benefit from other long-term incentives but are considered to have significant potential or are key contributors.

In order to encourage wider employee share ownership, the Company operates a Sharesave Plan in which employees in the UK, North America and continental Europe, including executive Directors, may participate.

How employees' pay is taken into account when setting executive Director remuneration

The Committee also reviews the salaries of senior corporate, divisional and operational managers and therefore is fully cognisant of pay levels in the Group when determining the pay of the executive Directors.

In addition, the Committee's policy is that salary increases for the executive Directors and senior executives should not normally be greater than the general level of increases awarded to other senior managers in Europe and North America, other than when an executive changes role or when it is necessary in order to ensure levels of remuneration remain market competitive.

Recognising the impact of higher rates of inflation in recent years, Senior has taken steps to help the broader workforce including salary settlements that reflect regional costs of living pressures. The impact of higher inflation has been particularly felt by our more junior employees and therefore, although approaches varied between businesses, these employees had been targeted for higher salary increases.

As previously reported, the pension contributions of the executive Directors were reduced from 1 January 2023 to 15% which aligns with the pension contribution available to the majority of the UK workforce.

As laid out in the Remuneration Committee Chair's Annual Statement, the Company consulted with UK employee representatives in 2023 regarding executive Director remuneration.

Policy on outside appointments

The Remuneration Committee believes that it is beneficial both for the individual and the Company for an executive Director to take up one external non-executive appointment. Fees paid for the appointment may be retained by the executive.

Executive Directors' service agreements and loss of office payments

The table below summarises the key provisions of each executive Director's contract:

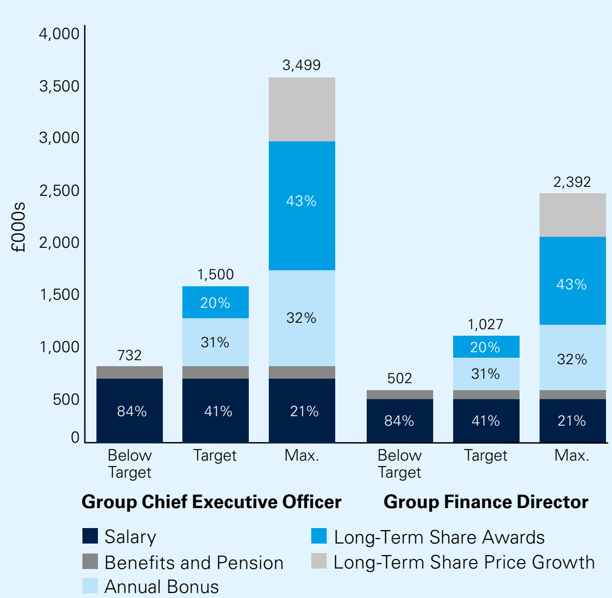
Provision	Detailed terms
Employment contract dates	David Squires – 5 January 2015 Bindi Foyle – 3 May 2017
Notice period	12 months from both the Company and the executive Director
Termination payment	Contracts may be terminated without notice by the payment of a sum equal to the sum of salary due for the unexpired notice period, and the value of pension contributions and other benefits such as use of company car, life cover, income protection and private healthcare There are no provisions in the agreements, or otherwise, for additional termination payments Payments may be made in monthly instalments and, in these circumstances, there is a requirement for the Director to mitigate loss
Change of control	There are no enhanced provisions in relation to a change of control

Copies of the executive Directors' service contracts are available from the Group Company Secretary at the Company's Registered Office during normal business hours. The Committee's policy in the event of early termination of employment is set out on page 116.

Application of Remuneration Policy

The chart below shows how the composition of each of the executive Directors' packages varies at different levels of performance under the Remuneration Policy. The assumptions noted for "target" performance in the graph below are provided for illustration purposes only.

This chart is based on the following assumptions:



	Threshold	Target	Maximum
Fixed pay	Salary is the 2024 basic salary The value of Benefits and Pension is taken from the single total figure of remuneration for 2023		
Annual bonus	Nil	75% of 2024 basic salary	150% of 2024 basic salary
Long-term share awards	Nil	25% vesting under the LTIP (i.e. 25% of (200% x 2024 basic salary)) and set out at face value, assuming no share price growth or dividend.	100% vesting under the LTIP (i.e. 100% of (200% x 2024 basic salary)) and set out at face value, assuming 50% share price growth and no dividend.

Policy on payment for departure from office

On termination of an executive Director's service contract, the Committee will take into account the departing executive Director's duty to mitigate his or her loss when determining the amount of compensation. The Committee's policy in respect of the treatment of executive Directors leaving the Group is described below and is designed to support a smooth transition from the Company, taking into account the interests of shareholders:

Component of pay	Voluntary resignation or termination for cause	Death, ill health, disability, redundancy, retirement	Departure on agreed terms
Base salary, pension and benefits	Paid for the proportion of the notice period worked	Paid up to the date of death or leaving, including any untaken holidays prorated to such date. In the case of ill health, a payment in lieu of notice may be made and, according to circumstances, may be subject to mitigation. In such circumstances, some benefits such as company car or medical insurance may be retained until the end of the notice period	Any agreed terms will normally fall between the two treatments described in the previous columns, subject to the discretion of the Committee and the terms of any termination agreement
Annual bonus cash	Cessation of employment during a bonus year will normally result in no cash bonus being paid	Cessation of employment during a bonus year or after the year-end but prior to the normal bonus payment date will result in cash and deferred bonus being paid and prorated for the relevant portion of the financial year worked and performance achieved	
Annual bonus deferred shares	Unvested deferred share awards will lapse	In the case of the death of an executive Director, all deferred shares will be transferred to the estate as soon as possible after death. In all other cases, subject to the discretion of the Committee, unvested deferred shares will be transferred to the individual on a date determined by the Committee	
LTIP share awards	Unvested LTIP share awards will lapse	Subject to the discretion of the Committee, unvested LTIP share awards will remain subject to the relevant performance conditions and normally be measured and vest at the original vesting date. The awards will normally be prorated for the relevant proportion of the performance period worked. However, in the case of the death of an executive Director, the Committee will determine the extent of vesting within 12 months of the date of death	
Options under Sharesave	As per HMRC regulations	As per HMRC regulations	
Other	None	Statutory payments and disbursements such as any legal costs and outplacement fees	

