Remuneration policy

The remuneration policy below is the group's new remuneration policy on directors' remuneration, which will be proposed for a binding vote at the 2023 AGM. If approved it is intended that the policy take effect from the conclusion of the AGM on 6 June 2023, and will apply to remuneration determined on or after that date. The previously determined remuneration (determined under the company's remuneration policy approved at the 2020 AGM) will continue to apply until that time. In the absence of approval of the new remuneration policy at the 2023 AGM the previous policy shall continue to apply.

The remuneration of the Company's executive directors is determined by the remuneration committee. In the decision making process for the determination, review and implementation of the company's remuneration policy, the remuneration committee has taken the following into account:

- The need to attract, retain and motivate individuals of a calibre who will ensure successful leadership and management of the company
- The group's general aim of seeking to reward all employees fairly according to the nature of their role and their performance
- Remuneration packages offered by similar companies within the same sector
- The need to align the interests of shareholders as a whole with the long-term growth of the group
- The need to align the determination, review and implementation of the company's remuneration policy with the long term strategy and success of the business.
- The need to be flexible and adjust with operational changes throughout the term of this policy
- The need to ensure a link between remuneration and the long term success of the group; and
- The need to consider factors beyond the control of management in determining final outcomes.

The remuneration of non-executive directors is determined by the board, and takes into account additional remuneration for services outside the scope of the ordinary duties of non-executive directors.

In determining the remuneration for each executive director, the remuneration committee has, and in the determination of the fees payable to non-executive directors, the Board has, had regard to potential conflicts of interest in the decision making process, and has sought to mitigate these as far as is possible given the company's size, nature and stage of operations.

The remuneration policy contains no significant revisions compared with the previous policy other than rates which have been amended after taking into consideration inflation and the increase in size of the Group.

Future Policy Table

The below new remuneration policy table is subject to approval by shareholders at the 2023 AGM:

ELEMENT	PURPOSE	POLICY	OPERATION	OPPORTUNITY AND PERFORMANCE CONDITIONS
EXECUTIVE DIRECTORS				
Base salary	To recognise: Skills Responsibility Accountability Experience Value	Considered by remuneration committee on appointment. Set at a level considered appropriate to attract, retain motivate and reward the right individuals.	Reviewed annually Paid monthly in cash	No individual director will be awarded a base salary in excess of £1,200,000 per annum. No specific performance conditions are attached to base salaries.
Pension	To provide competitive retirement benefits	Company contribution offered at up to 10% of base salary as part of overall remuneration package.	The contribution payable by the company is included in the director's contract of employment. Paid into money purchase schemes	Company contribution offered at up to 10% of base salary as part of overall remuneration package. No specific performance conditions are attached to pension contributions.
Benefits	To provide a competitive benefits package	Contractual benefits can include but are not limited to: Car or car allowance Group health cover Death in service cover Permanent health insurance	The committee retains absolute discretion to approve changes in contractual benefits in exceptional circumstances or where factors outside the control of the Group lead to increased costs (e.g. medical inflation)	The costs associated with benefits offered are closely controlled and reviewed on an annual basis. No director will receive benefits of a value in excess of 30% of his base salary. No specific performance conditions are attached to contractual benefits. The value of benefits for each director for the year ended 31 December 2022 is shown in the table on page 40.
Annual Bonus	To reward and incentivise	In assessing the performance of the executive team, and in particular to determine whether bonuses are merited the remuneration committee takes into account the overall performance of the business. Bonuses are generally offered in cash	The remuneration committee determines the level of bonus on an annual basis applying such performance conditions and performance measures as it considers appropriate	The current maximum bonus opportunity will not exceed 200% of base salary in any one year, but the remuneration committee reserves the power to award up to 300% in an exceptional year. There is no formal framework by which the company assesses performance and performance conditions and measures will be assessed on an annual basis by the remuneration committee. In determining the level of the bonus, the remuneration committee will take into account internal and external factors and circumstances that occur during the year under review. The performance measures applied may be financial, non-financial, corporate, divisional or individual and in such proportion as the remuneration committee considers appropriate to the prevailing circumstances. The company does not consider, given the company's size, nature and stage of operations that a formal framework is required.

