

Corporate governance

ROBUST GOVERNANCE FOR EFFECTIVE DECISION-MAKING

Our governance framework is designed to support effective, timely, and well-informed decision-making across the Group. It provides a clear division of roles and responsibilities, underpinned by accurate and timely information, enabling challenge, constructive debate, and informed judgement to support our strategic objectives.

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The Board engaged with its stakeholders throughout the year to inform its oversight and governance

+ Read more on pages 76 and 82

CHAIRMAN'S LETTER

Rona Fairhead
Chairman



Activities during 2025/26

- Continued oversight of strategic execution
- Evolved our corporate governance arrangements aligned to the 2024 UK Corporate Governance Code
- Continued oversight of operational performance
- Continued progression of Executive succession planning
- Monitored our ESG reporting to ensure compliance with evolving regulations
- Continued shareholder engagement following approval of the 2025 Directors' Remuneration Policy
- Completed an externally facilitated Board performance review
- Conducted two overseas site visits

Priorities for 2026/27

- Continue to strengthen our governance and strategic oversight
- Continued development of both Executive and Non-Executive succession planning
- Continue to monitor the Group's progress on refining and adjusting the material controls to comply with the Code, including ensuring that appropriate controls are in place for the detection and prevention of fraud

Dear shareholder

I am delighted to introduce our Governance Report for 2025/26 on behalf of the Board and in accordance with the 2024 UK Corporate Governance Code (the Code). This report sets out how the Board has applied its governance framework and best practice to ensure effective procedures are in place to support the creation of long-term value for all our stakeholders.

This is our first year reporting against the Code. We report in full, with the exception of Provision 29, which will be fully addressed in the 2026/27 Annual Report, in line with the Code requirements. For more information about the Group's preparation for Provision 29, see pages 91 and 95.

Board and Committee changes

We said goodbye to Louisa Burdett this year as she stepped down from the Board at the end of her nine-year tenure. I would like to thank Louisa for the invaluable and dedicated contribution she made to RS during her tenure.

Carole Cran succeeded Louisa as Chair of the Audit Committee with effect from 15 July 2025.

Miles Roberts and Carole, who both joined towards the end of 2024/25, have each had an intensive induction and are bringing useful insights and contributions to Board discussions. See pages 81 and 85 for further information.

Strategy and business oversight

As detailed in the Strategic report, this was the second year of our multi-year strategic plan. The Board continues to monitor the progress the Group is making against its strategic objectives, with greater clarity on the core areas of strength, underpinned by improved execution and alignment.

A dedicated strategy session was held with the Board in December 2025, where the ExCo presented their update to the strategic plan along with the priorities for the business and functions. For further information about the Board's activities during the year, see pages 79 to 81.

Culture

In exercising its governance responsibilities, the Board remains guided by the Group's values, which are shaped by our people and are at the heart of how we work. Throughout the year, the Board provided oversight of the Group's culture, drawing on both direct and indirect feedback from employees. During the year, the Board visited the Group's operations in Beauvais, France and Fort Worth, US. A number of individual site visits also took place, including Miles Roberts' visit to the operations in Bad Hersfeld, Germany, and my visit with Miles to the RS Integrated Supply business in Warrington, UK, as part of his induction. Additionally, employee engagement sessions took place between our people and the employee engagement designated Non-Executive Directors.

Collectively, these activities, combined with the broader employee engagement survey results and presentations from the senior management team, help inform the Board's understanding of how the Group's culture continues to develop across the organisation. For more information on our values and belonging, see pages 3, 10, 16 and 52.

Stakeholder engagement

We are always looking to enhance how we engage with our stakeholders. In developing the 2025 Directors' Remuneration Policy and determining the right level of reward, the Remuneration Committee undertook an extensive multi-phased consultation process, engaging with our top 30 shareholders, representing over 86% of the share register. The feedback from this engagement was instrumental in shaping the final 2025

Directors' Remuneration Policy. In addition to Executive Director engagement, the Chair of the Remuneration Committee and I each held meetings with shareholders during the year to further understand their views.

During the year, a review was conducted in respect of our employee engagement programme with the designated Directors. This included a review of the feedback loop to ensure the relevant management teams are held responsible in identifying actions arising from feedback, and that both the Board and participating employees are given regular updates on progress against the agreed actions. In addition to this, an exercise has been conducted during the year to seek feedback from employee participants of the engagement sessions. Information regarding the outcome of this feedback and further details on shareholder and employee engagement, which took place during the year, can be found on pages 76 and 82, respectively.

Board performance review

After two years of internal Board performance reviews, we conducted an externally facilitated Board performance review during the year, in line with the Code. Clare Chalmers Limited (Clare Chalmers) was engaged to carry out the performance review process. This process concluded that the Board continues to operate very effectively and is supported by a particularly strong overall composition. The review identified some areas that the Board could consider to improve its effectiveness yet more. Full details of the performance review process, including outcomes and progress against the previous year's actions, can be found on pages 83 and 84.

Corporate Governance Code

The Company's statement of compliance with the Code can be found on page 86.

Rona Fairhead
Chairman
19 May 2026

BOARD OF DIRECTORS

A strong, experienced Board, with a diverse range of backgrounds and skills, enhances decision-making for the benefit of all stakeholders.



Rona Fairhead

Chairman

Committee membership

N

Date of appointment

November 2020

Skills, experience, and contribution

Rona brings a tremendous range of commercial and strategic experience to the Company. Rona's strong understanding of UK corporate governance and her extensive experience in digital transformation and international expansion provide the Board with strong and valuable leadership to deliver long-term sustainable value for all our stakeholders. Previous roles have included chair of the BBC Trust, Minister of State in the UK Department for International Trade, non-executive director of HSBC Holdings plc and PepsiCo, Inc., and chair and chief executive officer of Financial Times Group.

Current external roles

- Non-executive director of Oracle Corporation
- Crossbench member of the House of Lords
- Member of the International Advisory Council of Hong Kong Exchanges & Clearing Limited
- Senior independent director of CVC Capital Partners plc
- Non-executive director of The Royal Marsden NHS Foundation Trust



Simon Pryce

Chief Executive Officer¹

Committee membership

D

Date of appointment

September 2016

Skills, experience, and contribution

Simon is a highly experienced leader of customer-focused, global industrial manufacturing and service businesses. He has a strong track record of driving results and delivering excellent stakeholder outcomes through enhanced performance and the effective execution of organic and inorganic growth strategies. Previous roles include chief executive officer of Ultra Electronics Holdings plc, group chief executive of BBA Aviation plc and a range of international finance and management roles at GKN plc, JP Morgan, and Lazards. He is also currently a non-executive director of Smiths Group plc.

Current external roles

- Non-executive director of Smiths Group plc



Kate Ringrose

Chief Financial Officer

Committee membership

D

Date of appointment

October 2023

Skills, experience, and contribution

Kate has extensive experience of successfully leading the finance function in a FTSE 100 company. She has a proven track record in driving business transformation, improving business resilience, leading operational excellence, and accelerating strategic growth. Kate is a chartered accountant and trained with KPMG in South Africa. Previously, Kate had a successful 18-year career at Centrica plc, where she held various senior roles in energy supply, service solutions, trading, and financial operations. Her most recent role was group chief financial officer.

