GOVERNANCE

Contents

BOARD OF DIRECTORS

Geoff Drabble
Chair

Date of appointment to the Board
October 2024

Committee memberships: None

Experience
Geoff has unrivalled leadership experience from publicly listed businesses across the building materials distribution, equipment hire and tools markets nationally and internationally.

He has gained this from both executive and non-executive roles, and is currently Non-executive Chair of multinational plumbing and heating products distributor, Ferguson Enterprises Inc. He previously served as Non-executive Chair of DS Smith plc, Senior Independent Director of Howden Joinery Group plc and was CEO of Ashtead Group plc during a period of unprecedented growth. He has also been Executive Director of The Laird Group plc and held a number of senior positions at Black & Decker.

External appointments
- Ferguson Enterprises Inc (Chair)

Duncan Cooper
Chief Financial Officer

Date of appointment to the Board
January 2024

Committee memberships: None

Experience
Duncan is a Chartered Accountant and, in addition to having a strong finance background, has experience in corporate communications, strategy design and implementation and large-scale technology change. Duncan joined the Group from Crest Nicholson plc, where he was appointed Chief Financial Officer in 2019.

He formerly worked at J. Sainsbury plc where he held multiple roles since 2010, culminating in Director of Group Finance. Prior to that Duncan held finance roles at BSkyB plc and GlaxoSmithKline plc after qualifying at Deloitte LLP.

Marianne Culver
Non-executive Director

Date of appointment to the Board
November 2019

Committee memberships: R S

Experience
Marianne has extensive executive and board experience in the global distribution and logistics sectors. She has served as Chief, Global Supply Chain with Premier Farnell plc and as Chief Executive (UK & Ireland) of TNT. Marianne was latterly Global President of RS Components, (formally Electrocomponents plc).

Her non-executive career to-date has included membership of the boards of Rexel SA (listed on Euronext Paris), The British Quality Foundation and EDS Corporation and she is a current member of the Supervisory Board of BME B.V.

External appointments
- BME B.V (Supervisory Board)

Jez Maiden
Senior Independent Non-executive Director

Date of appointment to the Board
June 2023

Committee memberships: A N

Experience
A qualified accountant (FCMA), Jez is a proven Senior Independent Director with diverse sector experience spanning household FMCG, management consultancy, food manufacturing, transport and chemicals. He has extensive finance and audit, public company and capital markets expertise and has held a number of Executive Director CFO positions, latterly as Group Finance Director for Croda International Plc. He has previously served as a Non-executive Director at PZ Cussons plc and Synthomer plc and is currently a Non-executive Director and member of the Audit Committee at Intertek Group plc, and has recently been appointed as a Non-executive Director, Chair of the Audit Committee and a member of the Remuneration Committee of Smith & Nephew plc.

External appointments
- Centre for Process Innovation Ltd (Non-executive Director)
- Smith & Nephew plc (Non-executive Director)
- Intertek Group plc (Non-executive Director)

Committee membership key:

- A Audit
- N Nominations
- R Remuneration
- S Stay Safe
- Chair

Heath Drewett
Non-executive Director

Date of appointment to the Board
May 2021

Committee memberships: A R

Experience
Heath is an experienced CFO and currently Chief Financial Officer for Aggreko; a global power, temperature control and energy services company and constituent of the FTSE 250, prior to its takeover in August 2021.

He also has extensive experience in the engineering, leisure and transportation and industrial sectors having previously worked for WS Atkins, British Airways, Morgan Advanced Materials and PwC. Heath brings a wealth of financial and commercial acumen to the Board at Travis Perkins based on his experience across a number of markets and sectors adjacent to the construction industry.

External appointments
- Aggreko (Chief Financial Officer)

Louise Hardy
Non-executive Director

Date of appointment to the Board
January 2023

Committee memberships: R N

Experience
Louise brings to the Board over 30 years of business and significant leadership experience from across the construction and infrastructure industry.

A civil engineer by background, Louise has held a range of senior roles at London Underground, Bechtel and Laing O'Rourke, where she was the Infrastructure Director for the London 2012 Olympic Park. Her most recent executive appointment was European Project Excellence Director for AECOM.

Louise remains a keen volunteer within the construction industry as a STEM ambassador and diversity champion.

External appointments
- Crest Nicholson Holdings plc (Non-executive Director)
- Balfour Beatty plc (Non-executive Director)
- Oriel (Chair)

Jora Gill
Non-executive Director

Date of appointment to the Board
August 2021

Committee memberships: A N S

Experience
Jora has extensive data and digital experience having held a number of Chief Information Technology Officer and Chief Digital Officer roles in significant organisations, including Standard and Poors, Elsevier, The Economist, and latterly SHL Group Ltd where he served as Chief Digital Officer until December 2021.

Jora is now the CEO and co-founder of an AI company, Insights Driven. In addition, he serves as a Non-executive Director of the Phoenix Life Limited, a role he has held since June 2023.

External appointments
- Insights Driven (CEO)
- Phoenix Life Ltd (Non-executive Director)

CORPORATE GOVERNANCE REPORT

Geoff Drabble
Chair
31 March 2025

In this the first Annual Report since I was appointed Chair, I am pleased to present the Corporate governance report for the year ending 31 December 2024.

UK Corporate Governance Code

Throughout the year ended 31 December 2024, the Company was in compliance with the principles and provisions of the UK Corporate Governance Code 2018 issued by the Financial Reporting Council ("the Code") and which is available at www.frc.org.uk, subject to the following explanations.

Further explanation in relation to Provision 24 of the Code and regarding the role of Jez Maiden as both the Interim Chair and as a member of the Company's Audit Committee is provided in the Audit Committee report on pages 84 to 89.

It is a requirement under Provision 12 of the Code that one of the independent non-executive directors of a company be the Senior Independent Director ("SID"). The responsibilities of the Company's SID are described under the "Division of responsibilities and meetings" heading below. Jez Maiden was the Company's SID during 2024. When Jez became Interim Chair with effect from 31 May 2024 it was decided that engagement between the Non-executive Directors and by the Company with its shareholders would not be adversely affected by this temporary arrangement, especially given the Board's focus on confirming the plan for permanent Chair succession, which it was anticipated would be fully resolved within a reasonable period. There was, therefore, no appointment of an alternative SID. As such, Jez Maiden was the only Director nominated as SID during 2024, including during the period when he was also Interim Chair.

Under Provision 4 of the Code, when 20% or more of votes have been cast against the Board recommendation for a resolution, the Company should explain, when announcing voting results, what actions it intends to take to consult shareholders in order to understand the reasons behind the result. An update on the views received from shareholders and actions taken should be published no later than six months after the shareholder meeting. The shareholder consultation by the Company described in further detail under the "Annual General Meeting" heading below was conducted substantively within six months of the 2024 AGM; however, the update on views and actions was published on 18 November 2024 which was six months and 27 days after the AGM.

Role of the Board

The Board is responsible for considering the opportunities and risks relevant to the success of the Group and for setting the tone and approach to corporate governance.

The Board has a schedule of matters reserved to it, which was last reviewed and approved in December 2024. The latest approved schedule of matters reserved can be found on the Company's website. In line with the Code, the Board has a number of Committees to which it delegates certain responsibilities: Audit, Nominations, Remuneration and Stay Safe. Aligned with the Code the Audit, Nominations, and Remuneration Committees all have three independent Non-executive members. The Committees all have defined terms of reference that are available on the Company's website.

Culture

The Board makes use of a range of insights to assist in its understanding of the Group's culture. This enables the Board to monitor the alignment of practices and behaviour with Group policy, strategy and values. Sources of insight include:

- Feedback received informally through visits by members of the Board to branches and other sites across the Group.
- Responses to the Group-wide colleague engagement survey ("Your Voice, Our Future").
- Feedback from colleague listening sessions held by members of the Board.
- Review of issues raised through the Group's Speak Up line.

These insights are useful to the Board in its assessment of the extent to which prevailing culture in the Group is aligned to the Group's policy, strategy and values.

Engaging with stakeholders and the workforce

Engagement with stakeholder groups such as shareholders, customers, suppliers and colleagues occurs when formulating the strategic direction of the Group. The Board takes the views of its stakeholders into account when strategic decisions are made. A statement on the ways in which the Group meets its duties under s172 of the Companies Act 2006 is described in the Section 172 statement on pages 78 to 80. This includes detail regarding engagement with major shareholders and the outcomes influenced by that engagement.

The Board has designated a workforce Non-executive Director to help bring the colleague voice into the boardroom. This role was fulfilled by Louise Hardy in 2024. Louise held listening sessions to gauge engagement and colleague sentiment.

Conflicts of interest and raising concerns

Declarations of any actual or potential conflicts of interest with items on the agenda are requested and made at the start of every Board and Committee meeting. A register of the Directors' interests and conflicts is maintained by the Company Secretariat.

Directors complete an annual questionnaire on potential or actual conflicts of interest and their activities throughout the year. Any potential conflicts are reviewed by the Board as a whole and, if necessary, mitigating actions are taken and recorded on the register of Directors' interests and conflicts. The impact of any relationships or involvements are considered carefully to ensure that they do not compromise or override the Directors' ability to exercise independent judgement.

Concerns in relation to the operation of the Board can be raised with the Chair or the SID. As part of the leadership evolution in 2024, the views of Board members were sought by the SID and discussed by the Board without the then Chair present, in accordance with good governance practice.

During 2024, the Group continued to emphasise the importance of "doing the right thing" aligned to the Code of Conduct and of "speaking up" using the Speak Up line. A number of policies and related guidance were updated and communicated. Communication included details of how colleagues could whistleblow using the Speak Up service where they believed that others may not be doing the right thing. The Speak Up service is available for colleagues and others to raise concerns by telephone call or web portal submission regarding issues that are inconsistent with its Group's values or otherwise require investigation and attention. The Audit Committee, on behalf of the Board, received regular reports during 2024 regarding issues raised through the Speak Up line and subsequent action taken. The Board also reviewed the effectiveness of the Speak Up line at its meeting in December 2024.

Board composition and effectiveness

Board changes

Appointments of new Directors are made by the Board on the recommendation of the Nominations Committee.

There were a number of changes to the Directors during 2024. Duncan Cooper took up the position of CFO on the Board on 9 January, with Alan Williams stepping down from the Board on 23 January. Jasmine Whitbread stepped down as Chair from the Board on 31 May and at that point Jez Maiden became Interim Chair. Nick Roberts stepped down from the Board and Pete Redfern took up the post of CEO with effect from 16 September and regrettably resigned due to ill health on 10 March 2025. I joined the Board on 1 October. As at 31 December 2024, the Board comprised six Non-executive Directors and two Executive Directors. The biographies of the Board as at the date of the Annual Report and Accounts are listed on pages 72 to 73.

Re-election of Directors

All Directors as at the date of the Annual Report and Accounts are considered to be eligible, on the basis of their performance and contribution to the long-term sustainable success of the Company, to submit themselves for re-election at the 2025 Annual General Meeting.

Board effectiveness review

Consistent with the requirements of the Code, evaluation of the performance of the Board and its Committees was carried out in 2024 as described in the Nominations Committee report on pages 81 to 83.

Division of responsibilities and meetings

Chair and CEO

The roles of the Chair and CEO are split and the Board has approved a written statement of the division of key responsibilities between the Chair and CEO which was reviewed in December 2024 and is available on the Company's website. The Chair leads the Board and ensures its effectiveness. Jasmine Whitbread and Jez Maiden were independent on appointment as Chair/Interim Chair and remained so for as long as they held that post. I was independent on appointment as Chair.

Non-executive Directors

The Board ensures that at least half of its members, excluding the Chair, are independent Non-executives and reviews any relationships or circumstances which are likely to affect their independence. Provision 10 of the Code sets out circumstances which are likely to impair, or could appear to impair, a Non-executive Director's independence, including where individuals hold cross-directorships or have significant links with other Directors through involvement in other companies or bodies. The Board is satisfied that there were no relevant cross-directorships or other links in 2024 and that none of the circumstances set out in provision 10 of the Code currently applies. The Board is satisfied, therefore, that all Non-executive Directors remain independent.

The Non-executive Directors provide constructive challenge, strategic guidance and appraise Executive Directors' performance against agreed performance targets, including through the work of the Remuneration Committee. The Non-executive Directors and Chair meet regularly without the Executive Directors present.

A Non-executive Director is appointed as the SID. The SID acts as a sounding board for the Chair and an intermediary for Directors and shareholders. The SID is available to shareholders should they wish to raise an issue through an alternative channel. The Non-executive Directors led by the SID meet without the Chair present annually to discuss the Chair's performance and any other matters as required. The details of the responsibilities of the SID are set out in writing and are available on the Company's website. Jez Maiden is the Company's SID and fulfilled the foregoing responsibilities during 2024, while also serving for part of this period as Interim Chair.

Time commitment

When making new appointments, the Board considers the competing demands on candidates' time. Prior to appointment, candidates are required to disclose any significant commitments along with the estimated associated time commitment. Each Non-executive Director's letter of appointment sets out the time commitment expected of them and these letters are available for inspection at the Annual General Meeting. So far as is practicable, the Company liaises with the Non-executive Directors to ensure the schedule of meetings does not clash with external appointments. Directors are able to attend meetings by video or telephone conferencing if there is an issue with location or travel.

The Board considers, on an annual basis, the time commitments of each Director and it is satisfied that all Directors continue to have sufficient time available to fulfil their duties. Any new external appointments during the year are given careful consideration and (if necessary) before consent is given, taking into account the number and scale of each Director's other commitments.

CORPORATE GOVERNANCE REPORT CONTINUED

Subject to approval by the Board, Executive Directors are allowed to accept one external non-executive directorship with a listed entity.

Board and Committee meetings

The Board held nine meetings in 2024, dealing with the annual cycle of activity planned in advance of the year and other matters arising during its course. The format for meetings of the Board in 2024 was a mix of in person and virtual using video conferencing. Regular items on the agenda for consideration included:

- Detailed updates on financial results and performance against related KPIs, in particular delivery of the Group's business improvement priorities.
- Health and safety policies and performance.
- Strategic reviews of the Group as a whole and its businesses.
- Governance matters, including review of the work of the Committees to the Board and the conduct of matters reserved to the Board.
- New appointments.

Examples of other areas of particular focus in certain meetings include:

- Review of the outturn trading performance of Group in 2023 and the response of the Group to the trading conditions prevailing in 2024.
- Colleague voice; review of key themes in the feedback from the Your Voice our Future engagement survey.
- Investor relations; review of feedback received from investors in the course of the year and discussion of investor relations priorities for 2024.
- Sustainability and corporate affairs; review of climate-related risks and opportunities, the sustainability reporting landscape and the roadmap for the Group's external engagement.
- Technology and data enablement; review of the delivery of technology enabled business change, aligned to the objectives of the Group.
- Risk Appetite and Principal Risks; to facilitate the calibration of Board risk appetite and including coverage of cyber risk preparedness. Group talent agenda; review with particular focus on talent and succession.
- Implementation of Oracle Financials; receiving updates ahead of and post "go live", to monitor and support delivery.
- Business reviews of specific trading operations within the Group.

The Chair meets regularly with Board members and with members of the Group Leadership Team ("GLT") between Board meetings and ensures that Board members are kept informed of material developments. At meetings the Chair encourages debate and equal contribution from each Board member within a transparent and constructive atmosphere. The names of the Directors who served on the Board during the year together with the number of Board and Committee meetings attended by each Director is set out in the following table.

	PLC Board	Audit Committee	Nominations Committee	Remuneration Committee	Stay Safe Committee	Overall attendance (%)
Number of meetings	9	4	2	3	2	98
Attendance:						
D. Cooper	9/9	–	–	–	–	100
M. Culver	9/9	–	–	3/3	2/2	100
G. Drabble[1]	2/2	–	–	–	–	100
H. Drewett[2]	8/9	4/4	–	3/3	–	94
J. Gill	9/9	4/4	2/2	–	2/2	100
L. Hardy[3]	9/9	–	1/1	3/3	–	100
J. Maiden	9/9	4/4	2/2	–	–	100
P. Redfern[4]	3/3	–	–	–	1/1	100
N. Roberts[5]	6/6	–	–	–	1/1	100
J. Whitbread[6]	3/3	–	1/1	2/3	1/1	88
A. Williams[7]	1/1	–	–	–	–	100

1 Geoff Drabble joined the Board on 1 October 2024.
2 Heath Drewett was absent from one Board meeting as a result of a personal emergency.
3 Louise Hardy joined the Nominations Committee on an interim basis on 30 April 2024.
4 Pete Redfern joined the Board as CEO on 16 September 2024.
5 Nick Roberts stood down from the Board on 16 September 2024.
6 Jasmine Whitbread stood down from the Nominations, Remuneration and Stay Safe Committees on 30 April 2024 and from the Board on 31 May 2024.
7 Alan Williams stood down from the Board on 23 January 2024.

Group Leadership Team

The Board has delegated responsibility for the execution of the Group's strategy and the day-to-day management and operation of the Group's business to the CEO. The CEO leads the GLT, which comprises key business and functional leaders.

Other colleagues are invited to attend GLT meetings from time to time in relation to specific matters. The main purpose of the GLT is to assist the Executive Directors in the performance of their duties, particularly in relation to:

- the development and implementation of strategy, operational plans, policies, procedures and budgets;
- the monitoring of operational and financial performance;
- the assessment of control of risk; and
- the prioritisation and allocation of resources.

Provision of information and support

All Directors have direct access to the General Counsel & Company Secretary who is responsible for advising the Board on all governance matters. Directors may also seek independent professional advice at the Company's expense in the furtherance of their duties as required.

Annual General Meeting

On 22 April 2024 the Company welcomed shareholders, their proxies and corporate representatives to the Annual General Meeting held in person at the London offices of Linklaters. All Directors were present and available for questions.