Notes

a) The Committee will have the authority to settle any legal claims against the Company e.g. for unfair dismissal etc. that might arise on termination.

b) There are no enhanced provisions in relation to a change of control. The treatment of outstanding LTIP awards in such circumstances is subject to the provisions of the LTIP rules. These provide for awards to vest subject to an assessment of performance and, unless the Committee determines otherwise, for a pro-rata reduction to reflect the proportion of the performance period which has elapsed as at the date of the change of control.

How shareholder views are taken into account

The Remuneration Committee considers shareholder feedback received in relation to the AGM each year and guidance from shareholder representative bodies more generally. As with previous renewals of the Remuneration Policy, major shareholders were consulted on the updating of the Remuneration Policy and its implementation for the 2024 financial year. Consultation with shareholders has always been constructive.

During 2023, discussions regarding the Policy and executive remuneration were undertaken and these will continue with individual shareholders as per their request. Major shareholders and the key governance agencies were consulted with regard to the implementation of the 2024 Long-Term Incentive Plan and annual bonus which is detailed in the Remuneration Chair's Annual Statement. The Committee listened to the views of shareholders and made changes to proposals to take account of their feedback.

Discretions of the Remuneration Committee

The Committee operates the Group's various incentive plans according to their respective rules and in accordance with HMRC rules where relevant. To ensure the efficient administration of these plans, the Committee may apply certain operational discretions. These include the following:

- selecting the participants for the annual bonus plan and LTIP awards;
- determining the timing of grants and/or payments;
- determining the quantum of grants and/or payments (within the limits set out in the Policy table commencing on page 112;
- determining the extent of LTIP vesting based on the assessment of performance, including the discretion to allow the override of formulaic outcomes;
- determining "good leaver" status and the extent of vesting in the case of the LTIP and deferred shares;
- determining the extent of vesting in the case of the LTIP in the event of a change of control;
- making the appropriate adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events, variation of capital and special dividends);
- varying the performance conditions to apply to LTIP awards if an event occurs which causes the Committee to consider that it would be appropriate to amend the performance conditions, provided the Committee considers the varied conditions are fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question;
- undertaking the annual review of weighting of performance measures, and setting targets for the annual bonus plan and LTIP from year to year;
- adjusting bonus and LTIP targets or outcomes if deemed appropriate, for example to take account of material M&A activity or other exceptional circumstances when they arise; and
- adjusting bonus targets or outcomes if deemed appropriate, where the bonus outcome feels perverse.

Policy for non-executive Directors

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Non-executive Directors and Chair of the Board fees	• Takes account of recognised practice and set at a level that is sufficient to attract and retain high calibre non-executive Directors	• The Chair of the Board is paid a single fee for all their responsibilities as determined by the Remuneration Committee. The non-executive Directors are paid a basic fee. The Senior Independent Director, the Chairs of the Audit and Remuneration Committees, and the Director with responsibility for employee engagement receive additional fees to reflect their extra responsibilities • When reviewing fee levels, account is taken of market movements in non-executive Director fees, Board Committee responsibilities, ongoing time commitments and the general economic environment • Fee increases, if applicable, are normally effective from 1 January • The Chair of the Board and non-executive Directors do not participate in any pension, bonus, share incentive or other share option plans • The remuneration of the non-executive Directors is determined by the Board of Directors. The non-executive Directors do not participate in any discussion or decisions relating to their own remuneration • Any reasonable business-related expenses (including tax thereon) can be reimbursed	• Other than when a non-executive Director changes role or where benchmarking indicates fees require realignment, fee increases will not normally exceed the general level of increases for the Group's employees	• N/A

Non-executive Directors' letters of appointment

The Chair of the Board and non-executive Directors do not have service agreements but the terms of their appointment, including the time commitment expected, are recorded in letters of appointment. The Chair's appointment may be terminated on providing 12 months' notice by either party. The appointments of the other non-executive Directors may be terminated by the Company or non-executive Director on providing one month's notice. Copies of the Chair's and non-executive Directors' letters of appointment are available from the Group Company Secretary at the Company's Registered Office during normal business hours.

Non-executive Directors' terms of appointment

In September 2022, Celia Baxter and Giles Kerr reached the ninth anniversary of their respective appointments to the Board. Both Directors retired from the Board at the conclusion of the AGM in April 2023; at which time Barbara Jeremiah became Senior Independent Director and Chair of the Remuneration Committee, and Mary Waldner became Chair of the Audit Committee and the Director designated to engage with Group's employees.

On 9 November 2023, it was announced that Joe Vorih had been appointed a non-executive Director with effect from 1 January 2024.

Name	Date original term commenced	Date current term commenced	Expected expiry date of current term
Ian King	Joined the Board November 2017 and became Chair of Board in April 2018	–	–
Susan Brennan	January 2016	January 2022	December 2024
Barbara Jeremiah	January 2022	January 2022	December 2027
Rajiv Sharma	January 2019	January 2022	December 2027
Mary Waldner	December 2021	December 2021	November 2027

2023 Remuneration Report: Annual Report on Remuneration

Summary of the Committee's Terms of Reference

The Terms of Reference of the Remuneration Committee, available in full on the Company's website, are summarised below:

- determine and agree with the Board the framework or broad policy for the remuneration of the Chair of the Board, the executive Directors and other members of the executive management as it is designated to consider;
- within the terms of the agreed Policy and in consultation with the Chair of the Remuneration Committee and/or Group Chief Executive Officer, as appropriate, determine the total individual remuneration package of the Chair of the Board, each executive Director, and other designated senior executives including bonuses, incentive payments and share options or other share awards;
- approve the design of, and determine targets for, any performance-related pay plans operated by the Company and approve the total annual payments made under such plans;
- review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive Directors, and other designated senior executives and the performance targets to be used; and
- oversee any major changes in employee benefits structures throughout the Group.