Current external roles

- None

1. Joined in September 2016 as Non-Executive Director. Appointed as CEO on 3 April 2023.

Board of Directors continued

**David Sleath, OBE**

Senior Independent Director

Committee membership
Date of appointment

June 2019

Skills, experience, and contribution

David brings a wealth of experience to the Board, including valuable insight into the dynamics of service-led business models, having been the senior independent director of Bunzl plc. As serving chief executive officer, and previously chief financial officer, of SEGRO plc, David has strong financial, real estate, manufacturing, and distribution experience. He also brings to the Board in-depth financial, strategic, and governance experience, which are essential to his role as Senior Independent Director. David has also previously served as president of the British Property Federation and group finance director of Wagon plc.

Current external roles

- Chief executive officer of SEGRO plc

**Alex Baldock**

Independent Non-Executive Director

Committee membership
Date of appointment

September 2021

Skills, experience, and contribution

Alex has extensive experience in digital transformation, accelerating omni-channel growth, and embedding customer focus, evidenced through his successful transformation of Currys plc. Alex was previously chief executive officer of Shop Direct, now the Very Group, where he led the business's digital transformation from a catalogue retailer to the UK's second largest e-commerce pureplay and through four consecutive years of record growth in sales, profits, customer satisfaction, and colleague engagement.

Current external roles

- Group chief executive of Currys plc

**Carole Cran**

Independent Non-Executive Director

Committee membership
Date of appointment

December 2024

Skills, experience, and contribution

Carole has extensive financial experience and a strong focus on governance and risk. Carole is chief financial officer of Halma plc, having previously served as independent non-executive director. Previously, Carole held the position of chief commercial officer and finance officer of Forth Ports Limited until November 2024, prior to which she held the position of chief financial officer of Aggreko plc until December 2017 and a number of senior finance roles within that group. She also held senior financial positions at BAE Systems plc. Carole commenced her career in the audit division of KPMG where she qualified as a Chartered Accountant.

Current external roles

- Chief financial officer of Halma plc

**Bessie Lee**

Independent Non-Executive Director

Committee membership
Date of appointment

March 2019

Skills, experience, and contribution

Bessie has extensive strategic experience in digital marketing technology and media knowledge, principally in Greater China. She has in-depth experience in the world of eCommerce and digital media. She is a frequent media commentator, blogger, and international speaker. Bessie has more than 30 years' experience in the media communications industry in Greater China. Her previous roles include chief executive officer of JLL Greater China, Mindshare, GroupM, and WPP in China.

Current external roles

- Chief executive officer of Withinlink
- Governor of University of the Arts London

Board of Directors continued

**Miles Roberts**

Independent Non-Executive Director

Committee membership
Date of appointment

March 2025

Skills, experience, and contribution

Miles has extensive financial and operational experience, particularly within international manufacturing industries. Miles brings a wide level of board experience, together with specific experience of large, long-term capital projects, alongside a particular focus on sustainability. Miles was group chief executive of DS Smith Plc from 2010 until the company was taken over by International Paper in January 2025. He is currently acting as an advisor to DS Smith Limited and International Paper subsequent to that takeover. He was previously chief executive of McBride plc, having joined as its group finance director and has held non-executive positions at Aggreko plc and Poundland Group plc. Miles became a qualified chartered accountant after an early career in engineering.

Current external roles

- Non-executive director of Land Securities Group PLC
- Advisor to DS Smith Limited and International Paper

**Joan Wainwright**

Independent Non-Executive Director

Committee membership
Date of appointment

November 2019

Skills, experience, and contribution

Joan has extensive experience in distribution, transforming digital platforms to generate revenue growth and leading customer experience programmes that drive measurable improvements. Her extensive knowledge of customer experience aligns with the Company's vision and she provides a strong insight into the customer dynamic in the US. Joan's previous roles include president, channel and customer experience at TE Connectivity Ltd, vice president, public affairs at Merck & Co, and deputy commissioner of communications at the US Social Security Administration.

Current external roles

- Director of NJM Insurance Group
- Member of the global advisory council of ServiceNow

**Clare Underwood**

Chief of Corporate Services and Company Secretary

Date of appointment

March 2022

Skills, experience, and contribution

Clare brings a wealth of FTSE 100 governance experience to support the Board in effective governance. The skills and knowledge from her previous roles at John Laing Group plc and Cable and Wireless Communications plc enable her to provide first-class company secretarial advice and support. Clare is a member of the ExCo and leads the Corporate Services team, one of our enabling functions which serves the Group as centres of excellence in shared business services, indirect procurement, ESG, health and safety, legal, governance, and compliance. Clare is also executive sponsor for our gender ERG, Elevate.

Other Directors who served during the year

Louisa Burdett stepped down from the Board on 31 January 2026.

GOVERNANCE AT A GLANCE

SKILLS, EXPERIENCE, AND KNOWLEDGE OF OUR BOARD

Summary of the skills, experience, and knowledge held by our Directors.

Digital	67%
M&A	67%
ESG	78%
Strategy	89%
International Operations	100%
Distribution	56%
Emerging Markets	44%
Service Industry	78%
Finance	67%
Technology	56%
Supply Chain	56%
Customers	67%

The FTSE Women Leaders Review 2026

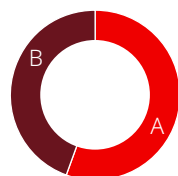
2ND

Joint second in the FTSE 250

BOARD COMPOSITION

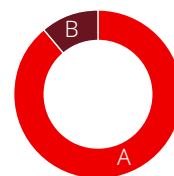
As at 31 March 2026

Gender



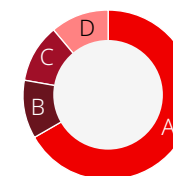
A Female	5
B Male	4

Ethnicity



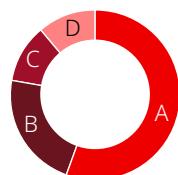
A Non-ethnic minority	8
B Ethnic minority	1

Nationality



A British	6
B Chinese	1
C American	1
D British and South African	1

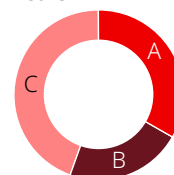
Independence



A Independent	5
B Executive	2
C Independent Non-Executive Chairman	1
D Senior Independent Director	1

Board tenure

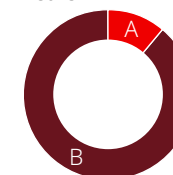
Years



A 0-3 years	3
B 3-6 years	2
C 6+ years	4

Age of Directors

Years



A 45-54	1
B 55-64	8

BOARD AND COMMITTEE MEETING ATTENDANCE

Director	Board	Nomination	Audit	Remuneration
Rona Fairhead	7/7	2/2	-	-
Simon Pryce	7/7	-	-	-
Kate Ringrose	7/7	-	-	-
Alex Baldock ¹	7/7	-	3/4	5/5
Louisa Burdett ²	6/6	1/1	4/4	4/4
Carole Cran	7/7	-	4/4	-
Bessie Lee	7/7	2/2	-	-
Miles Roberts ³	6/7	2/2	3/4	5/5
David Sleath	7/7	2/2	4/4	5/5
Joan Wainwright	7/7	2/2	-	5/5

1. Alex Baldock was unable to attend one Audit Committee meeting due to a prior engagement.

2. Louisa Burdett stepped down from the Board with effect from 31 January 2026.

3. Miles Roberts was unable to attend one Board and Audit Committee meeting due to a prior engagement.

OUR GOVERNANCE FRAMEWORK

Our governance framework underpins and supports robust governance across the Group, aimed at ensuring effective decision-making and clear division of responsibilities.

