

An experienced team



Steve Bellamy
Chair and Non-Executive Director



Date of appointment
July 2024

Committee membership
Chair of the Nomination Committee and member of the Remuneration and Audit and Risk Committees.

- Relevant skills and experience**
- Extensive experience as both Chair and Non-Executive Director, having worked in and advised a wide range of public and private companies and been Chairman of, and adviser to, investment committees and capital providers.
 - Record of supporting leadership teams to execute their operational strategies and in creating shareholder value.
 - Former Chief Operating Officer and Finance Director of Sherwood International plc.

Current external appointments
Senior Independent Director and Chair of the Audit Committee at Caffyns plc and independent Non-Executive Director and Chair of the Audit Committee at Empresaria Group plc.



Gavin Peck
Chief Executive Officer

Date of appointment
January 2020

Committee membership
None.

- Relevant skills and experience**
- Significant financial, retail and commercial expertise, including as Chief Financial Officer of The Works, and, prior to that, as Commercial Director at Card Factory plc where he was responsible for the commercial function (buying, space and merchandising) and leadership of the commercial finance team. He played a key role in the successful IPO of Card Factory in 2014 and its subsequent growth and evolution as a listed business.
 - Chartered Accountant, having started his career at PwC where he spent eight years working in the audit and corporate finance departments.
 - Joined The Works as Chief Financial Officer in April 2018, overseeing the IPO and serving as an Executive Director of TheWorks.co.uk plc since the IPO in July 2018.

Current external appointments
None.



Rosie Fordham
Chief Financial Officer

Date of appointment
January 2024

Committee membership
None.

- Relevant skills and experience**
- Significant commercial and financial experience in PLCs. Previously worked at Spirit Pub Company and National Grid, holding senior roles with responsibility for defining and directing financial and commercial reporting, business planning and financial control and risk.
 - Chartered Accountant, having started her career at PwC where she spent five years working in the audit and tax departments.
 - Joined The Works in March 2019. Worked as both Head of Finance and Interim Chief Financial Officer before being promoted to Chief Financial Officer and joining the Board in December 2023.

Current external appointments
None.



Harry Morley

Senior Independent Non-Executive Director



Date of appointment

July 2018

Committee membership

Chair of the Audit and Risk Committee and member of the Nomination and Remuneration Committees.

Relevant skills and experience

- Extensive retail and consumer experience, including as co-founder of Tragus Holdings Ltd, owner of Café Rouge and Bella Italia restaurant chains and a Non-Executive Director of Bibendum Wine Holdings Ltd.
- Significant financial and commercial expertise as Chief Financial Officer of Tragus Holdings Ltd and CEO of Armajaro Asset Management LLP. He also held senior management roles at P&O.
- Chartered Accountant.

Current external appointments

Non-Executive Director and Chair of the Audit Committee at JD Wetherspoon plc, a Trustee of the Ascot Authority and Chairman and a Non-Executive Director of Schroder UK Mid Cap Fund plc. Director of Cadogan Group Limited and related companies.



Simon Hathway

Independent Non-Executive Director



Date of appointment

November 2024

Committee membership

Chair of the Remuneration Committee and member of the Audit and Risk and Nomination Committees.

Relevant skills and experience

- Over 27 years' experience in international retail across the UK, Europe and Asia.
- A highly experienced value retail executive and adviser, having spent the last 17 years within the discount sector.
- Has held senior positions at prominent value retailers, most recently between 2013 and 2018 as Buying Director and Commercial Director with Action Holding BV, one of Europe's fastest growing non-food discount retailers, and, prior to that, Wilko, where he held several key Operating Board positions.
- Since 2018, has worked as a self-employed Retail Adviser, Consultant and Non-Executive Director, specialising in the value retail sector.

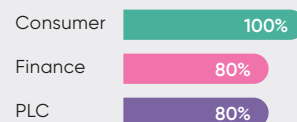
Current external appointments

Retained Senior Adviser to JJA, Europe's leading supplier of homeware products, and Non-Executive Chair of Rove, a SaaS start-up helping consumer brands to expand internationally.

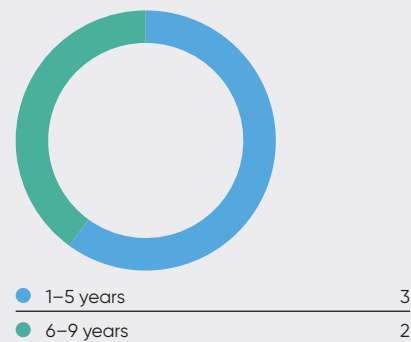
Committee membership

- A** Audit & Risk Committee
- N** Nomination Committee
- R** Remuneration Committee
- Chair of Committee**

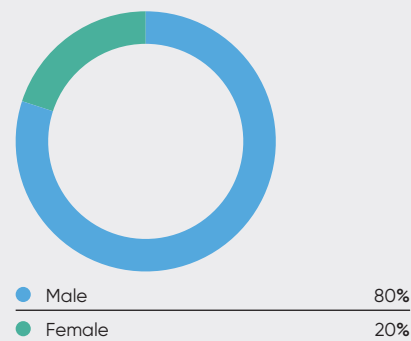
Experience



Tenure



Gender



The Board is committed to high standards of Corporate Governance



Dear shareholder

I am pleased to present our Corporate governance statement for the 52-week period ended 4 May 2025.

As Chair of the Board, I am responsible for ensuring that the Company has corporate governance arrangements in place which are appropriate for the size and complexity of the Company and that these arrangements are followed in practice. The Board is committed to high standards of corporate governance and an effective governance framework that continues to enable the Board to act effectively and efficiently in the interests of our shareholders and other stakeholders.

The Company has followed the 2023 version of the QCA Code on Corporate Governance (the QCA Code) and the following report describes how we have applied the principles of the QCA Code during the period.

The composition of our Board has changed significantly during FY25. I succeeded Carolyn Bradley as Non-Executive Chair on 15 July 2024 (as reported in last year's Annual Report). John Goold and Mark Kirkland stepped down as Non-Executive Directors on 1 October 2024 and Catherine Glickman did not seek re-election as a Non-Executive Director at our AGM on 31 October 2024. We were delighted that Simon Hathway joined the Board as an independent Non-Executive Director and Chair of our Remuneration Committee on 1 November 2025 and we are already benefiting from his significant value retail experience. Since the period end, and as part of our broader Board succession planning, Harry Morley has indicated his intention to step down as a Non-Executive Director and Audit & Risk Committee Chair at our 2025 AGM. A search for his successor is underway.

We have met the QCA Code's minimum requirement of at least two independent Non-Executive Directors throughout FY25, with the independent Non-Executive Directors (including me as Chair as I was independent on my appointment) comprising more than half of the Board from 1 October 2024 when John Goold and Mark Kirkland stepped down.

A significant portion of the Board's time during the year was spent on the development and approval of the new strategy announced alongside our interim results in January 2025. Several strategy planning discussions were held prior to an in-depth Board strategy day in November 2024, providing the Non-Executive Directors the opportunity to review and challenge management's proposals in a constructive and iterative process.

The Board was also closely involved in monitoring the impact of online fulfilment issues over our peak trading period leading to the approval of a new third-party provider. The new fulfilment facility is expected to be operational prior to the FY26 peak period. It is expected to deliver cost savings in FY26 and beyond and, most importantly, to provide a higher standard of service to our customers.

We have an established programme of regular updates and deep dives into particular areas of the business at Board meetings, typically delivered by the relevant Operating Board Director and supported by other members of their senior management team. Not only does this deepen the Board's understanding of the relevant topic (including key projects, risks and challenges) but also provides a valuable succession planning and development tool by increasing the exposure and accountability of senior managers to the Board.

2023 QCA Code

The Board has applied the principles of the 2023 QCA Code during the 52-week period ended 4 May 2025. Further details of how we comply with the 2023 QCA Code are set out in the table below.

2023 QCA Code principle	Our application	Further information
Principle 1: Establish a purpose, strategy and business model which promote long-term value for shareholders.	The Board has collective responsibility for setting the Company's purpose, strategic aims and objectives. The Board continually monitors progress against strategy, with regular updates on progress against strategic pillars (and underlying workstreams) provided through the CEO's report to each Board meeting. There is also an annual Board strategy session, and mid-year reviews.	Our purpose, strategy and business model are described in the Strategic report on pages 2 and 3, and 12 and 13.
Principle 2: Promote a corporate culture that is based on ethical values and behaviours.	The Board recognises that the Company's culture underpins its long-term success. Accordingly, assessing and monitoring the culture that is fostered across the Group forms part of the Board's activity schedule. This assessment is conducted through a combination of reviews of the output of our regular employee engagement surveys, updates from the Chief People Officer through our programme of Operating Board members' 'deep-dive' presentations to the Board, formal reporting on people related statistics in the monthly Board pack, and Board members' own interactions with colleagues across the Group (including through Board or individual Director site visits). The Board also regularly reviews workplace policies and practices to ensure these are aligned to the desired culture and are operating effectively.	Our values are set out in the Strategic report on page 2. More information on our culture is set out in the Our stakeholders section of the Annual Report on pages 22 and 23.
Principle 3: Seek to understand and meet shareholder needs and expectations.	The Board recognises the importance of explaining financial results and key strategic and operational developments in the business to the Company's shareholders, and of understanding any shareholder concerns. Regular contact is maintained with major shareholders, and the Board is committed to communicating openly with shareholders through RNS announcements, and presentations to analysts, private investors and institutional investors.	Our approach to engaging with shareholders is set out in the Our Stakeholders section on pages 22 and 23, and in the Corporate governance statement on page 46.
Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success.	The Board recognises the importance of regular engagement with our stakeholders in order to understand and consider their views. We consider our key stakeholders to be our shareholders, employees, customers, suppliers and community. In line with its duties under S172 of the Companies Act 2006, the Board ensures that the interests of stakeholder groups are at the front of mind in its decision-making process.	Our approach to wider stakeholder interests is set out in the S172 statement and ESG statement on pages 24 to 29.
Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation.	The Board has ultimate responsibility for the systems of internal control and risk management. Responsibility has been delegated to the Audit & Risk Committee to monitor and review the internal control and risk management systems and their effectiveness. The Board and Audit & Risk Committee regularly review the corporate risk register, and through this review establish the overall appetite for risk and the appropriateness and effectiveness of mitigations in place.	The Group's principal risks and uncertainties are set out on pages 36 to 41. Further information on the Group's systems of risk management and internal control are set out in the Audit & Risk Committee report on page 52. Climate-related risks and governance are set out in the TCFD statement on pages 30 to 33.
Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the Chair.	The Board comprises an appropriate balance of independent and Non-Executive Directors, with a good breadth of background, skills and experience which supports its effective operation. Composition and effectiveness of the Board and its Committees are reviewed annually.	More information on the structure of the Board, its roles and responsibilities and its activity during the year is set out in the Corporate governance statement on pages 44 to 49.