Support was received from shareholders, including those casting votes by proxy, sufficient to pass all of the resolutions put to the meeting, with an average of 92% of votes in favour of each resolution. Less than 80% support was received for two resolutions; 79.06% of votes cast were in favour of resolution 3 and 76.41% of votes cast were in favour of resolution 12. The details of those resolutions were:

- Resolution 3: To receive and approve the Directors' remuneration policy, which is contained in the Directors' remuneration report as set out on pages 96-101 of the Annual Report and Accounts for the financial year ended 31 December 2023 which will take effect from the date of its approval.
- Resolution 12: To re-elect Jasmine Whitbread as a Director of the Company.

In line with its responsibilities under the Code (where a resolution receives a more than 20% vote against), the Board consulted with shareholders to understand the reasons behind these votes. In respect of resolution 12, the then Chair and the SID held a number of meetings with shareholders during March and April 2024, and Jasmine Whitbread stepped down from the Board on 31 May 2024. Jez Maiden became Interim Chair and led the process to appoint both a new CEO and a permanent Chair, seeking input from shareholders on the characteristics that they would wish to see in the new appointments. This process was concluded in July 2024. Regarding resolution 3, following the AGM, Louise Hardy, Chair of the Remuneration Committee, sought further input from shareholders, which, together with previously articulated shareholder positions, has enabled the Company to better understand the rationale behind most of the voting which did not support resolution 3. A consistent theme of a lack of support for elements of the Company's Restricted Share Plan ("RSP") in the context of underlying performance.

Immediately following the shareholder consultation, against the backdrop of 88.02% shareholder support when the RSP was adopted, the Company did not believe an immediate change to its long-term incentives was appropriate. However, as noted at pages 90 to 91 of the Directors' remuneration report, the Company continued to keep the efficacy of its Directors' Remuneration Policy under review; including, in particular, whether the RSP remained the best vehicle through which to provide long-term incentive to the relatively new executive team and to support the Group with the retention of executive talent through a period of business turnaround.

The Board looks forward to welcoming shareholders, their proxies and corporate representatives who wish to attend the 2025 Annual General Meeting of the Company in person. The shareholder appetite for online broadcast of the Annual General Meeting appears to remain low and it has been decided that there will be no broadcast of the Annual General Meeting this year in order to use shareholders funds appropriately by avoiding unnecessary expenditure. Shareholder demand for remote participation will be kept under review and will inform the approach to arrangements for future Annual General Meetings.

Statement by the Board

A review of the performance of the Group's businesses and the financial position of the Group is included in the Strategic report on pages 8 to 25. The Board uses it to present a full assessment of the Group's position and prospects, its business model and its strategy for delivering that model. The Directors' statement of responsibilities for the financial statements are described on page 121.

Going concern

After reviewing the Group's forecasts and risk assessments and making other enquiries, the Board has formed the judgement at the time of approving the financial statements that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of signing this Annual Report and Accounts. For this reason the Board continues to adopt the going concern basis in preparing the financial statements.

In arriving at their opinion the Directors considered:

- The Group's cash flow forecasts and revenue projections.
- The impact on trading performance of severe but plausible downside scenarios. Key assumptions include significant reductions in revenue removal of property profits and limited reductions in fixed overheads, as well as mitigating actions such as delayed capital expenditure and dividend suspension.
- The committed debt facilities available to the Group and the covenants thereon.
- The Group's debt maturity profile and investment credit ratings.
- The Group's robust policy on liquidity and cash flow management.
- The Group's ability to successfully manage the principal risks and uncertainties outlined on pages 59-69 during periods of uncertain economic outlook and challenging macroeconomic conditions.

The downside scenarios tested, outlining the impact of severe but plausible adverse scenarios based on a severe recession and housing market weakness, show that there is sufficient headroom for liquidity and covenant compliance purposes for at least the next 12 months from the date of approval of these financial statements.

The Board's fair, balanced and understandable declaration

At the Board meeting during which the Group's results for the year were presented, the Board considered whether the Annual Report and Accounts, when taken as a whole, present a fair, balanced and understandable overview of the Group and its performance. After hearing from the CFO, receiving a report from the Audit Committee Chair on that Committee's meeting to review the preparation and content of the year-end financial statements and the audit conducted upon them, and reviewing the content of the Annual Report and Accounts, the Board concluded that the Annual Report and Accounts are fair, balanced and understandable and accordingly the Directors' declaration to that effect can be found under the Directors' statement of responsibilities on page 121.

Effectiveness of the system of internal control and risk management

In conjunction with the Audit Committee and in a process that accords with the Financial Reporting Council guidance on Risk Management, Internal Control and Related Financial and Business Reporting, the Board has carried out an annual review of the overall effectiveness of the system of internal control and risk management during the year and up to the date of approval of the Annual Report and Accounts, and concluded that these systems are effective. A further description of this work is set out in the Audit Committee report on page 87.

Geoff Drabble
Chair

31 March 2025

SECTION 172 STATEMENT

The Group has taken into consideration the interests of key stakeholders and the success of the Company for the benefit of its members as a whole, in line with Section 172(1) (a) to (f) of the Companies Act 2006 ("s172"). This s172 statement explains how:

- the Directors have taken into consideration the interests of members as a whole in key decision-making; and
- the Group, including the Directors, has engaged with stakeholders.

s172 requires Directors to have regard (amongst other matters) to:

a. The likely consequences of any decision in the long-term;
b. The interests of the Company's employees;
c. The need to foster the Company's business relationships with suppliers, customers and others;
d. The impact of the Company's operations on the community and the environment;
e. The desirability of the Company maintaining a reputation for high standards of business conduct; and
f. The need to act fairly as between members of the Company.

For example and as set out below, the Board had particular regard to the requirements of s172 (amongst the other requirements of s172 and other matters more generally) in connection with the decision to close Toolstation France.

Key Board decision	Key requirements
Closure of Toolstation France – The Board reviewed and ultimately approved the closure of Toolstation France. The Board first approved an internal engagement with the Works Council and colleagues, the results of which informed the decision to communicate externally in March 2024 the strategic plan to review options for Toolstation France. Engagement with, and support for, colleagues, suppliers and other stakeholders impacted by the potential change was maintained throughout the review process, the outcome of which was reported regularly to the Board. In response to the review the Board confirmed the decision to close Toolstation France, to include the sale of stores as a going concern where this would be feasible and not detrimental to the interests of the Company's shareholders. Eight Toolstation France stores were sold as a going concern as part of the subsequent closure process, securing jobs for 10% of the colleagues impacted. The operation closed by the end of 2024 and is presented as a discontinued operation.	**Likely consequences of decision in the long term** The Board based its decision on a consideration of the likely long-term consequences of either extending into the longer term the Group's investment in the Toolstation France business or ending its investment in 2024. **Interests of colleagues** The Board had regard to the impact of decisions on colleagues, informed by its understanding of the local consultation process described in the preceding column. **Need to foster business relationships** In a similar way to which it had regard for the impact on colleagues, the Board had awareness of how the closure would affect relationships with local suppliers and customers. **Impact of operations on the community and the environment** The Board's regard to the impact of the closure of operations and resulting redundancies on colleagues included consideration of the positive feedback from the Works Council on the suitability of the post-redundancy support package for ex-colleagues. By reason of this, the Board's regard included the impact on people post-closure as members of the community. **Desirability of maintaining a reputation for high standards of business conduct** The Board assured that the process connected with the review and decision to close was conducted in compliance with local legislation throughout the process. **Need to act fairly as between members of the Company** The best interests of the Company's shareholders, and by implication the need to act fairly as between them, were key to the Board's decision making regarding the closure of Toolstation France.

Relevant issues, factors and stakeholders

The Group's Strategy and ESG framework take into account key macro factors and challenges (pages 60 and 61), growth drivers (page 10) and double materiality assessment results (page 27), and have been formed through expert teams and in-depth consultation with key stakeholder groups.

Stakeholder engagement and key issues

Building positive stakeholder relationships through engagement, collaboration and dialogue is important to the Group. Working together with its stakeholders towards shared goals assists the Group in delivering long-term sustainable success. The Group comprises a number of businesses and stakeholder engagement takes place both at a Group level and also within each business as each has its own unique stakeholders. Details of key stakeholders and how the Group engages with them are set out below.

Stakeholder type	How the Group engages with them	Key ESG issues
Shareholders	The Group relies on the support of shareholders and places importance on their opinions. The Group wants to enable shareholders to have an in-depth understanding of strategy and operational and financial performance, so they can accurately assess the value of their shares in the Company. The Group has an open dialogue with shareholders through one-to-one meetings, group meetings, and the Annual General Meeting. Discussions with shareholders cover a wide range of topics including financial performance, strategy, outlook, governance and ethical practices. Shareholder feedback along with details of movements in the shareholder base are reported to and discussed by the Board and their views are considered as part of decision-making. The Group's Chair and management team undertook 163 investor interactions during 2024, including attendance at nine investment bank conferences and organising two North American roadshows. The management team recognises the benefits of virtual meetings with regard to efficiency and reaching a wide investor base but remains focused on in-person meetings as it is their belief that this facilitates better quality conversation and helps to build long-term relationships with shareholders. In 2024, over two-thirds of all investor interactions were in-person, this figure rising to over 80% with UK-based investors.	Carbon Supply chain Governance
Customers	The success of the Group, both historically and into the future is dependent on the ability to understand and meet the needs of customers. The Group continues to invest in data capability to bring a greater level of understanding to the behaviour of customers and when combined with the time spent discussing their needs and perceptions this produces a significant amount of insight which is used to guide action. Taking a long-term view of customer needs has allowed different business units to begin to develop and deploy a range of services which are designed to go above and beyond the traditional model of the straight supply of materials. By looking forward and seeking to understand the potential range of impacts which may affect the business of our customers in the future we are able to assist in the development of solutions to bring mutual value, enabling, for example, customers to work with changing environmental planning legislation to construct houses that meet current and future standards. Many of these examples are shared under "Modernising construction" on pages 30-31. The Group's businesses ran customer surveys and the ESG team engaged with over 120 customers in 2024.	Carbon Sustainable products Responsible sourcing Social value Packaging
Colleagues	People are key to the Group's success and it is important that they are successful individually and as a team. The Group aims to build a fully inclusive environment where treating each other with respect and encouraging everyone to be themselves is at the heart of the Group's values. The Group works hard to engage with and listen to colleagues in a variety of ways. A Group-wide engagement survey in 2024 was sent to 16,000 colleagues with a participation rate of 80%, representing the views of almost 13,000 colleagues. The engagement survey included detailed questions around safety, belonging, equal opportunity, customer focus and corporate citizenship. Group diversity and inclusion networks with GLT sponsorship and the Diversity and Inclusion Advisory Board continued to drive the Group's agenda to retain a diverse pipeline of colleagues, enable a high-performance culture, develop inclusive leaders and positively impact a generation of young people. ESG training sessions were delivered across a number of teams at Group and within the businesses by the Group Sustainability team and an ESG module is included in all apprenticeships. The role of the designated workforce Non-executive Director is to help bring the colleague voice into the boardroom. This role was fulfilled by Louise Hardy in 2024. Louise held listening sessions to gauge engagement and colleague sentiment.	Safety and Wellbeing Reward Skills Diversity, Equity and Inclusion Carbon

SECTION 172 CONTINUED

Stakeholder type	How the Group engages with them	Key ESG issues
Suppliers	The Group's suppliers are experts in the wide range of products sourced from them. Macro factors such as the increasing relevance of ESG and sector-specific changes seen in the development of modern methods of construction are raising expectations from customers and creating opportunities. The Group aims to build strong supplier relationships and develop mutually beneficial, lasting partnerships that meet these expectations and seize these opportunities. Engagement with suppliers is primarily through a series of interactions and formal reviews. In 2024, the businesses engaged proactively with suppliers in connection with the launch of Oracle Financials to enhance product data and to work together to manage and overcome challenges. The Group's businesses also host conferences to bring suppliers and customers together to discuss shared goals and build relationships. 60 suppliers were supported by the Group sustainability team during 2024. The Board recognises that relationships with suppliers are important to the Group's long-term success and is briefed on supplier feedback and issues on a regular basis.	Carbon Responsible sourcing (including QA) Sustainable products Packaging Safety Modern slavery
Communities and the environment	Investing in sustainable growth means supporting the communities in which the Group operates. By ensuring a positive contribution, the Group can help its communities and strengthen the business. Colleagues engage with the communities the Group operates in, building trust and understanding local issues. Key areas of focus include how the Group can support local causes and issues; create opportunities to recruit and develop local people; and help to look after the environment. In 2024, work continued towards the long-term target for people development for 10,000 people to successfully complete apprenticeships by 2030 (delivered both for the Group's own colleagues and those in the wider industry). The Group's businesses partner with local charities and organisations at a local level to raise awareness and funds. The Group's impact on the environment is a key focus for the Board. During 2024, progress was made towards the Group's targets for buildings and fleet (Scope 1 and 2) and for the supply chain (Scope 3). Further information is available in the Sustainability report on pages 26 to 58.	Carbon Sustainable products Safety Quality Skills Responsible sourcing
Government and regulations	The regulatory environment significantly impacts the success of the business. The Group believes it is important that those who can influence policy, law and regulation understand its views, sharing information and perspectives on areas that impact the Group's businesses. Engagement with the government and regulators takes place through a range of industry consultations, forums, meetings and conferences to communicate views to policy-makers relevant to the Group's sectors and businesses. Key areas of focus during 2024 were around a national retrofit strategy, Future Homes Standard, decarbonisation of specialist fleets, the skills gap and health and safety. The Board is updated on legal and regulatory developments and takes these into account when considering future actions.	Fleet decarbonisation Retrofit Future Homes Standard Skills Governance
Trade and professional bodies	The Group collaborates with trade and professional bodies to raise awareness, share best practices and to move forward together as an industry on shared opportunities, issues and challenges. For example, the Group sits on the Builders Merchant Federation Board and each of its industry working groups. The Group is a CO_2nstructZero Business Champion, the Construction Leadership Council's framework for net zero in the construction industry. The Group is represented in the National Retrofit Hub, Future Homes Hub, Logistics UK, Builders Merchant Federation, Supply Chain Sustainability School and other forums relevant to the Group's material risks and opportunities. The Group is a founding member of The Construction Inclusion Coalition, which has been established to raise sector standards on equity, diversity and inclusion.	Net Zero new build and retrofit Skills Safety Diversity, Equity and Inclusion.

Delegated decision-making

The Group's governance framework delegates authority for local decision-making to each of its businesses, up to defined levels of cost and impact, which allows the businesses to take account of the needs of their own stakeholders in their decision-making. The leadership teams of each business make decisions with a long-term view and with the highest standards of conduct in line with Group policies. In order to fulfil their duties, the directors of each business and of the Group itself take care to have regard to the likely consequences on all stakeholders of the decisions and actions which they take. Where possible, decisions are carefully discussed with affected groups and are therefore fully understood and supported when taken.

NOMINATIONS COMMITTEE REPORT

Jez Maiden
Chair, Nominations Committee

31 March 2025

2024 focus area

- Delivering effective change at Board level
- Chair and CEO appointments

Number of meetings during 2024

2

Dear shareholder

In April 2024 the Board asked me, as Senior Independent Director, to step into the role of Interim Chair of Travis Perkins plc, following Jasmine Whitbread's decision to step down. As a result, I have also led the Nominations Committee of the Board and am pleased to present to you the Committee's report on its activities during 2024.

A key role of the Committee is to ensure that there is a rigorous and transparent process for appointments to the Board. In 2024, the Committee was asked by the Board to recommend a new CEO to lead the management of the Group and to identify a new permanent Chair. To run both processes simultaneously to deliver an effective outcome was a demanding brief for the Committee. I would like to take this opportunity to thank my fellow Committee members, Louise Hardy and Jora Gill, for their unstinting commitment and support throughout this vital process, together with the support of the rest of the Board in enabling the timely appointment of the selected candidates.

Following a difficult year in 2023 in which earnings were notably lower, the Board recognised the under performance of the business and that it was the right time to search for a new CEO to replace Nick Roberts and take the business forward. The Committee began an externally facilitated search process to identify a new CEO, with a focus on operational strength, margin management and cash generation from a candidate with proven success in delivering shareholder returns. We reviewed an extensive range of candidates, interviewed many and selected Pete Redfern who joined the business in September, but who unfortunately had to stand down in March 2025 due to ill health.

As noted in the Governance Report, Jasmine stepped down from the Board and as Chair on 31 May 2024. Reflecting input from a number of shareholders, the Committee launched a further externally facilitated search process to identify a new permanent Chair. This process ran in parallel with the CEO search, allowing the Committee to assess the complementary skills of candidates for the two roles and enabling the preferred candidates for these two key roles to meet and explore their future relationship prior to appointment. The result of the Chair search was announced alongside the CEO appointment in July, with Geoff Drabble appointed as a Non-executive Director and Chair Designate from October. Geoff took over from me as Chair on 1 February 2025, following a period of onboarding, and he will also assume the role of Chair of the Nominations Committee from me following publication of this report.

Geoff was CEO of the international plant hire company Ashtead plc for 13 years, a Non-executive Director of Howden Joinery Group plc for eight years and is the current Chair of Ferguson plc, the buildings materials distribution business listed on the New York and London Stock Exchanges, and which primarily operates in North America. Geoff's experience of public companies operating in our markets is unrivalled.

During 2024, we also completed the appointment of a third key role, with Duncan Cooper taking over in January as the Group's Chief Financial Officer, following Alan Williams' decision to retire, as set out in last year's Committee report. The Committee is pleased that Duncan has hit the ground running, with a smooth transition from one CFO to another.