ELEMENT	PURPOSE	POLICY	OPERATION	OPPORTUNITY AND PERFORMANCE CONDITIONS
Share Options	To provide executive directors with a long-term interest in the company	Granted under existing schemes (see page 41) and new schemes	Offered at appropriate times by the remuneration committee	Entitlement to share options is not subject to any specific performance conditions. Share options will be offered by the remuneration committee as appropriate taking into account the factors considered above in the decision making process in determining remuneration policy. The aggregate number of shares over which options may be granted under all of the company's option schemes (including any options and awards granted under the company's employee share plans) in any period of ten years, will not exceed, at the time of grant, 10% of the ordinary share capital of the company from time to time. In determining the limits no account shall be taken of any shares where the right to acquire the shares has been released, surrendered, lapsed or has otherwise become incapable of exercise. The company currently has one Share Option Scheme (see page 41). For the 2012 scheme the remuneration committee has the ability to impose performance criteria in respect of any new share options granted, however there is no requirement to do so. There are no performance conditions attached to the options already issued under the 2012 scheme, the options vest on issue and there are no minimum hold periods for the resulting shares issued on exercise of the option. The Board is authorised under this policy to enter into agreements with holders of options over ordinary shares in the capital of the Company to cancel or surrender the Options in consideration of the payment by the Company to the holder of the Option of cash up to a maximum of the difference between the exercise price of the Option and the closing market price on the business day immediately prior to the day on which the Company enters into that agreement with the relevant holder of the Options.

ELEMENT	PURPOSE	POLICY	OPERATION	OPPORTUNITY AND PERFORMANCE CONDITIONS
NON-EXECUTIVE DIRECTORS				
Base salary	To recognise: Skills Experience Value	Considered by the board on appointment. Set at a level considered appropriate to attract, retain and motivate the individual. Experience and time required for the role are considered on appointment.	Reviewed annually	No individual director will be awarded a base salary in excess of £125,000 per annum. No specific performance conditions are attached to base salaries.
Pension		No pension offered		
Benefits		No benefits offered except to one non-executive director who is eligible for health cover (see annual remuneration report page 40)	The committee retains the discretion to approve changes in contractual benefits in exceptional circumstances or where factors outside the control of the Group lead to increased costs (e.g. medical inflation)	The costs associated with the benefit offered is closely controlled and reviewed on an annual basis. No director will receive benefits of a value in excess of 30% of his base salary or £10,000 whichever is the higher. No specific performance conditions are attached to contractual benefits.
Share Options		Non-executive directors do not participate in the share option schemes		

Notes to the future policy table

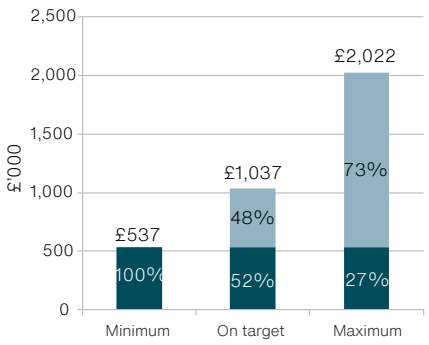
In order to ensure that shareholders have sufficient clarity over director remuneration levels, the company has, where possible, specified a maximum that may be paid to a director in respect of each component of remuneration. The remuneration committee consider the performance measures outlined in the table above to be appropriate measures of performance and that the KPI's chosen align the interests of the directors and shareholders. Details of remuneration of other company employees can be found in Note 29 to the financial statements. Any differences in the types of remuneration available for directors and other employees reflect common practice and market norms. The bonus targets for general employees of the Group are more focused on annual targets that further the company's interests. The maximum bonus opportunity for employees and directors alike is based on the seniority and responsibility of the role undertaken.