2023 QCA Code continued

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities.	The Board is satisfied that the governance framework, delegated authorities and processes and controls are fit for purpose and appropriate in supporting sound decision making and in promoting our long-term success. The current Board has a good breadth of sector, financial and PLC experience.	The Group's governance structure is set out on page 49. Details of Directors' skills and experience are set out in their biographies on pages 42 and 43, and our approach to training and development is described in the Corporate governance statement on page 48.
Principle 8: Evaluate Board performance based on clear and relevant objectives seeking continuous improvement.	Board and Committee performance is evaluated annually, with an internally facilitated, questionnaire-based evaluation conducted in FY25.	Details of the FY25 Board evaluation process and outcomes are set out in the Corporate governance statement on page 49.
Principle 9: Establish a Remuneration Policy which is supportive of long-term value creation and the Company's purpose, strategy and culture.	The Company's Remuneration Policy is designed to incentivise executive performance and align their interests with shareholders. Both our annual Remuneration report and the Directors' Remuneration Policy are being submitted to shareholders for advisory votes at the 2025 AGM.	More details on our Remuneration Policy and how it has been applied in FY25 are set out in the Directors' remuneration report on pages 55 to 66.
Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholder.	The Board's approach to engaging with shareholders and other stakeholders is described throughout this Annual Report, and in particular in the Our stakeholders and Section 172 statements.	Details on how we communicate how the Company is governed and is performing are shown in Our stakeholders – pages 22 and 23. Section 172 statement – page 24.

Further information on the Group's compliance with the QCA Code can be found on the Company's website, www.corporate.theworks.co.uk, on the AIM rule 26 page.

An internal Board evaluation process was conducted immediately following the financial period end. The output confirmed that the Board and its Committees are operating effectively and reflect particularly positively on the Board's process in support of the development of the new strategy. No material areas of concern were identified but feedback highlighted the need for continued focus on Board, and particularly executive, succession planning and development, as well as a continued focus on employee engagement and monitoring of culture across the business.

Shareholder and stakeholder engagement

Ensuring a satisfactory dialogue with shareholders and receiving reports on the views of shareholders are matters reserved for the Board. Day-to-day responsibility for investor relations is delegated to the CEO and the CFO, who are supported by the Company's retained financial PR advisers and Singer Capital Markets (the Company's Nominated Adviser (Nomad) and corporate broker). As part of its investor relations programme, the Group aims to maintain a dialogue with its shareholders, including institutional investors, to discuss issues relating to the performance of the Group. Information and investor news is also made available via the Company's website (<https://corporate.theworks.co.uk/investors>).

I also engaged directly with our largest shareholders following my appointment in July 2024 in order to build relationships with them and to ensure my (and the wider Board's) understanding of the key areas of concern for those shareholders. I continue to maintain contact with the Company's larger shareholders and am available to all shareholders.

Investor relations is a regular item on the Board's agenda. The Executive Directors and I provide feedback directly to the Board on key matters arising in our meetings with shareholders, ensuring that all Directors are aware of shareholder views. These matters are discussed and assessed by the Board before deciding on whether any further action or engagement is required. Singer Capital Markets also presented updates to the Board on a number of occasions during FY25 including feedback it received from shareholders and potential investors following our full-year and interim results roadshows.

The Company's AGM provides a further opportunity for all shareholders to engage directly with the Board. The Company's 2025 AGM will take place at 2.00pm on 8 September 2025 at the offices of Squire Patton Boggs (UK) LLP at 60 London Wall, London, EC2M 5TQ. This Annual Report and financial statements and Notice of the AGM will be made available to shareholders in accordance with the required notice periods.

Our commitment to 'Doing Business Better' underpins our strategic drivers including our approach to our people. The Board is acutely aware that the quality of our people is key to the success of the business and of the importance of providing an environment and employee practices which create and support a culture of success. As noted under principle 2 above, we have a strong employee culture and engagement approach as evidenced through our consistently high scores in employee engagement surveys.

The Group has a whistleblowing policy which sets out the formal process by which an employee of the Group may, in confidence,

raise concerns about possible improprieties in financial reporting or other matters. No such concerns were raised under the whistleblowing policy during FY25.

The plc Board

Composition and independence

The Board is currently comprised of a Non-Executive Chair (independent on appointment), two independent Non-Executive Directors and two Executive Directors (as set out in the table below) and, therefore, more than half of the Board is independent. There are no current plans to increase the size of the Board and, therefore, this independence will be maintained with the appointment of a new independent Non-Executive Director to succeed Harry Morley as Audit & Risk Committee Chair.

Independent Directors	Non-independent Directors
• Steve Bellamy (Chair) • Simon Hathway (Non-Executive Director and Remuneration Committee Chair) • Harry Morley (Senior Independent Director and Audit & Risk Committee Chair)	• Gavin Peck (CEO) • Rosie Fordham (CFO)

In accordance with the Companies Act 2006 and the Company's Articles of Association, each of the Directors has a duty to avoid a situation where they have, or might have, a direct or indirect interest that conflicts, or potentially may conflict, with the Company's interests. The Company has established procedures for the disclosure by Directors of any such conflicts for the Board to consider and, if appropriate, authorise. If such a conflict exists, the relevant Director is excused from consideration of the relevant matter. The additional external appointments of each Director are recorded and reviewed at least annually. The Board is satisfied that the independence of Directors who have additional external responsibilities is not compromised.

Roles and division of responsibilities

Other than in relation to the change of Remuneration Committee Chair, there have been no changes to the roles and responsibilities of the members of the Board during the year. As previously reported, there is a clear division of responsibilities between the Chair and the CEO with the Chair's primary role being to lead the Board and ensure its independence and effectiveness and the CEO's primary role being the day-to-day execution of the Board's agreed strategy and the management and leadership of the Company.

The Company Secretary supports the Board and each of the three Board Committees and attends all meetings. The Company Secretary is available to all Directors to advise on company law, governance and best practice, whilst assisting the Board in ensuring that the correct policies, processes and information are tabled for discussion, noting or approval at the correct point in time throughout the year.

How the Board operates

The Board has an adopted formal schedule of activity which is updated on a rolling basis. This ensures that the Board receives appropriate information at the appropriate time and that all key operational, financial reporting and governance matters are regularly discussed during the year. In addition to standing items, agendas incorporate sufficient flexibility to allow specific areas of focus to be considered as and when required and for store or Distribution Centre visits to be incorporated into the annual meeting activity. The schedule includes regular 'deep-dive' presentations from Operating Board members on specific areas of their responsibility, which increase the Non-Executive Directors' understanding of key operational initiatives and challenges and provide the opportunity for senior executives to meet and discuss their areas of responsibility with the Board.

Historically, the Board met formally up to ten times per year. During FY25 the Board agreed to reduce the frequency of its meetings

to seven per year to ensure the Board focuses on key matters at the appropriate time in the Company's calendar and to improve efficiency whilst reducing the reporting requirements of the Executive Directors, thereby allowing them more time to focus on executing the agreed strategy and the day-to-day running of the business.

A Board pack is circulated each month that includes summary reports from the CEO and CFO and covers progress against strategic and operational KPIs and underlying supporting data and metrics. The Company Secretary also prepares a standard format report for each Board meeting to ensure the Board is kept up to date on recent and upcoming announcements, share dealing requests, and statutory or regulatory filings and regulatory or legislative developments which may impact the Company. Separate papers are prepared to support any specific matters requiring Board decision or approval or to provide updates on key projects or actions raised at previous meetings.

The Non-Executive Directors provide ongoing feedback to the CEO and CFO on the content of papers to ensure they continue to support effective debate and decision making by the Board.

All Directors have direct access to the Operating Board members and other senior managers should they require additional information on any of the items to be discussed at Board meetings. The Board and the Audit & Risk Committee also receive regular and specific reports to enable monitoring of the effectiveness of the Company's system of internal controls, including a dashboard derived from the Risk and Controls Matrix which summarises management's quarterly assessment of control effectiveness.

Minutes of all Board and Committee meetings are taken by the Company Secretary and circulated to Directors for review as soon as practicable following the meetings and approved at the subsequent meeting. Specific actions arising from meetings are recorded both in the minutes and on separate action logs, thereby facilitating the effective communication of actions to those responsible and allowing the Board to monitor progress.

Board activity during FY25

During FY25 there were seven scheduled Board meetings, with additional Board calls focused on trading performance (including the online fulfilment issues over the peak trading period) and the development of the revised strategy. Individual Director attendance at the seven scheduled Board meetings, and Committee meetings where they are or were a member, during FY25 is set out in the table below:

Director	Board meetings attended/eligible to attend	Audit & Risk Committee meetings attended/eligible to attend	Remuneration Committee meetings attended/eligible to attend	Nomination Committee meetings attended/eligible to attend
Steve Bellamy	6/6	3/3	2/2	4/4
Gavin Peck	7/7	N/A	N/A	N/A
Rosie Fordham	7/7	N/A	N/A	N/A
Simon Hathway	4/4	2/2	1/1	1/1
Harry Morley	7/7	4/4	2/2	4/4
<i>Former Directors</i>				
Carolyn Bradley	0/1	N/A	N/A	N/A
Catherine Glickman	3/3	1/1	1/1	3/3
John Goold	2/3	N/A	N/A	N/A
Mark Kirkland	2/3	N/A	N/A	N/A

In addition to the formal meetings, Board meetings have also included store set up and range reviews in our 'Mock Shop' located in the Boldmere House head office.

The plc Board continued

Board activity during FY25 continued

All Directors are expected to attend all meetings of the Board and any Committees of which they are members and to devote sufficient time to the Company's affairs to fulfil their duties as Directors. The Non-Executive Directors' letters of appointment anticipate that each Non-Executive Director will need to commit a minimum of two days per month to the Company but clarify that more time may be required. The Non-Executive Directors are expected to commit appropriate preparation time ahead of each meeting.

Where Directors are unable to attend a meeting, they are encouraged to submit any comments on papers or matters to be discussed to the Chair in advance to ensure that their views are recorded and taken into account during the meeting.

Appointment and election

The Board considers all Directors to be effective and committed to their roles and to have sufficient time to perform their duties. In accordance with the Company's Articles of Association (the Articles), all members of the Board, other than Harry Morley who will be stepping down from the Board, will be offering themselves for reappointment at the Company's AGM on 9 September 2025.

All of the Directors have service agreements or letters of appointment, and the details of their terms are set out below.

Executive Director service contracts

Name	Position	Date of service agreement	Notice period by Company (months)	Notice period by Director (months)
Gavin Peck	CEO	19 July 2018	12	12
Rosie Fordham	CFO	1 January 2024	6	6

The Non-Executive Directors (including the Chair) do not have service contracts but instead have letters of appointment. Each of the Non-Executive Directors and the Chair are appointed for an initial three-year term subject to their annual reappointment by shareholders at the AGM.