Members

The Remuneration Committee consists entirely of non-executive Directors.

Member	Number of meetings during term(1)	Number of meetings attended
Barbara Jeremiah – Chair	7	7
Celia Baxter(2)	2	2
Susan Brennan	7	6
Giles Kerr(2)	2	2
Ian King	7	7
Rajiv Sharma	7	7
Mary Waldner	7	7

(1) The full Committee met seven times in 2023. In addition, authority was delegated to two members of the Committee, Celia Baxter and Ian King, to hold one additional meeting to confirm the granting and vesting of share awards.

(2) Celia Baxter and Giles Kerr retired from the Board at the conclusion of the AGM in April 2023.

Other attendees at Remuneration Committee meetings

The Group Chief Executive Officer and Group HR Director attend meetings by invitation and the Group Company Secretary acts as secretary to the Committee but no executive Director or other employee is present during discussions relating to his or her own remuneration.

Advisers

Before recommending proposals for Board approval, the Remuneration Committee may seek advice from external remuneration consultants to ensure that it is fully aware of comparative external remuneration practice as well as shareholder, legislative and regulatory developments. The Committee also considers publicly available sources of information relating to executive remuneration.

All advisers to the Remuneration Committee are appointed and instructed by the Committee. During the year, the Committee was advised by Korn Ferry in relation to remuneration advice and benchmarking, LTIP performance monitoring and the provision of LTIP advice, and by FIT Remuneration Consultants in relation to the provision of LTIP advice. During 2023, the Company incurred fees of £45,344 from Korn Ferry and of £1,434 from FIT Remuneration Consultants, and these costs were based on a combination of hourly rates and fixed fees for specific items of work.

The Committee does not have a formal policy of subjecting its remuneration consultants to a regular fixed-term rotation, although the Committee remains cognisant of the need to seek objective advice and good value whilst also benefiting from the consultants' knowledge of the Company. Other than described above, neither remuneration consultants have other connections with the Company or its Directors. The Committee is satisfied that the advice it has received during 2023 has been objective and independent.

Principal activities and matters addressed during 2023

The Committee has a calendar of standard items within its remit and in addition it held in-depth discussions on specific topics during the year. The Committee typically meets four times each year. In addition, authority was delegated to two members of the Committee, Celia Baxter and Ian King, to hold one additional meeting to confirm the grant and vesting of share awards. The table below shows the items considered at each meeting, leading up to the meetings in February and March where the key decisions regarding performance, outcomes and grants for the coming year are determined.

	Standard agenda items	Ad hoc items
January	Preliminary review of performance and outcomes under the Annual Bonus and Deferred Bonus Award. Preliminary Review of performance and vesting under long-term incentives. Discuss incentive structure and targets for the 2023 financial year.	Discuss and approve launch of the 2023 Sharesave.
February	Review of performance and outcomes under the Annual Bonus and Deferred Bonus Award. Review of performance and vesting under long-term incentives. Determine incentive structure for the 2023 financial year including finalisation of targets. Review and approve draft Remuneration Report.	Review gender pay gap reporting and CEO Pay Ratio.
March	Confirmation of grants of LTIP, Deferred Bonus Awards and Restricted Share Awards. Confirmation of vestings of Deferred Bonus Awards and Restricted Share Awards.	
May		Review of the Group's Remuneration Policy and consideration of the potential changes. Review of LTIP in preparation for renewal at the 2024 AGM. Consideration of non-financial performance measures for LTIP awards.
September		Review of executive Directors remuneration benchmarking exercise. Review of the Group's Remuneration Policy and potential changes. Review of potential changes to the LTIP rules.
November		Consideration of non-financial KPIs in executive remuneration Review Shareholder Consultation letter for proposed Policy amendments.
December (two meetings)	Review and approval of Directors' and senior managers' salary and total remuneration packages for the following financial year taking into consideration available salary market data. Performance update on outstanding incentive and bonus awards. Discussion on 2024 LTIP and bonus targets; and associated shareholder consultation. Determine remuneration of the Chair of the Board. Review of Committee's Terms of Reference.	Review feedback from UK employee consultation.

Statement of voting at General Meeting

At the AGM held on 21 April 2023, shareholder votes on the Directors' Remuneration Report were cast as follows:

	Voting	For	Against	Total	Withheld[1]	Reason for vote against, (if known)	Action taken by Committee
Remuneration Report	Votes	335,966,487	3,695,341	339,661,828	25,205	N/A	N/A
	%	98.91%	1.09%	100%	N/A		

(1) A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast "For" and "Against" a resolution.

The Committee consulted extensively with major shareholders prior to the 2023 AGM concerning executive remuneration. Strong support for the Remuneration Report was received from shareholders.

Single total figure of remuneration (Audited information)

The following table shows a single total figure of remuneration in respect of qualifying service for the 2023 financial year for each Director, together with comparative figures for 2022. Aggregate Directors' emoluments are shown at the end of the Single Total Figure of Remuneration section.