Process for Board appointments

These recent Board appointments followed the Committee's previously defined approach. This sets out a rigorous selection process, with appointments made on merit and against an agreed set of specific and objective criteria. The Committee oversees this process on behalf of the Board and advises the Board on the identification, assessment and selection of candidates. The appointment process includes:

1. Agreeing the key skills, attributes and business experience required for the role as well as diversity priorities.
2. Preparing a role description.
3. Engaging independent search consultants.
4. Conducting a market search via the search consultants.
5. Preparing a “long list” of candidates, taking into account diversity considerations and the Committee's review of the composition, experience and skill-sets of the Board.
6. Selecting a shortlist which meets the Committee's criteria.
7. Candidate interviews and assessments.
8. Making a recommendation to the Board, following detailed references.
9. Appointees are provided with a programme of induction meetings and visits with key personnel to each business within the Group.

During the year, the Committee used the services of Russell Reynolds. Other than the use of their services in search assignments and advising on succession planning, the Directors have no connection with Russell Reynolds.

NOMINATIONS COMMITTEE REPORT CONTINUED

Committee membership

With the change in Chair role announced in April 2024, Louise Hardy was appointed to the Nominations Committee on an interim basis to ensure that the Committee could continue to function effectively and to support the critical Board appointment processes.

Board diversity policy

Another key role of the Committee is to promote and set targets for appropriate ethnic and gender diversity at Board and senior management levels. Disclosure Guidance and Transparency Rule ("DTR") 7.2.8AR requires disclosure of the diversity policy applied to a board and its remuneration, audit and nomination committees. It has always been the Company's approach to seek diversity in all senses, including age, gender, ethnic and social backgrounds, sexual orientation, disability and experience and to foster a culture of inclusion. That remains our approach in all the activities of the Board and its Committees. In light of DTR 7.2.8AR, the Board has approved and adopted a formal diversity policy which can be found in the Governance section on the Company's website.

The FTSE Women Leaders Review ("FWLR") recommends that boards should comprise 40% female directors, with a female in at least one of the roles of Chair, SID CEO or CFO, and that, by the end of 2025, 40% of the leadership team (executive committee or its equivalent) and its direct reports should be female. As previously mentioned, the Board underwent significant change in 2024, such that, at the end of the year, two Directors out of eight were female (25%) and, following the resignation of Jasmine Whitbread, none of the four key Board positions identified by the FWLR was occupied by a female. Accordingly, the Company does not meet the currently applicable recommendations of the FWLR.

Whilst the Board supports the aim of the FWLR to promote greater gender diversity on boards and amongst companies' executive and senior management teams, the Committee and the Board have had to manage a dynamic set of circumstances this year. Although the Committee included a focus on gender balance in the searches conducted and in the appointments which have been made during the year, the Committee and the Board have been guided by the overarching principle of appointing the most suitable individuals with experience best suited for the roles, irrespective of gender. During 2024 the Committee was necessarily focused on Board changes. The Committee plans to review opportunities to improve Board gender diversity during 2025 as part of its commitment to be FWLR compliant once Geoff Drabble has assumed the role of Chair of the Committee and its membership has stabilised.

Full details of the Group's gender diversity are set out at page 38 in the Sustainability report. The gender split amongst the executive committee and its direct senior management reports is 70% male and 30% female. In order to achieve the 40% target in 2025 (and assuming typical employee turnover) we would require the majority of the senior management hires this coming year to be female. Given the limited female representation in our industry, this may not be achieved. We continue to maintain our focus on improving gender balance in the leadership team.

The Parker Review (on ethnic diversity) has recommended that, by 2024, FTSE 250 companies should have at least one director who identifies as minority ethnic. At the end of the year and at the date of this report, the Board has met that recommendation. In its latest report, the Parker Review recommended that listed companies should set targets to be met by 2027 for ethnic diversity in leadership teams (executive committees and their direct reports) and that from December 2024 onwards, listed companies should report on their progress towards those targets. Our current ethnic diversity amongst our leadership team is low with 96% from white ethnic backgrounds and 4% from Asian ethnic backgrounds (excludes prefer not to say/unable to disclose/do not know). We remain committed to improving ethnic diversity across the Group and the target we have set ourselves to be achieved by the end of 2027 is 7% of the leadership team from minority ethnic backgrounds. In the context of diversity within our industry, we believe that to be a realistic but stretching target.

The disclosures required to be made by Listing Rule 6.6.6R(10) are set out above. The following table is included in compliance with Listing Rule 6.6.6R(10) in the format prescribed by that rule and set out in Listing Rule 6 Annex 1:

Gender identity or sex (at 31 December 2024)

Area	No. of Board members	% of the Board	No. of senior positions on the Board	No. in executive management	% of executive management
Men	6	75	4	4	66.7
Women	2	25	–	2	33.3
Not specified/prefer not to say	–	–	–	–	–

Ethnic background (at 31 December 2024)

Area	No. of Board members	% of the Board	No. of senior positions on the Board	No. in executive management	% of executive management
White British/Other White (including Minority White groups)	7	87.5	4	6	100
Mixed/multiple ethnic groups	–	–	–	–	–
Asian/Asian British	1	12.5	–	–	–
Black/African/Caribbean/ Black British	–	–	–	–	–
Other ethnic groups, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Board effectiveness review

This year's Board effectiveness review was conducted in-house with the process facilitated by the Company Secretary. Using a combination of questionnaires and discussion, the effectiveness of the Board and its Committees was assessed. Notwithstanding the level of change experienced during the year, the Board and its Committees were found to be operating effectively, with an effectiveness level of 70%, albeit this was lower than the prior year, unsurprising given the significant challenges faced in 2024. The Interim Chair received feedback on his performance in his temporary role.

In 2024, assessed against its existing skills matrix, the Board improved its skills and capability balance, with stronger industry, building distribution and customer experience, secured through key appointments. In light of the challenging market environment, together with company-specific weakness experienced in the second half of 2023 and into 2024, the Board focused its time on a limited number of business improvement initiatives, with a reduced focus on long-term strategic initiatives. These improvement initiatives included stabilising short-term profit performance, particularly in the general merchant, overhead cost reduction, improved cash generation, addressing loss-making operations and delivering leadership change. I would like to thank Nick Roberts for supporting me in this work prior to his stepping down as CEO in September 2024.

This is reflected in progress against the four focus areas identified from the 2023 Board effectiveness review, as follows:

Focus area	Progress
Continuing focus on the balance of constructive challenge and support between the Non-executive Directors and the Executive as relationships between Directors become better established.	The focus on a limited number of improvement initiatives and the process to change leadership helped the Board to better challenge and support executive management in delivering change and beginning to stabilise performance. With the recent appointments, the Board is establishing stronger relationships between Directors and this will remain a focus in 2025.
Improving the feedback loop with the Board regarding actioning within the business of issues raised by the Board.	More targeted actions and initiatives, supported by clearer KPIs, enabled the Board to better monitor and advise on business issues. Continued work on this area is anticipated in 2025.
Continuing to improve risk management processes, in particular, the articulation of the Board's risk appetite to the business.	Further improvement to an already robust risk management framework was achieved, better linking risk appetite to the Group's principal risks and ensuring that risk management is pragmatic and appropriate.
Achieving an appropriate balance of focus between short-term performance improvement and long-term strategic success.	Inevitably, 2024 saw a focus on short-term performance management and remedial action, initially reacting to performance issues and then becoming more proactive as work plans and progress were delivered. Under new leadership, 2025 will see a progressive move to a more strategic approach.

2025 focus areas

Based on the 2024 Board effectiveness review and reflecting key changes in leadership, the Board has identified the following focus areas for 2025:

- CEO recruitment.
- Development of a new strategy and a focus on medium-term success.
- Rebuilding, supporting and constructively challenging the Executive in improving shorter term performance.
- Managed Board and Executive succession planning.
- Improving the identification and understanding of the key drivers of success and the KPIs to manage these.

I will be available at the AGM to answer any questions on the work of the Nominations Committee in 2024.

Jez Maiden
Chair, Nominations Committee
31 March 2025

AUDIT COMMITTEE REPORT

Heath Drewett
Chair, Audit Committee
31 March 2025

2024 focus areas

- Monitoring the integrity of financial statements and other external financial announcements
- Assessment of effectiveness and maturity of risk management and internal control
- Assurance in connection with the Group's finance modernisation programme
- The external audit tender process

Number of meetings during 2024

4

Dear shareholder

I am pleased to present the Audit Committee's report for the year ended 31 December 2024. The report sets out the Audit Committee's work in relation to financial reporting, internal audit, risk management and oversight of the external audit process.

I will be available at the Annual General Meeting to answer any questions about the work of the Audit Committee.

Audit Committee membership and attendance

The members of the Audit Committee for the year ended 31 December 2024 have been:

- Heath Drewett
- Jora Gill
- Jez Maiden

All members are independent Non-executive Directors. In accordance with provision 24 of the UK Corporate Governance Code ("the Code"), at any time at least two of the members have recent and relevant financial experience and all members have competencies relevant to the Company's sector, gained through a variety of corporate and professional appointments (see biographies on pages 72 to 73).

It is also required under Provision 24 of the Code that the chair of a company's board should not be a member of that company's audit committee. Jez Maiden is a member of the Company's Audit Committee. Jez became Interim Chair with effect from 31 May 2024. It was decided that it would be in the best interests of the Company for there to be no immediate resulting change to the membership of the Audit Committee, given the continuing value of Jez's experience and competency to the work of the Audit Committee, combined with the Board's focus on confirming the plan for permanent Chair succession, with it being subsequently confirmed that the role of Chair was intended to pass to Geoff Drabble once his capacity allowed, which it was reasonably anticipated would resolve the issue by early 2025. As such Jez Maiden was present at two meetings of the Audit Committee in 2024 while also Interim Chair.

The Audit Committee held four meetings in 2024. Attendance of members at the Audit Committee's meetings during the year can be found in the Corporate governance report on page 76. The following, and when appropriate those deputising for them, were also invited to attend the Audit Committee's meetings in 2024:

- Chair of the Board (including Chair designate)
- Chief Executive Officer
- Chief Financial Officer
- General Counsel & Company Secretary
- Director of Group Finance
- Group Financial Controller
- Director of Internal Audit & Risk
- On behalf of the Group's auditor, the lead audit partner and other audit team members

From time to time Non-executive Directors who are not members of the Audit Committee may be invited to attend meetings of the Audit Committee where this will facilitate a richer discussion and avoid potential inefficiencies in repeating a review of matters at both an Audit Committee and a Board meeting. In 2024 other Non-executive Directors were invited to attend the meeting in February on this basis for, among other reasons, the review of principal and emerging risks.

The Group's Director of Legal Services & Deputy Company Secretary is the Secretary to the Audit Committee, as nominee of the General Counsel & Company Secretary.

The Audit Committee met separately with the Director of Internal Audit & Risk (and her deputies when appropriate) and with representatives of the external auditor without members of management in attendance. The Audit Committee also met separately with management but without representatives of external auditor in attendance.

Role of the Audit Committee

The Audit Committee assists the Board in fulfilling its oversight responsibilities. The main roles and responsibilities of the Audit Committee include:

- Monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, which includes reviewing significant financial reporting judgements contained therein.
- Reviewing the effectiveness of the Company's internal financial controls and internal control and risk management systems.
- Monitoring and reviewing the effectiveness of the Company's Internal Audit function.
- Maintaining an appropriate relationship with the Company's external auditor and reviewing and monitoring its independence, objectivity and effectiveness in carrying out the audit process, taking into account relevant professional and regulatory requirements and ethical guidance.

Work of the Audit Committee

In carrying out the activities referred to above, the Audit Committee places reliance on regular reports from management, the Company's Internal Audit function and the external auditor. The Audit Committee is satisfied that it received sufficient, timely and reliable information to enable it to fulfil its responsibilities during the year.

The Audit Committee's performance evaluation has been conducted as part of the Board Effectiveness Review, as described in the Nominations Committee report on pages 81 to 83, which found the Audit Committee to be operating effectively.

The Audit Committee conducts an annual agenda of business covering financial reporting, external audit activity, internal controls, risk management, internal audit activity and other specific items as required. This agenda is reviewed regularly by the Audit Committee to ensure that it reflects the priorities of the Company and continues to include all matters for which consideration must be given in order to meet the Audit Committee's corporate governance responsibilities. Details of the main matters covered in the business of the Audit Committee at each of its meetings in 2024 are as follows:

Q1 (February 2024)	Q2 (May 2024)	Q3 (July 2024)	Q4 (November 2024)
• Year-end accounting for 2023* • External audit report for 2023 • Review of internal controls • Review of principal and emerging risks • The content of the 2023 Annual Report and Accounts and the associated press release	• External audit plan including half-year strategy • Progress reports on information security initiatives • Review of performance and effectiveness of external auditors	• Half-year accounting for 2024* • External audit report including auditor quality control and independence • Review of principal and emerging risks	• External auditors report including progress against plan for 2024 audit and findings • Updates regarding the status of annual impairment testing and other significant accounting matters • Effectiveness assessment of Internal Audit and reapproval of Internal Audit charter • Approval of Internal Audit plan for 2025 • Cyber security update • Review of the Audit Committee terms of reference • The recommendation to the Board following tender of the external audit

In addition to the above specific matters, the Audit Committee considered at each of its meetings in 2024 the following standing agenda items:

- Review of non-audit fees
- Review of progress reports concerning the Internal Audit Plan for 2024, including approving additions and deferrals proposed
- Review of internal audit reports, including progress on implementing recommendations arising from internal audit work
- Review of reports on activity within the relevant period by the Group's Operational Compliance Support teams
- Review of updates regarding Oracle Financials, focused in the first three meetings of the year on assurance activity in the lead up to full delivery of the system and in the fourth meeting on progress following go-live in relation to financial reporting
- Review of reports regarding matters disclosed to the Group's Speak Up hotline in the first three meetings of the year; the final quarterly report was made to the Board in December 2024

* In considering accounting for both the year-end and the half year, in discharging its financial reporting responsibilities, the Audit Committee has special regard for accounting policies and compliance with accounting standards, going concern and viability assumptions, and significant financial reporting estimates and judgements made during the preparation of the Group's annual and interim accounts.

The Board is updated on key matters and recommendations following each Audit Committee meeting.

AUDIT COMMITTEE REPORT CONTINUED

Significant issues related to the financial statements

The Audit Committee has assessed whether suitable accounting policies have been adopted by the Group and whether management has made appropriate judgements and estimates. The table below sets out the key judgement areas associated with the Group's financial statements for the year ended 31 December 2024 that were considered by the Audit Committee. This is not a complete list of all issues of accounting, estimation and policy considered, but includes those which the Audit Committee believes are the most significant. Regarding such issues the Audit Committee considered papers and explanations given by management, discussed each matter in detail, challenged assumptions and judgements made and sought clarification where necessary. It reviewed and discussed any internal audit reports in respect of the matters under consideration and the Audit Committee also reviewed a report from the external auditor on the work undertaken to arrive at the conclusions set out in the Independent Auditor's report on pages 123 to 130.

Area	Issue and nature of judgement	Factors considered and conclusions reached
Defined benefit pension schemes	At 31 December 2024 the Group's balance sheet included a net asset position of £117m in respect of its defined benefit pension schemes, which reflects a gross pension asset of £971m and pension liability of £854m. The valuation of the pension liability is calculated under the unit credit method specified in IAS 19 – Employee Benefits and depends on several key assumptions including the discount rate, inflation forecasts and life expectancy. By their nature, these estimates are subject to considerable uncertainty and small changes in the value could materially impact the valuation of the liability.	Management presented the Committee with papers setting out the results of the work done, the assumptions made and the conclusions reached with respect to the Group's defined benefit pension schemes. Management explained to the Committee how the discount rate, inflation and life expectancy estimates were prepared and how sensitive the valuation was to changes in these key assumptions. After reviewing these papers and obtaining further explanation where necessary, the Committee concluded that management had taken a consistent, balanced and reasoned approach to preparing its calculations and made acceptable judgements. Further information is given in the financial statements (note 18 – Pension arrangements).
The carrying value of goodwill and other assets	The Group balance sheet contains £908m of goodwill and other intangible assets and £1,317m of tangible fixed assets and right-of-use assets. The Directors are required to determine annually whether those assets have suffered any impairment. They do so by comparing the present value of future cash flows for each cash-generating unit with the carrying value of assets. In addition, the Company balance sheet contains £2,417m of investments. The Directors compare the net present values of future cash flows from each investment to the carrying value of the investment in the balance sheet. The calculations undertaken to help arrive at a conclusion incorporate a consideration of the risks associated with each cash generating unit and are based upon forecasts of their long-term future cash flows, which by their nature require judgement to be exercised and are subject to considerable uncertainty.	The cash flow forecasts used for impairment considerations are prepared from the strategic business plans presented to, and approved by, the Board of Directors annually. Management presented the Committee with papers setting out the results of the work done, the assumptions made and the conclusions reached. They explained to the Committee how the cash flow and discount rate calculations were prepared, the key assumptions and judgements that were made and how sensitive those cash flows were to changes in the key assumptions. After reviewing management's papers and obtaining further explanation where necessary, the Committee concluded that management had taken a consistent, balanced and reasoned approach to preparing its calculations and that the judgements made were acceptable. It noted that the value-in-use and FVLCD models used by management showed that all material cash generating units had significant headroom, except for Staircraft and certain branches in the Merchanting segment for which impairments have been recognised and except for Toolstation Benelux, Travis Perkins General Merchant and CCF for which sensitivity disclosures have been included in the financial statements. The Committee concurred with the £96m impairment recognised. The Committee also discussed the calculations supporting the carrying value of investments held by the Company and concurred with management's conclusions. Further information is given in the financial statements (note 9 – Goodwill and other intangible assets and note 29 – Impairment).

Risk management and internal controls

Risk management

During the year:

- Key risks are collated and reviewed by the Group Leadership Team ("GLT") and the Board to assess the potential impact and likelihood of occurrence, after taking into account key controls and mitigating factors, as well as interdependencies.
- Horizon scanning and risk benchmarking is also undertaken to test the Group's key risk set and identify emerging risks, which informs the Board's review.
- Risks are also logged and managed on an ongoing basis at both a Group and business unit level, and assessed in key strategic and performance review processes, with additional mitigating actions put in place to manage risks within the Board's risk appetite.