Non-Executive Director appointments

Name	Date of appointment	Appointment letter commencement date	Unexpired term as at 8 September 2025
Steve Bellamy	15 July 2024	15 July 2024	23 months
Simon Hathway	1 November 2024	1 November 2024	26 months
Harry Morley	19 July 2018	26 July 2022	0 months

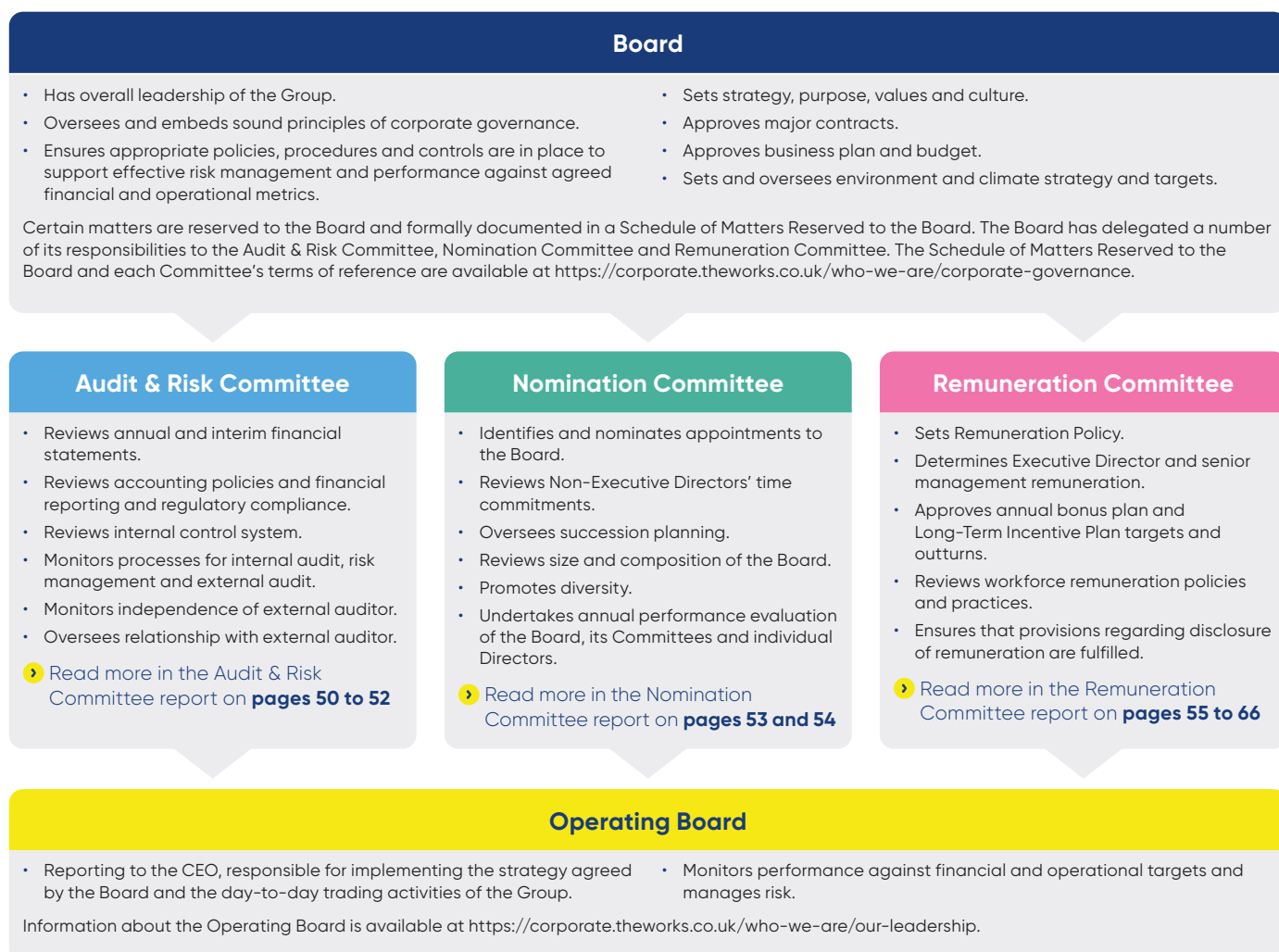
Training and development

The efficient and effective operation of the Board depends on individual Directors, in particular the Non-Executive Directors, contributing and sharing their broad business knowledge and experience. Ensuring that all Directors have an in-depth understanding of the Company's own operations is an important element in the Company benefiting from that experience. We seek to support this understanding through the detailed materials circulated in advance of Board meetings, as well as collective and individual Director site visits or days out in stores, which are usually accompanied by different members of the Operating Board.

We also expect Directors to keep themselves up to date on developments in regulation and corporate governance best practice. As highlighted above, the Company Secretary ensures that the Board is briefed on forthcoming legal and regulatory developments and Directors are encouraged to attend externally facilitated seminars, webinars and workshops to develop their knowledge and experience, in particular in areas relevant to their role within the business.

Governance framework

The Group's governance structure is set out in the diagram below and has not changed during the year:



Board evaluation

The performance of the Board and its Committees was evaluated through an internal process in FY25 which was conducted by way of a detailed questionnaire completed by the Directors. The questionnaire provided the opportunity for free form qualitative comments to be provided to support discussion.

The results of the evaluation were summarised by the Company Secretary and discussed by the Board following the financial period end. Overall, the evaluation exercise found that the Board had operated efficiently and effectively during the year, with the appropriate level of support and constructive challenge provided to management. Areas identified for discussion included:

- Focus on executive and senior management succession planning, with work underway and to be presented to the Nomination Committee in FY26.
- Continuing to ensure that appropriate metrics for monitoring culture are reported to the Board (including the output from employee engagement surveys).

Progress made in addressing some of the focus areas identified in the FY24 evaluation process is summarised opposite:

Actions	Progress in FY25
Consider how the Board receives assurance over the effectiveness of internal controls (with further consideration required around a potential internal audit function)	Improved processes in the documentation and testing of controls implemented. Risk and Controls Matrix and outcome of quarterly controls testing reported to the Audit & Risk Committee regularly. Agreed that an internal audit function was not necessary or appropriate at this time but to be kept under review.
Ensure diversity factors and appropriate industry experience are reflected in the succession planning processes for the Board and senior management	Value retail experience was a key factor in the search process leading to the appointment of Simon Hathway as a Non-Executive Director. Diversity factors are considered as part of the Board and senior management succession planning discussions.

Steve Bellamy
Chair
22 July 2025



Members

- **Harry Morley (Chair)**
- Steve Bellamy
- Simon Hathway

Number of meetings held in the year:
4

Committee’s role and responsibilities

- Reviews the annual financial statements, including accounting estimates and judgements.
- Assists the Board with the discharge of its responsibilities in relation to the external audit including audit scope, external auditor appointment and the extent of non-audit work undertaken by the external auditor.
- Reviews the effectiveness of the Group’s internal control and risk management systems.
- Monitors the Group’s internal audit arrangements.

Terms of reference:
Available at <https://corporate.theworks.co.uk/who-we-are/corporate-governance>

Dear shareholder

I am pleased to present the Audit & Risk Committee’s report for the 52-week period ended 4 May 2025. The report sets out the Committee’s work in relation to financial reporting, internal control and audit, risk management and oversight of the external audit process.

Composition of Committee, role and main activities in FY25

The Committee’s members, role and main activities are detailed in the adjacent panel. The composition of the Committee has changed during the year, with Steve Bellamy and Simon Hathway becoming members on their appointment to the Board and Catherine Glickman stepping down when she left the Board at the end of October 2024.

Given both Steve and I are qualified accountants with executive backgrounds in finance roles and as Audit & Risk Committee chairs in other businesses, and Simon has significant knowledge and experience in the retail sector, the Board is satisfied that the Committee composition is such that it understands the risks facing the business and is able to be robust and challenging in its review of the Company’s financial position and performance.

Activity during the year

The Committee met on four occasions during the year, and has met once since the year end. All meetings were attended by all members of the Committee as shown in the table on page 47.

The external auditor has the right to attend meetings, and Executive Directors typically attend each meeting by invitation. Other members of the management team may also attend meetings by invitation from time to time.

Outside of the formal meeting programme, the Audit & Risk Committee Chair maintains a dialogue with key individuals involved in the Company’s governance, including the Chair, the CEO, the CFO and the external auditor. At least twice per year, the Committee also meets the external auditor without members of the management team present.

The Committee's activities during the year are set out in the table below.

Audit & Risk Committee activity in FY25

Financial statements and reporting - Reviewed significant accounting estimates and judgements in connection with full-year and half-year financial statements. - Reviewed half-year and full-year financial statements and associated narrative reporting, and recommended their approval by the Board. - Reviewed scenario analysis in support of going concern assessment.	Risk management and internal control systems - Received updates on profit protection, including stock count process. - Reviewed internal financial controls and the Group Risk and Controls Matrix and monitored continued progress against improvement plans. - Reviewed delegated authorities. - Reviewed and challenged risk register, principal risks facing the business, and process for identifying emerging risks. - Considered assurance over internal controls (including annual review of internal audit requirement).
External audit relationship - Received and reviewed FY25 audit plan and strategy. - Reviewed effectiveness of FY24 audit process. - Agreed audit fees. - Recommended reappointment of Kreston Reeves LLP at 2025 AGM.	Governance and other matters - Approved FY25 tax strategy. - Reviewed payment practices reporting and performance against supplier payment terms. - Reviewed Audit & Risk Committee terms of reference.

Significant issues considered in relation to the financial statements

Significant issues and accounting judgements are identified by the finance team and through the external audit process and are reviewed by the Audit & Risk Committee. The significant issues considered by the Committee in respect of the 52-week period ended 4 May 2025 are set out in the table below.

Significant issues and judgements	How the issues were addressed
Going concern	The Committee considered the appropriateness of applying the going concern convention in the preparation of the financial statements, particularly in light of the emphasis of matter that was included in the FY24 financial statements. The Group performed a detailed strategic review during the second half of FY25 and produced a five-year plan to support the new strategy. This plan is referred to as the 'Base Case' and was used to prepare the cash flow forecasts for the going concern assessment period. The Committee spent time during the period reviewing and challenging the assumptions within the five-year plan and concluded that it was comfortable that these were a fair basis upon which to review the going concern position of the Group. Furthermore, a 'severe, but plausible' Downside Case' sensitivity was prepared to support the conclusion to prepare the financial statements on a going concern basis.
Impairment of property, plant and equipment, right-of-use assets and intangibles	The Committee considered the approach taken to calculating the value in use estimate used in assessing the impairment of store fixed assets and the IFRS 16 right-of-use asset. These utilise detailed cash flow forecasts which also form the basis for the going concern review. Having reviewed the models prepared by management, the Committee is satisfied with the impairment adjustments recognised.
Carrying value of Parent Company investments	Judgement is required to assess the carrying value of the investment by the Parent Company in its subsidiary undertakings (primarily The Works Stores Limited) for impairment, which is routinely a key source of estimation uncertainty. The methodology and assumptions are used in estimating the value in use are broadly similar to that used for store impairment, and are based on the same detailed cash flow models as utilised for the going concern review. The Committee reviewed the assessment made by management and concluded that the impairment reversal recognised in the financial period was appropriate.
Existence, completeness and valuation of inventory	As noted in the 'Risk management and internal control' section of the Committee's report, the Committee reviewed the Group's controls around its management of inventory. The Committee regularly reviews management's approach to inventory stock counts. In FY25, all stores were counted towards the end of the period providing assurance over the existence and completeness of inventory. The Committee also reviewed management's methodology for inventory provisions and concluded that it is satisfied with the accounting treatment of the valuation of inventory.

