

Directors' remuneration report continued

Remuneration policy

This part of the report sets out the Company's policy for the remuneration of executive and non-executive directors (referred to as either 'the remuneration policy' or 'the policy'). The policy is determined by the remuneration committee and is not subject to audit by the external auditor.

The committee is seeking shareholder approval for a new remuneration policy at the 2026 AGM and, if approved, it is intended that this revised policy will come into effect from that date. A summary of, and rationale for, the single proposed change compared with the previously approved policy is provided in the committee chair's statement above.

The policy is designed to be straightforward, and to encourage effective stewardship that is vital to creating long-term value for all stakeholders. It promotes long-term sustainable performance through significant deferral of remuneration in shares. Executive directors are expected to build and maintain substantial personal shareholdings in the business. The extent of their responsibilities means executive directors are well paid, but the policy is designed to ensure that they are not overpaid.

As set out in the committee chair's statement on page 98, the committee consulted with its largest shareholders regarding these changes.

Fixed elements	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Base salary	To provide competitive fixed remuneration. To attract, retain and motivate executive directors of the calibre required in order to deliver the Company's strategy and enhance earnings over the long term.	Basic salary is typically reviewed annually or, if appropriate, in the event of a change in an individual's position or responsibilities. Salary levels are set with reference to market rates, taking into account individual performance and experience, Company performance, and the pay and conditions of other senior management in the Group. The committee will consider the general increase for the broader employee population but on occasion may need to recognise, for example, an increase in the scale, scope or responsibility of the role.	There is no prescribed maximum annual increase. Increases will generally be in line with those awarded to the wider workforce, although the committee maintains the ability to grant larger increases where appropriate.	Not applicable.
Benefits	To provide market-competitive levels of benefits, including insured benefits to support the individual and their family during periods of ill health, accidents or in the event of death. Car or travel allowances to facilitate effective travel.	Current benefits include: - travel allowance - private medical insurance - annual health screening - ill health income protection insurance - life insurance - holiday and sick pay - employee assistance programme - professional advice in connection with their directorship - relocation expenses and legal fees in the case of a new hire - travel, fuel, subsistence and accommodation as necessary - occasional gifts, for example appropriate long-service or leaving gifts Other benefits may be provided where appropriate in line with benefits offered to other employees.	The value of benefits is based on the cost to the Company and is not predetermined.	Not applicable.

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Fixed elements	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Pension	To provide a pension arrangement to contribute towards retirement planning.	The Company will contribute to the LifeSight master trust defined contribution pension scheme ('LifeSight'), or to personal pension arrangements at the request of the individual. The Company may also consider a cash alternative (e.g. where a director has reached HMRC's lifetime or annual allowance limit).	Employer contributions for current and new executive directors will be kept aligned with the rate offered to the majority of employees (currently 6% of salary). Directors who are members of LifeSight may elect to exchange part of their salary or bonus award in return for pension contributions, where the Company will enhance the additional contributions by half of the saved employer's National Insurance contribution.	Not applicable.
Annual bonus	To reward the achievement of demanding annual performance metrics.	Performance measures and targets are generally set annually by the committee. At the end of the year, the committee determines the extent to which targets have been achieved. A maximum of 70% of any bonus earned is payable in cash with the remainder normally deferred for at least three years and satisfied in Company shares. The current intention is that 33% of any bonus earned will be deferred. To ensure fairness to both shareholders and participants, the committee has discretion to: (i) override the formulaic outturn of the bonus to determine the appropriate level of bonus payable where it believes the outcome is not truly reflective of performance; and (ii) adjust performance measures, targets and/or weightings during the performance period under exceptional circumstances. Any additional measures which may be introduced in the future would be aligned to our strategy and we would provide details at the relevant time. Awards under the annual bonus are subject to malus and clawback provisions, further details of which are set out on page 109.	The maximum opportunity is 150% of base salary. Target performance will typically deliver up to 50% of maximum bonus, with threshold performance typically paying up to 15% of maximum bonus. Dividends accrue on deferred bonus shares during the deferral period and may be paid in shares at the time of release.	All or a majority of the bonus will be based on PBTA* set relative to the Group's budget, or such other financial measures as the committee deems appropriate. Financial targets will account for not less than 80% of the annual bonus. A minority of the bonus may be based on non-financial, strategic and/or personal objectives linked to the strategic objectives of the Group to provide a rounded assessment of the Group's and management's performance.