The above supports the continuous improvement approach to risk management adopted by the Group. Following the deep-dive exercise undertaken in 2023 to assess existing appetite levels and ways of working with senior leaders, the risk appetite for the Group's Principal Risks was reset in November 2023. This has been reviewed again by the Board and with the Audit Committee in 2024 to ensure these remain appropriate and reflective of the Group's current risk landscape and approach. No fundamental changes have been made to the risk appetite set in 2024, and work continues to embed awareness and understanding of risk management across the Group.

The Statement of principal risks and uncertainties is set out on pages 59 to 69, together with information on how those risks are mitigated and how emerging risks are assessed.

Internal controls

The Company operates a "three lines of defence" assurance model. The Audit Committee plays a key role in monitoring activities in respect of the Company's internal control and assurance framework throughout the year, to ensure that risks are adequately mitigated (see the Statement of principal risks and uncertainties on pages 59 to 69). The Audit Committee has received regular updates on the status of these activities.

The internal control and assurance framework is intended to support the management, rather than elimination, of the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Audit Committee maintained a review of the effectiveness of the Company's risk management and internal controls, concluding that, overall, they remain effective. In 2024, particular Audit Committee focus has been on continuing management initiatives to improve the internal financial control environment, including in connection with the ongoing developments in UK corporate reform ("UKCR"), and where required targeted improvements have been planned or agreed to continue to improve our control environment and to appropriately manage risks. The proposed approach to ensuring that the Group can meet all reporting requirements of UKCR has been reviewed by the Audit Committee and this will be a matter of further Audit Committee focus in 2025.

Oracle Financials will enhance the Group's consistency and automation of controls, giving the Group greater ability to improve its control framework to support compliance with UKCR. Post-launch performance of the system has been monitored by the Audit Committee throughout 2024, including review of the reports provided by PwC in its capacity as independent assurance provider. During the immediate post-implementation period, derogations to normal internal controls were accepted in some areas such as the number of super-users and the frequency of reconciliations to reflect the anticipated early-life challenges of a new finance system, however these were appropriately addressed through mitigating controls.

All major internal assurance processes, including operational compliance and health and safety, are also an area of focus for the Internal Audit function to review and to track recommended control improvement actions to completion. This is a core part of the continuous improvement of controls and the progress of this activity is reported to the Audit Committee and reviewed at each of its meetings, which enables its ongoing assessment of the overall effectiveness of the system of internal control and risk management. Further explanation of the role of the Group's Internal Audit function is given below.

Internal audit

The Internal Audit Plan is the annual plan for delivery of internal audit activity aligned with the Group's strategic priorities, major change programmes and principal risks. The Internal Audit Plan is, therefore, a key source of internal assurance for the Group. The Internal Audit function develops the Internal Audit Plan, taking into consideration relative levels of risk, historic coverage and management requests, and conducts a rolling risk assessment within each year to ensure that internal audit activities remain targeted at the areas presenting the most risk to the Group, as these can change over time. The Internal Audit function delivers the majority of internal audit activity, supported as needed by co-source partners to provide specialist knowledge and skills. The Audit Committee assesses and approves the Internal Audit Plan and reviews results and progress at each Audit Committee meeting. The Audit Committee will also review and decide whether to approve recommendations received from the Internal Audit function regarding updates to the Internal Audit Plan to ensure it remains aligned with business priorities and risks.

The audits delivered during 2024 covered a broad range of operational, financial, legal, regulatory, IT and transformation activities. Core financial control areas are audited regularly. In 2024 this included:

- reviews of balance sheet reconciliations;
- critical systems recovery;
- key systems privileged access; and
- security operations.

In addition, Internal Audit has supported the Oracle Financials programme, and the Kerridge programme, to deliver a new finance system in BSS, by undertaking reviews of purchase-to-pay processes and business continuity readiness, by updating management and by providing input into changes to operational ways of working in relation to both programmes.

The 2025 Internal Audit Plan was approved by the Audit Committee at its meeting in November 2024. The 2025 Internal Audit Plan is targeted at assurance in relation to:

- follow-ups in key areas that have previously been the subject of the most significant audit findings;
- key technology programmes including those related to Group finance systems;

AUDIT COMMITTEE REPORT CONTINUED

- control effectiveness across key business functions; and
- areas or processes aligned to principal risks.

Internal Audit will also focus in 2025 on mapping material controls and assurance in response to the requirements of the UK Corporate Governance Code. The 2025 Internal Audit Plan includes standing annual requirements to review internal financial controls self-assessments, the basis for the Group's Senior Accounting Officer declaration regarding tax controls, and rolling assurance coverage to support the Group's ISO14001 certification. Any subsequent changes to the Internal Audit Plan will be approved by the Audit Committee.

All audit findings and agreed management actions are communicated to the Audit Committee and tracked to completion. The Audit Committee receives an update at every meeting on the age of findings and the level of risk. Internal Audit launched an app in 2024, allowing management to view and update agreed actions in real time. This has resulted in a more focused approach to addressing findings. In turn, this improves the level of control in relation to risks identified in the audit findings.

Effectiveness of the Internal Audit function is assessed against a series of attributes and it was reported to the Committee that the target level for each attribute was achieved in 2024. The Internal Audit function also reported to the Audit Committee that good progress continues against all three of the priority areas captured in its strategic pillars: Alignment to Business Needs; Leverage Data & Technology; Continuous Improvement. In keeping with the continuous improvement priority, the Internal Audit function also sets initiatives in relation to its strategic pillars annually and reports progress to the Audit Committee, as the team looks for opportunities to enhance its standard of effectiveness. In 2024 initiatives focused on the development of the data analytics capability of the Internal Audit function, to include the consideration of data analytics in all audit work, and implementing a forum to bring together representation from assurance providers across the Group. This has enabled enhanced cross-functional working and sharing of knowledge to reduce risk exposure and increase efficiency.

Based on its review of the updates on activity undertaken and progress made, the Audit Committee was satisfied with the effectiveness of the Internal Audit function and that the quality, experience and expertise of the function was appropriate for the Group throughout 2024.

External auditor

The Audit Committee discharges its responsibilities regarding the external auditor in accordance with the Financial Reporting Council's Audit Committees and the External Audit: Minimum Standard ("FRC Minimum Standard").

The Audit Committee confirms that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

KPMG LLP has been the external auditor since 2015. There are no contractual restrictions on the Group with regard to this appointment. The individual lead audit engagement partner for KPMG LLP is James Tracey, appointed in August 2022.

The scope of the external audit plan and strategy for the external audit of the 2024 Annual Report and Accounts was presented by the external auditor to the Audit Committee in November 2024 to enable the Audit Committee to interrogate the approach.

Assessment of the external auditor

The Audit Committee considers the effectiveness of the external auditor during the year and, with input from management, carries out a formal review of external auditor performance after the year-end audit has been completed. In undertaking this assessment the Audit Committee considers:

- The experience and expertise of the external auditor.
- The completion of the agreed external audit plan.
- The content, quality of insights and added value of external audit reports.
- The robustness and perceptiveness of the external auditor in its handling of key accounting and audit judgements.
- The interaction between management and the external auditor.
- The provision of non-audit services.

Independence and objectivity

Having considered the external auditor's performance and representations from the external auditor about its internal independence processes, plus through its ongoing review of compliance with the policy on non-audit work by the external auditor (described in further detail below) the Audit Committee was satisfied with the independence, objectivity and effectiveness of the external auditor and recommended to the Board that it recommend that KPMG LLP be reappointed by shareholders at the Annual General Meeting on 22 April 2024 as external auditor for the 2024 audit.

Reporting

One of the Audit Committee's responsibilities is to ensure compliance with the Board's policy on services provided by and fees paid to the external auditor. The policy sets out the work that is permitted to be performed by the external auditor and the work that is prohibited. The amount of non-audit fees payable to the external auditor in any particular year cannot exceed 70% of the average of the current and previous two years' audit fees.

The process for approving all non-audit work provided by the external auditor is overseen by the Audit Committee to safeguard the objectivity and independence of the external auditor. The Audit Committee considers whether it is in the interests of the Company that the services are procured from the external auditor rather than another supplier.

In 2024 KPMG LLP was engaged to provide non-audit services only in relation to the June 2024 review of the Group's interim financial statements. KPMG LLP was considered the most appropriate firm to carry out the work in respect of the interim review given its knowledge of the Group and the synergies that arise from running this engagement alongside the main audit.

The CFO reports to the Audit Committee on fees for non-audit services payable to the external auditor at every meeting. During the year the auditor was paid £3.1m (2023: £2.1m) for audit-related work and £0.1m (2023: £0.1m) for non-audit work. Non-audit work related to the review of the Group's interim financial statements. Fees for non-audit work were 3% (2023: 4%) of fees for audit-related work. The total fees paid by the Group to KPMG LLP in 2024 represent 0.1% of KPMG LLP's UK fee income. In addition, £2.9m (2023: £2.7m) of fees were paid to other accounting firms for non-audit work.

The Audit Committee is satisfied that the non-audit fees payable to the external auditor in relation to 2024 do not exceed 70% of the average of the current and previous two years' audit fees.

External audit tender

Introduction

The Group was required to run a tender process for the appointment of its external auditor for the 2025 financial year in accordance with applicable legislation, having appointed KPMG LLP as external auditor for the 2015 financial year.

Governance

Governance was put in place to ensure a transparent and robust selection, and evaluation process. A steering group chaired by the Audit Committee Chair and including the Interim Chair, Chief Financial Officer and Group Financial Controller was formed to oversee, co-ordinate and execute the audit tender process. The Committee was involved throughout the process and the Board was included at key decision points.

Tender process

The process, which ran from July 2024 to December 2024, was in compliance with statutory legislation and guidance issued by the FRC and was conducted with the overarching objective of running a process resulting in a high-quality, effective and efficient audit.

The scope of the tender consisted of the Travis Perkins plc Group audit and statutory audits of key subsidiaries with effect from the 2025 financial year.

Selection criteria

A range of candidates were considered, including audit firms outside the "Big 4" accounting firms. The Audit Committee and steering group agreed the selection criteria and which firms would be invited to tender.

The selection criteria included:

- Audit Quality: findings from the FRC Audit Quality Review inspections.
- General aspects of the audit firm: independence, conflicts of interest, ethics and compliance standards.
- Understanding of the business and industry: audit credentials in building materials distribution and the broader construction sector and knowledge of the Group's business and industry.

Invitation to tender

Three firms were invited to tender, including a firm from outside the "Big 4". At this stage, one firm withdrew from the process and therefore two firms progressed to the next stage.

Assessment criteria

The requirements for the tender document and selection criteria were set out and detailed in the request for proposal and included:

- Confirmation of independence and details of how the firm monitors and maintains its independence, and the governance in place to ensure conflicts of interest do not arise.
- The firm's and the team's credentials.
- Internal quality assurance processes and output from latest FRC reviews.
- Understanding of Travis Perkins plc and the industry in which it operates.
- Audit approach: proposed scope, approach to controls and integration of technology in the audit, approach to technical judgements, availability of audit tools and their use to provide value-add insights.
- Audit planning: timetable, interaction with business finance teams including Toolstation and BSS, approach to working with management and approach to resolving issues.
- Technical expertise including firm's experience and expertise in relation to sustainability reporting and assurance.
- Fees and terms.
- Transition approach, detailing how the firm will interact with the incumbent external auditor and the Group to ensure an effective and efficient process.

Each firm submitted a detailed tender document and provided an oral presentation of their proposal for external audit services to the steering group.

Final selection

The Committee agreed that both firms submitted excellent, professional and thorough tender proposals. However, after taking into account the process as a whole, the views of senior management who met with each firm, the presentations and results against the evaluation criteria, the Board identified Deloitte as the preferred new external auditor. We are now working closely with both KPMG and Deloitte to ensure that, if shareholders approve the proposed appointment of Deloitte at the 2025 AGM, there will be an efficient transition of the external audit. Deloitte shadowed key meetings through the 2024 audit process and regular reports on the transition are being provided to the Committee.

The recommendation of Deloitte was free from influence by a third party and no contractual term of the kind mentioned in Article 16(6) of the Audit Regulation has been imposed on the Company whereby there would be a restriction on the choice to certain categories or lists of audit firms.

Financial Reporting Council

During 2024 the Audit Committee monitored the Group's engagement with external stakeholders relevant to the Audit Committee's areas of oversight, including the Financial Reporting Council ("FRC").

In preparing the Group's Annual Report and Accounts, the Group responds to the recommendations of the FRC made through its reviews of corporate reporting and its thematic reviews of specific areas of corporate reporting.

Heath Drewett
Chair, Audit Committee
31 March 2025

DIRECTORS' REMUNERATION REPORT

Louise Hardy
Chair, Remuneration Committee
31 March 2025

2024 focus areas

- Approval at the 2024 AGM of the remuneration policy
- Appointment of Duncan Cooper, Chief Financial Officer
- Appointment of Pete Redfern, Chief Executive

Number of meetings during 2024

7

Dear Shareholder,

As Chair of the Remuneration Committee, I am pleased to present the 2024 Directors' remuneration report.

Performance in 2024 has continued to be tough, hampered by persistently weak trading conditions as well as a number of significant internal challenges. In light of these challenges and profit delivery below market expectations, the Group will not pay any bonuses to Executive Directors in respect of 2024 performance. In addition, the Remuneration Committee exercised its discretion to adjust the vesting outcome for 2022 Restricted Share Plan "RSP" awards for former Executive Directors, in recognition of the Group's performance and not meeting the Return on Capital Employed underpin. As a result of this decision, RSP awards granted to former Executive Directors in 2022 and with a vesting period from 2022 to 2024 lapsed in full.

Leadership changes

Nick Roberts stepped down from his role as Chief Executive on 16 September 2024. Pete Redfern joined the Group as Chief Executive on 16 September 2024. Pete Redfern's salary on appointment was set at £760,000. This positioning, whilst higher than his predecessor, reflected his skills and significant prior experience as Chief Executive of Taylor Wimpey. His annual incentive opportunity for 2024 was set in line with policy at 180% of salary and he received an RSP award on appointment with a grant value of 125% of salary. His pension entitlement was set at 10% of salary, in line with the rate available across the wider workforce. As a result of ill health, Pete Redfern stepped down from the Board and ceased employment on 10 March 2025.

Alan Williams retired as Chief Financial Officer on 9 January 2024 and left the Group on 31 January 2024. The new Chief Financial Officer, Duncan Cooper, joined the Group on 9 January 2024. As detailed in the 2023 Directors' remuneration report, Duncan's base salary was set at £525,000, which was lower than that of his predecessor.

Jasmine Whitbread stood down as Chair on 31 May 2024, with Jez Maiden, Senior Independent Director, assuming the role of Chair on an interim basis for the remainder of 2024. On 10 July 2024, the appointment of Geoff Drabble as Non-executive Director and Chair (designate) was announced, with effect from 1 October 2024. Geoff took up the position of Chair on 1 February 2025, with the fee set at £350,000 from the date of appointment, reflecting the expected time commitment of the role and the calibre of the individual.

Remuneration policy

The remuneration policy was approved by 79% of shareholders. In light of the voting outcome, the Remuneration Committee Chair engaged with those shareholders that voted against the policy to gain a better understanding of their views. This indicated that the key reason for opposition from those shareholders was a lack of support for elements of the RSP, in the context of underlying performance in 2024.

Ahead of 2025, the Remuneration Committee reviewed the operation of its policy at its meeting in December, taking into account the feedback received at the 2024 AGM and the relatively new executive team amongst other things. The key conclusion was that whilst the current RSP has the potential to support the Group with the retention of executive talent through a period of business turnaround, it does not align with the cultural transformation that is in the early stages of being implemented. As announced in the Q3 Trading Update, the priorities are driving and incentivising branch-led performance, increasing operational effectiveness and identifying further ways to make the business run more efficiently to ensure the delivery of greatly improved returns to shareholders. In this context, performance shares with stretching performance targets provide a much stronger and direct performance-linkage for senior business leaders to complement the cultural change being implemented across the Group.

As a result, at the 2025 AGM, an amended remuneration policy will be tabled to replace the Restricted Share Plan with a Performance Share Plan. The maximum award level under the Performance Share Plan will be 250% of salary, which has been determined based on the current Restricted Share Plan maximum of 125% of salary and the market-standard conversion ratio of 1:2 performance shares to restricted shares. Performance will be measured over a three-year period and a two-year post-vesting holding period will apply to vested shares, meaning any vested shares will be released five years after grant.

Subject to shareholder approval, long-term incentive awards in 2025 will be granted under this new PSP, with vesting based on the following equally-weighted performance conditions:

- 33% on adjusted earnings per share ("adjusted EPS")
- 33% on relative total shareholder return ("TSR")
- 33% on adjusted return on capital employed ("adjusted ROCE")

Adjusted ROCE has been chosen as it directly contributes to shareholder value creation. Adjusted EPS aligns with consistent delivery of profitable growth, which is expected to support shareholder returns through operational delivery driving a re-rating of the share price. The use of TSR ensures there is a relative measure that will only reward executives if there is outperformance compared to the FTSE 250 (excluding Investment Trusts).

25% of the award vests on the achievement of threshold performance, with the full award vesting on the achievement of the maximum performance target, with straight-line vesting in between threshold and maximum. Details of the targets applying to the 2025 award are set out on page 97.

In line with institutional investors' best practice expectations, at the time of testing performance against the above conditions, the Committee will have the ability to adjust the vesting outcome if it considers that the vesting level is not reflective of the underlying performance of the executive or the Group (e.g. in the event there was a perceived windfall gain) or the vesting outcome was not consistent with the overall experience of shareholders or other stakeholders having had regard to the circumstances during the performance period.

There are no other changes to the current remuneration policy.

Each part of the remuneration package plays an important role in driving performance to deliver the Group's strategy and improve shareholder returns. The link between the Group's strategy and incentive measures is detailed under the "Remuneration in 2024 – at a glance" section on page 94.