External auditor

The Audit & Risk Committee oversees the relationship with the external auditor to ensure that independence and objectivity are maintained. This includes monitoring the tenure of the external auditor and audit partner, and the nature and extent of any non-audit services that the external auditor is engaged to provide. Kreston Reeves LLP was appointed as the Company's external auditor in April 2024.

Audit process

At the outset of the audit process, the auditor presents a detailed audit plan to the Committee, identifying its assessment of the key audit matters, intended areas of focus and the audit approach. The audit plan also sets out the scope of the audit, materiality thresholds and the audit timetable.

The Committee is satisfied with Kreston Reeves LLP's performance in relation to the FY25 audit and has recommended to the Board that a resolution to reappoint them as auditor be proposed at the 2025 AGM.

External auditor continued

Non-audit services

The Audit & Risk Committee is responsible for keeping the nature and extent of non-audit services provided by the external auditor under review to ensure that any non-audit services are approved in accordance with the agreed policy. In reviewing requests for non-audit services, the Committee assesses:

- Whether the provision of such services impairs the auditor's independence or objectivity and any safeguards in place to eliminate or reduce such threats.
- The nature of the non-audit services.
- Whether the skills and experience make the auditor the most suitable supplier of the non-audit service.
- The fee to be incurred for non-audit services, both for individual non-audit services and in aggregate, relative to the Group audit fee.
- The criteria which govern the compensation of the individuals performing the audit.

No non-audit services were carried out by Kreston Reeves during FY25. Note 6 to the consolidated financial statements includes disclosure of the auditor's remuneration for the year, including an analysis of audit services and audit related services.

Risk management and internal control

The Board has overall responsibility for maintaining sound internal control and risk management systems and has delegated responsibility to monitor their effectiveness to the Committee. During the year, the Committee has discharged this responsibility through regular reviews of the Group's risk register (and challenging management on the classification of risks and effectiveness of mitigations), as well as specific and detailed updates on profit protection and supply chain risks.

The Group's system of internal control comprises entity-wide high-level controls, controls over business processes and store-level controls. Policies and procedures and defined levels of delegated authority have been approved and communicated across the Group, and include an internal control framework, corporate risk register, business continuity plan and IT system policies. These are supplemented by other policies and procedures which are communicated to colleagues through the employee handbook. Key controls are documented in the Group's Risk and Controls Matrix (RACM) which is regularly presented to and challenged by the Committee.

Management has identified the key operational and financial processes which exist and implemented internal controls over these processes in addition to the higher-level review and authorisation-based controls. These policies are designed to ensure the accuracy and reliability of financial reporting and govern the preparation of the financial statements. The key financial controls are reviewed by management on a quarterly basis with an assessment of their effectiveness presented to the Audit & Risk Committee as part of its regular oversight of the RACM. This assessment includes identification of any required improvements and an action plan setting out how those improvements will be implemented.

The Committee is satisfied that the internal controls and risk management systems, including processes to identify and improve such systems and controls where necessary, continue to operate effectively.

Internal audit

The Group does not currently have an internal audit function. The Committee continuously reviews the Group's control framework and the extent to which it received assurance over the effectiveness of those controls. The Committee has supported management's focus in recent years on improving the control environment (including the development of the Risk and Controls Matrix and improved controls documentation) and is satisfied that it has been able to gain sufficient assurance over controls effectiveness through regular management reporting. The Committee (and management) retain the aspiration to establish a value additive internal audit function at the appropriate time.

Performance evaluation

The evaluation of the performance of the Committee was conducted as part of the broader Board evaluation process set out on page 49 of this Annual Report. I am pleased to report that feedback relating to the Committee was positive, indicating that the Committee continues to operate effectively.

Harry Morley

Chair of the Audit & Risk Committee
22 July 2025



Members

- **Steve Bellamy (Chair)**
- Simon Hathway
- Harry Morley

Number of meetings held in the year:
4

Committee’s role and responsibilities

- Oversees succession planning.
- Identifies and nominates appointments to the Board.
- Reviews Non-Executive Directors’ time commitments.
- Reviews size and composition of the Board.
- Promotes diversity.

Main activities in FY25

- Non-Executive Director recruitment.
- Succession planning at Board and senior management level.
- Diversity.

Terms of reference:
Available at <https://corporate.theworks.co.uk/who-we-are/corporate-governance>

Dear shareholder

I am pleased to present the Nomination Committee’s report for the 52-week period ended 4 May 2025. This report summarises the work of the Nomination Committee during the year.

Composition of Committee, role and main activities in FY25

The Committee’s members, role and main activities are detailed in the adjacent panel.

Meetings and attendees

The Committee met four times during the year. All meetings were attended by all members of the Committee as shown in the table on page 47.

Only members of the Committee have the right to attend meetings, but the CEO and Chief People Officer are typically invited to attend at least part of some meetings, particularly when executive succession planning and other workforce related matters are being discussed. Other Directors, executives or advisers may be invited to attend all or part of any meeting as appropriate.

Board appointments

As reported last year, in line with our agreed Board succession plans, Catherine Glickman did not seek re-election by shareholders at our 2024 AGM. The Committee agreed that value retail experience was a key criterion for Catherine’s successor and engaged Nurole to assist with the search for a new Non-Executive Director and Remuneration Committee Chair. A longlist of candidates provided by Nurole was reviewed by Steve Bellamy and Gavin Peck who then interviewed four shortlisted candidates and identified a preferred candidate for interviews with the other members of the Nomination Committee. Further to those interviews, the Committee unanimously recommended to the Board that Simon Hathway be appointed as a Non-Executive Director and Chair of the Remuneration Committee with effect from 1 November 2024.

Harry Morley has indicated that he will step down as a Non-Executive Director and Audit & Risk Committee Chair at our 2025 AGM. A search for his successor, again supported by Nurole, has commenced and further updates will be provided as appropriate.



Diversity and inclusion (D&I)

The Committee is responsible for monitoring compliance with the objectives of the Board Diversity Policy (the D&I Policy). The Committee reviewed the D&I Policy during the year and is comfortable that it remains appropriate.

Although we are no longer required to formally report against the gender diversity targets under the Listing Rules, our D&I Policy sets out that search firms will be encouraged to produce long-lists including women, people from ethnic minority backgrounds and other under-represented groups from a diversity of backgrounds, with the skills and experience required for the specific role being recruited. This has been reflected in the brief to Nurole in the search for Harry Morley's successor, and subject to candidates having the appropriate skills and experience.

The current balance of gender on our Board is 20% female, 80% male. The senior management of the business (Board and Operating Board) comprises 37.5% female and 62.5% male.

Other matters considered

At its meeting in April 2025 the Committee conducted its annual review of the size, structure and composition of the Board, the independence of the Non-Executive Directors, and Non-Executive Director time commitments. The Committee concluded that the size, structure and composition of the Board and its Committees remain appropriate taking into account the size and cost structure of the business, and that the Board's balance of skills and experience is appropriate and supports effective debate and decision making.

The Board is therefore satisfied that there are no factors impacting the independence of Steve Bellamy, Harry Morley and Simon Hathway and that they remain independent in thought and judgement.

All of the Non-Executive Directors have confirmed that they continue to be able to devote sufficient time to fulfil their roles as Directors of the Company.

Performance evaluation

The evaluation of the Committee's performance in 2025 was conducted as part of the wider Board evaluation process described on page 49.

Steve Bellamy

Chair of the Nomination Committee
22 July 2025





Members

- **Simon Hathway (Chair)**
- Steve Bellamy
- Harry Morley

Committee's role

- Sets Remuneration Policy.
- Determines Executive Director and senior management remuneration.
- Approves annual bonus and LTIP targets.
- Reviews workforce remuneration policies and practices.

Main activities during FY25

- Approved LTIP awards and targets.
- Monitored annual bonus targets and outturn.
- Reviewed Executive Director salaries.
- Reviewed wider workforce pay and benefits.

Dear shareholder

I am pleased to present our Directors' remuneration report for the 52-week period ended 4 May 2025. This is my first report since appointment as Chair of the Remuneration Committee on 1 November and I would like to thank my predecessor Catherine Glickman on behalf of the Committee, for her contribution in FY25 and prior periods.

FY25 remuneration in the context of our business performance

As detailed in the Strategic report, the Group delivered performance ahead of market expectations for FY25, with total LFL sales growth of 0.8% and Adjusted EBITDA of £9.5m.

The FY25 bonus opportunity for Gavin Peck and Rosie Fordham was up to a maximum of 100% of salary, with 80% of the award based on stretching EBITDA targets and the remaining 20% based on performance against strategic objectives. EBITDA of £9.5m was achieved resulting in bonuses being earned of 32% of salary in respect of the EBITDA element. Following a robust assessment of the achievements against the strategic objectives, the Committee agreed a bonus outcome for Gavin Peck and Rosie Fordham of 9% of salary and 6% of salary respectively in respect of the strategic element. Gavin and Rosie therefore earned a bonus equal to 41% of salary and 38% of salary respectively.

Gavin Peck was granted a Long-Term Incentive Plan (LTIP) award in November 2022 which vested by reference to equally weighted earnings (pre-IFRS 16 EBITDA) and share price performance targets over the three financial years ending with FY25. Details of the targets are set out on page 58. The threshold level of earnings performance was not met and therefore no element of the award subject to the earnings measure vested. The share price performance target was achieved in part resulting in the award vesting at 11.6% of maximum. The vested award remains subject to a further two-year holding period before it can be exercised.

In line with good practice, these incentive outcomes were reviewed in the context of overall business performance over FY25 (as regards the bonuses) and the three-year performance period (in relation to Gavin Peck's LTIP award). The Committee considered that the level of vesting was appropriate given overall performance and did not exercise discretion to adjust the outturns.

Remuneration across the business

The Committee continues to make decisions on remuneration for the Executive Directors in the context of decisions for colleagues across the Group.

For FY26, salaries for colleagues in retail have increased in line with the National Minimum Wage and National Living Wage, with further investment in the management grades to maintain appropriate differentials. Salaries for Distribution Centre and Support Centre roles increased in line with the National Minimum and Living Wage where relevant with further investment in certain grades to maintain appropriate differentials, and outside of that a standard increase of 2% was applied. As a result, the average increase across retail management, all National Minimum and National Living Wage increases and the Support Centre team was 7.3%.

Approach to remuneration for FY26

Our approach to Directors' remuneration in respect of FY26 is summarised on page 60. The Committee approved salary increases of 2% for both Gavin and Rosie and a 2% increase to the Chair's fee from 1 July 2025 with such increases being in line with the standard Company pay review. The Board also agreed a 2% increase to the base Non-Executive Director fee applicable for Harry Morley from 1 May 2025.

The maximum bonus opportunity for both Executive Directors will remain at 100% of base salary, with the weighting between financial and strategic measures slightly amended to 90% of the maximum opportunity being subject to EBITDA (FY25: 80%) performance, and the remaining 10% subject to strategic measures (FY25: 20%). Our intended approach to the grant of LTIP awards to Executive Directors in FY26 is set out on page 63.