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Fixed elements	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
2023 Long-Term Incentive Plan (LTIP)	To drive sustained long-term performance that supports the creation of shareholder value.	Annual awards of conditional shares or nil (or nominal) cost options are granted with vesting dependent on the achievement of performance conditions over a three-year period. Award levels, performance conditions and targets are generally reviewed before each award cycle to ensure they remain appropriate. Targets take account of internal strategic planning and external market expectations for the Group and are appropriate to the economic outlook and risk factors prevailing at the time, ensuring that such targets remain challenging in the circumstances while remaining realistic enough to motivate and incentivise management. A proportion of net LTIP shares vesting may, at the discretion of the committee, be subject to a holding period following the end of the vesting period. The committee's current intention is that all awards will be required to be held for an additional two-year period post-vesting, creating a total of five years between the award being granted and the first opportunity to sell. To ensure fairness to both shareholders and participants, the committee has discretion to: (i) override the formulaic outturn of the performance targets to determine the appropriate level of vesting of the LTIP where it believes the outcome is not truly reflective of performance; and (ii) adjust performance measures, targets and/or weightings during the performance period under exceptional circumstances. Any use of committee discretion with respect to waiving or modifying performance conditions will be disclosed in the relevant annual report. Awards under the LTIP are subject to malus and clawback provisions, further details of which are set out on page 109.	200% of base salary.	Vesting of LTIP awards is subject to performance against relevant metrics measured over a period of at least three financial years. The committee will typically select performance measures ahead of each cycle to ensure that they continue to be linked to the delivery of the Company strategy. For every performance measure, no more than 25% of the available award will vest for achieving threshold performance, increasing to 100% vesting for achievement of stretching performance targets.
All-employee Save As You Earn Plan (SAYE)	To encourage share ownership and provide further alignment with shareholders.	This is an HMRC tax-advantaged plan under which regular monthly savings can be made over a period of three years and can be used to fund the exercise of an option to purchase shares. Options are granted at a discount of up to 20%. This scheme is open to all employees, including executive directors.	Prevailing HMRC limits apply. The executive directors will be eligible to participate in any other HMRC all-employee share plans that may be implemented.	Not applicable.

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Fixed elements	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Non-executive directors' fees	To attract, retain and reward talented individuals.	Non-executive directors typically receive a basic annual fee in respect of their Board duties. Additional fees may be paid to the chairs of the committees and the senior independent director to reflect their additional responsibilities. The non-executive directors' fees are reviewed by the Board rather than by the committee. The chair receives a fixed annual fee. Fees are normally reviewed annually. The committee and the Board are guided by fee levels in the non-executive director market and may recognise an increase in certain circumstances, such as assumed additional responsibility or an increase in the scale or scope of the role. Non-executive directors are reimbursed for reasonable expenses and any tax arising on those expenses will be settled directly by the Company. To the extent that these are deemed taxable expenses, they will be included in the annual remuneration report as required. Non-executive directors may take independent professional advice relating to their role as a director at the expense of the Company.	For the non-executive directors, there is no prescribed maximum annual increase although it is expected that any increase in fees will usually be broadly aligned with salary increases granted to the wider workforce at the time. The Company's articles of association (the Articles) provide that the total aggregate remuneration paid to the chair of the Company and non-executive directors will be determined by the Board within the limits set by shareholders and detailed in the Company's Articles.	Not applicable.
Share ownership guidelines	To provide close alignment between the experience and longer-term interests of executive directors and shareholders.	Executive directors are expected to build and maintain shareholdings at a minimum specified level (currently 200% of basic salary). Until this threshold is achieved, there is a requirement for executive directors to retain no less than 50% of the net of tax value of vested incentive awards.	Not applicable.	Not applicable.

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Fixed elements	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Post-employment shareholders	To encourage long-term alignment with shareholders.	The committee requires executive directors to maintain a level of shareholding for two years after stepping down from the Board. The committee has established mechanisms to enforce this requirement. The committee will retain discretion about the application of post-employment shareholding guidelines in individual cases.	Executive directors will maintain the following shareholdings after they have stepped down from the Board: For the first 12 months, the lower of: a) their shareholding at the time of leaving the business (excluding individually purchased shares); and b) 200% of basic salary (this being the current in-post shareholding guideline). For the second 12 months (i.e. between 12 months and 24 months), the lower of: a) their shareholding at the time of leaving the business (excluding individually purchased shares); and b) 100% of basic salary (this being half of the current in-post shareholding guideline).	Not applicable.