The Board's principal responsibility is to promote and assess the long-term sustainable success of the Group as a whole, generating value for shareholders and contributing to the wider society. The Board is accountable to stakeholders for the Group's financial and operational performance and is responsible for taking material strategic decisions and providing oversight across the Group. The Board aims to lead with integrity and in a sustainable, commercial manner to ensure value is created for all the Group's stakeholders. The Board also provides guidance and challenge to Executive Directors and senior leaders within a robust governance framework to ensure that this leadership is delivered effectively.

The Board is responsible for ensuring that the strategic objectives are supported and adequately resourced to help drive the long-term success of the Group, realisation of its strategy, and to monitor the effective deployment of those resources. The Group's risk management framework supports the strategic actions of the Group, with controls to help mitigate identified risks. The Board regularly reviews the internal controls and overall risk management framework, with support from the Audit Committee. Full details of the risk management framework can be found on pages 33 and 34.

The Board is supported by its Committees, which make decisions and recommendations on matters delegated to them by the Board. This enables the Board to spend time on key

strategic matters. Each Committee comprises Non-Executive Directors only and has an experienced Chair. Regular updates are provided to the Board by the Committee Chairs as well as by the Chairman of the Board, the Chief Executive Officer (CEO), and Chief Financial Officer (CFO). Each Committee of the Board has provided reports on how they have discharged their responsibilities and details of their activities during the year, which can be found on pages 87 to 117.

The key topics the Board has focused on this year, as well as those it plans to assess for the coming year, are set out on page 71.

In addition to the Committees of the Board, the ExCo is responsible for making effective decisions that keep the Group focused on the right priorities, accelerate realisation of our strategy, drive improvements to operational performance, and ensure we develop and maintain a diverse, supportive and inclusive culture where our people are empowered within a clear framework. The ExCo supports the CEO in exercising his authority in relation to material matters having strategic, cross-business or Group-wide implications and oversight of the day-to-day management of the Company's business. The members of the ExCo are the CEO, CFO, the Presidents for EMEA, Americas, and Asia Pacific, Chief of Product and Supply Chain, Chief Customer Experience Officer, Chief of Corporate Services and Company Secretary, Chief People Officer (CPO) and Chief Information Officer. The ExCo has representation from each of the regions, both accelerating and enabling functions and brings the voice of our people, customers, suppliers, solutions and technology to the decision-making process.



CASE STUDY

ENGAGING WITH SHAREHOLDERS

At the Company's 2025 Annual General Meeting (AGM), the Board welcomed the overwhelming support of the Company's shareholders for the majority of the resolutions but noted the outcome on the Directors' Remuneration Policy (the 2025 Remuneration Policy) (65.63%) and the Restricted Share Incentive Plan 2025 (67.43%).

In developing the 2025 Remuneration Policy and determining the right level of reward, the Remuneration Committee undertook an extensive multi-phased consultation process engaging with our top 30 shareholders, representing over 86% of the share register, broadening the coverage from previous policy consultations. The feedback from this engagement was instrumental in shaping

the final 2025 Remuneration Policy. Overall, shareholders were supportive of our approach and through the engagement exercise, the Remuneration Committee gained a clear understanding of the reasons why some shareholders were unable to support the 2025 Remuneration Policy. Feedback was primarily focused on the approach to transitioning to the hybrid Long-Term Incentive Plan structure and the award size for the CEO in 2025/26.

Since the 2025 AGM, we re-engaged with our largest 30 shareholders to provide a further opportunity for their input.

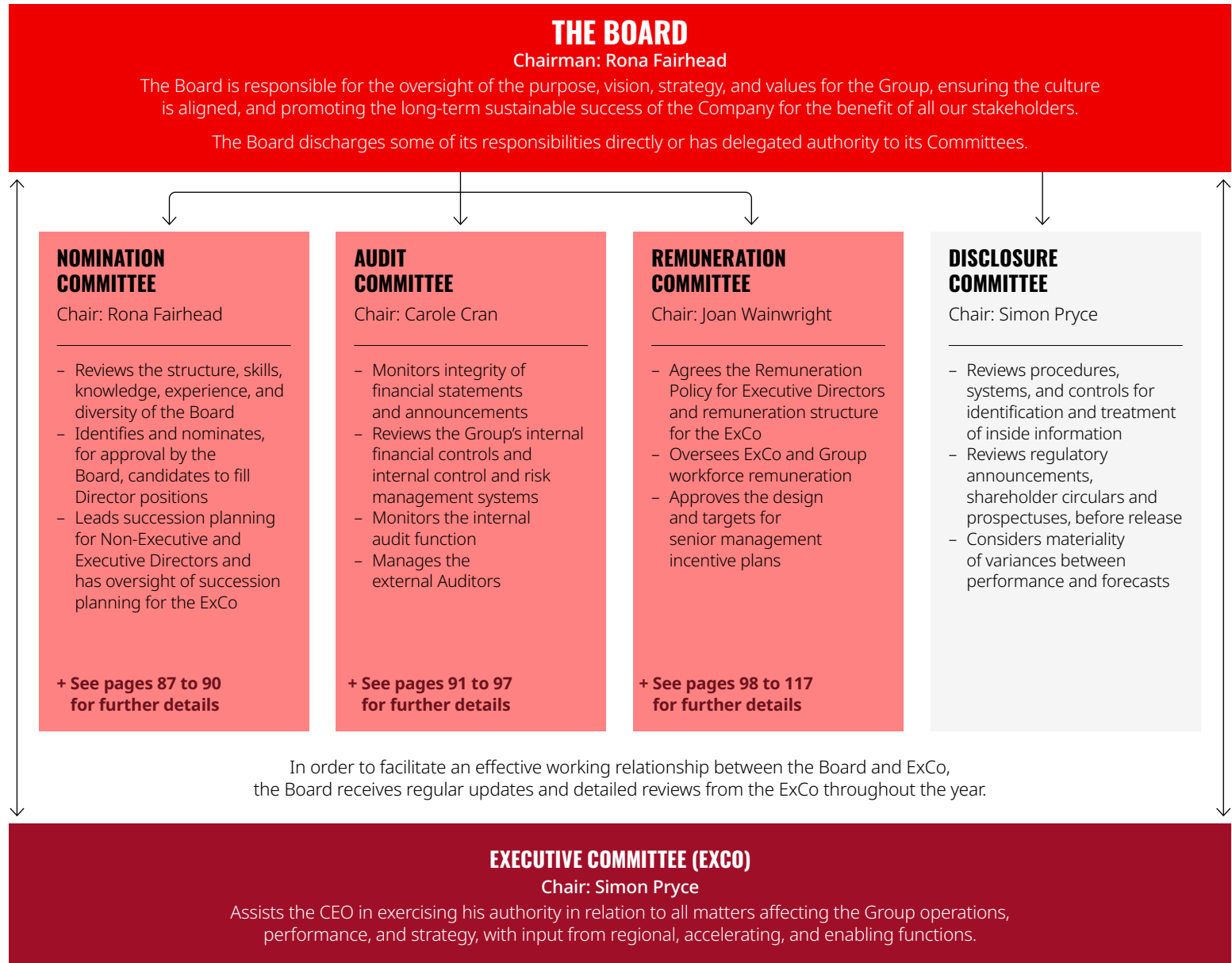
We would like to thank shareholders that took part in the engagement process and value the feedback provided. We remain committed to ongoing dialogue with shareholders, other stakeholders, and proxy voting agencies and we will continue to engage on remuneration and other matters.