Remuneration Policy

Following our move from the London Stock Exchange Main Market to AIM, the Company is no longer subject to the statutory requirement to submit its Directors' Remuneration Policy to shareholders for a binding vote at least every three years. We have however decided, in line with the best practice recommendations of the QCA Code and in recognition that we would have been required to seek shareholder approval for the Remuneration Policy this year, to submit our Remuneration Policy to an advisory vote by shareholders at the 2025 AGM.

The Committee is comfortable that the overall structure of our Remuneration Policy remains appropriate for the business. In recognition of our status as an AIM-quoted company and the fact that we no longer have a requirement to disclose a detailed remuneration policy that applies to companies on the Main Market, it is our intention to conduct a review of the Remuneration Policy during FY26 to identify any areas where we consider it may be appropriate and is the interest of the Company to make changes to the policy.

Dilution limits

The rules of the Company's Long-Term Incentive Plan and Deferred Bonus Plan (DBP) were adopted in connection with the Main Market IPO in 2018 and include dilution limits aligned to the Investment Association (IA) Principles of Remuneration in place at the time. The IA revised its Principles of Remuneration in 2024 to remove the recommendation that shares issued or issuable under a company's discretionary share incentive schemes be limited to 5% of its issued share capital in a rolling ten-year period.

In order to provide more flexibility in settling awards to Executive Directors and senior management, and in line with the updated IA guidance, we are proposing a resolution at the 2025 AGM to amend the LTIP rules to remove the 5% dilution limit. Subject to shareholder approval this will mean that the dilution limits applicable to our share incentive plans are such that the total number of shares issued or issuable in a rolling ten-year period (including under discretionary schemes) is limited to 10% of the Company's issued share capital.

Stakeholder engagement

I would like to thank the Executive Directors, the Operating Board Directors and all our colleagues at The Works for their continued commitment, enthusiasm and hard work during FY25.

Our colleagues are a vital part of our customer experience. By actively listening to our colleagues' needs and providing resources to help them succeed, we ensure our teams feel valued and empowered to grow and develop. We are delighted that we continued to be recognised as one of Best Companies, '25 Best Big Companies to Work For' in FY25.

I am happy to receive any questions or feedback from shareholders at any time, and hope that you will be happy to support the advisory resolutions to approve the Remuneration report and Remuneration Policy, and the resolution to approve the amendment to the LTIP and DBP rules described above, which will be proposed at the 2025 AGM.

Simon Hathway

Chair of the Remuneration Committee
22 July 2025

Implementation report

As an AIM-quoted company following the QCA Code, the Company is not required to have a binding remuneration policy for its Directors. Nonetheless, both the Board and the Remuneration Committee believe that transparency of the policy under which Directors' remuneration is structured is beneficial to shareholders. The report below summarises the implementation of our remuneration policy in FY25 and intended implementation in FY26 and will be proposed for approval on an advisory basis at the forthcoming AGM. This is followed by a table summarising the remuneration policy (the Remuneration Policy) itself which this year will also be proposed for approval on an advisory basis at the AGM. The Remuneration Policy is materially the same as the version approved by shareholders at our 2022 AGM (as amended with shareholder approval in 2023) when the Company was listed on the Main Market of the London Stock Exchange and was required to put its Remuneration Policy to shareholders for a binding vote at least every three years. For reference, 99.9% of the votes cast at the 2022 AGM were in favour of the Remuneration Policy.

Single figure table – audited information

The table below sets out total remuneration in respect of FY25 for each person who served as a Director in that year, along with the corresponding remuneration for FY24:

		Salary and fees ¹ £000	Benefits ² £000	Pension ³ £000	Annual bonus ⁴ £000	Long-term incentive ⁵ £000	Total £000
Executive Directors							
Gavin Peck	FY25	324	11	10	133	23	503
	FY24	324	13	10	–	–	347
Rosie Fordham (appointed 31 December 2023)	FY25	220	10	6	84	–	320
	FY24	60	3	2	–	–	65
Non-Executive Directors							
Steve Bellamy (appointed 15 July 2024)	FY25	83	–	–	N/A	N/A	83
	FY24	–	–	–	N/A	N/A	–
Simon Hathway (appointed 1 November 2024)	FY25	25	–	–	N/A	N/A	25
	FY24	–	–	–	N/A	N/A	–
Harry Morley	FY25	59	–	–	N/A	N/A	59
	FY24	58	–	–	N/A	N/A	58
Carolyn Bradley (stepped down 17 July 2025)	FY25	21	–	–	N/A	N/A	21
	FY24	103	–	–	N/A	N/A	103
Catherine Glickman (stepped down 31 October 2024)	FY25	27	–	–	N/A	N/A	27
	FY24	53	–	–	N/A	N/A	53
John Goold ⁶ (stepped down 1 October 2024)	FY25	6	–	–	N/A	N/A	6
	FY24	–	–	–	N/A	N/A	N/A
Mark Kirkland ⁶ (stepped down 1 October 2024)	FY25	6	–	–	N/A	N/A	6
	FY24	–	–	–	N/A	N/A	N/A

1 **Salary and fees:** The amount of salary/fees earned in respect of the year.

2 **Benefits:** The taxable value of benefits received in the year; these are principally private medical insurance and car or car allowance. For the Executive Directors the benefits figures include SAYE options granted in the relevant period where applicable, valued as the aggregate discount of the exercise price from the share price used to determine the exercise price.

3 **Pension:** The pension figure represents the cash value of pension contributions for the Executive Director to the defined contribution pension arrangement and any cash payments in lieu of pension contributions made in the year.

4 **Annual bonus:** The cash value of the bonus earned in respect of the financial year. Details in relation to the bonuses earned for FY25 are set out below. No bonuses were earned by the Executive Directors in respect of FY24.

5 **Long-term incentives:** Gavin Peck was granted an LTIP award in November 2022 which vested by reference to pre-IFRS 16 EBITDA and share price performance conditions over the three financial years ending with FY25. Details of the performance target and the vesting outcome are set out below. In the single figure table, the value of the LTIP is calculated by reference to a share price of £0.21 being the three-month average share price to the end of FY25.

6 John Goold and Mark Kirkland did not receive any remuneration in respect of their appointment as Non-Executive Directors. Instead, the Company paid Kelso Limited (a subsidiary of Kelso Group Holdings plc) an aggregate fee of £50k per annum up to the date they ceased to be Directors.

Annual incentive plan – audited information

Each Executive Director was eligible to earn a bonus in respect of FY25 of up to 100% of salary. 80% of the award was based on EBITDA targets (required to be achieved after funding of any bonus payments triggered) which were considered to be suitably stretching. As shown in the table below, this element paid out at 40%.

EBITDA element

	Performance (£m)	Vesting (% of maximum for EBITDA element)	Actual performance (£m)	Bonus earned for EBITDA element (% of maximum for EBITDA element)	Bonus earned for EBITDA element (% of salary)
Threshold	8.5	20%			
Maximum	12.5	100%	9.5	40%	32%

Strategic objectives element

The remaining 20% of maximum bonus opportunity was based on performance against key strategic objectives as set out below, with any pay-out in respect of the strategic objectives element being subject to the achievement of the threshold level of EBITDA performance. Strategic objectives for Executive Directors related to development and implementation of the new strategy and continuing to develop both leaders and colleagues. The Committee assessed Gavin Peck and Rosie Fordham's performance against their strategic objectives following the year end. The outturns agreed, and total bonuses earned, are set out in the table below:

	EBITDA element outturn		Strategic objectives outturn		Total bonus	
	% of salary	Value (£000)	% of salary	Value (£000)	% of salary	Value (£000)
Gavin Peck	32%	104	9%	29	41%	133
Rosie Fordham	32%	70	6%	14	38%	84

Long-term incentives

LTIP award vesting

Gavin Peck was granted an LTIP award in the form of nil-cost options over 936,363 shares in November 2022. The award was subject to performance conditions set out below, general and windfall-gain underpins, and a two-year post-vesting holding period.

Measure	Weighting	Threshold (20% vesting)	Maximum (100% vesting)	Actual performance	Vesting %
Pre-IFRS 16 EBITDA	50%	£12.0m	£20.0m	£9.5m	0%
Share price ¹	50%	£0.43	£1.40	£0.47	23.3%

1 Average share price over the period of four weeks beginning with the announcement by the Company of its full-year trading update for its FY25 financial year.

As shown above, the threshold target for the pre-IFRS 16 EBITDA element was not met and therefore the portion of the LTIP award subject to that element has lapsed. The Company's average share price for the four-week period beginning on the first trading day after the announcement of the FY25 trading update on 22 May 2025 was 47 pence, above the threshold vesting level for the share price element, and resulted in that element vesting at 23.3%, and a total vesting to Gavin Peck of 11.6% (109,081 shares).

Long-term incentives – awards granted during FY25 – audited information

LTIP awards were granted on 19 November 2024 to Gavin Peck and Rosie Fordham with values equal to 150% and 100% of their base salaries respectively:

	Type of award	Number of shares	Face value at grant £ ¹	% of award vesting at threshold	Performance period ²
Gavin Peck	LTIP	1,216,688	486,675	20%	See footnote 2
Rosie Fordham	LTIP	550,000	220,000	20%	See footnote 2

1 At the determination of the Remuneration Committee, the number of shares subject to these LTIP awards was calculated by reference to a share value of 40 pence per share.

2 Each award is subject to equally weighted performance conditions based on earnings and share price. The earnings measure is assessed based on pre-IFRS 16 EBITDA performance in FY27 and the share price measure is assessed following the announcement by the Company of its full-year trading update for its FY27 financial year. To the extent that an award vests following the end of the performance period, it is subject to a further two-year holding period before the shares are released.

Further information in relation to the performance conditions for these awards is set out on page 59. The Committee believes that the Executive Directors have direct influence over both measures, and that the targets are stretching but achievable.

Executive Directors' interests under share schemes – audited information

The table below sets out the Executive Directors' interests in the LTIP and SAYE Schemes.

	Award date	Vesting, exercise or release date	As at 5 May 2024	Granted during the year	Exercised during the year	Lapsed during the year	As at 4 May 2025	Exercise price
Gavin Peck								
LTIP	3 September 2019 ¹	September 2022	96,151	–	–	–	96,151	N/A
	30 September 2021	N/A	638,297	–	–	(638,297)	–	N/A
	17 November 2022 ²	July 2025	936,363	–	–	–	936,363	N/A
	9 October 2023	July 2026	1,216,687	–	–	–	1,216,687	N/A
	19 November 2024	July 2027	–	1,216,688	–	–	1,216,688	N/A
SAYE	4 November 2022	1 December 2025	31,034	–	–	–	31,034	29p
	13 October 2023	1 November 2026	33,125	–	–	–	33,125	28p
Rosie Fordham								
LTIP	9 October 2023	July 2026	450,000	–	–	–	450,000	N/A
	19 November 2024	July 2026	–	550,000	–	–	550,000	N/A
RSA	31 August 2021	31 August 2024	16,949	–	–	–	16,949	N/A
	17 November 2022	17 November 2025	30,303	–	–	–	30,303	N/A
SAYE	4 November 2022	1 December 2025	31,034	–	–	–	31,034	29p
	13 October 2023	1 November 2026	33,125	–	–	–	33,125	28p

1 In addition to his LTIP award, Gavin Peck was also granted a tax qualifying CSOP award over 37,037 shares with an exercise price of 81 pence. The CSOP award vested at 38.4% (the same level as the LTIP award – see Note 2 below) and lapsed in respect of the balance of the shares subject to it so that it is not held over 22,815 shares. To the extent a CSOP award is exercised at a gain, the extent to which the associated LTIP award can be exercised shall be reduced by the amount of the gain so that there is no increase in the pre-tax value of the award.