	Salaries and fees £000s		Taxable benefits and allowances[1] £000s		Bonus[2] £000s		Long-term incentives[3] £000s		Pension benefits including cash in lieu of pension £000s		**Total fixed remuneration £000s**	**Total variable remuneration £000s**	Total[4] £000s	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	**2023**	**2023**	2022
Executives														
David Squires	**587**	557	**29**	24	**627**	696	**805**	0	**88**	111	**704**	**1,432**	**2,136**	1,388
Bindi Foyle	**400**	379	**22**	12	**427**	474	**538**	0	**60**	76	**482**	**965**	**1,447**	941
Total remuneration	**987**	936	**51**	36	**1,054**	1,170	**1,343**	0	**148**	187	**1,186**	**2,397**	**3,583**	2,329
Non-executives														
Ian King	**208**	197	**2**	2	**–**	–	**–**	–	**–**	–	**210**	**–**	**210**	199
Celia Baxter[5]	**26**	73	**–**	–	**–**	–	**–**	–	**–**	–	**26**	**–**	**26**	73
Susan Brennan	**58**	55	**1**	–	**–**	–	**–**	–	**–**	–	**59**	**–**	**59**	55
Barbara Jeremiah[5]	**71**	55	**–**	–	**–**	–	**–**	–	**–**	–	**71**	**–**	**71**	55
Giles Kerr[5]	**21**	64	**–**	–	**–**	–	**–**	–	**–**	–	**21**	**–**	**21**	64
Rajiv Sharma	**58**	55	**–**	–	**–**	–	**–**	–	**–**	–	**58**	**–**	**58**	55
Mary Waldner[5]	**68**	55	–	–	**–**	–	**–**	–	**–**	–	**68**	**–**	**68**	55
Total remuneration	**510**	554	**3**	2	**–**	–	**–**	–	**–**	–	**513**	**–**	**513**	556

(1) Taxable benefits for executive Directors include the provision of a fully expensed company car or car allowance and private medical insurance. Taxable benefits for non-executive Directors are travel expenses.
(2) Awards for the deferred share element of the Bonus in respect of 2023 performance will be granted following the announcement of the 2023 results. The deferred bonus element that is to be granted in the form of shares to David Squires and Bindi Foyle following the announcement of the 2023 results, is included in the Bonus figure and will be equivalent in value to one-third of the Bonus figure, namely £208,972 and £142,400 respectively.
(3) Part of the performance conditions attached to David Squires' and Bindi Foyle's 2021 LTIP Awards were achieved, and therefore 66.7% of this award will vest in March 2024. Further details on the performance conditions can be found on page 110. The estimated value of shares to vest in the next period includes an amount for the dividend equivalent shares and was calculated using the average of daily closing market value of the shares over the last three months of 2023 of 166.2p.
(4) The aggregate amount of remuneration paid to or receivable by Directors in respect of qualifying services as per paragraph 9 of SI 2008/40 Schedule 5 was £2,604,745.
(5) Celia Baxter and Giles Kerr retired from the Board at the conclusion of the AGM held on 21 April 2023 and their 2023 fees are the amounts paid to that date. From 22 April 2023, Barbara Jeremiah became Chair of the Remuneration Committee and the Senior Independent Director, and Mary Waldner became Chair of the Audit Committee and the Director with responsibility for employee engagement; and their respective fees were adjusted accordingly.

Fees received for outside appointments

The Board supports executive Directors taking up appointments outside the Company to broaden their knowledge and experience. Each executive Director is permitted to accept one non-executive appointment from which they may retain any fee. Any external appointment must not conflict with a Director's commitments to Senior plc.

David Squires does not hold any outside appointments for which he is remunerated. Bindi Foyle was appointed to the Board of Avon Protection plc as a non-executive director with effect from 1 May 2020 and retained fees of £60,675 for the year ending 31 December 2023 (£60,000 for the year ended 31 December 2022). Prior to her taking up this appointment, the Nominations Committee considered the time commitment required for this new role and was supportive of her taking up that appointment.

Annual fees of non-executive Directors

The non-executive Directors do not participate in any pension, bonus, share incentive or other share option plans. Their remuneration reflects both the time given and the contribution made by them to the Company's affairs during the year, including membership or chairing of the Board or its Committees. The remuneration of the non-executive Directors is determined by the Board of Directors. The non-executive Directors do not participate in any discussion or decisions relating to their own remuneration.

Having considered Senior's financial performance, the then current market conditions experienced by the Group and its 2023 outlook, the Board agreed that the salaries and fees paid to the Directors would increase in 2023 as follows:

Fees[1]	**2023 £**	2022 £	Percentage change
Chair of Board	**208,000**	197,000	5.58%
Non-executive Director	**57,500**	54,500	5.50%
Chair of Audit Committee	**10,000**	9,000	11.11%
Chair of Remuneration Committee	**10,000**	9,000	11.11%
Senior Independent Director	**10,000**	9,000	11.11%
Director with responsibility for employee engagement[2]	**6,000**	–	N/A

(1) No additional fees are payable for Committee membership.
(2) The Committee considered the significant time commitment required of the non-executive Director with designated responsibility for employee engagement and determined that it would be appropriate for a fee of £6,000 p.a. be paid for this role with effect from 1 January 2023.

Senior managers' emoluments

In addition to setting the remuneration of the executive Directors, the Remuneration Committee oversees the remuneration of other senior managers.

The table below shows the cumulative benefits of the two Divisional CEOs, the two Divisional CFOs and the most senior corporate managers.

	2023 Total £000s	2022 Total £000s
Short-term employee benefits	**3,231**	3,325
Post-employment benefits	**70**	55
Share-based payments	**1,156**	1,356
Total	**4,457**	4,736

Performance against performance targets for annual bonus (audited information)

Bonuses are earned by reference to the financial year and paid in March following the end of the financial year. Consistent with recent years, the bonuses accruing to the executive Directors in respect of 2023 have been determined by Adjusted EPS and Free Cash Flow performance as set out in the table below.