Shareholder engagement

As part of the review of the remuneration policy, the Committee engaged with major shareholders and the leading advisory agencies to explain and provide context for the proposed amendment to reintroduce the Performance Share Plan and detail its operation for 2025. The consultation process involved a letter being sent to the 20 largest institutional shareholders who collectively own over 70% of the Group's shares to ask for feedback on the proposals and offering meetings on request.

The Committee met with or received written feedback from 15 investors as well as the advisory agencies. The proposed replacement of the Restricted Share Plan with a Performance Share Plan was positively received by the vast majority of shareholders consulted. There was some challenge around the top end of the EPS target range noting the market competitive award size at 250% of salary. The Committee considered the feedback and subsequently increased the maximum EPS target from 75p to 80p. The Committee was comfortable that this increase was appropriate, taking account of the following factors:

- It is a stretch compared to the internal plan, especially given current trading conditions;
- Using a three-year historical average price/earnings ratio of around 15x, the target implies a doubling of the share price over three years; and
- The maximum EPS target is significantly ahead of the market consensus for 2026. There is no consensus available for 2027.

The Committee did consider reducing the size of the award instead of increasing the EPS target. However, given the factors above and as the proposed awards have broadly the same value as historical awards of Restricted Shares (i.e. Performance Shares are generally discounted by 50% when converting to Restricted Shares), it was felt that 250% of salary was appropriate in the context of the management team having been recruited on a policy of making Restricted Share awards at 125% of salary.

2025 salary review

This year's annual salary review was a difficult balancing act, in delivering pay awards across all levels of the organisation that are affordable and fair, whilst also taking account of higher than anticipated uplifts to the National Living Wage minimum pay rates and additional employer National Insurance contributions taking effect in April 2025. Whilst inflation stabilised during 2024, living costs have remained high relative to earnings for many colleagues, and a key focus has been to ensure that lower earners receive a meaningful pay uplift and that appropriate pay differentials are maintained for colleagues working at different levels across the Group. Over half of the workforce will receive a salary increase above the rate of inflation on 1 April 2025, whilst higher earners will receive a salary increase of 1.5%. Entry-level colleagues and apprentices are paid above the statutory minimum.

Taking into account current market conditions, cost constraints and the approach to the pay review for the wider workforce, the Remuneration Committee reviewed the salaries of Executive Directors and determined that there would be a salary increase of 1.5% from 1 April 2025, in line with the approach taken for other management levels across the Group.

This follows a similarly restrained approach to setting salaries for executives in the past. The former Chief Executive (Nick Roberts) received a 1.5% salary increase in April 2024, and he and the former Chief Financial Officer (Alan Williams) received a 4% salary increase in April 2023 and a 3% increase in April 2022, which were lower than the increases offered to the wider workforce.

Non-executive Directors' fees were reviewed but not increased in April 2024. The Chair's fee was set on his appointment on 1 February 2025. The fees for Non-executive Directors will next be reviewed in April 2025.

2025 bonus plan

The Committee reviewed the annual bonus plan for 2025 to ensure the use of clear and simple performance measures focused on driving the recovery of the business. Reflecting the move to a more business-focused, performance-driven culture, it was decided that it would be appropriate to remove the element of the bonus plan that is linked to strategic performance until the new business strategy has been formulated and communicated externally and internally. This allows for greater focus on the Group's key financial priorities in 2025, as it recovers from a sustained period of underperformance through depressed market conditions. This is intended to be a temporary change and it is expected that strategic measures will be reintroduced in future years.

For 2025, the key financial metrics will be operating profit and cash performance. Operating profit has been chosen to ensure that there is a continued focus on driving revenue and managing costs to deliver profit to shareholders. Operating cash flow is a critical measure for the business to ensure that there are the necessary resources to invest and deliver long-term returns to shareholders.

DIRECTORS' REMUNERATION REPORT CONTINUED

Cash performance will be measured against an absolute operating cash flow target in 2025 instead of the operating cash conversion measure that applied for 2024, as it is felt that this is a more appropriate measure given the reduction in operating profits over the past two years. These financial measures ensure the business is focused on delivering top and bottom line growth, while continuing to drive accountability on efficient management of stock and debtors and disciplined capital expenditure.

Prior to his stepping down from the Board and ceasing employment, part of Pete Redfern's annual bonus was based on the operating profit of the Travis Perkins General Merchant business, reflecting his dual role as Interim MD, Travis Perkins in addition to being the Chief Executive of the Group. The former Chief Executive's annual bonus was, prior to his cessation of employment, weighted 50% on Group adjusted operating profit (excluding property profits), 25% on Travis Perkins General Merchant operating profit and 25% on Group adjusted operating cash flow. The Chief Financial Officer's annual bonus will be weighted 75% on Group adjusted operating profit (excluding property profits) and 25% on Group operating cash flow.

For 2025, the bonus opportunity will start accruing at a threshold performance level, rising from 0% to 50% of maximum payout for achieving target, with payouts on a straight-line basis in between threshold and target, and target and maximum. The maximum opportunity will be unchanged at 180% of salary for Executive Directors. The target bonus opportunity for 2025, at 50% of maximum, has been increased from 25% of maximum that applied as a temporary measure for 2024. This reflects a return to standard market practice and the challenging performance targets, which relate only to financial measures in 2025.

2025 Performance Share Plan

The first award under the Performance Share Plan will be made following the 2025 AGM, subject to shareholder approval of the amendment to the current policy. The Chief Financial Officer will be granted a PSP award equivalent to 250% of salary. A future Chief Executive appointment will be eligible to participate in the PSP on similar terms to the Chief Financial Officer, depending on the timing of any appointment and the amendment of the current policy at the 2025 AGM.

Performance will be assessed against three equally-weighted performance conditions which align to the overall focus on sustainable value creation. The performance conditions and targets for the 2025 award are set out below, with maximum vesting requiring around a 100% increase in profitability from 2024. The Committee considers the maximum target to be genuinely stretching at the top end in light of ongoing challenging market conditions, whilst the lower end of the performance ranges have been set to be realistically achievable in this context.

- 33% on adjusted EPS for the year ended 31 December 2027, threshold at 65p and maximum at 80p;
- 33% on adjusted ROCE for the year ended 31 December 2027, threshold 9% and maximum 10.5%; and
- 33% on relative TSR, threshold at median and maximum at upper quartile.

To the extent that there are acquisitions or disposals, share buybacks or balance sheet events that materially impact the Group's gearing (or other factors at the Committee's discretion), the Committee would review the targets with a view to ensuring they fulfil their original intent.

Incentive outcomes in 2024

Weak trading conditions persisted throughout 2024, affecting all parts of the Group. As a result of these challenging conditions the Group downgraded its profit guidance in August 2024 and in October 2024.

Performance against the key financial objectives in 2024 was as follows:

- Group adjusted operating profit of £152m vs bonus target of £180m; and
- Group adjusted operating cash conversion of 130% vs bonus target of 149%.

2024 bonus payout – downward discretion exercised to award 0% of maximum

The annual bonus plan for Executive Directors in 2024 was based on adjusted operating profit (weighted at 55% of maximum), operating cash conversion (25% of maximum) and strategic performance (20% of maximum).

Group operating profit and operating cash conversion performance for 2024 were both below the threshold level, resulting in no payout against either of the financial measures. The Committee assessed the delivery against strategic measures at 22% of maximum (more details on page 95), meaning that a total of 4.4% of the total bonus opportunity was achieved during 2024.

In light of profit performance for 2024 being significantly below the initial guidance to market earlier in the year, and given that much of the wider workforce will not be receiving bonus payouts for performance over the same period, aligned with management's recommendation, the Committee used its discretion and did not award any bonus payout for Executive Directors for 2024.

2022 RSP award – nil vesting in 2025

Long-term incentive awards granted to the former Executive Directors in 2022 were made in the form of Restricted Share Plan ("RSP") awards, under the plan that was first introduced as part of the previous Directors' remuneration policy approved at the 2021 AGM.

In accordance with the previous remuneration policy, for Executive Directors, 75% of the 2022 RSP award vests after three years (March 2025) and 25% of the award vests after five years (March 2027). For other participants, RSP awards vest three years after grant. Whilst there are no performance targets attached to the vesting of RSP awards, the Committee may consider adjusting the extent to which awards will vest in the event the Group fails to meet the applicable performance underpins over the vesting periods.

The performance underpins for 2022 RSP awards were:

- Average adjusted return on capital employed above 9%; and
- Satisfactory governance performance including no ESG issues occurring or being identified by the Board which, in the Board's opinion, have resulted in, or could result in, material reputational damage to the Group.

Average adjusted ROCE performance over the three financial years ended 31 December 2024 at 7.8% did not meet the adjusted ROCE underpin. As a result of the adjusted ROCE underpin being missed, the Committee undertook an assessment to determine whether it was appropriate to scale back the level of payout under the award. In recognition of wider performance delivery over the past three years, as well as the decline in the Group's share price, the Committee concluded that it was appropriate that

2022 RSP awards for Executive Directors do not vest. The Committee consequently exercised its discretion for these awards to lapse in full. In reaching this conclusion, the Committee noted that future RSP vesting would be considered having had regard to the relevant performance underpins as well as wider business performance and so the treatment of 2022 awards was not considered to set a precedent as to the approach that would be taken in future years. For Executive Directors, 25% of the 2022 RSP award remains subject to the performance underpins over five-year period ended 31 December 2026.

Continuing to support colleagues in challenging times

Whilst needing to manage costs carefully in a challenging environment, a comprehensive package of benefits is offered to colleagues to support their financial, health and wellbeing needs. A key part of this has been the provision of the Wagestream tool to all colleagues from 2022, which allows colleagues to access a portion of their salary each month before pay-day to help manage short-term cash flow needs and allows colleagues to save directly from pay, all of which helps to build long-term financial resilience. 30% of colleagues have enrolled with Wagestream and the short-term savings built up by colleagues across the Group to date have reached £2.2m. Other ongoing benefits include short-term loans, extensive retailer discounts, an employee assistance programme and a range of wellbeing and financial education resources.

Over the past few years the Group has prioritised higher pay uplifts for lower earners to support them with cost of living pressures. The Group has also introduced a free mortgage advice service and a health and wellbeing benefit, accessible by all colleagues and their families, which includes virtual GP advice, health checks, mental health and nutritional support. All colleagues in the UK and the Netherlands have the opportunity to participate in the discounted Sharesave programme, which has seen consistently high take-up over time.

2025 Annual General Meeting

At the 2025 AGM, the Committee will submit this annual remuneration report to a shareholder vote alongside the amendment to the current Directors' remuneration policy to replace the Restricted Share Plan with a Performance Share Plan and a resolution to introduce a replacement long-term incentive plan in order to facilitate the operation of the PSP from 2025.

I look forward to receiving your support, and will be available to answer any questions.

Louise Hardy
Remuneration Committee Chair
31 March 2025

DIRECTORS' REMUNERATION REPORT CONTINUED

REMUNERATION IN 2024 – AT A GLANCE

2024 remuneration outcomes

	Executive Directors		Former Executive Directors			
	Pete Redfern, CEO[1]	Duncan Cooper, CFO	Nick Roberts, Former CEO		Alan Williams, Former CFO	
Element	2024	2024	2024	2023	2024	2023
Base salary (annualised from 1 April)	**£760,000** **–**	**£525,000** **–**	**£691,829** **+1.5%**	£681,605	**£554,507** **–**	£554,507
Annual bonus (% of maximum)	**–**	**–**	**–**		**–**	–
Restricted Share Plan (% of maximum):	**–**	**–**	**–**	100%	**–**	100%
Share ownership (% of salary) (as at 31 December, or date of departure if earlier)	**269%**	**39%**	**297%**	392%	**566%**	648%

1 Pete Redfern stepped down from the Board and ceased employment on 10 March 2025.

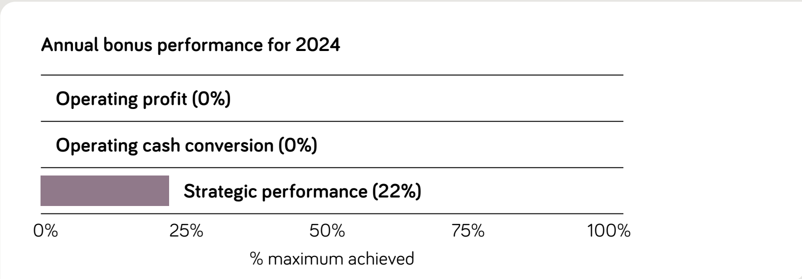
PAY FOR PERFORMANCE IN 2024 – AT A GLANCE

The following table shows how performance has been measured under the annual bonus and long-term incentive plans in 2024.

Ambition	Strategic KPI	Bonus weighting	RSP weighting
Profit growth	Adjusted operating profit	55%	–
Turning profit into cash	Adjusted operating cash conversion	25%	–
Delivery against investments	Average adjusted ROCE	–	Underpin
Strategic delivery	Strategic and operational objectives that continue to lay the foundations to deliver future success	20%	–
Governance	ESG measures and strong governance framework	–	Underpin
Delivering value to shareholders	Alignment to shareholder experience through share price movement	–	100% (since awards are made in shares)

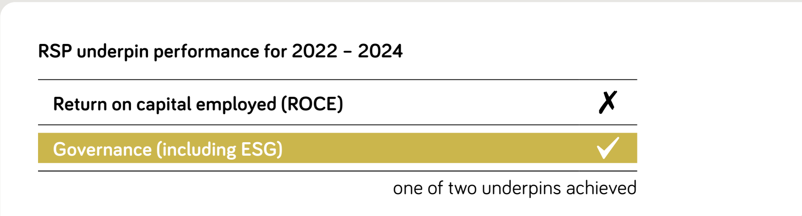
Annual bonus outcome for 2024: 0% of maximum

The maximum bonus opportunity for Executive Directors is 180% of salary. Half of the bonus earned is deferred into shares for three years. In light of the Group's profit performance and the wider stakeholder experience, the Committee used its discretion and did not award a 2024 bonus payout to Executive Directors.

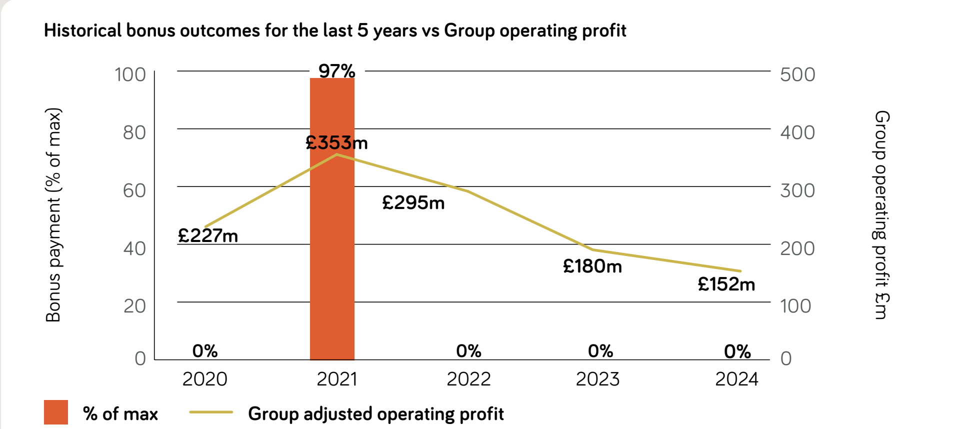


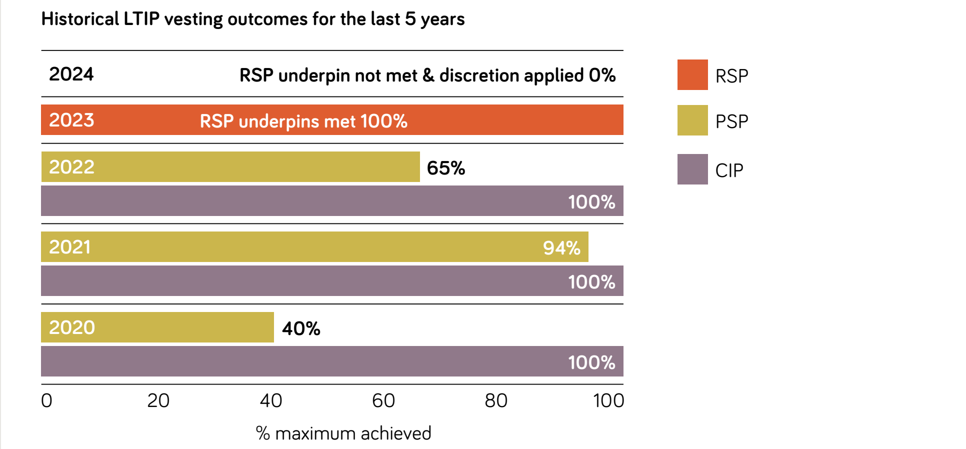
Long-term incentive plan outcome for 2022–2024: Committee exercised its discretion to scale back vesting to 0% of maximum

The maximum RSP award for Executive Directors was 125% of base salary. The ROCE underpin of an average of 9% over the performance period was not met with actual average ROCE of 7.8% over the period. Under the terms of the RSP this triggered a review of the level of vesting by the Committee. The Committee considered performance and shareholder experience and determined that the first portion of the 2022 RSP award should not vest.



The following charts illustrate how incentive outcomes for the Executive Directors have reflected performance over the past five years.





All annual bonus and long-term incentive outcomes are subject to malus and clawback. Malus and clawback provisions apply for up to six years from the date of long-term incentive awards and for three years from the date of payment of the annual bonus.

DIRECTORS' REMUNERATION REPORT CONTINUED

REMUNERATION POLICY REPORT

The Group's current Directors' remuneration policy, which was approved at the 2024 AGM, can be found in full on the Group's website. An explanation of the proposed change to the policy which will be brought to the 2025 AGM for shareholder approval is set out in this section. A summary of the key elements of the remuneration policy and its implementation during 2024 is outlined in the annual remuneration report below.