2 As noted above, the earnings (pre-IFRS 16 EBITDA) performance condition for this award was not met. 25% of the portion of the award subject to the share price performance condition has vested, translating to a total vesting outturn of 12.5%.

Vesting of the LTIP awards made in October 2023 and November 2024 is based on earnings (pre-IFRS 16 EBITDA) and share price targets as set out in the table below.

Award date	Measure	Weighting	Threshold (20% vesting)	Maximum (100% vesting)
9 October 2023	FY26 pre-IFRS 16 EBITDA ¹	50%	£10.0m	£15.0m
	Share price ²	50%	£0.50	£1.00
19 November 2024	FY27 pre-IFRS 16 EBITDA ¹	50%	£10.0m	£15.0m
	Share price ²	50%	£0.50	£1.00

1 Subject to such adjustments as the Remuneration Committee determines to ensure that performance is assessed on a fair and consistent basis.

2 Average share price over the period of four weeks following the announcement by the Company of its full-year trading update for its FY26 financial year (9 October 2023 award) or FY27 financial year (19 November 2024 award).

The awards are subject to a general performance underpin, whereby the Committee shall assess overall financial performance of the Group over the performance period in determining the level of vesting and an assessment of whether any of the value of the awards on assessment of the performance conditions represents a 'windfall gain'. The awards are also subject to a cap such that the value of the vested shares under an individual award, determined by reference to the price used to assess the share price element of the performance condition, may not exceed £3,750,000 in the case of Gavin Peck, and £1,750,000 in the case of Rosie Fordham.

Directors' share interests – audited information

The number of shares of the Company in which the Directors had a beneficial interest as at 4 May 2025, are set out in the table below.

	Beneficially owned shares	
	5 May 2024	4 May 2025
Executive Directors		
Gavin Peck	554,636	554,636
Rosie Fordham	N/A	24,691
Non-Executive Directors		
Steve Bellamy	N/A	710,000
Simon Hathway	N/A	100,000
Harry Morley ¹	275,000	275,000

1 Includes interest of Kate Morley (a person closely associated with Harry Morley).

Directors' share ownership guidelines – audited information

The Committee has adopted a shareholding guideline for the Executive Directors, which requires the Executive Directors to retain half of all shares acquired under the LTIP (after sales to cover tax and any exercise price) until such time as their holding has a value equal to 200% of salary. Shares subject to LTIP awards which have vested but not been released (i.e. which remain in a holding period), or which have been released but have not been exercised, and any shares subject to deferred bonus awards, count towards the guidelines on a net of assumed tax basis.

Executive Director	Number of shares counting towards the guideline at 4 May 2025	Value of shares counting towards the guideline ¹	Value of shares as a percentage of base salary	Shareholding guideline met?
Gavin Peck	605,596	£150,793	45.57%	In progress
Rosie Fordham	33,673	£8,385	3.74%	In progress ²

1 Based on a share price of 24.90 pence as at 2 May 2025 (being the last trading day prior to the year end of 4 May 2025).

2 Rosie Fordham has not yet had any LTIP award which have vested. When she does so, retained shares will count towards the shareholding guidance.

Payments to past Directors and for loss of office – audited information

No payments for loss of office or to past Directors were made during FY25.

Implementation of the Policy in FY26

Information on how the Committee intends to implement the Policy in FY26 is set out below:

Executive Directors

The Committee approved a 2% increase to the salaries of the Executive Directors (in line with the Company standard pay review) for FY26, which will be as follows:

Director	FY26 Base salary/ annual fee £
Gavin Peck	330,940
Rosie Fordham	224,400

The Executive Directors' maximum bonus for FY26 will be 100% of base salary. 90% will be subject to performance against stretching EBITDA targets. The remaining 10% will be subject to performance against key strategic objectives with measurable targets against each objective. As targets (both financial and strategic) under the annual bonus are considered commercially sensitive, these will be disclosed retrospectively in the FY26 Annual Report.

We currently intend to grant the CEO and CFO an LTIP award in FY26 over shares with values equal to 150% of base salary (for the CEO) and 100% of base salary (for the CFO). The awards will be subject to equally weighted earnings (pre-IFRS 16 EBITDA) and share price performance conditions, and a general performance underpin, in line with previous awards and the Policy.

Non-Executive Directors

The Board approved a 2% increase to the base Non-Executive Director fee (in line with increases applied for the wider workforce) from 1 May 2025, and to the Chair's fee from 1 July 2025. It was agreed that as Simon Hathway had joined the business midway through the financial year, he would not be eligible to receive the base fee increase for FY26. Therefore the base fees payable at the date of this report are as follows:

	Amount £
Chair fee	107,100
Non-Executive Director base fee	45,000
Harry Morley base fee	49,640
Committee Chair fee ¹	5,000

1 Committee Chair and SID fees have previously been increased in line with Non-Executive Director base fee increases. For FY26, Harry Morley will therefore receive additional fees of £5,515 for each of his roles as Audit & Risk Committee Chair (£5,515) and SID (£5,515). The base Committee Chair fees were reset to £5,000 for new appointees from FY25 onwards

On behalf of the Board.

Simon Hathway

Chair of the Remuneration Committee
22 July 2025

Remuneration Policy

The Remuneration Policy approved by shareholders at our 2022 AGM and reflecting amendments approved by shareholders at our 2023 AGM is set out in the table below, with minor operational changes to remove references to the Listing Rules that are no longer applicable. No further changes are currently approved, but the Policy remains subject to variation where the Remuneration Committee considers appropriate. In accordance with the best practice recommendations of the QCA Code, the Remuneration Policy as presented will be subject to an advisory vote at the 2025 AGM.

Policy for Executive Directors

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Base salary	Core element of fixed remuneration reflecting individual's role and experience.	The Committee ordinarily reviews base salaries annually taking into account a number of factors including (but not limited to) the value of the individual, the scope of their role, their skills and experience and their performance. The Committee also takes into consideration: • Pay and conditions of the workforce generally. • Group profitability and prevailing market conditions.	Whilst there is no maximum salary, increases will normally be within the range of salary increases awarded (in percentage of salary terms) to other employees of the Group. However, higher increases may be awarded in appropriate circumstances, such as: • On promotion or in the event of an increase in scope of the role or individual's responsibilities. • Where an individual has been appointed to the Board at a lower than typical market salary to allow for growth in the role, in which case larger increases may be awarded to move salary positioning to a typical market level as the individual gains experience. • Change in size and/or complexity of the Group. • Significant market movement. Increases may be implemented over such time period as the Committee deems appropriate.	While no formal performance conditions apply, an individual's performance in role is taken into account in determining any salary increase.
Benefits	Fixed remuneration provided on a market competitive basis.	Benefits include the use of a fully expensed car (or car allowance), medical cover for the Executive Director and their spouse and dependent children, critical illness cover and life assurance scheme. Other benefits may be provided based on individual circumstances, which may include relocation costs, travel and accommodation expenses. Reimbursed expenses may include a gross-up to reflect any tax or social security due in respect of the reimbursement.	Whilst the Committee has not set an absolute maximum on the level of benefits Executive Directors may receive, the value is set at a level which the Committee considers to be appropriately positioned taking into account the nature and location of the role and individual circumstances.	Not applicable.

Remuneration Policy continued

Policy for Executive Directors continued

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Retirement benefits	Provide a competitive means of saving to deliver appropriate income in retirement.	The Company operates a defined contribution scheme. In appropriate circumstances, an Executive Director may receive a salary supplement in lieu of some or all of the contributions that would otherwise be made to a pension scheme. Executive Directors may be permitted to sacrifice other elements of remuneration and receive an equivalent contribution to a pension scheme. Should any Executive Director elect to do so, any employer social security saving for the Group may also be contributed to a pension arrangement on behalf of the Executive Director.	The maximum contribution will be aligned with the contribution available to other employees, plus the amount of any employer social security saving if an Executive Director sacrifices any other element of remuneration as referred to in the 'Operation' column.	Not applicable.
Annual bonus	The executive bonus scheme rewards Executive Directors for performance in the relevant year against targets and objectives linked to the delivery of the Company's strategy.	Targets and objectives are reviewed annually and any pay-out is determined by the Committee after the year end. The Committee has discretion to amend the pay-out should any formulaic output not reflect the Committee's assessment of overall business performance. The full amount of any bonus earned will ordinarily be paid in cash, although the Committee has discretion to defer some or all of the bonus earned into shares, for up to two years. Deferred bonus awards may take the form of conditional shares or nil (or nominal) cost options. Deferred bonus awards may incorporate the right to receive additional shares calculated by reference to the value of dividends which would have been paid on the deferred bonus award shares up to the time of vesting; this amount may be calculated assuming that the dividends have been reinvested in the Company's shares on such basis as the Committee determines. Recovery provisions apply, as referred to below.	The maximum annual bonus opportunity is 100% of base salary.	Targets (which may be based on financial or strategic measures) and individual objectives are determined to reflect the Company's strategy. At least 50% of the bonus opportunity is based on financial measures which may include but are not limited to EBITDA or other measure of profit. The balance of the bonus opportunity will be based on financial measures and/or the delivery of strategic/individual measures. Subject to the Committee's discretion to amend the formulaic output, for financial measures up to 20% of the maximum will be earned for threshold performance and up to 50% of the maximum will be earned for on-target performance. For strategic/individual measures, the bonus will be earned between 0% and 100% based on the Committee's assessment of the extent to which the measure has been achieved.