A summary of the measures, weightings and performance achieved is provided in the table below:

	2023							2022		
	Threshold	**Target**	**Maximum**	**Actual achieved**	**Maximum bonus achievable**	**Percentage of maximum achieved**	**Bonus payable (% of 2023 salary)[1]**	Maximum bonus achievable	Percentage of maximum achieved	Bonus payable (% of 2022 salary)[1]
Free Cash Flow targets	**£12.0m**	**£14.5m**	**£20.0m**	**£15.5m**	**50.00%**	**63.6%**	**31.8%**	50.00%	100.00%	50%
Adjusted EPS targets[2]	**5.54p**	**6.14p**	**7.06p**	**10.72p**	**75.00%**	**100%**	**75.0%**	75.00%	100.00%	75%
Totals					**125.00%**	**85.44%**	**106.8%**	125.00%	100.00%	125%

(1) When bonus is payable, this is paid two-thirds in cash and one-third in deferred shares. The deferred share element of the 2022 bonus was awarded on 14 March 2023 based on a share price of £1.57 and shall ordinarily vest on the third anniversary of the award on 14 March 2025. The deferred element of any 2023 bonus shall be awarded following the announcement of the 2023 annual results in 2024 and the details disclosed in the 2024 Remuneration Report.

(2) The adjusted EPS target is calculated on a constant currency basis. For information, the maximum performance threshold for the adjusted EPS element of the annual bonus was met without including the benefit arising from the legal entity simplification.

Total pension entitlements (audited information)

The 2023 single figure remuneration for pension benefits for David Squires and Bindi Foyle consisted of a cash allowance of £88,050 (2022 – £111,400) and £60,000 (2022 – £75,800) respectively, this being 15% of the respective base salaries.

Further detail may be found on page 113 of the Remuneration Report: Policy section.

Payments for loss of office (audited information)

There were no payments made in the year for loss of office.

Performance against performance conditions for LTIP vesting

The performance conditions are set out below.

By reference to performance in the financial year (audited information)

Set out below are the performance conditions attached to the 2021 LTIP award. The performance conditions were partially achieved and therefore 66.7% of the 2021 LTIP awards are to vest as shown in the table below.

Performance condition	Target (25% vesting)	Maximum (100% vesting)	Actual	Percentage of total award achieved
Total shareholder return percentile ranking (33.3% of Award)	50th	75th	98th	33.33%
Adjusted earnings per share for the final Financial Year of the Performance Period (33.3% of Award)	5.67p	7.56p	10.28p(1)	33.33%
Return on Capital Employed for the final Financial Year of the Performance Period (33.3% of Award)	9.8%	11.0%	7.1%	0%

(1) For information, adjusted EPS excluding the 2.54p benefit following a legal entity simplification would be 7.74p.

Scheme interests awarded during the financial year (audited information)

Directors	Scheme	Basis of award	Face value £000s	Percentage vesting at threshold performance	Number of shares	Performance period end date
David Squires(1)	LTIP	Annual award	1,174	25%	747,770	31 December 2025
Bindi Foyle(1)	LTIP	Annual award	800	25%	509,554	31 December 2025

(1) The face value of the awards represented 200% of the executive Directors' respective 2023 base salaries.

Current position on outstanding LTIP awards (non-audited information)

The following table shows the current position against performance targets for LTIP awards outstanding from 2022 and 2023.

	Conditional share awards granted in 2023			Conditional share awards granted in 2022		
Performance condition	**Threshold (25% vesting)**	**Maximum (100% vesting)**	**Actual to date**	Threshold (25% vesting)	Maximum (100% vesting)	Actual to date
Total shareholder return ranking	**50th percentile**	**80th percentile**	**85th percentile**	50th percentile	75th percentile	86th percentile
Adjusted EPS performance for the final Financial Year of the performance period	**11.77p**	**18.50p**	**10.28p(2)**	10.05p	12.35p	**10.28p**(1)
Return on Capital Employed	**12.5%**	**17.0%**	**7.1%(4)**	10.0%	13.5%	**7.1%**(3)

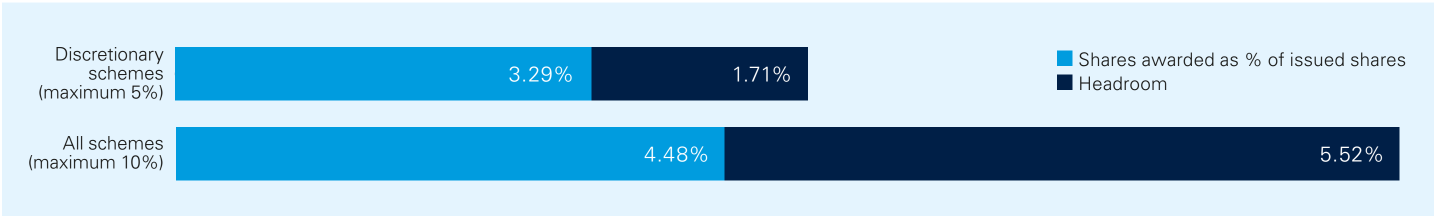
(1) Actual to date figure of 10.28p represents the Adjusted EPS for the second year of the three-year performance period for the 2022 LTIP award.
(2) Actual to date figure of 10.28p represents the Adjusted EPS for the first year of the three-year performance period for the 2023 LTIP award.
(3) Actual to date figure of 7.1% represents the Return on Capital Employed during the first two years of the three-year performance period for the 2022 LTIP award.
(4) Actual to date figure of 7.1% represents the Return on Capital Employed during the first year of the three-year performance period for the 2023 LTIP award.

To ensure a suitably broad peer group, the TSR comparator group applicable to LTIP awards is the FTSE 350 index, excluding sectors with limited direct relevance to Senior and those exhibiting high volatility. TSR is averaged over three months prior to the start and end of the performance period.