Our governance framework continued

Our Strategic report on pages 1 to 69 demonstrates how the business considers and engages with the Group's key stakeholders: our people, customers, suppliers, communities, and shareholders. The following pages of the Governance report set out how the Board works and the areas of focus for the Board during the year, how these relate to our strategic aims and, where appropriate, how our stakeholders have been considered.

The Board delegates the day-to-day operational decision-making of the business to the CEO and CFO with support from the ExCo and their teams. The Board recognises, however, that doing so does not absolve it of its accountabilities to the Group's stakeholders and the need to reinforce and support the ExCo's decisions by setting the tone from the top. The Board must consider the needs of, and impacts of its decisions on, all stakeholders as well as the consequences of its decisions in the long term. The Board recognises that, when making decisions, it will sometimes have to consider the competing interests of stakeholders and that it may not always be possible to deliver an outcome that is welcomed by all stakeholders. In these situations, the Board is guided by the need to consider the long-term sustainable value to the business.

As part of our ESG governance, the Board has close oversight of our ESG action plan and is provided with frequent updates on its performance. For further details on ESG governance, see pages 58 to 61.



Our governance framework continued

Division of responsibilities

There is a clear division of responsibilities between the leadership of the Board and the executive leadership of the Group. The responsibilities of the Chairman, CEO, CFO, Senior Independent Director, Board, and Committees are agreed by the Board. See pages 76 and 77 for the overall governance framework and below for a summary of the division of responsibilities. Full details can be found at [rsgroup.com](https://www.rsgroup.com).

Position	Responsibilities
Chairman	
Rona Fairhead	<ul style="list-style-type: none"> – Leading the Board and ensuring its oversight of strategy, performance, value creation, culture, stakeholders and accountability – Promoting open, trusting, challenging discussions and debate, and constructive relations between Executive and Non-Executive Directors – Leading the Board succession planning and seeking to ensure effective communication with shareholders
Executive Directors	
Simon Pryce (CEO)	<ul style="list-style-type: none"> – Managing and leading the Group on a day-to-day basis, making decisions on matters affecting the operation and performance of the Group's business – Designing, developing, and implementing the strategic plans – Ensuring robust management succession plans are in place – Engaging effectively with all stakeholders
Kate Ringrose (CFO)	<ul style="list-style-type: none"> – Managing financial matters and implementing and monitoring financial controls – Developing the Group's financial policies and strategies – Ensuring a commercial focus across the business activities and appropriateness of risk management
Senior Independent Director	
David Sleath	<ul style="list-style-type: none"> – Acting as a sounding board to both the Chairman and the CEO – Acting as a conduit for the views of other Non-Executive Directors and conducting the Chairman's annual performance appraisal – Being available to shareholders to help resolve concerns
Non-Executive Directors	
Alex Baldock Carole Cran Bessie Lee Miles Roberts Joan Wainwright	<ul style="list-style-type: none"> – Overseeing and constructively challenging executive management regarding the performance of management against agreed performance objectives, and helping to review and monitor the Group's strategy – Satisfying themselves on the integrity of financial information and reviewing the Group's risk exposure and controls
Company Secretary	
Clare Underwood	<ul style="list-style-type: none"> – Supporting and advising the Board on matters relating to governance, ensuring good information flows and providing practical support to the Directors – Organising Directors' induction and training

Meetings during the year

The Board held a total of seven meetings during 2025/26, all of which were in person. Details of attendance is provided in the table on page 75.

There may be instances during the year where a Director is unable to attend a meeting. If this is the case, they are provided with all the meeting information and have the opportunity to discuss their feedback with the Chairman or Company Secretary to ensure their contributions are raised at the meeting.

During the year, the Chairman held a number of meetings with the Non-Executive Directors without the Executive Directors being present. The Non-Executive Directors also met without the Chairman to discuss the Chairman's performance.

The Chairman and the Committee Chairs ensure Board and Committee meetings are structured to facilitate open discussion, debate, and challenge. As part of the annual Board performance review process, the functioning of the Board and each of its Committees are reviewed and considered by the Board as a whole. The findings of the review are used to establish an ongoing programme of actions to improve effectiveness of both the Board and the Committees. Further information on this can be found on pages 83 and 84.

Matters reserved for the Board

All matters that have a material impact upon the Group are reserved for the Board and are formally set out in a schedule which can be found on our website at:

[rsgroup.com/investors/governance/governance-framework](https://www.rsgroup.com/investors/governance/governance-framework)

BOARD ACTIVITIES DURING THE YEAR

The Board is responsible for the overall leadership of the Group. Throughout 2025/26, Board activities and discussions continued to focus on the Company's strategic priorities.

The following pages outline some of the key Board activities, topics reviewed, monitored, considered, and discussed by the Board, and where applicable, highlight key decisions that have been taken in order to achieve the Group's objectives. Details are also provided in respect of how the outcomes of these decisions have been considered in relation to the strategy and objectives.

Ahead of each financial year, the Board and its Committees review a forward calendar of events and agenda items. This supports an assessment of key activities, decision points, and milestones anticipated as part of strategic execution. Within the governance framework, key strategic matters are identified and scheduled for in-depth review at appropriate points throughout the period.

The Chairman, with assistance from the CEO, CFO and Company Secretary, agrees the agenda for each Board meeting. This process ensures that sufficient time is being set aside for strategic discussions and business critical items, while including regular standing items, such as reports on trading and financial performance and routine reporting or compliance requirements.



Regular updates

The Board and its Committees received regular updates on various aspects of the business. A typical Board meeting will comprise the following elements:

- Strategic deep dives: provided by each of the regional teams, and accelerating and enabling functions. These provide insight into risks and opportunities, impacts on stakeholders, and progress against the strategic plan to provide key discussion points for the Board. Details of key topics considered during the year can be found in our Section 172 Statement on page 69 and on the following pages
- Committee updates: the Chairs of the Board Committees provide a verbal update to the Board regarding the proceedings of those meetings, including the key discussion points and particular matters to bring to the Board's attention
- Executive reports: the CEO and CFO provide an overview of operational and financial performance since the last meeting and summarise the key challenges and opportunities for the Board's attention
- Regular written updates: provide information on our acquisition pipeline, health and safety (H&S) performance, and investor relations
- Stakeholder engagement feedback: provides updates on any employee engagement sessions or surveys and shareholder engagement activities
- Legal and governance updates: regular updates are received on the Speak Up service, fraud, data protection, cyber security, and approval of the Modern Slavery Statement, along with any regulatory changes

ESG

The Board received regular updates on progress against the Group's ESG strategy and performance.