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Long-Term Incentive Plan (LTIP)	The LTIP provides a clear link between the remuneration of the Executive Directors and the creation of value for shareholders by rewarding the Executive Directors for the achievement of longer-term objectives aligned with shareholders' interests.	Under the LTIP, the Committee may grant awards as conditional shares or as nil (or nominal) cost options. Awards will usually vest following the assessment of the applicable performance conditions, typically following the end of a three-year performance period, but will not be released (so that the participant is entitled to acquire shares) until the end of a holding period of two years beginning on the vesting date. Alternatively, awards may be granted on the basis that the participant is entitled to acquire shares following the assessment of the applicable performance conditions but that (other than as regards sales to cover tax liabilities and any exercise price) the award is not released (so that the participant is able to dispose of those shares) until the end of the holding period. The Committee has discretion to amend the pay-out should any formulaic output not reflect the Committee's assessment of overall business performance. LTIP awards may incorporate the right to receive additional shares calculated by reference to the value of dividends which would have been paid on the vested shares subject to the award up to the time of release; this amount may be calculated assuming that the dividends have been reinvested in the Company's shares on such basis as the Committee determines. The Committee may at its discretion structure awards as qualifying LTIP awards, consisting of a tax qualifying Company Share Option Plan (CSOP) option with a per share exercise price equal to the market value of a share at the date of grant and an ordinary nil (or nominal) cost LTIP award, with the ordinary award scaled back at exercise to take account of any gain made on exercise of the CSOP option. Recovery provisions apply, as referred to below.	The maximum award level is 150% of base salary, or 200% of base salary in exceptional circumstances. The market value of shares subject to an LTIP award will be determined on such basis as the Committee considers appropriate, which will be applied consistently where possible. If a qualifying LTIP is granted, the value of shares subject to the CSOP option will not count towards the limit referred to above, reflecting the provisions for the scale back of the ordinary LTIP award.	For at least 75% of an LTIP award, the performance measures will be based on financial measures (which may include, but are not limited to, earnings per share, relative total shareholder return and share price). Any balance of an LTIP award will be subject to performance measures based on non-financial measures aligned with the Company's strategic priorities. Subject to the Committee's discretion to amend the formulaic output, awards will vest up to 25% for threshold performance, rising to 100% for maximum performance.

Remuneration Policy continued

Policy for Executive Directors continued

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
All employee share plans	Provision of the Save As You Earn (SAYE) Scheme creates staff alignment with the Group and provides a sense of ownership across the Group's employee base. Executive Directors may participate in any other all employee share plan as may be introduced from time to time.	Tax qualifying monthly savings scheme facilitating the purchase of shares at a discount. Any other all employee share plan would be operated for Executive Directors in accordance with its rules and on the same basis as for other qualifying employees.	The limit on participation and the permitted discount under the SAYE Scheme will be those set in accordance with the applicable tax legislation from time to time. The limit on participation and other relevant terms of any other all employee share plan would be determined in accordance with the plan rules (and, where relevant, applicable legislation) and would be the same for the Executive Directors as for other relevant employees.	Not subject to performance conditions in line with typical market practice.

Recovery provisions (malus and clawback)

Malus: The annual bonus opportunity and unvested deferred share awards may be cancelled or reduced before payment and an LTIP award may be cancelled or reduced before vesting in the event of material error in assessing a performance condition, material misstatement of results, material failure of risk management, material misconduct, corporate failure or serious reputational damage.

Clawback: For up to two years following payment of a bonus and until the fifth anniversary of the grant of an LTIP award, the bonus may be recovered or the LTIP award cancelled or reduced (if it has not been exercised) or the Executive Director may be required to make a payment to the Company in respect of some or all of the shares acquired in the event of material error in assessing a performance condition, material misstatement of results, material failure of risk management, material misconduct, corporate failure or serious reputational damage.

Malus and clawback may be applied to any CSOP option granted under the LTIP to the extent permitted by the applicable tax legislation.

Explanation of performance metrics

Performance measures for the LTIP and annual bonus are selected to reflect the Company's strategy. Stretching performance targets are set each year by the Committee taking into account a number of different factors.

Annual bonus: The Committee currently considers that EBITDA is closely aligned with the Group's key performance metrics, and encourages sustainable growth year by year. Where strategic measures are applied, the bonus rewards the achievement of objectives linked to the future execution of strategy.

LTIP: The application of an earnings measure to the LTIP aligns management's objectives with those of shareholders for the longer term, whilst the use of a share price measure is directly aligned with shareholder value.

The Committee may vary or substitute any performance measure if an event occurs which causes it to determine that it is appropriate to do so (including to take account of acquisitions or divestments, a change in strategy or a change in prevailing market conditions), provided that any such variation or substitution is fair and reasonable and (in the opinion of the Committee) the change would not make the measure less demanding than the original measure would have been but for the event in question. If the Committee were to make such a variation, an explanation would be given in the next Directors' remuneration report.

Operation of share plans

The Committee may amend the terms of awards and options under its share plans in accordance with the plan rules in the event of a variation of the Company's share capital or a demerger, special dividend or other similar event or otherwise in accordance with the rules of those plans. The Committee may operate any such plan in accordance with its rules. Share awards granted under any such plan may be settled in cash or granted as a right to receive a cash amount calculated by reference to a number of notional shares, although the Committee would only do so where the particular circumstances made this the appropriate course of action (for example where a regulatory reason prevented the delivery of shares).

Shareholding guidelines

To align the interests of the Executive Directors with those of shareholders, the Committee has adopted formal shareholding guidelines. Executive Directors are required to retain half of all shares acquired under the LTIP and any deferred bonus award (after sales to cover tax and exercise price) until such time as their holding as a value is equal to 200% of salary. Shares subject to LTIP awards which have vested but not been released (that is which are in a holding period), or which have been released but have not been exercised, and shares subject to deferred bonus awards, count towards the guidelines on a net of assumed tax basis.

The Committee has adopted a formal post-employment shareholding guideline, which will apply with effect from the approval of the Policy. Shares are subject to this guideline only if they are acquired pursuant to LTIP or deferred bonus awards granted after 1 May 2022. Following employment, an Executive Director must retain for one year such of their relevant shares as have a value (as determined by the Committee) equal to 200% of their salary (or, if fewer, all of their relevant shares). The Committee has discretion to waive or vary the post-employment shareholding guideline in exceptional circumstances (for example, in compassionate circumstances, or on a change of control or if a conflict of interest arises with an Executive Director's next appointment).

Policy for Non-Executive Directors

Component	Purpose and link to strategy	Operation	Maximum opportunity
Fees and benefits	To provide fees within a market competitive range reflecting the individual, responsibilities or the role and the expected time commitment.	The fees of the Chair are determined by the Committee and the fees of the Non-Executive Directors are determined by the Board.	Fees are set taking into account the responsibilities of the role and expected time commitment. Non-Executive Directors are paid a basic fee with additional fees paid for chairing of Committees. An additional fee for assuming the role of Senior Independent Director, may be introduced in the future.
	To provide benefits where appropriate which are relevant to the requirements of the role.	Non-Executive Directors may be eligible to receive travel and other reasonable expenses.	Where benefits are provided to Non-Executive Directors they will be provided at a level considered to be appropriate taking into account individual circumstances.

Policy for the remuneration of employees more generally

The Group aims to provide a remuneration package that is competitive and which is appropriate to promote the long-term success of the Company. The Company intends to apply this policy fairly and consistently and does not intend to pay more than is necessary to attract and motivate colleagues. In respect of the Executive Directors, a greater proportion of the remuneration package is 'at risk' and determined by reference to the performance conditions.

Base salaries are reviewed annually together with all employees and increases ordinarily become effective from 1 May. The Committee is kept informed of salary increases across the wider workforce and how decisions are made.

The Board believes that Group success should be shared amongst the wider workforce and, therefore, where the business performs strongly, will reward employees taking into account levels of contribution and responsibility.

The Group operates a SAYE Scheme to encourage share ownership across the wider workforce and alignment in longer-term goals.

Recruitment remuneration policy

When hiring a new Executive Director, the Committee will typically align the remuneration package with the Policy.

When determining appropriate remuneration arrangements, the Committee may include other elements of pay which it considers are appropriate. However, this discretion is capped and is subject to the limits referred to below.

Base salary will be set at a level appropriate to the role and the experience of the Executive Director being appointed. This may include agreement on future increases up to market rate, in line with increased experience and/or responsibilities, subject to good performance, where it is considered appropriate. Pension will be provided in line with the Policy.

The Committee will not offer non-performance related incentive payments (for example a guaranteed sign-on bonus). Other elements may be included in the following circumstances:

- An interim appointment being made to fill an Executive Director role on a short-term basis.
- If exceptional circumstances require that the Chair or a Non-Executive Director takes on an executive function on a short-term basis.
- If an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or long-term incentive award for that year as there would not be sufficient time to assess performance. Subject to the limit on variable remuneration set out below, the quantum in respect of the months employed during the year may be transferred to the subsequent year so that reward is provided on a fair and appropriate basis.
- If the Director will be required to relocate in order to take up the position, it is the Company's policy to allow reasonable relocation, travel and subsistence payments. Any such payments will be at the discretion of the Committee.

The Committee may also alter the performance measures, performance period, vesting period and holding period of the annual bonus or long-term incentive opportunity if the Committee determines that the circumstances of the recruitment merit such alteration. The rationale will be clearly explained in the next Directors' remuneration report.

The maximum level of variable remuneration which may be granted (excluding buyout awards as referred to below) is 300% of salary.

The Committee may make payments or awards in respect of hiring an Executive Director to 'buy out' remuneration arrangements forfeited in connection with leaving a previous employer. In doing so, the Committee will take account of relevant factors including any performance conditions attached to the forfeited arrangements and the time over which they would have vested. The Committee will generally seek to structure buyout awards or payments on a comparable basis to the remuneration arrangements forfeited. Any such payments or awards are excluded from the maximum level of variable remuneration referred to above. Buyout awards will ordinarily be granted on the basis that they are subject to forfeiture or clawback in the event of departure within 12 months of joining The Works, although the Committee will retain discretion not to apply forfeiture or clawback in appropriate circumstances.

Any share awards referred to in this section will be granted as far as possible under The Works ordinary share plans. If necessary, and subject to the limits referred to above, recruitment awards may be granted outside of these plans.

Where a position is filled internally, any ongoing remuneration obligations or outstanding variable pay elements will continue in accordance with their terms.

Fees payable to a newly appointed Chair or Non-Executive Director will be in line with the policy in place at the time of the appointment.

Remuneration Policy continued

Policy on service contracts

The Company's policy is for service agreements with Executive Directors to be capable of termination by either the Company or the Executive Director by the giving of not more than 12 months' notice. The Non-Executive Directors (including the Chair) do not have service contracts, but are instead engaged via letters of appointment. Information in relation to the Executive Directors' service agreements and the Non-Executive Directors' letters of appointment is set out on page 48.

Policy on payments for loss of office

The following table summarises the Company's policy on the determination of payments for loss of office by Executive Directors.