The acquisition of Spencer Aerospace completed on 25 November 2022; the Committee reviewed the potential impact of the acquisition on the three performance targets for the outstanding LTIP awards: Total Shareholder Return; Earnings per Share; Return on Capital Employed, and agreed that the original targets for the outstanding LTIP awards should remain unaltered.

Shareholder dilution

Percentage of issued shares



The Company complies with the dilution guidelines contained within The Investment Association Principles of Executive Remuneration.

At 31 December 2023, awards outstanding and shares issued in the previous 10 years under the Senior plc 2005 Long-Term Incentive Plan (the 2005 LTIP), the Senior plc 2014 Long-Term Incentive Plan (the 2014 LTIP), and the 2006 Savings-Related Share Option Plan (the Sharesave Plan)) amounted to 3.29% of the issued ordinary share capital of the Company. At 31 December 2023, awards outstanding and shares issued in the previous 10 years under executive (discretionary) plans (the 2005 LTIP and 2014 LTIP) amounted to 4.48% of the issued ordinary share capital of the Company.

During 2023, all share awards were satisfied using market-purchased shares. The Remuneration Committee monitors the flow rates of the Company's share plans, in particular before new share awards are made, to ensure the flow rates remain within the Investment Association dilution guidelines.

Statement of Directors' shareholding and share interests (audited information)

The Remuneration Committee encourages Directors to own shares in the Company and, in support of this policy, it expects executive Directors to retain at least 50% of the shares that vest under the LTIP awards and the deferred share element of the Bonus, after allowing for tax liabilities, until a shareholding equivalent in value to 200% of base salary is built up. Included within the Directors' holdings are 325,000 shares and 38,788 shares that David Squires and Bindi Foyle purchased respectively.

The table below shows how each Director complies with this requirement. Shares are valued using the Company's closing share price on 31 December 2023 of 177.6p (31 December 2022 – 125.2p). No options under the Sharesave Plan were exercised by the executive Directors during the year.

				Unvested awards, subject to performance conditions	Unvested awards, not subject to performance conditions	
Executive Directors	**Number of shares required to be held (equivalent to 200% of basic salary at 31 December 2023)**	**Number of shares held (including unvested deferred shares net of tax) at 31 December 2023**	Share ownership requirements met	LTIP award[1]	Sharesave	Total deferred share award
David Squires	**661,036**	**909,541**	No – 137.6%	2,156,350	10,066	413,560
Bindi Foyle	**450,450**	**408,173**	No – 90.6%	1,459,441	10,066	278,233

(1) The maximum threshold was exceeded for two of the three performance conditions attached to David Squires' and Bindi Foyle's 2021 LTIP awards over 718,085 shares, and 480,053 shares respectively (included within their respective LTIP award figures above) and therefore 478,723 shares and 320,035 shares respectively of these awards shall vest in March 2024.

The interests of Directors have remained unchanged between the date of the review and the date of the signing of the Annual Report & Accounts 2023.

	Number of shares owned outright (including connected persons) at 1 January 2023	Shares vested during 2023[1]	Shares retained from 2023 vested shares	Shares purchased during 2023	**Number of shares owned outright (including connected persons) at 31 December 2023**
Executive Directors					
David Squires	620,355	90,427	70,000	0	**690,355**
Bindi Foyle	228,817	60,284	31,893	0	**260,710**
Non-executive Directors					
Ian King	814,297	–	–	–	**814,297**
Susan Brennan	5,900	–	–	–	**5,900**
Barbara Jeremiah	25,000	–	–	–	**25,000**
Rajiv Sharma	–	–	–	15,000	**15,000**
Mary Waldner	10,000	–	–	–	**10,000**

(1) In 2023, the following gains were made by David Squires and Bindi Foyle: £152,288 and £101,524 respectively upon the vesting of the deferred share element of the Bonus and dividend equivalent shares. The gains were calculated by multiplying the number of shares that vested by the average share price secured by all recipients that sold vested shares on the vesting day of 9 March 2023 of 168.41p.

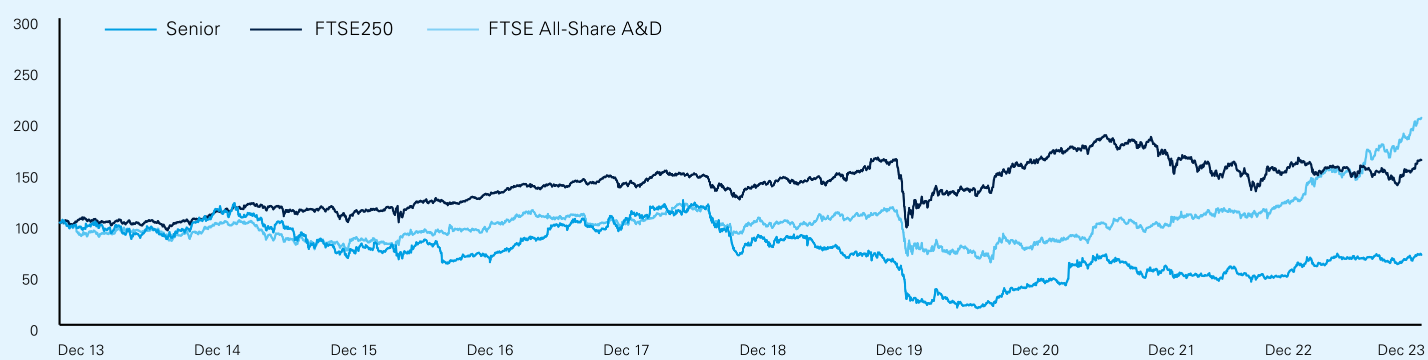
Performance graph

Share price performance

The closing middle market price of the shares at 31 December 2023 was 177.6p (2022 – 125.2p). During 2023, the shares traded in the range of 123.4p to 181.2p.