Existing arrangements

We will honour existing awards to executive directors, and incentives, benefits and contractual arrangements made to individuals prior to their promotion to the Board and/or prior to the approval and implementation of this policy. For the avoidance of doubt, this includes payments in respect of any award granted under the previous remuneration policy. This will last until the existing incentives vest (or lapse), or the benefits or contractual arrangements no longer apply. This does not apply to pension contributions for any newly promoted executive directors, which will be aligned with the rate offered to the majority of employees on promotion to the Board.

Service agreements

Executive directors

Executive directors have rolling service contracts that provide for 12 months' notice on either side. There are no special provisions that apply in the event of a change of control.

	Date of service contract
John Morgan	20 February 2012
Kelly Gangotra	7 December 2023

The Company allows executive directors to hold external non-executive directorships, subject to the prior approval of the Board, and to retain fees from these roles.

Non-executive directors

All non-executive directors have specific terms of engagement, being an initial period of three years which thereafter may be extended by mutual consent, subject to the requirements for re-election, the UK Listing Rules of the Financial Conduct Authority (FCA) and the relevant sections of the Companies Act 2006.

	Appointment commencement date	Month/year initial three-year term was extended	Month/year second three-year term was extended
David Lowden	10 September 2018	September 2021	September 2024
Jen Tippin	1 March 2020	March 2023	
Sharon Fennessy	1 January 2024		
Mark Robson	1 September 2024		
Peter Harrison	6 May 2025		

The non-executive directors are subject to annual re-election by shareholders.

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Termination provisions

Current executive directors' service agreements are terminable on 12 months' notice. In circumstances of termination on notice, the committee will determine an equitable compensation package, having regard to the particular circumstances of the case. The committee has discretion to require notice to be worked or to make payment in lieu of notice or to place the director on garden leave for the notice period. In respect of new hires, the initial notice period for a service contract may be longer than the policy of a 12-month notice period, provided it reduces to 12 months within a short space of time.

In case of payment in lieu or garden leave, base salary, accrued holiday, employer pension contributions and employee benefits will be paid for the period of notice served on garden leave or paid in lieu. The committee will endeavour to make payments in phased instalments and to apply mitigation in the case of offsetting payments against earnings elsewhere.

If a director leaves under a settlement agreement, life insurance cover may continue for up to three months after a director leaves the Company, subject to the director not obtaining alternative employment. In addition, the Company may agree that a director will remain covered under the private medical scheme until the next policy renewal date or, if a director is mid-treatment at their leaving date, until the course of treatment is concluded. The same provisions are available to all employees in the Company who receive these benefits.

For 'good leavers', the annual bonus may be payable in respect of the period of the bonus scheme year worked by the director; there is no provision for an amount in lieu of bonus to be payable for any part of the notice period not worked. The bonus would be payable at the normal date. Leavers would normally retain deferred bonus shares, albeit release would normally be at the end of the deferral period, with committee discretion to treat otherwise.

Long-term incentives granted under the LTIP will be determined by the LTIP rules, which contain discretionary good leaver provisions for designated reasons (that is, participants who leave early on account of: injury; disability; death; a sale of their employer or business in which they were employed; statutory redundancy; retirement; or any other reason at the discretion of the committee). In these circumstances, a participant's unvested awards will not be forfeited on cessation of employment and instead will vest on the normal vesting date (save in the event of the death of a participant, where vesting will occur as soon as reasonably practicable). In exceptional circumstances, the committee may decide that the participant's awards will vest early on the date of cessation of employment. In all cases, the extent to which the awards will vest will depend on the extent to which the performance conditions have been satisfied and a pro rata reduction of the awards will be applied by reference to the time of cessation (although the committee has discretion to disapply time pro-rating if the circumstances warrant it).

Leavers would normally retain vested LTIP shares subject to a holding period, and these would normally be released at the end of the holding period, with committee discretion to treat otherwise; in the event of death of a participant, any holding period would cease to apply.

In the event of a takeover or other corporate event, the committee will determine the number of LTIP shares in respect of which an award vests based on the extent to which it determines that the performance conditions have been satisfied at the relevant time, taking into account the shortened performance period and such other factors as the committee considers relevant. Awards will be time pro-rated to reflect the earlier vesting unless the committee determines otherwise.

Where an executive director leaves by mutual consent, the Company may reimburse reasonable legal fees and tax advice costs, and pay for professional outplacement services.

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Remuneration on recruitment

The committee considers the need to attract, retain and motivate the best person for each position, without paying more than is necessary.