Building rapport

On the evening before most scheduled Board meetings, all the Non-Executive Directors meet either by themselves, or together with the entire Board and Company Secretary, or with members of the ExCo. This time is important for the Board members to further build a rapport with each other and enhance Board effectiveness, share external views, and consider issues impacting the Company in a more informal environment, resulting in better Board dynamics and decision-making.

Employee engagement

Two site visits were conducted during the year, to Beauvais, France and Fort Worth, US.

To take advantage of these visits, Bessie Lee and Joan Wainwright (as our designated Directors for employee engagement) met with representatives from the Beauvais, France team in September 2025. They also met virtually with employees in Fort Worth, US in July 2025 and employees from the Risoul, Mexico business in March 2026.

In addition to this, the Non-Executive Directors met with around 30 employee representatives from Fort Worth, US in March 2026.

See page 82 for further details regarding our employee engagement programme and the key themes identified.

OUTCOMES

On the following pages, we have highlighted some of the key outcomes from Board discussions during the year.

Key activities during the year

MAY 2025

Strategic deep dive

- The People team provided an update on the progress against the People Plan to ensure the Group has the right capability, capacity, and leadership to deliver the strategy through strategic workforce planning, strengthened leadership and management capability, support for operational excellence, and embedded, consistent change management

Approvals

- Year-end results and reporting included consideration of viability and going concern
- Re-appointment of external Auditors, subject to shareholder approval in July
- 2024/25 end of year ESG performance and reporting
- The TCFD statement contained within the Annual Report and Accounts
- Evaluation of all provisions of the 2018 UK Corporate Governance Code, to review compliance for the year ended 31 March 2025
- The revised Modern Slavery Statement

APPROVAL OUTCOMES

- Payment of final dividend, subject to shareholder approval in July. In making the Board's decision to continue with the progressive dividend policy, multiple stakeholders were considered, including our people, customer and supplier propositions, acquisitions, and our shareholder base, along with the wider geopolitical and economic environment
- The 2025/26 budget, ensuring investment aligns with the Group's strategic aims



JULY 2025

Strategic deep dive

- The Customer Experience team provided an overview of progress against the customer experience strategy, an update on strategic customer experience investments, and a forward look at plans for the coming years
- The Process and Operational Excellence team delivered a deep dive on the programme, outlining its strategic rationale, key challenges, objectives and outcomes, and the planned roadmap and approach to delivery

Events

- The AGM was held. Shareholders had the opportunity to attend, vote, and raise questions directly to the Board
- Bessie and Joan held a virtual employee engagement session with the Americas team. The feedback from this was discussed and shared with senior management and the Board

Approvals

- The revised Fraud Policy, following annual review
- The revised Delegation of Authorities, following an annual review

SEPTEMBER 2025

Strategic deep dive

- The Information Services & Technology team provided an update on progress in its transformation journey, including delivery to date, key learnings from implementations undertaken during the year to support operational efficiency, the continued maturation of the operating model, key risks, including cyber risks, and the evolving AI landscape
- The EMEA team provided an update on the EMEA strategy and performance, including the market opportunity, competitive landscape and key trends, an overview of the external economic context and implications for current performance, the updated EMEA strategy, progress against key priorities, and a forward look at next steps

Events

- The Board visited the Group's Distribution Centre (DC) and office in Beauvais, France
- Bessie and Joan held an employee engagement session with representatives from the Beauvais, France DC and office, the outcome of which was shared with the Board at the November meeting



NOVEMBER 2025

Strategic deep dive

- The Product and Supply Chain team provided the Board with an overview of progress against the strategy, key learnings and proposed next steps across each strategic action, and the associated key initiatives
- The Environment, Health, Safety and Security (EHSS) team provided the Board with an overview of the strategic evolution of the function, including its current status, global priorities and actions, and the governance and organisational structure to support delivery

Approvals

- The half-year results included consideration of going concern status of the Group
- Payment of an interim dividend, which was paid to shareholders in January 2026

Governance

- The Board considered and endorsed the Group's approach to the employee engagement programme, in line with the requirements of the Code, and conducted a review of the structure and feedback loop for employee engagement to enhance the experience for all involved
- Reviewed the principal and executive risks of the Group and considered the half-year risk statement. Further information regarding the Group's principal and emerging risks can be found on pages 34 to 38

GOVERNANCE OUTCOMES

- Received constructive feedback from shareholders on the 2025 Remuneration Policy, which informed and shaped the final policy and supported an ongoing commitment to engage with them

Key activities during the year continued

DECEMBER 2025

Strategic deep dive

- The annual Group strategy session was held. The Board received an overview of refinements to the Group strategy as the Group enters year three of its five-year strategic planning and execution cycle, including progress to date, key learnings since January 2025, and the proposed next steps for further strategic analysis
- The Asia Pacific team provided an update regarding the Asia Pacific regional strategy and progress against key priorities, business performance of the region, including the market opportunity, competition and trends, an overview of the external economic context, and implications for performance

Governance

- Review of actions against the recommendations arising from the prior year's Board performance review
- The Board received an update on ESG performance against our 2030 ESG action plan, 2025/26 ESG performance update, and planned updates to strengthen the sustainability and social impact programme

Events

- As part of Miles Roberts' induction programme, he visited the Beauvais, France office and DC in December 2025. Miles met with the local management team and was provided with a tour of the DC and an overview of operations and strategic plans

STRATEGIC DEEP DIVE OUTCOMES

- Each of the three business regions and accelerator functions presented their strategic updates, these enabled the Board to consider the strategies and action plans designed to create long-term sustainable value for all our stakeholders



JANUARY & FEBRUARY 2026

Strategic deep dive

- The Board took part in a deep dive into Artificial Intelligence (AI). The objective of the session was to provide an overview of the current AI environment globally and in the distribution sector, provide practical insights and demonstrations, and an overview of the Group's position on AI and plans for learning, using, and governing AI. See page 85 for further details

Approvals

- The revised Share Dealing Code
- The revised Audit Committee Terms of Reference, reflecting the changes to the Code

Events

- As part of Miles Roberts' ongoing induction programme, he visited the Group's DC in Bad Hersfeld, Germany to gain a first-hand understanding of the operations and strategy and to meet the local management team

MARCH 2026

Strategic deep dive

- The Americas team, including the Risoul business, provided an update on strategy and performance, highlights of key market developments, performance insights, and demonstrated progress in executing the strategy
- An Executive succession planning update was provided, which detailed the continuous improvements to enhance quality and transparency of the development and succession process

Approvals

- The 2026/27 annual budget
- The Group's principal risks as at March 2026 and the Group risk appetite statement, including details of the principal risks
- The tax strategy. The key tax-related governance controls were also presented to the Board

**Events**

- The Board visited the Fort Worth, US, offices and DC, meeting with the local management team and touring the DC. An engagement session was held with the Non-Executive Directors and 30 representatives from the Fort Worth business. The employees were split into teams of around five, and met with each of the Non-Executives present, giving employees the opportunity to ask questions about the Directors' careers, experience, role at RS, and operational oversight
- Bessie and Joan held a virtual employee engagement session with representatives from the Risoul business to gain insight into their business and opportunities for improvement
- Miles and Rona visited the RS Integrated Supply team in Warrington, UK, for an in-depth overview into the business operations