Senior plc total shareholder return

The following TSR graph compares the total shareholder return of the Company's shares against the FTSE All-Share, Aerospace & Defence index, and the FTSE 250 Index over a 10-year period (where dividends are included gross of tax). This graph allows a comparison to be made against organisations facing broadly similar economic and market conditions as the Company.



Source: Refinitiv Eikon Datastream

Remuneration of Group Chief Executive Officer

	2014	2015[1]	2016	2017	2018[2]	2019	2020	2021	2022	**2023**
CEO single figure of total remuneration (£000s)	1,316	1,020	790	1,009	1,107	1,203	917	1,350	1,388	**2,136**
Annual variable element award rates against maximum opportunity (%)	54	14	31	79	75	58	40	100	100	**85.4**
Long-term incentive vesting rates against maximum opportunity (%)	91.8	21	0	0	0	28	0	0	0	**66.7**

(1) During 2015, Mark Rollins retired from the Board on 31 May 2015 and David Squires was appointed a Director on 1 May 2015. The CEO single figure of total remuneration includes the combined 2015 values for Mark Rollins and David Squires.
(2) The annual variable maximum bonus opportunity increased from 105% to 125% in 2018.

Percentage change in remuneration of Directors

The table below shows how the percentage changes in Directors' salary, benefits and bonus between 2020 and 2021, 2021 and 2022, and between 2022 and 2023 compare with the percentage change in the average of each of those components of pay for Senior plc employees. Employees who joined or left in either year have been excluded to prevent distortion.

	2022 vs 2023			2021 vs 2022			2020 vs 2021		
	Salary	**Taxable benefits and allowances**	**Bonus**	Salary	Taxable benefits and allowances	Bonus	Salary	Taxable benefits and allowances	Bonus
	Percentage change[1]	**Percentage change[2]**	**Percentage change**	Percentage change[1]	Percentage change	Percentage change	Percentage change[1]	Percentage change	Percentage change
Executive Directors									
David Squires	**5.39%**	**19.81%**	**-9.96%**	3.2%	-12.3%	3.2%	0%	3.4%	150.0%
Bindi Foyle	**5.54%**	**81.91%**	**-9.83%**	5.0%	-44.3%	5.0%	0%	4.8%	150.0%
Non-executive Directors									
Ian King	**5.58%**	**–**	**–**	3.1%	–	–	3.1%	–	–
Susan Brennan	**5.50%**	**–**	**–**	2.8%	–	–	2.8%	–	–
Barbara Jeremiah[3]	**30.68%**	**–**	**–**	N/A	–	–	N/A	–	–
Rajiv Sharma	**5.50%**	**–**	**–**	2.8%	–	–	0%	–	–
Mary Waldner[3]	**25.64%**	**–**	**–**	N/A	–	–	N/A	–	–
Celia Baxter[3]	**N/A**	**–**	**–**	2.1%	–	–	0%	–	–
Giles Kerr[3]	**N/A**	**–**	**–**	2.4%	–		0%	–	–
Senior plc Employees, excluding Directors	**7.31%**	**-0.23%**	**-10.7%**	6.7%	7.0%	6.7%	3.3%	2.0%	158.6%

(1) The Salary Percentage change figure also includes any merit increases awarded to Directors and employees. The percentage change of Salary Percentage change figures for the 2021 and 2020 comparison are calculated using the 2020 salaries before the voluntary reduction in salaries and fees for the Directors and some Senior plc employees during the pandemic.
(2) David Squires' percentage change in Taxable benefits and allowances reflects the increase in 2023 of the annual premium of his private health insurance which amounted to £587. Bindi Foyle's percentage change in Taxable benefits and allowances in 2023 mainly reflects the transition from having a car allowance to having a company car during 2022.
(3) Upon the retirement from the Board of Celia Baxter and Giles Kerr at the conclusion of the AGM held on 21 April 2023, Barbara Jeremiah was appointed the Senior Independent Director and the Chair of the Remuneration Committee and Mary Waldner was appointed the Chair of the Audit Committee and the Director with responsibility for employee engagement, and their respective fees were adjusted accordingly at that time.

CEO Pay Ratio narrative

The CEO Pay Ratio is calculated using Option B, by taking the gender pay gap data (based on Senior's largest UK employer, Senior UK Limited) and adding the data for Senior's two additional UK employing entities. For the purpose of making a valid comparison, leavers were excluded. Using the same principles as the gender pay data, the best equivalents were identified, namely: the 25th, 50th and 75th percentile. The full-time equivalents pay and benefits figures for the year ending December 2023 were calculated, and then reviewed to ensure that the selected best equivalents were reasonably representative. The overall increase in the CEO pay ratio is driven by the vesting of the 2021 LTIP. The underlying salary, bonus and benefits showed a reduction in the CEO pay ratio from 2022. We believe the reduction compared to prior years was mainly due to the increase in allowances, bonuses and employer pension contributions for employees compared to a reduction in bonus and pension contributions for the CEO during 2023.

		Pay ratio		
Year	Method[1]	25th percentile	50th percentile	75th percentile
2023	**B**	**78 : 1**	**57 : 1**	**45 : 1**
2022	B	51 : 1	44 : 1	36 : 1
2021	B	53 : 1	49 : 1	33 : 1
2020[2]	B	25 : 1	20 : 1	16 : 1
2019	B	53 : 1	39 : 1	32 : 1

(1) Method B was selected as the most appropriate basis for selecting the 25th percentile, median and 75th percentile pay ratios because the Gender Pay Gap data was more readily available.
2) The pay ratios in 2020 had been impacted by the pandemic leading to significant numbers of employees being on furlough and/or made redundant, as well as reduced total remuneration for the CEO.

Year 2023	25th percentile	50th percentile	75th percentile
Base salary	£20,919	£24,798	£26,973
Total	£27,299	£37,659	£47,434

Relative importance of spend on pay

The following table sets out the percentage change in profit, dividends and overall spend on pay in the financial year ended 31 December 2023 compared with the financial year ended 31 December 2022.