External appointments

For external appointments, the committee would seek to align the ongoing remuneration package with the remuneration policy approved by shareholders, as follows:

		Maximum annual grant value
Base salary	The base salaries of new executive directors will be determined by reference to relevant market data, the experience and skills of the individual, internal relativities and their current basic salary. In the event that the committee elects to set the initial basic salary of a new appointee below the market, any shortfall may be managed with phased increases over a period of two to three years subject to the individual's development in the role. Alternatively, the committee may approve a higher basic annual salary for a newly appointed director than the outgoing director received where it considers it necessary in order to recruit an individual of sufficient calibre for the role and/or where it is known that the outgoing director's remuneration has fallen behind appropriate market levels.	
Pension	New executive directors will receive Company contributions or a cash alternative in line with that offered to the majority of employees.	
Benefits	New executive directors will be eligible to receive benefits which may include (but are not limited to) travel allowances, private medical insurance, ill health income protection insurance, health screening, employee assistance programme, life insurance, holiday and sick pay, professional advice in connection with their directorship, travel, subsistence and accommodation as necessary, occasional gifts, for example appropriate long-service or leaving gifts, and any necessary relocation and/or incidental expenses. The Company may make an award in cash or shares on recruitment to reflect the value of benefits a new recruit may have received from a former employer.	
Annual bonus	The structure described in the policy table will apply to new executive directors, with the maximum opportunity being pro-rated to reflect the proportion of the financial year served. The committee may set different performance conditions and/or targets for an executive director who has joined part-way through the financial year.	150% of base salary
LTIP	New appointees will be granted awards under the LTIP on the same terms as other executives, as described in the policy table. The committee may set different award levels, performance conditions and/or targets for an executive director who has joined part-way through the financial year.	200% of base salary
SAYE	New appointees will also be eligible to participate in all-employee share schemes.	
Shareholding guidelines	New executive directors will be expected to build up a shareholding equivalent to 200% of basic salary in accordance with the terms set out in the policy table.	
Post-employment shareholding	The structure in the policy table will apply to new executive directors.	

In determining appropriate remuneration, the committee will take into consideration all relevant factors to ensure that arrangements are in the best interests of both the Company and its shareholders. The committee may additionally make awards or payments in respect of deferred remuneration arrangements forfeited on leaving a previous employer.

The committee will look to replicate the arrangements being forfeited as closely as possible and, in doing so, will take account of relevant factors, including: the value of deferred remuneration; the performance conditions; and the time over which they would have vested or been paid. Any such arrangements would typically have an aggregate fair value no higher than the awards being forfeited. The LTIP will be used as the basis for granting such replacement awards, to the extent possible under its rules; such awards may be granted in excess of the ongoing policy limit outlined in the table on page 104. Awards may be granted outside of the LTIP if necessary, as permitted under the UK Listing Rules.

Internal promotion

In cases of appointing a new executive director by way of internal promotion, the committee will act in a manner consistent with the policy for external appointees detailed above and the provisions for existing arrangements, as set out on page 106, will apply.

Shareholders will be informed of the remuneration package and all additional payments to a newly appointed executive director in the annual report following their appointment.

Non-executive directors

For the appointment of a new non-executive director, the fee arrangement will be set in accordance with the approved remuneration policy at that time.

Directors' remuneration report continued

Remuneration policy

Overview of remuneration policy for other employees

While our remuneration policy follows the same fundamental principles across the Group, packages offered to employees reflect differences in role and seniority. For example, the remuneration package elements for our Group management team are essentially the same as for the executive directors with some minor differences, such as lower levels of share awards and a lower shareholding requirement. Employees across the Group below Board level may be eligible to participate in an annual bonus arrangement. Long-term incentive awards and/or discretionary share options may be awarded to certain other senior executives and employees, for which the maximum opportunity and the performance conditions may vary by organisational level.

All employees are eligible to participate in the Group's SAYE plan and to join either the LifeSight master trust or the People's Pension. The Group also offers a broad range of benefits that are open to employees with eligibility for the different benefits determined on seniority. Benefits offered include private medical insurance; digital GP service; income protection; holiday plus scheme (an option to purchase some additional holiday); ill health income protection insurance; life insurance provision; employee assistance programme; and access to financial education.