Remuneration scenarios

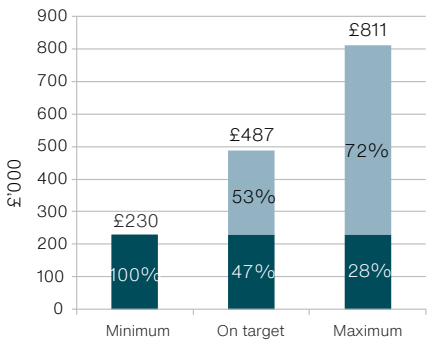
An indication of the possible level of remuneration that would be received by each current Executive Director in the year commencing 1 January 2023 in accordance with the directors' remuneration policy is shown below.

All performance targets relate to one financial year, and therefore there are no targets which would be impacted by share price appreciation.

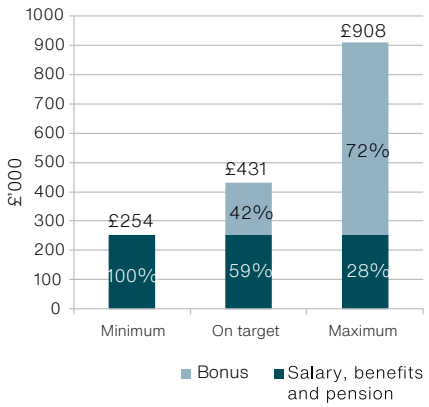
A Heller:



G.Casey:



R Grobler:



Assumptions

Minimum

Consists of base salary, benefits and pension. Base salary, benefits and pension for 2023 are assumed at the levels included in the single total figure remuneration table for the year ended 31 December 2022 on page 40.

On target

Based on the average percentage bonus awarded to the individual in the three years ending on 31 December 2022. As outlined in the policy table above, the remuneration committee has discretion to award bonuses of up to 200% of base salary in any one year (up to 300% in an exceptional year). Base salary, benefits and pension for 2023 are assumed at the levels included in the single total figure remuneration table for the year ended 31 December 2022 on page 40.

Maximum

Based on maximum remuneration receivable of 300% of base salary awarded as bonus in an exceptional year. Base salary, benefits and pension for 2023 are assumed at the levels included in the single total figure remuneration table for the year ended 31 December 2022 on page 40.

Approach to recruitment remuneration

All appointments to the board are made on merit. The components of a new director's remuneration package (who is recruited within the life of the approved remuneration policy) would comprise base salary, pension, benefits, annual bonus and opportunity to be granted share options as outlined above and the company's approach to such appointments are detailed with in the future policy table above. The company will pay such levels of remuneration to new directors that would enable the company to attract appropriately skilled and experienced individuals that is not in the opinion of the remuneration committee excessive. The company has no pre-determined policy for buyouts of previous awards, and each case will be determined on merit, having regard to all relevant circumstances at the time.

Service contracts

All executive directors have full-time contracts of employment with the company. Non-executive directors have contracts of service. No director has a contract of employment or contract of service with the company, its joint venture or associated companies with a fixed term which exceeds twelve months. Directors' notice periods (see page 41 of the annual remuneration report) are set in line with market practice and of a length considered sufficient to ensure an effective handover of duties should a director leave the company. All directors' contracts as amended from time to time, have run from the date of appointment. Service contracts are kept at the registered office.

Policy on payment for loss of office

There are no contractual provisions agreed prior to 27 June 2012 that could impact on a termination payment. Termination payments will be calculated in accordance with the existing contract of employment or service contract. It is the policy of the remuneration committee to issue employment contracts to executive directors with normal commercial terms and without extended terms of notice which could give rise to extraordinary termination payments. The board retains the discretion to make additional (ex-gratia) payments on termination should it be appropriate in all the circumstances.

Consideration of employment conditions elsewhere in the Group

In setting this policy for directors' remuneration the remuneration committee has been mindful of the company's objective to reward all employees fairly according to their role, performance and market forces. In setting the policy for Directors' remuneration the remuneration committee has considered the pay and employment conditions of the other employees within the group. No formal consultation has been undertaken with employees in drawing up the policy. The remuneration committee has not used formal comparison measures.

Consideration of shareholder views

No shareholder views have been taken into account when formulating this policy. In accordance with the new regulations, an ordinary resolution for approval of this policy will be put to shareholders at the AGM in June 2023.