Governance

- The Nomination Committee considered the findings of the external Board performance review process and discussed the key recommendations arising from it. See pages 83 and 84 for full details
- The Non-Executive Director and Chairman fees for 2026/27 were considered and approved

APPROVAL OUTCOMES

- The Board undertook a robust assessment of the Group's principal and emerging risks and have assessed them against the Group's risk appetite
- The revised Nomination Committee Terms of Reference
- The revised Remuneration Committee Terms of Reference

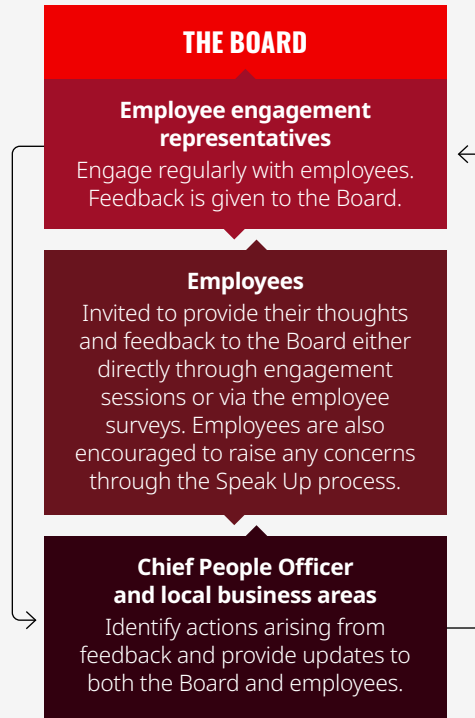
EMBEDDING OUR CULTURE THROUGH BOARD ENGAGEMENT

Board employee engagement approach

The Board undertook a comprehensive review of its approach to workforce engagement. Following the review, the Board agreed that the current approach of appointing two designated employee engagement Directors provides valuable and insightful perspectives on the culture of the business from employees' viewpoints, and that this approach should therefore continue.

To maximise outcomes from feedback gathered through workforce engagement sessions, a programme of regular meetings with the CPO has been implemented, together with structured updates from local business areas following engagement sessions and enhanced feedback to employees on actions taken.

In addition to this, the two designated Board Engagement Directors, Bessie Lee and Joan Wainwright, sought feedback from employees on the engagement sessions held between July and October 2025. The purpose of this was to ensure the sessions were of value to both the Board and employees.



Board engagement highlights

3

employee engagement sessions held during the year

5

site visits conducted by Directors

TOP 30

shareholders engaged post AGM

CASE STUDY

ENGAGING WITH EMPLOYEES AT BEAUVAIS

In September 2025, as part of the Board visit to Beauvais, France, Bessie Lee and Joan Wainwright met with the RS team. The visit provided a comprehensive overview of the business and comprised of:

- A briefing from the management team on changes that had been made following Joan's previous visit in 2022
- A focus group with 12 employees as representatives from the office and DC, met in a group setting with the assistance of a translator to enable a productive discussion

Discussions during this session included what's working well, what can be improved, what one key change the team would like to see, and what is the hope for RS in the future.

The discussion was followed by a question-and-answer session between the employees and Bessie and Joan.

The visit concluded with a debrief with members of the local management team to discuss key feedback and actions. The general feedback from the focus group showed that the team are incredibly proud of what they have achieved as a business and are enthused by the future prospects, despite the current difficult trading environment.

A detailed summary of the visit was also provided to the Board and shared with the EMEA leadership team.

Key themes and observations from the employee engagement sessions conducted during the year were around working conditions, resources, IT infrastructure, strategic prioritisation, and clarity of communications and processes.



BOARD PERFORMANCE REVIEW

Board performance reviews provide valuable insight and independent objectivity to the Board and its Committees, supporting the continuous enhancement of Board leadership, effectiveness and strategic focus. Through a considered evaluation of each Director's role and responsibilities within the context of the overall Board dynamic, the review process promotes constructive challenge, collaborative decision-making, and greater strategic clarity.

Board performance review cycle

The Board undertakes an annual review of its performance and effectiveness. During 2025/26, an externally facilitated Board performance review was conducted in accordance with the provisions of the Code. Clare Chalmers was appointed to lead the review, having previously facilitated the Board's external performance review in 2022, thereby providing continuity and enabling an assessment of progress over the three-year period. The scope of the review encompassed the performance and effectiveness of the Board and its Committees, as well as the Chairman, the Senior Independent Director, and the Company Secretary. The review process is set out below.

The performance review demonstrated that the Group benefits from a strong, high calibre Board that operates very effectively. The review identified positive progress since the 2022 performance review, including a strengthened organisational culture under the CEO's leadership, and improvements in the quality and structure of information provided to the Board, supporting more effective and higher-quality discussions and decision-making. Areas to further strengthen the Board's effectiveness can be found to the right.

OUR EIGHT-STAGE EXTERNALLY FACILITATED BOARD PERFORMANCE REVIEW PROCESS

STAGE 1

Appointed Clare Chalmers to provide continuity and assessment of progress since the 2022 review

STAGE 2

Scope, approach, structure, and objectives set

STAGE 3

Review of Board and Committee meeting documents completed

STAGE 4

Clare Chalmers observed Board and Committee meetings

STAGE 5

Individual interviews conducted

STAGE 6

A focused but descriptive written report was provided to the Chairman

STAGE 7

Chairman met with each Director on a one-to-one basis

STAGE 8

The report was presented to the whole Board for discussion

There is no other connection between Clare Chalmers and either RS or the individual Directors.

Key outcomes from the 2025/26 performance review are as follows:

Key considerations

Actions agreed

Board composition and succession planning

- Continue to focus on the key skills and experience that will be required on the Board in the coming years
- Continue to oversee the strengthening of Executive and Senior Management succession planning and development
- Conduct a review of the Board's skills matrix to support review of any training needs for existing Directors and assist with any future Board recruitment

Board meeting dynamics and logistics

- Continue to build boardroom dynamics, with a collegiate atmosphere that encourages constructive challenge
- Maximise Board effectiveness through on-going review of Board meeting schedule and agenda items
- Explore ways of further refining Board papers, with commentary and feedback on the content of papers, reducing paper volume where possible
- While progress had been made in respect of the quality and length of Board papers, further streamlining of presentations and enhanced focus on key points was required to support effective discussion during Board meetings
- Cadence and timings of meetings to be reviewed
- Feedback to be sought to further refine improvements to meeting papers

Horizon scanning and stakeholder input

- Explore methods of enhancing horizon scanning with the support of a third party to discuss aspects such as macroeconomic environment
- Explore ways of bring more of the voice of the customer and supplier to the Board
- Invite a third-party expert to provide an overview in an informal setting, such as a Board dinner
- In addition to the deep dive strategic reviews provided by the Chief Customer Experience Officer, who would bring the voice of customers to the Board, a presentation from selected suppliers would also be considered

Board performance review continued

Progress against the 2024/25 performance review

A summary of the Board's progress against the actions from the 2024/25 performance review is set out below.