Use of discretion

The committee will operate the incentive plans in accordance with their respective rules, the UK Listing Rules and HMRC rules where relevant. The committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of certain plan rules. These include (but are not limited to):

- who participates in incentives;
- the timing of grant of awards and/or payments;
- the size of awards (up to plan/policy limits) and/or payments;
- where the result indicated by the relative TSR performance condition should be scaled back (potentially to zero) in the event that the committee considers that financial performance has been unsatisfactory and/or the outcome has been distorted due to the TSR for the Company or any comparator company TSR being considered abnormal;
- measurement of performance in the event of a change of control or reconstruction;
- determination of good leaver status (in addition to any specified categories) for incentive plan purposes;
- payment of dividends accrued during the vesting period;
- adjustments required in certain circumstances (e.g. rights issues, corporate restructuring and special dividends);
- adjustments to existing performance conditions for exceptional events so that they can still fulfil their original purpose;
- the release of deferred bonus shares for leavers;
- retention of LTIP shares subject to a holding period for leavers; and
- the application of the post-employment shareholding guidelines.

Malus and clawback

The Company operates malus and/or clawback arrangements in respect of variable remuneration to ensure outcomes remain fair, proportionate and aligned with the long-term interests of shareholders and the Company's risk framework. Malus enables the committee to reduce or cancel unvested or unpaid awards. Clawback enables the committee to recover value delivered in respect of awards that have vested or been paid (including, where delivered in shares, the shares and/or the proceeds of sale), subject to the rules of the relevant plan.

Malus and clawback may be applied in specified circumstances, including (without limitation): (i) a material misstatement of the Company's results (financial or non-financial); (ii) an error in the assessment or calculation of performance outcomes; (iii) misconduct by a participant; (iv) corporate failure. In determining whether to apply malus and/or clawback, the committee considers the facts and circumstances, including the individual's level of accountability (for example whether they were culpable, responsible or ultimately accountable), seniority and oversight responsibilities, and will act reasonably and in good faith.

The standard clawback period for the annual bonus and LTIP is three years following the date of payment or vesting (as applicable). The committee considers this period appropriate having regard to the nature of the Company's activities and the timeframes over which relevant matters may reasonably be expected to come to light (including audit adjustments, claims, regulatory matters and investigations). Where a trigger event is identified, or an investigation is commenced, within the applicable malus/clawback period, the committee may apply malus and/or clawback after the expiry of that period to the extent reasonably necessary to conclude the investigation and make a determination.

Malus and clawback were not applied in respect of any director's variable remuneration during the year.

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Remuneration policy

Remuneration scenarios for the executive directors

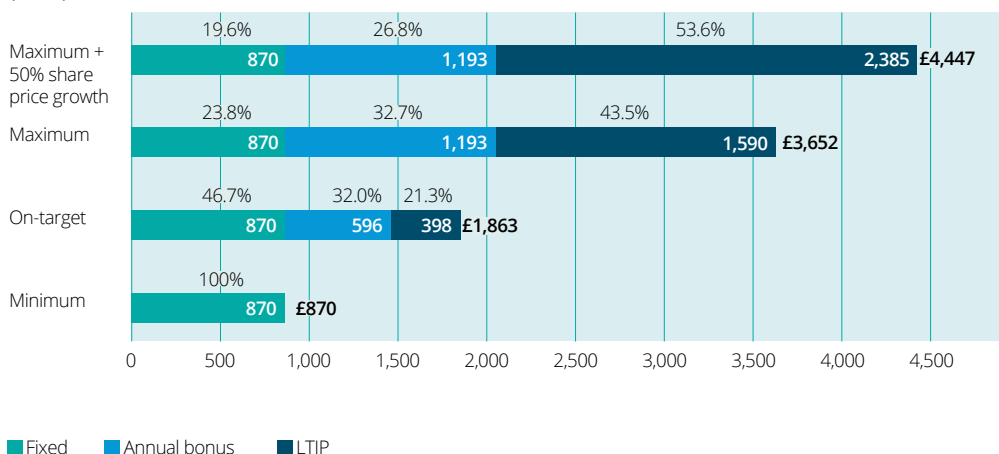
The charts below provide an indication of the level of remuneration that would be received by each executive director under the proposed 2026 implementation of the policy in the following three assumed performance scenarios:

Below threshold performance	Fixed elements of remuneration only – base salary, benefits and pension
On-target performance	Assumes 50% payout under the annual bonus (75% of salary) Assumes 25% payout under the LTIP (50% of salary)
Maximum performance ¹	Assumes 100% payout under the annual bonus (150% of salary) Assumes 100% payout under the LTIP (200% of salary)

¹ Maximum shown both with and without the impact of share price appreciation on the potential value of long-term incentive awards. For the purposes of this illustration, three-year share price appreciation is assumed to be 50% in line with the reporting regulations.