The principles of the Group's amended remuneration policy, which were developed taking into account provision 40 of the UK Corporate Governance Code, are:

- **Alignment to our culture, purpose and values**
  Remuneration arrangements are determined taking into account the culture, purpose and values of the Group, wider workforce remuneration and emerging best practice as well as ensuring there is robust governance and compliance with the 2018 Corporate Governance Code.
- **Delivery of business strategy**
  Remuneration should support the execution of the strategy and long-term decision-making, contributing to the delivery of short and long- term financial returns for shareholders. Reward mechanisms should ensure that a significant proportion of variable pay is delivered in deferred shares, ensuring that executives retain a meaningful personal stake in the Group's long-term success.
- **Rewarding sustainable and consistent performance**
  A significant proportion of executive remuneration is delivered in variable pay that is linked to business performance. Bonus and PSP outcomes are linked to performance against a limited number of measures which are clearly linked to our strategy and subject to stretching but fair targets. Reward structures should also reinforce the Company's sustainability strategy and ESG agenda where relevant and appropriate.
- **Attraction, development and retention of talent**
  Total remuneration should be competitive, fair and equitable, taking into account the size and scope of the role, external market practice as well as internal relativities and the wider workforce context. The principles that guide the approach to remuneration should be consistent for all colleagues across the Group. Reward structures should be clear, simple and transparent so that colleagues understand the value of their total remuneration and know how to contribute to performance.
- **Fair and balanced remuneration outcomes**
  Remuneration outcomes are reviewed in the context of the shareholder experience, external climate and wider workforce. The Committee has the discretion to adjust reward outcomes to ensure that pay appropriately reflects underlying business performance and the wider context in a consistent and responsible way. All colleagues should be able to share in the success of the Group through participation in both annual bonus schemes and longer-term share plans.
- **Management of risk**
  Malus, clawback and discretion provisions, holding periods and shareholding guidelines, including post-employment guidelines, should be in place to create alignment with shareholders and to mitigate reputational and other risk.

These principles apply across the Group. In addition to a competitive base salary, colleagues also have access to an extensive range of benefits, retirement benefits, an all-colleague Sharesave scheme and recognition awards.

Proposed change to policy

The proposed change to policy is replacing the current Restricted Share Plan with a Performance Share Plan. The policy for the PSP will be as follows:

- The maximum PSP opportunity will be 250% of salary (which aligns to the maximum under the current Restricted Share Plan, converted on a market-standard 1:2 multiple). This reflects the expected value of the long-term incentive opportunity agreed with Executive Directors on appointment in 2024 of 125% of salary under a Restricted Share Plan. In the context of a business turnaround, and noting the level of stretch in the targets, the Committee is comfortable the maximum opportunity is appropriate.
- Performance conditions will be set each year in line with the business strategy. For 2025, one third of the award will be based on EPS, one third on ROCE and one third on relative TSR.
- 25% of the relevant part of the award vests for threshold performance, increasing to 100% for maximum performance.
- The Committee retains discretion to adjust the number of shares vesting having had regard to underlying performance across the vesting period and the shareholder experience during the vesting and holding periods.
- There are no changes to the three-year vesting period and two-year holding period or to the malus and clawback conditions that applied under the Restricted Share Plan.

ANNUAL REMUNERATION REPORT

The following sets out the annual remuneration report for 2024, which includes a summary of the remuneration policy, including the proposed amendment to replace the RSP with a PSP, and how it is intended to be implemented in 2025. This report is subject to an advisory shareholder vote at the 2025 AGM.

Implementation of the Directors' remuneration policy in 2025

Executive Directors:

The following provides a summary of how the Group intends to implement the Policy during 2025.

Purpose and link to strategy	Individual maximum opportunity in 2025	Performance measures and weighting in 2025	Operation in 2025
Base salary (increase of 1.5% for the CFO from 1 April 2025)[1]			
Core element of total package, essential to support recruitment and retention of high-calibre executives.	CFO: £532,875 (2024: £525,000)	n/a	The Remuneration Committee reviewed executive salaries and, taking into account current market conditions, determined that the base salary for the Chief Financial Officer would increase by 1.5% from 1 April 2025, which is less than the workforce as a whole but in line with other management increases.
Benefits (no change)			
Maintains a competitive package with a range of benefits for the Executive Director and his or her family.	n/a	n/a	Executive Directors continue to be entitled to benefits in line with the Policy, including private medical insurance, income protection, annual leave, company car (or cash alternative), life insurance of up to five times salary and participation in all-employee share plans such as Sharesave and Buy As You Earn.
Pension (no change)			
Helps executives provide for retirement and aids retention.	10% of salary in line with the rate available across the wider workforce.	n/a	Executive Directors participate in a defined contribution arrangement or receive a cash allowance.

1. Pete Redfern stepped down from the Board and ceased employment on 10 March 2025 and so was not eligible for a 2025 salary increase.

DIRECTORS' REMUNERATION REPORT CONTINUED

Purpose and link to strategy	Individual maximum opportunity in 2025	Performance measures and weighting in 2025	Operation in 2025
Annual bonus (changes in performance measures to focus on critical areas for 2025)			
Rewards achievement of annual performance objectives. Deferred element encourages long-term shareholding and aligns reward to shareholder interests. Malus and clawback based forfeiture provisions discourage excessive risk taking and short-term outlook, ensuring that Executive Director and shareholder interests are aligned.	Maximum annual bonus opportunity of 180% of salary.	The Committee reviewed performance measures for 2025 to ensure they were focused on critical areas to support the recovery of the business. The 2025 annual bonus will be based on the following measures: **Chief Executive[1]:** • 50% on Group adjusted operating profit (excluding property profits) • 25% on Group adjusted operating cash flow • 25% on TP General Merchant operating profit **Chief Financial Officer:** • 75% on Group adjusted operating profit (excluding property profits) • 25% on Group adjusted operating cash flow Adjusted operating profit has been chosen to ensure that there is a continued focus on driving revenue and managing costs to deliver profit to shareholders. Likewise operating cash flow is a critical measure for the business to ensure that we have the necessary resources to invest in the business and return value to shareholders.	Targets are determined in relation to the Group's budget. For 2025, there is no bonus payment below the threshold level of performance. 50% of the bonus is payable for target performance, and maximum payment is made only for performance in excess of the Group's budget. 50% of bonus earned is deferred as shares that are held for three years. Malus and clawback provisions apply up to three years from the date of award. Bonus targets are considered to be commercially sensitive, and disclosure of such may provide an unfair advantage to the Group's competitors. However targets, and the corresponding level of bonus earned, will be disclosed retrospectively in the relevant reporting period.
Restricted Share Plan (to be replaced by the Performance Share Plan, subject to shareholder approval at the 2025 AGM)			
Aligns participants with the shareholder experience, whereby participants build up a shareholding in Travis Perkins plc and are incentivised to deliver sustainable financial performance and enhance shareholder value over the long term. Helps retain Executive Directors.	n/a	n/a	n/a

1. Pete Redfern stepped down from the Board and ceased employment on 10 March 2025 as a result of ill health. The Committee will review the appropriateness of the above bonus metrics and targets on the appointment of a new Chief Executive having regard to the timing of any appointment to ensure the bonus remains strategically aligned with the role and similarly challenging.

Purpose and link to strategy	Individual maximum opportunity in 2025	Performance measures and weighting in 2025	Operation in 2025
Performance Share Plan (for awards granted from 2025 onwards)			
Aligns participants with the shareholder experience, whereby participants are incentivised to deliver sustainable financial performance and enhance shareholder value over the long term.	Maximum annual award of 250% of base salary	For PSP awards granted in 2025, the performance conditions are as follows: • 33% on relative TSR, measured against the FTSE 250 excluding Investment Trusts • 33% on adjusted EPS • 33% on adjusted ROCE Targets for each performance condition are set out below. The targets have been set to be realistically achievable at the lower end of the performance range and genuinely stretching at the top end: • Adjusted EPS: threshold 65p and maximum 80p • Adjusted ROCE: threshold 9% and maximum 10.5% • Relative TSR: threshold at median and maximum at upper quartile Any adjustments will be considered by the Remuneration Committee on a case by case basis but could include for example acquisitions or disposals, share buybacks or balance sheet events that materially impact the Group's gearing (or other factors at the Committee's discretion).	25% of the award vests on the achievement of threshold performance, with the full award vesting on achievement of the maximum performance target, with straight-line vesting for performance between threshold and maximum. Awards vest after three years, subject to a holding period of a further two years. Malus and clawback provisions apply up to six years from the date of award.
Share ownership requirement			
Aligns the interests of Executive Directors and shareholders.	Executive Directors are required to hold shares valued at 200% of salary within five years of appointment.	n/a	Executive Directors are also expected to maintain this level of shareholding (or their actual shareholding if lower) for a period of two years after stepping down from the Board.

DIRECTORS' REMUNERATION REPORT CONTINUED

Non-executive Directors:

Fees and benefits

- The Non-executive Director fees policy is to pay:
  - A basic fee for membership of the Board.
  - An additional fee to the Chair of a Committee and to the Senior Independent Director, taking into account the additional responsibilities and time commitment of the role.
- The Non-executive Chair receives an all-inclusive fee for the role.
- Non-executive Directors do not receive any other benefits (other than a staff discount card for purchasing products) and are not eligible to join the Group's pension scheme.
- The review date for Non-executive Directors' fees is 1 April. The basic fee was last increased by 4% with effect from 1 April 2023, in line with the approach for the wider workforce at the time. There was no increase to the basic fee or other Non-executive Director fees in April 2024. Jasmine Whitbread was paid an annual fee of £320,000 and stepped down as Chair and from the Board on 31 May 2024. Whilst acting as Interim Chair, Jez Maiden received a pro-rata payment of this Chair fee from 1 June 2024 to 31 January 2025, in place of his Non-executive Director and Senior Independent Director fee. The fee for the successor Chair, Geoff Drabble, effective 1 February 2025 is £350,000 per annum. The fee was set taking into account the expected time commitment of the role and the calibre of the individual.
- The current fees are as follows:
  - Chair fee £350,000
  - Non-executive Director basic fee £64,272
  - Audit/Remuneration Committee Chair fee £17,510
  - Senior Independent Director fee £12,875
  - Stay Safe Committee Chair fee £12,360

Remuneration elsewhere in the Group

The approach to setting reward for the wider workforce is guided by the same principles that apply to executives, with a focus on attracting and retaining the best talent, competing within the industry sector and against the local market, and ensuring that pay outcomes are fair and equitable. The salary review process and incentive plan design are broadly consistent throughout the Group. A higher proportion of total remuneration for Executive Directors and the Group Leadership Team is variable and linked to business performance compared to the wider workforce.

The Group has prioritised its salary review budget on lower earners in recent years in recognition of continuing cost of living challenges. The longer-term aim is to continue to work towards meeting the Real Living Wage across the Group over time, whilst acknowledging the need to remain competitive at all levels in the organisation and to protect fair and appropriate internal pay relativities reflective of the skills, capabilities and experience of the workforce.

The Group's wellbeing and benefit programmes are well established and provide comprehensive support to colleagues and their families during the moments that matter. Benefits include pension, share acquisition schemes, an employee assistance programme, recognition awards, discounts on Group products, an extensive retailer discount programme and a range of health, wellbeing, financial and lifestyle benefits. The take-up and use of benefits are closely monitored to assess the impact of cost of living pressures and resources have been invested in further communications direct with colleagues, as well as through line managers and offline communication methods such as driver handheld devices, to ensure that everyone is aware of the support that is available. The benefits offering is regularly reviewed and has steadily expanded over the past few years, with positive feedback from colleagues.

All colleagues based in the UK and the Netherlands also have the opportunity to participate in the Sharesave plan, which allows colleagues to save towards acquiring shares in Travis Perkins plc at a discounted option price. Senior leaders across the Group also receive long-term incentive awards.

DIRECTORS' REMUNERATION REPORT CONTINUED

AUDITED INFORMATION

Single total figure of remuneration

	2024								
£000	Salary	Benefits	Pension	Total fixed	Bonus	LTI[1]	Other[2]	Total variable	Total
Executive Directors									
Duncan Cooper[4]	514	17	51	582	–	–	196	196	778
Former Executive Directors									
Pete Redfern[3]	220	5	22	247	–	–	–	–	247
Nick Roberts[5]	486	20	49	555	–	–	–	–	555
Alan Williams[6]	34	1	3	38	–	–	–	–	38
Non-executive Directors									
Marianne Culver	64	1	–	65	–	–	–	–	65
Geoff Drabble[8]	16	–	–	16	–	–	–	–	16
Heath Drewett	82	–	–	82	–	–	–	–	82
Jora Gill	77	1	–	78	–	–	–	–	78
Louise Hardy[9]	82	1	–	83	–	–	–	–	83
Jez Maiden[10]	219	1	–	220	–	–	–	–	220
Jasmine Whitbread[7]	133	–	–	133	–	–	–	–	133

Notes:

1 Long-term incentives ("LTI") reported for 2024 for Nick Roberts and Alan Williams relate to RSP awards granted in 2022, of which the first tranche (75% of award) is due to lapse in March 2025, as a result of the Committee exercising discretion to reduce vesting taking into account the performance of the business following the adjusted ROCE performance underpin not being met.

2 The figure disclosed as "Other" for Duncan Cooper relates to LTI buy-out awards in respect of deferred bonus shares forfeited from his previous employer on appointment to the Group, which are not subject to performance conditions. These have therefore been included in the single figure of remuneration in the year of grant valued based on the share price at the date of grant of £7.89.

3 Pete Redfern was appointed Chief Executive and joined the Group on 16 September 2024 and stepped down from the Board and ceased employment on 10 March 2025. Prior to this, Pete served as a Non-executive Director and as Senior Independent Director until 1 June 2023 and stepped down from the Board on 19 September 2023.

4 Duncan Cooper was appointed Chief Financial Officer and joined the Group on 9 January 2024.

5 Nick Roberts stepped down from the Board and from his role as Chief Executive on 16 September 2024.

6 Alan Williams retired as Chief Financial Officer on 9 January 2024 and stepped down from the Board on 23 January 2024 and left the Group on 31 January 2024.

7 Jasmine Whitbread stepped down from her role as Chair and from the Board on 31 May 2024.

8 Geoff Drabble was appointed to the Board as Non-executive Director and Chair Designate on 1 October 2024. He took up the role of Chair on 1 February 2025.

9 Louise Hardy was appointed to the Board on 1 January 2023 and as Chair of the Remuneration Committee on 1 December 2023.

10 Jez Maiden was appointed to the Board as Senior Independent Director on 1 June 2023 and appointed as Interim Chair on 31 May 2024. During the period he served as Interim Chair, Jez received an aggregate fee of £186,667.

Single total figure of remuneration continued

	2023							
£000	Salary	Benefits	Pension	Total fixed	Bonus	LTI[1]	Total variable	Total
Executive Directors								
Nick Roberts	675	30	68	**773**	–	312	**312**	**1,085**
Alan Williams	549	19	55	**623**	–	254	**254**	**877**
Non-executive Directors								
Marianne Culver	64	–	–	**64**	–	–	**–**	**64**
Heath Drewett	81	–	–	**81**	–	–	**–**	**81**
Jora Gill	76	–	–	**76**	–	–	**–**	**76**
Louise Hardy	65	–	–	**65**	–	–	**–**	**65**
Jez Maiden	45	–	–	**45**	–	–	**–**	**45**
Pete Redfern	51	–	–	**51**	–	–	**–**	**51**
Jasmine Whitbread	320	–	–	**320**	–	–	**–**	**320**

1 The LTI figures for 2023 reported last year (£318,000 for Nick Roberts and £259,000 for Alan Williams) were calculated on an estimated basis using the average share price of the final quarter of 2023 of £7.76. These figures have been restated to reflect the actual share prices on vesting (£7.56 for the RSP awards that vested on 1 March 2024).

Explanatory notes for the single total figure of remuneration table

Salary

Annual salaries for the Executive Directors increased by 1.5% on 1 April 2024. Fees for the Chair and Non-executive Directors were not increased on 1 April 2024.

Benefits

Benefits for 2024 for Pete Redfern, Nick Roberts, Duncan Cooper and Alan Williams include private medical insurance and the provision of a company car and fuel (or allowance alternative).

Benefits for Non-executive Directors include the reimbursement of travel and subsistence expenses for the attendance at Board meetings and the associated tax gross up paid on their behalf.

Directors' pension entitlements

Duncan Cooper receives 10% of salary, paid as a mix of pension contributions to the Group's defined contribution pension scheme and a cash allowance. This was also provided to Pete Redfern, Nick Roberts and Alan Williams until the date of their departure.

The value of Directors' pension entitlements for the year ended 31 December 2024 (or the date of stepping down from the Board, if earlier) are outlined in the table below.

£000	Pete Redfern	Nick Roberts	Duncan Cooper	Alan Williams
Pension value in the year from employer contributions to defined contribution scheme	n/a	£7,061	£9,795	n/a
Pension value in year from cash allowance (salary supplement in place of employer pension contributions)	£22,024	£41,551	£41,564	£3,415
Total pension benefit accrued	£22,024	£48,612	£51,359	£3,415

Annual bonus for 2024

Annual bonuses for 2024 were based on adjusted operating profit (55%), adjusted operating cash conversion (25%) and performance against strategic measures (20%). For 2024, in order to manage affordability, the bonus was structured such that there was no payout for below target performance, with 25% of maximum paying out for achieving target performance and 100% of bonus for achieving maximum levels of performance.

The following table summarises the bonus targets and achievement for 2024:

	Weighting	Threshold (0% bonus)	Target (25% bonus)	Maximum (100% bonus)	Actual performance	Achieved (% maximum)
Adjusted operating profit	**55%**	**n/a**	**£180m**	**£198m**	**£152m**	**0%**
Adjusted operating cash conversion	**25%**	**n/a**	**149%**	**159%**	**133%**	**0%**
Strategic performance	**20%**	The Committee assessed performance against a number of strategic measures which were set at the start of the year. A summary of performance is provided below. The Committee determined that delivery against the strategic measures would have resulted in a payout of 22% of maximum for this element of the bonus plan.				**22%**

In light of financial performance, the Committee used its discretion and did not award a bonus payout against the strategic measures for 2024.