Key recommendations

Actions agreed

Progress against actions

Strategic discussions

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> - More time was requested to allow in-depth discussions regarding strategy along with further details around developing areas, such as AI and technology | <ul style="list-style-type: none"> - Strategic papers will continue to focus on performance against competitors, key risks, and opportunities, KPIs and objectives and sufficient time to be allocated for discussion - Further deep dives on AI, technology, and digital developments to be implemented, including longer-term horizon scanning | <ul style="list-style-type: none"> - Good progress was made on the format of strategic papers. During the year, one-page executive summaries were introduced for all strategic papers to help the Board navigate the pre-read and discussion points - The Board received deep dives on AI, technology, and digital advances during the year. See pages 81 and 85 for further detail |
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Board meetings

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> - In addition to regular Board meetings, market visits were seen as a vital element of the Board's activities and would be built into the Board's annual calendar | <ul style="list-style-type: none"> - It was agreed that market visits should form a key part of the annual meeting cycle as they provide valuable insight into the business. It was noted that the next site visit would take place in September 2025, with a further site visit planned for 2026. Annual site visits would be built into future annual calendars | <ul style="list-style-type: none"> - The Board visited both the Beauvais, France, and Fort Worth, US business operations during the year. Each of these provided valuable and first-hand insight into these business operations - As part of his induction, Miles Roberts visited Beauvais, France and Bad Hersfeld, Germany. Alongside Rona, he also visited the UK operations of RS Integrated Supply |
|---|--|---|

Training and development

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> - Further deep dives on AI, technology, and digital advances would be beneficial, especially in respect of how we compare to the competition - Focus on horizon scanning over the next three to five years | <ul style="list-style-type: none"> - In addition to the deep dives (above), further training would be investigated in respect of digital, machine learning, geopolitical tension, and global portfolio management | <ul style="list-style-type: none"> - The Board received deep dives on AI, technology, and digital advances during the year - The Board received regular updates from across the business which included considerations of the geopolitical environment |
|---|--|--|

Succession planning

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> - Executive Director and ExCo succession planning was identified as an area of key focus for the Nomination Committee for 2025/26 | <ul style="list-style-type: none"> - Regular succession planning updates have been built into the Nomination Committee forward agenda for 2025/26 to maintain focus on this topic | <ul style="list-style-type: none"> - The Nomination Committee continued its focus on succession planning during the year. See pages 87 and 88 for further detail - Key appointments were made during the year, which further strengthened the ExCo |
|---|--|--|

Board appointments, time commitments and development

Appointments and time commitments

The Chairman, Senior Independent Director, and other Non-Executive Directors each have letters of appointment with RS Group plc and neither serve, nor are employed in any capacity, by the Group.

Non-Executive Directors are generally appointed for three-year fixed terms; however, in line with what is considered good governance practice, all Directors are proposed for annual re-election (or election if newly appointed) by shareholders at the AGM, where letters of appointment for each Non-Executive Director are available for inspection. Each Non-Executive Director is subject to a review at the anniversary of each three-year term to ensure they are still independent and have sufficient time to dedicate to the role and evaluate their contribution to the Board.

As illustrated on page 75, the Board has a diverse and appropriate range of skills and experience and works effectively in its role.

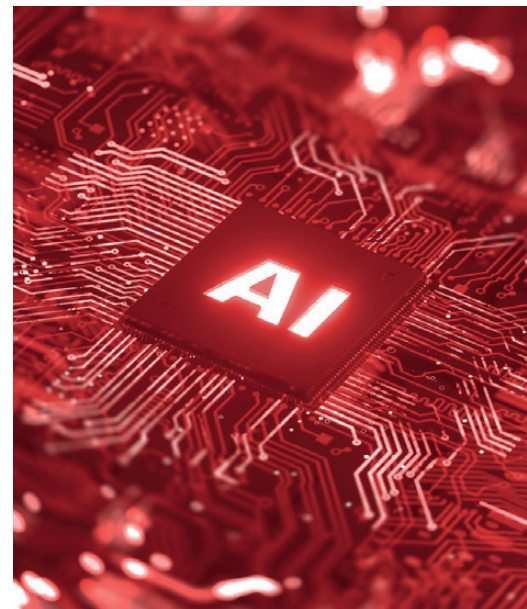
The expectation regarding time commitment for Board members to discharge their duties effectively is set out in the Directors' letters of appointment. The external commitments of our Directors are kept under review to ensure they have the time to contribute effectively to the activities of the Board and its Committees throughout the year. Any additional external appointment taken on by a Director must be approved by the Chairman prior to appointment, to ensure that the Director's ability to meet the required time commitments to the Group is maintained.

The Board, following the annual performance review process, also considers whether each Director performs effectively and demonstrates their commitment to the role. The Board recommends that all Directors be re-elected at this year's AGM.

As recommended by the Code, the Executive Directors who held roles during the year did not hold more than one non-executive directorship in a FTSE 100 company or any other significant appointments.

Training and induction

As part of the Board's continuous development, the Directors receive regular updates from the Company Secretary as well as a schedule of externally available briefings and training sessions. External training includes facilitated events, forum discussions, and seminars related to the listed company environment, many of which were offered virtually. To strengthen its understanding of the business and support effective decision-making, the Board undertook in-depth reviews of each accelerating function during the year: Customer Experience and Product and Supply Chain, with each of the three regions providing deep dives into their region's culture, business performance, and market trends.



The Board also received deep dive insight from our enabling functions: Information Services & Technology, People, Finance, and Corporate Services, including H&S. These sessions served as an opportunity for the Board to gain further insight into our operating model and management capability. The Board also received an externally facilitated deep dive into AI, which was highlighted as an area of importance during the 2024/25 Board performance review, further details can be found below.

The Company Secretary is available to all Directors whenever needed and ensures that both Directors and Committees have access to independent professional advice (at the Group's expense) if they deem it necessary to carry out their role effectively.

Following the appointment of any new Director, the Chairman and Company Secretary ensure that a customised induction to the Company and the role of the Board is made available.

The induction programme is tailored to the individual Director, based on their skills, experience, and needs.

New Directors are provided with an induction pack that includes key corporate documents and information relating to the Group, such as the latest Annual Report and Accounts, strategy papers, the five-year plan, M&A pipeline, the internal audit plan, and governance documents, such as the Articles of Association, Terms of Reference of the Committees, and a Directors' responsibilities briefing.

Carole and Miles' induction programmes continued during the year. In addition to the Board visits to Beauvais, France and Fort Worth, US, Miles also visited Bad Hersfeld, Germany and our RS Integrated Supply business in Warrington, UK.

CASE STUDY

EMBRACING TECHNOLOGICAL DEVELOPMENTS AND AI

In response to the recommendations from the 2024/25 Board performance review and recognising the requirement to strengthen Board capability and oversight in relation to AI, a dedicated training session was delivered to the Board during the year.

The Board recognises the importance of embracing AI, and the session in January 2026 helped to build a shared understanding of recent developments, their implications for the Group, and to advise on the Group's AI strategy.

The insightful session was led by a combination of internal leaders and external experts and covered the current state of AI adoption across

the business, the evolving external AI landscape, and how AI is already being embedded into our processes, platforms, and products.

The session enabled the Board to build its understanding and provoked constructive discussion around the Group's AI plans, including how opportunities are identified and prioritised, how AI is governed and deployed responsibly, and how we are building the skills, capabilities, and operating foundations required.