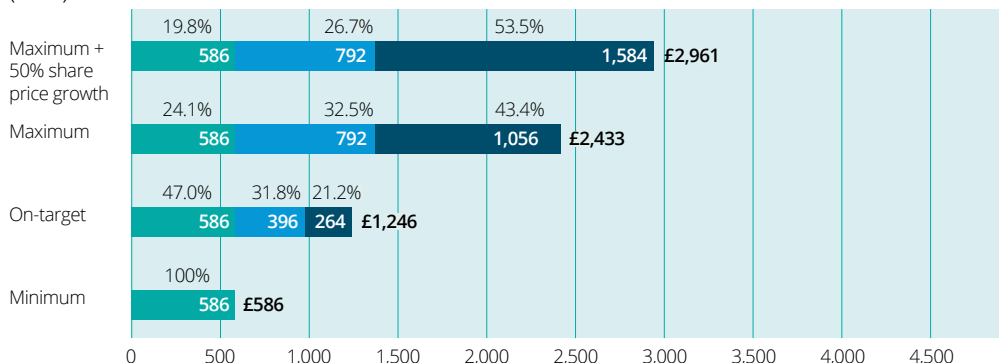
Chief executive

(£000)



Chief financial officer

(£000)



Note:

- Base salary levels are as at 1 January 2026.
- The value of benefits has been estimated based on amounts received in respect of 2025.
- The value of pension receivable is the equivalent of 6% of base salary.

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Remuneration policy

Ensuring transparency of the remuneration policy

Criteria	How the criteria are fulfilled	Example
Clarity Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	The committee provides open and transparent disclosures to shareholders, employees and other stakeholders with regard to executive remuneration arrangements. The annual bonus plan, deferred bonus plan, LTIP and SOP are kept under regular review. The remuneration report sets out the remuneration arrangements for the executive directors in a clear and transparent way. We encourage shareholders to ask questions at the AGM and we consult with shareholders over any proposed changes to the policy. Although the committee does not consult the wider employee population explicitly on remuneration policy, the Board as a whole engages regularly with employees on a range of topics and feedback is reflected in its discussions and decisions.	The annual bonus plan is based entirely on PBTA* which is published in the Group's audited accounts.
Simplicity Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Our remuneration arrangements for executive directors, as well as those for employees across the Group, are simple in nature and well understood by participants. Remuneration for the executive directors consists of fixed pay (salary, benefits, pension) and variable pay (annual bonus plan and LTIP). No complex structures are used in our variable pay plans.	The annual bonus is based on one metric (PBTA*) which is easy to measure and understand.
Risk Remuneration arrangements should ensure that reputational and other risks arising from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	Targets are reviewed annually to ensure they are suitably stretching and do not encourage excessive risk-taking. Malus and clawback provisions also apply to both the annual bonus and long-term incentive plans. Members of the committee are provided with regular briefings on developments and trends in executive remuneration.	The PBTA* and EPS targets are based on several considerations, including the latest budget and market consensus.
Predictability The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the remuneration policy.	The possible reward outcomes can be easily quantified, and these are reviewed by the committee annually. In addition, performance is reviewed regularly so there are no surprises at the end-of-period assessment. The potential value and composition of the executive directors' remuneration packages at below threshold, target and maximum scenarios are provided in the remuneration policy.	The remuneration scenarios on page 110 set out the potential range of remuneration for the executive directors.
Proportionality The link between individual awards, the delivery of strategy and the long-term performance of the Group should be clear. Outcomes should not reward poor performance.	Annual bonus payments and LTIP awards require robust performance against challenging conditions that are aligned to the Group's strategy. The committee retains discretion to override formulaic outcomes to ensure that payments under the variable incentives are appropriate and reflective of overall performance.	Payment under the annual bonus requires strong performance against the budget.
Alignment to culture Incentive schemes should drive behaviours consistent with the Company's purpose, values and strategy.	The variable incentive schemes and performance measures are designed to be consistent with the Group's purpose, values and strategy. At the heart of the policy is a focus on the long-term success of the business. This reflects our culture which is aligned to creating long-term value for all stakeholders.	Our values and unique culture are critical to the Group's long-term success. Remuneration targets will only be achieved if the Group consistently delivers on our commitments to all stakeholders.