Strategic measure	Summary of strategic performance during 2024	Committee's assessment
Customer relationships and market share	Decline in market share for TP General Merchanting and small market gain for Toolstation UK. Negative volume growth in Merchanting and small volume growth in Toolstation. Increased use of data to drive decision-making.	Not met
Operational efficiency	Oracle Financials went live in July 2024 and is in the process of being fully embedded across the Group. The final stage of the Kerridge implementation will be delivered in early 2025. The Toolstation France business was closed in 2024.	Partly delivered
Sustainability	Carbon emission reduction between 2020 and 2024 was 26% for fleet and 75% for buildings, which represents good progress towards the 2027 targets. Launch of "carbon change-maker" training has been delayed, but over 90% of colleagues participated in environmental training (which includes content on carbon). Sustainable product definitions were developed but the initial launch into the business was not delivered during 2024. In-depth Scope 3 roadmaps have been developed with all of the major businesses, allowing carbon impact to be considered in their commercial plans. 4.9% of new colleagues were recruited as apprentices, a reduction on prior year at 8%. 378 colleagues graduated from an apprenticeship in 2024, at a similar level to the year before and off-track against the target of 10,000 by 2030. More detail on the Group's progress against its sustainability and ESG objectives is detailed on page 29.	Partly delivered

DIRECTORS' REMUNERATION REPORT CONTINUED

Long-term incentives (LTI)

Long-term incentives in the single total figure of remuneration for 2024 comprise the following awards.

Pete Redfern	No value reported in the single total figure of remuneration for 2024, since the first RSP award was granted on appointment in September 2024. No buy-out awards were granted on appointment.
Duncan Cooper	**£195,562** A total of 137,502 shares were granted on appointment as compensation for share-based incentives from the previous employer, Crest Nicholson plc, that were forfeited on joining the Group. Of these, 24,620 shares were granted in April 2024 in lieu of forfeited deferred bonus share awards originally granted in 2021 and 2022 and due to vest in January 2025 and January 2026, subject only to being employed on the vesting date. The replacement awards will vest on the same dates as the original forfeited awards. 166 shares in respect of dividend equivalents on the deferred bonus shares were added in the vesting period. A total of 24,786 shares have been included in the single total figure of remuneration for 2024, with their value based on the share price of £7.89 at grant. The remaining 112,882 shares were granted as performance share awards and will be disclosed as required in the single total figure of remuneration in the year of vesting.
Nick Roberts and Alan Williams	The first tranche of the 2022 RSP (75% of the award) was due to vest in March 2025. However, as set out below, the Committee exercised its discretion for these awards to lapse in full taking into account the wider performance of the business following the ROCE underpin not being met. The second tranche (25% of the award) is due to vest in March 2027, subject to the achievement of the performance underpins.

Consideration of performance underpin for 2022 RSP awards

Average ROCE over the three financial years ended 31 December 2024 at 7.7% did not meet the underpin of 9%. Performance against the other underpin on governance including ESG issues was assessed as satisfactory. In accordance with the terms of the underpin, as a result of the ROCE underpin being missed the Committee undertook an assessment to determine whether it was appropriate to scale back the level of payout under the award. In recognition of wider performance delivery over the past three years, including a number of profit warnings during 2023 and 2024 and a decline in the Group's share price, the Committee concluded that it was appropriate that 2022 RSP awards for Executive Directors do not vest. Therefore the Committee exercised its discretion for these awards to lapse in full. For Executive Directors, 25% of the 2022 RSP award remains subject to the performance underpins for the 5-year period ended 31 December 2026.

Overall, the Committee considers that the remuneration policy, noting the exercise of Committee's discretion to adjust remuneration outcomes, has operated as it intended during 2024.

Payments to past Directors and payments for loss of office

Pete Redfern

Pete Redfern stepped down from the Board and ceased employment on 10 March 2025 due to ill health. Pete did not receive any payments or compensation for loss of office. His six-month notice period under his service agreement was waived and accordingly he will not receive any notice payment or payment in lieu of notice.

In accordance with the remuneration policy and relevant plan rules, as a leaver due to ill-health, Pete Redfern's 2024 RSP award will remain capable of vesting on its normal vesting date on 16 September 2027 subject to (i) an assessment of the applicable performance underpins; and (ii) a pro-rata reduction to 10 March 2025 (unless the Remuneration Committee determines such other period should apply). A two-year holding period shall apply to any shares received on exercise of the award following vesting. The 2024 RSP award will remain subject to malus and clawback provisions. Pete Redfern will not be eligible to receive any Restricted Share Plan award in 2025.

The Committee determined that, given Pete Redfern's shareholding had been built through shares acquired in the market (as opposed to from vested share awards) over a short period of employment, and in light of the circumstances of his cessation of employment being due to ill health, the post-employment shareholding guideline for Executive Directors will not apply.

Nick Roberts

Nick Roberts stepped down from the Board and from his role as Chief Executive on 16 September 2024. In accordance with the remuneration policy, after he stepped down from the Board, Nick received salary (£203k), benefits (£6k) and pension (£20k) until the end of the 2024 financial year, and will continue to receive salary, benefits and pension until the end of his notice period on 27 March 2025. Nick remained eligible for a bonus for the 2024 performance year pro-rated to the date he stepped down from the Board on 16 September 2024. As noted above, the Committee determined that no bonus would be payable to the Executive Directors in respect of 2024. Nick is not eligible for an annual bonus in respect of the 2025 performance year.

Nick's unvested RSP awards (granted in 2022 and 2023) remain capable of vesting on their normal vesting dates, subject to time pro-ration and applicable holding periods. 75% of the 2022 RSP award will lapse in March 2025, as set out on page 106, and the remaining 25% is due to vest in March 2027 subject to the performance underpins. The 2023 RSP award is due to vest in March 2026 and March 2028, subject to the performance underpins. Nick did not receive a RSP award in 2024. 75% of the 2021 RSP award vested in March 2024, as disclosed in the 2023 remuneration report. Having regard for the performance of the Group in the period prior to the cessation of his employment, the Committee used its discretion to lapse the remaining 25% of the 2021 RSP award, which was due to vest in March 2026.

Nick's outstanding 2022 Deferred Share Bonus Plan award will vest in full on its normal vesting date in March 2025. All other long-term incentive plan awards have vested but are, and will remain, subject to their applicable holding periods. Nick remains subject to the shareholding requirement policy for a period of two years after stepping down from the Board.

Alan Williams

Alan Williams stepped down from the Board and retired as Chief Financial Officer on 9 January 2024 and his employment with the Group ceased on 31 January 2024. Alan did not receive any payments or compensation for loss of office. In accordance with the remuneration policy, after he stepped down from the Board, Alan received salary (£12k) and benefits (£1k) and pension (£2k) until his last date of employment with the Group on 31 January 2024. As a good leaver under the Policy by way of retirement with the agreement of the Board, Alan remained eligible for a pro rata bonus for the 2024 performance year to the date of his retirement on 31 January 2024. As noted above, the Committee determined that no bonus would be payable to the Executive Directors in respect of 2024.

In accordance with good leaver treatment under the Plan Rules having left employment by way of retirement with the agreement of the Board, Alan's unvested RSP awards (granted in 2022 and 2023) remain capable of vesting on their normal vesting dates, subject to time pro-ration and applicable holding periods. 75% of the 2022 RSP award will lapse in March 2025 as set out on page 106, and the remaining 25% is due to vest in March 2027 subject to the performance underpins. The 2023 RSP award is due to vest in March 2026 and March 2028, subject to the performance underpins.

Alan's outstanding 2022 Deferred Share Bonus Plan award will vest in full on its normal vesting date in March 2025. All other long-term incentive plan awards have vested but are, and will remain, subject to their applicable holding periods. Alan remains subject to the shareholding requirement policy for a period of two years after stepping down from the Board.

DIRECTORS' REMUNERATION REPORT CONTINUED

Share interests awarded during the financial year

The Restricted Share Plan was approved by shareholders at the Annual General Meeting held on 27 April 2021.

Before granting awards under the RSP in 2024, the Committee took into account shareholder guidance that where the share price has fallen significantly compared to prior years, awards should be scaled back. The Committee considered that, although the share price at grant was lower than the prior year, it was not significantly lower and therefore they felt that it was appropriate to grant at the normal levels. In line with best practice the Committee retains discretion to adjust the vesting outturns if they are not considered to be reflective of the underlying financial or non-financial performance of the business or the individual over the performance period or where the outcome is not considered appropriate in the context of the experience of shareholders and other stakeholders.

If the Group does not meet one or more of the underpins, the Committee would consider whether it was appropriate to scale back the level of payout under the award to reflect this. The Committee retains discretion to determine what level of scale back is appropriate.

2024 long-term incentive awards

	Date of award	Type of award	Basis	Face value*	Underpin assessment/performance period
Pete Redfern* **	16 September 2024	RSP	125% of salary	**£949,998** (108,373 shares at £8.766 per share)	1 January 2024 to 31 December 2026** The award vests after three years, subject to the performance underpins. Shares that vest after three years are subject to an additional two year holding period post vesting
Duncan Cooper	25 April 2024	RSP	125% of salary	**£656,248** (92,105 shares at £7.125 per share)	1 January 2024 to 31 December 2026** The award vests after three years, subject to the performance underpins. Shares that vest after three years are subject to an additional two year holding period post vesting
	25 April 2024	PSP	Buy-out	**£379,328** (48,077 shares at £7.890 per share)	1 November 2021 to 31 October 2024 The award lapsed on 28 January 2025 since the original Crest Nicholson plc performance conditions that applied to the forfeited award were not achieved
	25 April 2024	DSBP	Buy-out	**£87,035** (11,031 shares at £7.890 per share)	Not subject to performance conditions in line with the forfeited award The award vested on 28 January 2025
	25 April 2024	PSP	Buy-out	**£511,311** (64,805 shares at £7.890 per share)	1 November 2022 to 31 October 2025 The award vests on 27 January 2026, subject to the achievement of the original Crest Nicholson plc performance conditions that applied to the forfeited award. 25% of the award may vest for threshold performance
	25 April 2024	DSBP	Buy-out	**£107,217** (13,589 shares at £7.890 per share)	Not subject to performance conditions in line with the forfeited award The award vests on 27 January 2026, subject to being employed on the vesting date

* Awards are determined based on the share price prior to the date of the award. Awards are increased at each dividend payment date to reflect the dividends that would have been paid on vested shares between grant and the end of the holding period. The number of shares that vest will usually be reduced pro-rata to reflect the proportion of the individual's employment during the vesting period from the grant date to the date of cessation of employment.

** The adjusted ROCE underpin applies over the period stated, with the governance/ESG underpin applying to the date of vesting.

*** Pete Redfern stepped down from the Board and employment on 10 March 2025. He will retain a pro-rata interest in the 2024 award having ceased employment by way of ill health.

2024 Deferred Share Bonus Plan ("DSBP")

As no bonus was earned in respect of 2024, there will be no share awards under the Deferred Share Bonus Plan in 2025. There was also no annual bonus payout for 2022 and 2023 (and therefore no deferred share award in 2023 and 2024).

Director's shareholding and share interests – Executive Directors

Formal shareholding requirements apply to Executive Directors and senior executives. The Committee may decide to scale back or withhold participation in long-term incentives if the requirements are not met or maintained. Executive Directors are required to hold shares valued at 200% of salary within five years of appointment.

Directors' shareholdings and share interests as at 31 December 2024 are outlined in the table below:

Executive Director	Beneficially owned shares[1]	Conditional shares under PSP[2]	Unvested RSP options[3]	Unvested unconditional shares under DSBP[4]	Unconditional options under Sharesave[5]	Vested but unexercised options[6]	**Total interests**	**Total interests which count towards shareholding requirement[7]**	**Shareholding (% of salary)[8]**
Pete Redfern[9]	252,966	–	109,109	–	–	–	**362,075**	**252,966**	**269%**
Duncan Cooper	11,987	113,648	92,730	24,786	–	–	**243,151**	**25,124**	**39%**
Former Executive Directors									
Nick Roberts	97,132	–	161,976	39,554	2,688	256,409	**557,759**	**254,992**	**297%**
Alan Williams	297,217	–	175,379	31,959	–	106,134	**610,689**	**370,406**	**540%**

1 Includes ordinary shares beneficially held at 31 December 2024 (or date of stepping down from the Board if earlier) by the executive and their spouse/partner.

2 Includes buy-out replacement awards in respect of performance share awards forfeited on leaving the previous employer. Vesting is subject to the achievement of the original Crest Nicholson plc performance conditions in line with the original vesting and release schedule.

3 Includes outstanding awards made under the Restricted Share Plan (RSP). Vesting of these awards may be scaled back if one or more of the performance underpins is not met, subject to Remuneration Committee discretion.

4 Includes outstanding awards made under the Deferred Share Bonus Plan (DSBP), which are not subject to performance conditions. In the case of Duncan Cooper, this relates to buy-out replacement awards in respect of deferred share bonus awards forfeited on leaving his previous employer.

5 Includes outstanding options under the Sharesave (Save As You Earn) plan.

6 Includes outstanding awards under PSP and CIP which have vested but have not yet been exercised. No PSP and CIP awards have been granted since 2020.

7 Interests qualifying towards the shareholding requirement comprise ordinary shares beneficially held at 31 December 2024 (or date of stepping down from the Board if earlier) by the executive and their spouse/partner and the post tax value (53%) of outstanding DSBP awards and any other share options which have vested but have not been exercised.

8 Shareholding as a % of salary is calculated based on the Executive Director's salary as at 31 December 2024 (or date of stepping down from the Board if earlier).

9 Pete Redfern stepped down from the Board and ceased employment on 10 March 2025.

DIRECTORS' REMUNERATION REPORT CONTINUED

During 2024 the following awards were exercised:

Nick Roberts	Exercise date	Number of shares	Price per share
2019 Performance Share Plan	20 September 2024	83,882	£9.274

Director's shareholding and share interests – Non-executive Directors

Non-executive Director	Beneficial shareholding (as at 28 February 2025)	Beneficial shareholding (as at 31 December 2024 or stepping down from the Board if earlier)	Beneficial shareholding (as at 31 December 2023)
Geoff Drabble	31,109	31,109	–
Jasmine Whitbread	–	6,660	6,660
Coline McConville	–	–	4,003
Pete Redfern	252,966	252,966	10,012
Marianne Culver	728	728	728
Heath Drewett	–	–	–
Jora Gill	–	–	–
Louise Hardy	–	–	–
Jez Maiden	1,000	1,000	1,000

There were no material changes in Directors' share ownership between 31 December 2024 and 28 February 2025.

Unaudited information

Service contracts

Each of the Executive Directors has a service contract, which will be available for inspection at the Annual General Meeting or at the Group's registered office. These contracts provide for six months' notice from the Directors and 12 months' notice from the Group. They do not specify any particular level of compensation in the event of termination or change of control. Details of the Group's policy on payments in respect of loss of office are provided in the Directors' remuneration policy.

The dates Executive Directors service contracts were entered into are as follows:

- Pete Redfern (stepped down from the Board and ceased employment on 10 March 2025) – 16 September 2024
- Duncan Cooper – 9 January 2024

Non-executive Directors do not have a service contract, but each has received a letter of appointment which will be available for inspection at the Annual General Meeting or at the Group's registered office.

Non-executive Directors' and the Chair's letters of appointment do not have expiry dates, however, other than in the most exceptional circumstances, Non-executive Directors and the Chair of the Board will not serve for more than nine years.

Director	Expiry of appointment letter
Geoff Drabble	October 2034
Marianne Culver	November 2028
Heath Drewett	May 2030
Jora Gill	August 2030
Louise Hardy	January 2032
Jez Maiden	June 2032

In accordance with best practice, the Non-executive Directors stand for re-election annually.

No compensation is payable on termination of the employment of Non-executive Directors, which may be with or without notice.

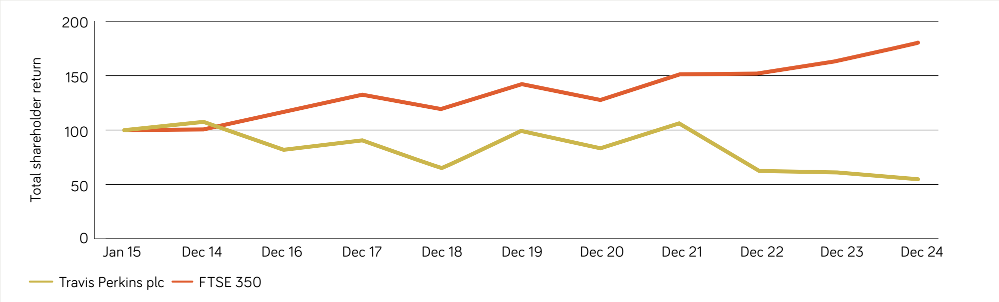
Funding of equity awards

Both executive incentive arrangements and entitlements under the HMRC approved all-colleague Sharesave scheme are satisfied by shares purchased in the market. Shares purchased in the market are held by a trust and the voting rights relating to the shares are exercisable by the Trustees in accordance with their fiduciary duties. As at 31 December 2024, the trust held 1,192,183 shares.

DIRECTORS' REMUNERATION REPORT CONTINUED

Total shareholder return performance graph

For comparative purposes the FTSE 350 index has been selected as this is the index of which the Group was a member during the reporting year.



TSR is rebased to 100 from 1 January 2015.