Provision	Treatment
Fixed remuneration	Salary/fees, benefits and pension will be paid to the date of termination.
Payment in lieu of notice	Where a payment in lieu of notice is made, this will include salary, benefits and pension (or a cash equivalent) until the end of the notice period that would otherwise have applied. Alternatively, the Company, may continue to provide the relevant benefits. Unless the Committee determines otherwise, amounts will be paid in equal monthly instalments. Mitigation will apply.
Annual bonus	This will be reviewed on an individual basis taking into account the terms of the relevant service agreement. The decision whether or not to award a bonus in full or in part will be dependent on a number of factors including the circumstances of the departure, contribution to the business during the bonus period and the terms of the service agreement. Any bonus would typically be pro-rated to reflect time in service to termination and paid at the usual time (although the Committee retains discretion to pay the bonus earlier in appropriate circumstances). Any outstanding deferred bonus awards would typically continue (other than in the event of dismissal for gross misconduct, where the entitlement would lapse) and vest at the normal vesting date, although the Committee retains discretion to vest any such award at the date of cessation. In either case, the award will vest in full, unless the Committee determines the award should be reduced to take account of the proportion of the deferral period that has elapsed at cessation.
LTIP	If an Executive Director ceases employment with the Group as a result of death, ill health, injury, disability or for any other reason at the Committee's discretion before an award under the LTIP vests, the award will usually be released on the ordinary release date (although the Committee retains discretion to release the award as soon as reasonably practicable after the cessation of employment or at some other time, such as following the end of the performance period in the case of an award that would otherwise be subject to a holding period). In either case, the award will vest to the extent determined by reference to the performance conditions and, unless the Committee determines otherwise, the proportion of the performance period that has elapsed at cessation. If an Executive Director ceases employment with the Group after an award under the LTIP has vested but before it is released (that is the Executive Director ceases employment during a holding period), the award will continue and be released at the normal release date (unless the cessation is due to dismissal for gross misconduct, in which case the awards will lapse). The award will be released to the extent it has vested by reference to performance conditions. The Committee retains discretion to release the award at cessation.
Change of control	In the event of a change of control, unvested awards under the LTIP will vest and be released to the extent determined by the Committee taking into account the relevant performance conditions and, unless the Committee determines otherwise, the extent of vesting so determined shall be reduced to reflect the proportion of the performance period that has not elapsed. Any deferred bonus shares will vest on a change of control or other relevant event. Options under the SAYE Scheme will vest on a change of control.
Other payments	The Committee reserves the right to make additional exit payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such obligation) or by way of settlement or compromise of any claim arising in connection with the termination of a Director's office or employment. Payments may include, but are not limited to, paying any fees for outplacement assistance and/or the Director's legal and/or professional advice fees in connection with their cessation of office or employment and payments in respect of accrued but untaken holiday. Where a buyout or other award is made in connection with recruitment, the leaver provisions would be determined at the time of the award. Options under the SAYE Scheme will vest on cessation in accordance with the plan rules, which do not allow discretionary treatment.

Consideration of employment conditions elsewhere in the Group

Whilst the Committee does not formally consult with employees as part of its process when determining Executive Director pay, it does take into account pay practices and policies of employees across the wider Group. This includes the general basic salary increase, remuneration arrangements and employment conditions.

Consideration of shareholders' views

The Committee welcomes dialogue with its shareholders. Shareholder views are considered when evaluating and setting the remuneration strategy and the Committee consulted with key shareholders in relation to the Policy, and will do so in relation to any significant change to it.

Legacy remuneration arrangements

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy where the terms of the payments were agreed:

- Either before the Policy comes into effect, provided that if they were agreed on or after 28 August 2019 (the date on which the Company's first shareholder-approved Directors' Remuneration Policy came into effect) they are in line with the Directors' Remuneration Policy in effect at the date they were agreed.
- At a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company.

For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

Directors' report

The Directors present their report for the financial year ended 4 May 2025. Additional information which is incorporated by reference into this Directors' report, including information required in accordance with the Companies Act 2006 (the Act), can be located as follows:

Disclosure	Location
Future business developments	Strategic report – pages 1 to 41
Environmental policy	ESG review – pages 25 to 29
Employee engagement	Our stakeholders – pages 22 and 23 ESG review – pages 25 to 29 Corporate governance report – pages 44 to 49
Section 172 statement	Page 24
Stakeholder engagement in key decisions	Our stakeholders – pages 22 and 23 Section 172 statement – page 24 Corporate governance report – pages 44 to 49
Corporate governance compliance statement	Corporate governance report – pages 44 to 49
Financial risk management objectives and policies (including hedging policy and use of financial instruments)	Note 24 to the financial statements – pages 106 to 110
Exposure to price risk, credit risk, liquidity risk and cash flow risk	Note 24 to the financial statements – pages 106 to 110
Details of long-term incentive schemes	Directors' remuneration report – pages 55 to 66
Statement of Directors' responsibilities	Page 70

Directors

The Directors of the Company who held office throughout the period (and changes since the financial period end) are set out below:

Steve Bellamy (Chair) (appointed 15 July 2024)

Gavin Peck (CEO)

Rosie Fordham (CFO)

Harry Morley (Senior Independent Director)

Simon Hathway (appointed 1 November 2024)

Carolyn Bradley (Chair) (stepped down 15 July 2024)

Catherine Glickman (Non-Executive Director) (stepped down 31 October 2024)

John Gould (Non-Executive Director) (appointed 14 February 2024, stepped down 1 October 2024)

Mark Kirkland (Non-Executive Director) (appointed 14 February 2024, stepped down 1 October 2024)

Summaries of the current Directors' key skills and experience are included on pages 42 and 43.

Results and dividend

The results for the year are set out in the consolidated income statement on page 79. The Directors are not proposing a final dividend for the period.

Principal activities

The principal activities of the Group are the provision of arts and crafts, stationery, toys, games and books retailing products through retail stores and online. The principal activity of the Company is that of a holding company.

Articles of Association

The rules governing the appointment and replacement of Directors are set out in the Company's Articles. The Articles may be amended by a special resolution of the Company's shareholders. The Articles also set out in full the powers of the Directors in relation to issuing shares and buying back the Company's own shares.

Share capital

Details of the Company's share capital, including changes during the year, are set out in Note 35 to the financial statements. As at 4 May 2025, the Company's issued share capital consisted of 62,500,000 ordinary shares of 1 pence each. There have been no changes to the Company's issued share capital since the financial period end.

Ordinary shareholders are entitled to receive notice of, and to attend and speak at, any general meeting of the Company. On a show of hands every shareholder present in person or by proxy (or being a corporation represented by a duly authorised representative) shall have one vote, and on a poll every shareholder who is present in person or by proxy shall have one vote for every share of which he is the holder. The Notice of AGM specifies deadlines for exercising voting rights and appointing a proxy or proxies.

Other than the general provisions of the Articles (and prevailing legislation) there are no specific restrictions of the size of a holding or on the transfer of the ordinary shares.

The Directors are not aware of any agreements between holders of the Company's shares that may result in the restriction of the transfer of securities or on voting rights. No shareholder holds securities carrying any special rights or control over the Company's share capital.

Authority for the Company to purchase its own shares

Subject to authorisation by shareholder resolution, the Company may purchase its own shares in accordance with the Act. Any shares which have been bought back may be held as treasury shares or cancelled immediately upon completion of the purchase.

At the Company's AGM held on 31 October 2024, the Company was generally and unconditionally authorised by its shareholders to make market purchases (within the meaning of Section 693 of the Act) of up to a maximum of 6,250,000 of its ordinary shares. The Company has not repurchased any of its ordinary shares under this authority, which is due to expire at the AGM to be held on 8 September 2025, and accordingly has an unexpired authority to purchase up to 6,250,000 ordinary shares with a nominal value of £62,500.00. A resolution to renew the authority for a further year will be proposed at the 2025 AGM.

Directors' interests

The number of ordinary shares of the Company in which the Directors were beneficially interested as at 4 May 2025 is set out in the Directors' remuneration report on page 59.

Directors' indemnities

The Company's Articles provide, subject to the provisions of UK legislation, an indemnity for Directors and Officers of the Company and the Group in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers.

Directors' and Officers' liability insurance cover is maintained by the Company and is in place in respect of all the Company's Directors at the date of this report. The Company reviews its level of cover on an annual basis.

Compensation for loss of office

The Company does not have any agreements with any Executive Director or employee that would provide compensation for loss of office or employment resulting from a takeover except that provisions of the Company's LTIP and other share schemes may cause options and awards outstanding under such schemes to vest on a takeover. Further information is provided in the Directors' remuneration report on page 66.

Significant interests

The table below shows the interests in shares notified to the Company in accordance with the Disclosure Guidance and Transparency Rules as at 4 May 2025 and 22 July 2025 (being the latest practicable date prior to publication of this Annual Report).

Name of shareholder	As at 4 May 2025		As at 22 July 2025	
	Number of ordinary shares of 1 pence each held	Percentage of total voting rights held	Number of ordinary shares of 1 pence each held	Percentage of total voting rights held
Schroders plc	12,414,853	19.86%	12,414,853	18.86%
Hudson Management Limited	10,666,000	17.06%	10,666,000	17.06%
Graeme Coulthard	4,470,001	7.15%	4,470,001	7.15%
Kelso Group Holdings plc	3,845,000	6.15%	3,845,000	6.15%
Mike Burn	3,600,000	5.76%	3,600,000	5.76%
Joanne Barraclough	1,905,582	3.05%	1,905,582	3.05%

Branches outside the UK

Other than ten stores located in the Republic of Ireland, the Company has no branches outside the UK.

Employee involvement

Information relating to employees of the Group and how the Company engages with its workforce can be found on pages 22 and 26.

Disabled employees

It is the policy of the Group to provide equal recruitment and other opportunities for all colleagues regardless of sex, age, religion, race, disability or sexual orientation. The Group gives full consideration to applications for employment from disabled people, where they adequately fulfil the requirements of the job. Once employed by the Group, we ensure that disabled colleagues have full access to training and career development opportunities. Where colleagues become disabled, it is the Group's policy to provide continuing employment and retraining where practicable.

Political donations

The Company did not make any political donations during the year.

Change of control – significant agreements

There are a number of agreements that may take effect after, or terminate upon, a change of control of the Company, such as commercial contracts, bank loan agreements and property lease arrangements.

The only significant agreement to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company following a takeover bid, and the effect thereof, is the Company's committed bank facility dated 10 June 2022 which contains a provision such that, in the event of a change of control, the facility may be cancelled and all outstanding amounts, together with accrued interest, will become repayable on the date falling 30 days following written notice being given by the lenders that the facility has been cancelled.

Going concern

The Board continues to have a reasonable expectation that the Group has adequate resources to continue in operation for at least the next 12 months and that the going concern basis of accounting remains appropriate.

More information in respect of going concern, including the factors considered in reaching this conclusion, is provided in Note 1(b)(i) to the consolidated financial statements on pages 84 to 86.

Audit information

Each of the Directors at the date of the 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.
- The Director has taken all the reasonable steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of the information.

The confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Act.

Auditor

Kreston Reeves LLP has indicated its willingness to continue in office and a resolution seeking to reappoint it will be proposed at the forthcoming AGM.

Annual General Meeting

The AGM will be held on 8 September 2025. The Notice of AGM is contained in a separate document accompanying this report.

Post-balance sheet events

There have been no material post-balance sheet events involving the Company or any of the Company's subsidiaries as at the date of this report.

The Strategic report on pages 1 to 41 and this Directors' report have been drawn up and presented in accordance with, and in reliance upon, applicable English company law and any liability of the Directors in connection with these reports shall be subject to the limitations and restrictions provided by such law.

By order of the Board

Gavin Peck

Chief Executive Officer
22 July 2025



Statement of Directors' responsibilities

Statement of Directors' 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, reliable and prudent.
- For the Group financial statements, state whether they have been prepared in accordance with UK-adopted International Accounting Standards.
- For the Parent Company annual 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 comply 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.

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 that 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.

By order of the Board

Gavin Peck

Chief Executive Officer
22 July 2025