

Directors' report

The Directors present their Annual Report together with the Group's audited financial statements for the year ended 31 December 2022.

The Corporate Governance Statement set out on page 52 forms part of this report.

Details of any significant events since the reporting date are included in note 38 to the financial statements. An indication of likely future developments in the business of the Company and details of research and development activities are included in the Strategic report.

Information about the use of financial instruments by the Company and its subsidiaries is given in note 30 to the Group financial statements.

Dividends

The Directors recommend a final dividend of 10.0p per ordinary share (2021: 8.8p) to be paid on 22 June 2023 to ordinary shareholders on the register on 2 June 2023 which, together with the interim dividend of 5.0p (2021: 4.4p), makes a total of 15.0p for the year (2021: 13.2p).

Capital structure

Details of the authorised and issued share capital, together with details of the movements in the company's issued share capital during the year are shown in note 33.

The company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at general meetings of the company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The directors are not aware of any agreements between holders of the company's shares that may result in restrictions on the transfer of securities or on voting rights. Over the period, the Company had five share incentive schemes by which Directors and employees may:

- (i) be granted options under a long term incentive plan ("LTIP") to subscribe for nil cost shares in the Company;
- (ii) be granted options under the Company Share Option Plan ("CSOP");

- (iii) be issued shares under a Share Incentive Plan ("SIP");
- (iv) be granted options under a Save As You Earn plan ("SAYE"); and
- (v) be granted options under the deferred bonus scheme.

The maximum aggregate number of shares which may be issued in respect of these schemes is limited to 10% of the issued share capital.

In the period the Company has issued equity in connection with settlement of deferred consideration and options in respect of historical acquisitions.

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Matters reserved to the Board and the Committees' Terms of Reference, copies of which are available on request, and the Corporate Governance Statement on page 52.

Under its Articles of Association, the Company has authority to issue 32,116,400 Ordinary Shares.

Substantial shareholdings

As at 17 March 2023, being the latest practicable date before publication, the company had been notified, in accordance with chapter 5 of the Disclosure Guidance and Transparency Rules, of the following voting rights as a shareholder of the Company:

Name	Number of voting rights	Percentage of total voting rights ¹
BlackRock, Inc	11,167,409 ²	11.53%
Liontrust Investment Partners LLP	9,739,446	10.07%
Octopus Investments Nominees Limited	6,614,518	6.97%
abrdrn plc	5,530,454	5.71%
Jupiter Fund Management PLC	4,809,183	4.97%
Aegon NV	3,785,114 ³	3.94%
Kerry Group Limited	3,750,003	3.87%

¹ As at date of notification to the company

² includes 585,859 Contracts for Difference

³ includes 8,393 Contracts for Difference

Composition of the Group

Details concerning subsidiary undertakings are given in note 36 to the Group financial statements.

Directors

The names of the Directors during the year and up to the date of signing are disclosed on pages 54 to 55.

Directors' interest in share capital

The Directors' interest in share capital is shown within the Annual Report on Remuneration on page 85.

Directors' indemnities

The Company's Articles include qualifying third-party indemnity provisions for the benefit of the Directors and former Directors of the Company and its subsidiaries, which remain in force at the date of this report.

Going concern

The financial accounts are prepared on a going concern basis. Further detail can be found in the financial review on pages 38 to 40.

Treasury policy

The Group's treasury policy aims to manage the Group's financial risk and to minimise the adverse effects of fluctuations in the financial markets on the value of the Group's financial assets and liabilities, on reported profitability and on the cash flows of the Group. Note 31 sets out the particular risks to which the Group is exposed, and how these are managed.

Interests in contracts

At no time during the year did any of the Directors have a material interest in any significant contract with the Company or any of its subsidiaries.

Health, safety, the environment and the community

The Group has a formal Health, Safety and Environmental Policy which requires all operations within the Group to pursue economic development whilst protecting the environment. The Directors aim not to damage the environment of the areas in which the Group operates, to meet all relevant regulatory and legislative requirements and to apply responsible standards of its own where relevant laws and regulations do not exist.

It is the policy of the Group to consider the health and welfare of employees by maintaining a safe place and system of work as required by legislation in each of the countries where the Group operates.

Energy and carbon emission reporting

Information on energy and carbon emission reporting can be found on pages 41 to 46.

Political contributions

No political contributions were made in the year (2021: £nil).

Employee engagement

Information relating to how the Group engages with its workforce can be found on pages 47 to 48. Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Engagement with suppliers, customers and others

Information relating to how the Group engages with its suppliers and customers can be found on page 47.

Auditors and their independence

Separate resolutions to appoint the auditor and to agree their fees for the year to 31 December 2023 will be proposed at the AGM. The Company has a policy for approval by the Audit Committee of non-audit services by the auditor, to preserve independence. The external auditor, Deloitte LLP have expressed their willingness to continue in office as auditor.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approval of this Annual 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 the steps that he/she ought to have taken as a Director in order to make himself/herself 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 Companies Act 2006.

By order of the Board,

Bill Castell

Chief Financial Officer

20 March 2023