	2023 £m	2022 £m	Percentage change
Employee remuneration costs (excluding social security)[1]	**261.3**	234.7	11.3%
Adjusted profit before tax	**38.3**	20.1	90.5%
Dividends paid	**6.6**	1.2	450.0%

(1) The Employee Remuneration costs include those incurred by Senior Aerospace Spencer from the completion of its acquisition in November 2022.

2024 Remuneration (non-audited information)

Salaries and fees for 2024

Recognising the impact of inflation throughout the year, Senior has continued to take steps to help the broader workforce, including salary settlements that reflected regional costs of living pressures. The impact of this has been particularly felt by our more junior employees and therefore although approaches vary between businesses, these employees have been targeted for higher salary increases or other initiatives. When determining the 2024 basic salaries of the Group Chief Executive Officer and Group Finance Director, which were increased by 4.8% and 5.0% respectively, the Committee was cognisant of the increases applied to the wider UK workforce, which were typically 6% or higher, depending upon skills and geographic location.

Although determined by the Board, rather than the Remuneration Committee, the 2024 base fee for the non-executive Directors was increased by 4.4% and had been determined after considering the increasing time commitment of the non-executive Directors, and the increases applied to the wider UK workforce, and to those for the executive Directors.

	2024 £	**2023 £**	Percentage change
Executive Directors			
David Squires	615,000	**587,000**	4.77%
Bindi Foyle	420,000	**400,000**	5.00%
Non-executive Directors[1]			
Chair of Board	218,000	**208,000**	4.81%
Non-executive Directors	60,000	**57,500**	4.35%
Chair of Audit Committee	11,000	**10,000**	10.00%
Chair of Remuneration Committee	11,000	**10,000**	10.00%
Senior Independent Director	11,000	**10,000**	10.00%
Director with responsibility for employee engagement	6,500	**6,000**	8.33%

(1) No additional fees are payable for Committee membership.

Annual bonus for 2024

The maximum bonus opportunity has been increased for the 2024 annual bonus and is 150% of basic salary, with two-thirds payable in cash and one-third in deferred shares. In addition to the Free Cash Flow and Adjusted EPS targets, two new non-financial KPIs have been introduced. The first non-financial KPI (representing 10% of the total bonus) will reward absolute reductions in Scope 1 and Scope 2 emissions in 2024 consistent with our SBTi-validated target of a 30% reduction in these emissions by 2025 (from a 2018 baseline). The second non-financial KPI (representing the final 10% of the total bonus) will involve improvements to Senior's employee engagement survey score in 2024 compared to the survey results from 2022, highlighting the importance of a highly engaged workforce to achieving outstanding results. The individual weightings of the KPIs for the executive Directors for the annual bonus are set out below.

	2024		**2023**	
	Maximum possible cash award	Maximum share award	**Maximum possible cash award**	**Maximum share award**
Free Cash Flow target – full year	32.00%	16.0%	**33.33%**	**16.67%**
Adjusted EPS target – full year internal target	48.00%	24.00%	**50.00%**	**25.00%**
Reductions in Scope 1 and Scope 2 emissions	10.00%	5.00%		
Improvements to Senior's employee engagement survey score in 2024	10.00%	5.00%		
Totals	100.00%	50.00%	**83.33%**	**41.67%**

The actual targets are currently considered commercially sensitive because of the information that this provides to the Company's competitors. Full disclosure of the 2024 targets will be in the 2024 Annual Report.

LTIP Awards for 2024

The Remuneration Committee sets stretching targets which are consistent with the strategic priorities of the business, and vested awards will continue to be subject to a two-year holding period. The new proposed Policy includes a change to the maximum grant level which will be 200% of basic salary, an increase from the 150% limit in the current Policy. This higher level provides an appropriate level of upside reward potential for the current stage of the recovery of the business and for the outstanding levels of performance which are required to hit maximum vesting levels under the LTIP. As evidenced by the targets for the 2024 award set out in the table below, stretching goals have been set which, if achieved, would represent an outstanding level of performance which the Committee believes should be rewarded accordingly.

Adjusted EPS, TSR and ROCE metrics will be retained as the performance measures in the LTIP and have equal weighting of 33.3%: 33.3%: 33.3%. The Adjusted EPS target has been set to be stretching and challenging. The target is expressed as an absolute value achieved in 2026. TSR performance will continue to be measured against the FTSE 350 (excluding companies in the following sectors: Banks; Financial Services (other than Closed End Investments); Life and Non-life Insurance; Oil, Gas & Coal; Precious Metals & Mining; Industrial Support Services; and Real Estate Investment Services and Trusts). The excluded sectors remain the same to those used in previous years. The Company has consistently stated that its medium-term ROCE target is a minimum of 13.5% pre-tax, post IFRS 16 and this has not changed. The targets are set at a stretching level that takes account of market conditions and the minimum stated target.

The Thresholds and Maximum for 2023 and 2024 are set out in the table below:

	2024			**2023**		
	Weighting (%)	Threshold (25% vesting)	Maximum (100% vesting)	**Weighting (%)**	**Threshold (25% vesting)**	**Maximum (100% vesting)**
Return on Capital Employed	33.33%	13.5%	17.0%	**33.33%**	**12.5%**	**17.0%**
Total Shareholder Return ranking	33.33%	Median or higher	Upper quintile or higher	**33.33%**	**Median or higher**	**Upper quintile or higher**
Adjusted earnings per share	33.33%	12.0%	19.0%	**33.33%**	**11.77p**	**18.5p**

Approval of the Directors' Remuneration Report

The Directors' Remuneration Report was approved by the Board on 1 March 2024.

Signed on behalf of the Board

Barbara Jeremiah
Chair of the Remuneration Committee
1 March 2024