Historical CEO pay

	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Single figure remuneration (£000)	£2,360	£2,575	£2,532	£2,258	£2,622	£696	£4,446	£1,905	£1,091	**£802**
Annual bonus payout (% of maximum)	32%	24%	72%	35%	89%	–	97%	0%	0%	**0%**
Vesting of Restricted Share Plan (% of maximum)	–	–	–	–	–	–	–	–	100%	**0%**
Vesting of Performance Share Plan (% of maximum)	97%	54%	40%	40%	46%	40%	94%	65%	–	**–**
Vesting of Co-Investment Plan (% of maximum)	44%	97%	100%	100%	100%	100%	100%	100%	–	**–**

Data for 2015-2018 relates to John Carter. Date for 2019 relates to both John Carter and Nick Roberts reflecting their tenure in the role of CEO during the year. Data for 2020-2023 relates to Nick Roberts. Data for 2024 relates to both Nick Roberts and Pete Redfern reflecting their tenure in the role of CEO during the year.

CEO to all-employee pay ratio

The following table provides pay ratio data in respect of the CEO's total remuneration compared to the 25th, 50th and 75th percentile employees.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	**Option A**	**30**	**27**	**22**
2023	Option A	45	39	32
2022	Option A	79	69	56
2021	Option A	206	168	134
2020	Option A	37	30	23
2019	Option A	133	109	81

The employees used for the purposes of the table above were identified on a full-time equivalent basis as at 31 December 2024. Option A was chosen as it is considered to be the most accurate way of identifying the relevant employees. Employee pay includes salary, allowances, overtime, bonus, commission, benefits and share plan proceeds. For the purpose of the calculation employee pay has been standardised to the equivalent of a 40-hour working week and mid-year joiners and leavers have been excluded to ensure a like-for-like comparison from one year to the next.

The following table provides salary and total remuneration information in respect of the employees at each quartile:

Year	Element of pay	25th percentile employee	Median employee	75th percentile employee
2024	Salary	£25,355	£28,007	£32,654
	Total remuneration	£27,019	£30,144	£35,841

The ratio is consistent with the Group's wider policies on employee pay, reward and progression. There is a decrease in the CEO pay ratio for 2024. This reflects the fact that there was no bonus payout for 2024 and no long-term incentive value reported under the 2022 RSP award. There are no changes attributable to changes in the Group's employment model nor in the methodology used to calculate the ratio.

DIRECTORS' REMUNERATION REPORT CONTINUED

Change in remuneration of Directors

The following table sets out the year-on-year percentage change in remuneration for the Executive and Non-executive Directors relative to the wider workforce.

	Percentage change in salary/fee earned					Percentage change in bonus earned					Percentage change in taxable benefits received				
	2024	2023	2022	2021	2020	**2024**	2023	2022	2021	2020	**2024**	2023	2022	2021	2020
Comparative employee group[1]	**5.9%**	5.8%	5.2%	1.5%	1.7%	**(10.8%)**	(72.9%)	(74.8%)	69.0%	(38.0%)	**5%**	4%	13%	(8.5%)[2]	8.4%
Executive Directors															
CEO – Pete Redfern[5]	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
CFO – Duncan Cooper[5]	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Former Executive Directors															
CEO – Nick Roberts[3]	**(28.0%)**	3.7%	2.4%	5.3%	(4.0%)	**–**	–	(100.0%)	97.0%	(89.0%)	**(29.6%)**	4.3%	1.1%	1.4%	0.0%
CFO – Alan Williams[3]	**(91.6%)**	3.8%	2.1%	5.3%	(3.5%)	**–**	–	(100.0%)	97.0%	(89.0%)	**(90.5%)**	(39.8)%	–	(6.9%)	(5.0%)
Non-executive Directors															
Jasmine Whitbread[4]	**(58.4%)**	–	32.8%	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Geoff Drabble[5]	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Marianne Culver	**–**	4.9%	1.7%	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Heath Drewett[4]	**1.2%**	2.5%	71.7%	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Jora Gill	**1.3%**	7.0%	184.0%	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Louise Hardy[5]	**27.7%**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Jez Maiden[6]	**386.7%**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a

1 The comparator group is all colleagues within the Merchanting and Toolstation businesses and central functions. Travis Perkins plc is a non-employing entity and so is not used for comparative purposes.

2 During 2021, the Group began to replace the company car fleet with a cash allowance. The reduction reflects the difference between the P11d value and the cash allowance.

3 During 2020 Nick Roberts and Alan Williams took a pay cut of 20% for a period of three months. The increase in 2021 reflects the reinstatement of this temporary reduction in salary. They received no underlying salary increase in 2021.

4 Jasmine Whitbread, Heath Drewett and Jora Gill were appointed during 2021, and therefore the higher fees received in 2023 reflect the comparison of a full year to a part year.

5 Geoff Drabble, Pete Redfern and Duncan Cooper were appointed during 2024, and therefore no prior year comparison is shown for these Directors. Pete Redfern stepped down from the Board and ceased employment on 10 March 2025.

6 Jez Maiden was appointed Interim Chair for part of 2024 and the increase in his fees for 2024 reflects that appointment.

Relative importance of spend on pay

Capital expenditure is shown, for comparison, as an indicator of investment by the Group in future growth. It includes funds invested in the purchase of property, plant and equipment. Corporation tax is included as an indicator of wider societal contribution facilitated by the Group's operations and is the actual amount of corporation tax paid in the relevant reporting periods.

	2024	2023
Distribution to shareholders	**23**	82
Capital expenditure	**76**	142
Corporation tax	**21**	41
Employee remuneration	**640**	665

Governance

During the year the Committee comprised Louise Hardy, Marianne Culver and Heath Drewett, all of whom are independent Non-executive Directors, and Jasmine Whitbread, Chair of the Board, and Jez Maiden, Interim Chair of the Board, who were independent on appointment.

Deloitte was appointed by the Committee in December 2015, following an interview process, to provide independent advice on executive remuneration. Deloitte are founding members of the Remuneration Consultants Code of Conduct and adhere to this Code in its dealings with the Committee. The Committee is satisfied that the advice provided by Deloitte is objective and independent. The Committee is comfortable that the Deloitte engagement partner and team that provides remuneration advice to the Committee do not have connections with the Group or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

Deloitte provided additional services to the Group in relation to remuneration including support in developing and implementing remuneration proposals, compensation benchmarking and other tax and consulting services. Fees are charged on a time and materials basis. During the year Deloitte was paid £74,400 for advice provided to the Committee. For the 2025 financial year Deloitte was appointed as the Group's external auditors. Deloitte therefore stepped down as advisers to the Committee on 31 December 2024. Korn Ferry has subsequently been appointed as the new advisers to the Committee.

In addition Pete Redfern, Nick Roberts, Duncan Cooper, Alan Williams, Robin Miller, Emma Rose (Chief Human Resources Officer), Jane Davies (Chief Human Resources Officer) and Leonie Clarke (Group Reward Director) have assisted the Committee in its work and attended Committee meetings where appropriate. No individual is involved in the setting of their own remuneration.

Responsibilities

The Remuneration Committee is responsible for developing and implementing the remuneration policy within the Group. It determines and agrees with the Board the policy for the remuneration and benefits of the Chair, Executive Directors and Group Leadership Team members and other senior executives. The Committee also oversees the administration of the Group's share plans. The Committee's terms of reference are available on the Travis Perkins plc website (www.travisperkinsplc.co.uk) or on request from the Company Secretary.

Key items discussed in 2024 meetings

The Remuneration Committee held three routinely scheduled meetings during the year, with four additional meetings. The Remuneration Committee discussed the following matters:

Date	Key issues considered
25 January	• Approval of annual salary review for Executive Directors and the Group Leadership Team • Review of annual bonus design and targets for 2024 • Review of interim RSP awards for key talent below the Group Leadership Team
26 February	• Approval of remuneration policy ahead of 2024 AGM • Approval of 2023 Directors' remuneration report • Approval of recruitment award for the Chief Financial Officer • Approval of annual bonus targets for 2024 • Approval of outturn of 2023 annual bonus scheme and 2024 deferred share bonus plan awards • Approval of vesting of 2021 long-term incentive awards (RSP) • Approval of grant of 2024 RSP awards, including consideration of windfall gains • Review of shareholding vs requirement for the Group Leadership Team
26 April	• Approval of remuneration for a member of the Group Leadership Team
14 May	• Approval of remuneration for a member of the Group Leadership Team
16 September	• Review of outstanding RSP awards made in 2022, 2023 and 2024 • Approval of RSP leaver treatment for a senior leader (below the Group Leadership Team)
25 October	• Review vesting outlook for outstanding RSP awards
12 December	• Review of annual bonus design for 2025 • Review of long-term incentives • Review of 2024 Directors' remuneration report • Context and considerations for the 2025 annual salary review for the wider workforce • Performance update on the 2024 annual bonus scheme

Shareholder voting

The following resolutions in relation to remuneration were put to the Group's AGM (2023 Directors' remuneration report and 2023 Policy):

Resolution	Votes for	For (%)	Votes against	Against (%)	Votes withheld
To receive and approve the 2023 Directors' remuneration report (2024 AGM)	136,424,127	82.12%	29,703,631	17.88%	4,192
To receive and approve the Directors' remuneration policy (2024 AGM)	131,336,551	79.06%	34,790,676	20.94%	4,723

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

Louise Hardy
Chair of the Remuneration Committee
31 March 2025

DIRECTORS' REPORT

The Directors present their annual report and audited accounts of Travis Perkins plc and its subsidiaries (the "Group") for the year ended 31 December 2024. The report sets out information required to be included by the Companies Act 2006 (the "Act"), and the applicable Financial Conduct Authority ("FCA") UK Listing Rules (UKLR 6.6) and Disclosure Guidance and Transparency Rules (the "DTR"). Certain information is incorporated into this report by reference and can be located in the sections outlined below.

Business review

A review of the Group's position, developments, activities in the field of research and development and a review of the key events affecting the Group in the last financial year can be found on pages 2 to 70 and is also incorporated into this report by reference. The Group operates predominantly in the UK with Toolstation branches also trading in Belgium and The Netherlands. The Group also has a sourcing office in China and a branch in the Republic of Ireland. During 2024 the Group also had 51 Toolstation stores in France, all of which were either sold or closed in the year.

Articles of Association

The Company's Articles of Association (the "Articles") may only be amended by special resolution at a general meeting of the Shareholders. The Articles can be viewed on the Group's website at: www.travisperkinsplc.co.uk/about-us/governance/.

Board of Directors

The names, biographies and committee memberships of all Directors as at the date of this Annual Report are provided in the biographies on pages 72 to 73 and details of the Directors that held office during the 2024 financial year are set out within the Corporate governance report in the table on page 76. The powers and responsibilities of the Directors are set out in the Corporate governance report on page 75. The appointment and removal of Directors is regulated by the Articles, the Act, the UK Corporate Governance Code (the "Code") and related legislation. Under Article 83 of the Articles all Directors are required to retire and seek re-election annually and accordingly all will do so at the Annual General Meeting. All Directors as at the date of the Annual report and Accounts are recommended for re-election on the basis of their skills, experience and the value of their contributions to the Board and the Company's long-term sustainable success.

Details of the service agreements for Executive Directors and letters of appointment for Non-executive Directors and the Chair of the Board are set out in the Director's remuneration report on pages 90 to 117 and are available for inspection at the Company's registered office. Executive Directors have rolling 12-month notice periods in their contracts.

Directors' conflicts of interest

Directors have a statutory duty to avoid a situation where they have or may have a direct or indirect interest that conflicts or may conflict with the Company's interests. The Articles permit Directors to authorise a potential conflict of interest to the extent permitted by law. During the year, no Director had any material interest in any contract of significance of the Group's business. The disclosable interests of Directors at 31 December 2024, including holdings, if any, of persons closely associated are provided in the Director's remuneration report on pages 90 to 117.

Directors' indemnities

Article 143 of the Articles permits the Company to indemnify any person who is or was a Director, or a Director of any associated company against any loss or liability in relation to the Company or associated company, to the extent permitted by law. The Company has granted such indemnities to its Directors and directors of associated companies and these remain in force in the year ending 31 December 2024. The Company maintains Directors' and Officers' liability insurance cover in respect of potential legal action brought against its Directors and directors of associated companies.

Major shareholdings

Information received by the Company pursuant to DTR 5.3.1(1) is published on a Regulatory Information Service and the Company's website. As at 31 December 2024, the Company has received notification of the following holdings of voting rights in its shares (based on the most recent notification received in the case of multiple notifications). The information provided below was correct at the date of notification, however that date of notification may not have been during 2024. These holdings are likely to have changed since the Company was notified, however further notification is not required until the next notifiable threshold is crossed.

	Direct/Indirect	Number of voting rights held	Voting Rights (%)
Pzena Investment Management, Inc	Indirect	15,587,458	6.9%
Ameriprise Financial, Inc	Indirect	11,121,830	5.2%
Schroders Plc	Indirect	11,136,777	5.2%
BlackRock, Inc.	Indirect	11,133,331	5.2%
Sprucegrove Investment Management Ltd	Indirect	10,664,077	5.0%
Artemis Investment Management LLP	Direct/Indirect	10,751,952	4.6%

Pursuant to UKLR 6.6.6R(2), the Company confirms that between 31 December 2024 and 17 March 2025 there have been no further disclosures made to the Company in accordance with DTR 5.

Results and dividend

The Group's results for the year ending 31 December 2024 are set out in the income statement on page 131 and dividends for the year ending 31 December 2024 are set out in note 21. The Directors recommend a final dividend of 9.0 pence per share for approval at the Company's Annual General Meeting. If approved by shareholders, the final dividend will be paid on 29 May 2025 to those shareholders on the register at the close of business on 22 April 2025.

Balance sheet and post-balance sheet events

The balance sheet on page 133 shows the Group's financial position.

Employees

A full statement on employee matters can be found in the Sustainability report on pages 36 to 42 and an overview of the Company's approach to diversity can be found in the Sustainability report and the Nominations Committee report on pages 38 and 81. The Group's Encouraging Equal Treatment Policy aims to ensure recruitment, employment and promotion decisions are based solely on an individual's ability and potential, regardless of their gender, race, colour, ethnic origin, sexual orientation, religious belief, age, disability, marital status (including civil partnership), pregnancy, maternity or gender reassignment. In particular, applications for employment by disabled persons are always fully and fairly considered, bearing in mind the aptitudes of the person concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that their employment with the Group continues, including making any reasonable adjustments to their role, and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Group's practices are designed to keep employees informed on matters relevant to them, including the Group's financial performance and strategy, through regular meetings and communications. In October 2024 the Group conducted its latest "Your Voice Our Future" colleague engagement survey to enable colleagues to give feedback on issues affecting them. Your Voice Our Future provides valuable insight into colleague priorities and concerns. Areas for improvement are identified and action plans to improve are developed with colleagues and implemented accordingly. The results of the survey are used to inform the Group's approach to policies, the working environment, working practices and diversity and inclusion, amongst other matters. The Company has a designated workforce engagement Non-executive Director, Louise Hardy, to bring the colleague voice into the Boardroom. The majority of colleagues with more than three months consecutive service are eligible to join the Group's Sharesave scheme, enabling them to benefit from the Group's growth and success. Full details of employee share plans are available in the Directors' remuneration report on pages 90 to 117.

Modern slavery

The Group recognises the harmful impact that Modern Slavery and human trafficking has on society and is committed to ensuring its business and supply chain is free from this criminal activity. The Group produces a slavery and human trafficking statement each financial year. The latest statement can be found on the Company's website at: www.travisperkinsplc.co.uk/modern-slavery-statement/.

DIRECTORS' REPORT CONTINUED

Political donations

The Group's policy is not to make donations to political parties. The Group did not give any money for political purposes nor did it make any donations to political organisations or independent candidates or incur any political expenditure during the year.

Statement on disclosure of information to the external auditor

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

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Act.

Share capital and change of control

As at 31 December 2024 the Company had an allotted and fully paid share capital of 212,509,334 ordinary shares of 11.205105 pence each with voting rights and an aggregate nominal value of £23,811,894.01, including shares owned by the Travis Perkins Employee Share Ownership Trust. The ordinary shares are listed on the London Stock Exchange and all shares rank pari passu. As at 31 December 2024, there were no ordinary shares of the Company held in treasury. There are no restrictions on voting rights attached to the Company's ordinary shares. The Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or on voting rights. The rights and obligations attaching to its shares are set out in the Articles. Fully paid shares in the Company are freely transferable. There are no persons that hold securities carrying special rights with regard to the control of the Company. Details of the structure of the Company's share capital and changes in the share capital during the year are also included in the notes to the financial statements on page 156. As at 31 December 2024 the Travis Perkins Employee Share Ownership Trust owned 1,192,183 shares in the Company (0.56% of issued share capital) for use in connection with the Company's share schemes. Any voting or other similar decisions relating to those shares would be taken by the trustees, who may take account of any recommendation of the Company. There are no rights attached to shares under employee share schemes, save for the right to acquire shares pursuant to options granted under those schemes in accordance with and subject to their rules. There are a number of agreements to which the Company is a party that may take effect, alter or terminate upon a change of control following a takeover bid. None of these agreements are considered significant in the context of the Company as a whole. The Company does not have agreements with any Director or any employee that would provide compensation for loss of office or employment resulting from a takeover except for that provisions of the Company's share schemes and plans may cause options and awards granted to employees under such schemes and plans to vest on a takeover.

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

Robin Miller
General Counsel & Company Secretary
31 March 2025

DIRECTORS' STATEMENT OF RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable, relevant, and reliable and, in respect of the Parent Company financial statements only, prudent.
- For the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards.
- For the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Parent Company financial statements.
- Assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.
- Use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

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

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report, Directors' report, Directors' remuneration report and Corporate governance statement that complies with that law and those regulations.

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

In accordance with Disclosure Guidance and Transparency Rule ("DTR") 4.1.14R, the financial statements will form part of the Annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

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

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

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

Geoff Drabble
Chair
31 March 2025

Duncan Cooper
Chief Financial Officer
31 March 2025

FINANCIAL STATEMENTS

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