Particular focus was given to the opportunities for the Group, while managing risks relating to data, security, ethics, and regulatory compliance.

Compliance with the UK Corporate Governance Code

COMPLIANCE STATEMENT FOR 2025/26

The UK Corporate Governance Code 2024 (the Code) applied to the financial year ended 31 March 2026, with the exception of the new Provision 29, which will apply to the Group's 2026/27 Annual Report and Accounts. Existing Provision 29 of the UK Corporate Governance Code 2018 applied to the 2025/26 Annual Report and Accounts. The Group will report against the updated Provision 29 of the Code in the 2026/27 Annual Report and Accounts. For more information about the Group's preparation for the updated Provision 29, see pages 91 and 95.

The Company confirms that it applied the Principles and has complied with the Provisions of the Code during 2025/26. The Code is publicly available at www.frc.org.uk

Application of the Code

The Directors' report is set out in a way that helps shareholders and investors to evaluate how the Company has applied the Principles and complied with the Provisions of the Code during the year. The table to the right signposts the most relevant parts of the Annual Report and Accounts, in particular where supporting information is not in the Directors' report.

Principles of the Code	Pages
1. Board leadership and Company purpose	
Chairman's introduction	2 to 4, and 71
Our Board	72 to 74
Purpose, values, and strategy	2 to 18
Culture	3, 10, 16 and 51 to 54 and 82
Board stakeholder engagement and decision-making and outcomes	76 and 79 to 82
Key performance indicators and strategic performance	20 to 23
Risk assessment	34
Risk management	33 to 40
Rewarding our people	53, 101 and 116
Whistleblowing	60 and 96
2. Division of responsibilities	
Our Board	72 to 74
Board leadership and governance framework	76 to 78
Board independence and time commitments	75 and 85
Committee reports	87 to 117
Board and Committee meeting attendance	75

Principles of the Code	Pages
3. Composition, succession, and evaluation	
Our Board	72 to 74
Board leadership and governance framework	76 to 78
Succession planning	87 and 88
Board performance review	83 and 84
Diversity	52, 89 and 90
Nomination Committee report	87 to 90
4. Audit, risk, and internal controls	
Audit Committee report	91 to 97
Statement of Directors' responsibilities	121
Risk management	33 to 40
Review of internal controls	33 to 40, and 95
Principal risks and emerging risks	34 to 38
Going concern	40
Viability statement	39 and 40
5. Remuneration	
Directors' Remuneration report	98 to 117
Other remuneration disclosures	116 and 117

NOMINATION COMMITTEE REPORT

Rona Fairhead

Chair of the
Nomination
Committee



Key highlights

Membership as at 19 May 2026:

- Rona Fairhead (Chair)
- Bessie Lee
- Miles Roberts
- David Sleath
- Joan Wainwright

Activities during 2025/26

- Enhancement of talent mapping, development, and succession planning
- Oversight of the external Board performance review process
- Review of existing Non-Executive Directors' terms of appointment
- Review of Board Diversity and Inclusion (D&I) Policy

Priorities for 2026/27

- Overseeing the progression of the Executive succession and development process
- Continued focus on Board composition and Non-Executive succession planning
- Overseeing the internally-facilitated Board and Committee performance review process

Dear shareholder

I am pleased to present the Nomination Committee's (the Committee) report for the year ended 31 March 2026. This section of the Annual Report and Accounts details how the Committee discharged its duties during the year, along with its key activities.

Board composition

Louisa Burdett stepped down from the Board at the end of her nine-year tenure, with effect from 31 January 2026, having served as Non-Executive Director and previously as Chair of the Audit Committee. The Committee and I would like to thank Louisa for the valuable contribution she made to RS during her tenure.

Succession for the Chair of the Audit Committee role was a key focus of the Committee's attention during the year and Carole Cran was appointed Chair of the Audit Committee from July 2025.

During the year, the Committee reviewed and approved Joan Wainwright's third three-year term. As part of this review it considered Joan's independence, contribution, and time commitment to the role. See page 88 for further information regarding Non-Executive succession planning.

Succession planning

The Committee continued to oversee the Executive succession planning programme. This included a summary of progress during the year, opportunities to further strengthen senior leadership roles, an update on the development programme launched during the year, and planned actions for the next 12 months, to ensure the succession and development framework continues to evolve in line with the needs of the business.

Belonging

The Board places great emphasis on benefiting from diversity in its broadest sense. During the year, the Committee reviewed the Board D&I Policy to ensure it continued to reflect best practice and promote the desired behaviours. This was subsequently adopted by the Board. This sets out the objectives for Board membership in respect of diversity. Further details on the Board D&I Policy can be found on page 89.

Board performance review

An external Board performance review was conducted during the year and the process was overseen by the Committee. The findings from the performance review indicate a highly effective Board, with some areas of focus being identified. These will form the basis of an action plan, which will be implemented during the course of the year, with oversight from the Committee. The Committee also considered the actions identified from the 2024/25 internal performance review and monitored progress against these. Full details of the Board performance review process, outcomes, and previous actions can be found on pages 83 and 84.

Rona Fairhead

Chair of the Nomination Committee
19 May 2026

KEY ACTIVITIES DURING THE YEAR

JULY 2025

- Reviewed actions arising from the Executive succession planning deep dive presented to the Committee in March 2025
- Reviewed and approved Joan Wainwright's third three-year term as Non-Executive Director

MARCH 2026

- External Board performance review outcome
- Executive succession planning
- Board D&I Policy reviewed and recommended to the Board for approval
- Reviewed the Committee Terms of Reference



Nomination Committee report continued

Board composition and changes

Louisa Burdett, Non-Executive Director stepped down from the Board at the end of her nine-year tenure, with effect from 31 January 2026, having served as Non-Executive Director and previously as Chair of the Audit Committee.

Carole Cran succeeded Louisa as Chair of the Audit Committee with effect from July 2025. Carole has in-depth financial experience, as she is a chartered accountant, and is currently chief financial officer of Halma plc. A smooth handover took place between Louisa and Carole, to ensure continued effectiveness of the Audit Committee.

On the third and sixth anniversary of appointment, each Non-Executive Director is subject to a review to assess their continued independence, the time available to fulfil the role, and their overall contribution to the Board. During the year, Joan Wainwright reached her sixth anniversary and, following this review, the Committee concluded that she remained independent and continued to make a strong contribution to the Board.

Succession planning

Succession planning for key senior leadership roles remained a priority for the Committee during the year. Developing talent is a key enabler to delivering our business strategy and creating a high-performance, purpose-led culture.

Executive Director succession planning

The Board recognises the importance of robust succession planning to help nurture a diverse pipeline of talent in current and future leaders. The Committee is pleased with the progress that has been made during the last year in respect of executive succession planning. A more robust process, together with a good balance of bringing in external talent and promoting from within, has enhanced the talent succession pipeline at the ExCo and senior management level. Two new ExCo members have been hired in the last 12 months, as have some strong hires into some of our key market lead roles. Additionally, senior leadership capability has been enhanced over the past 12 months, supported by targeted role changes and appointments designed to enhance overall depth and experience.

The succession plans are split between short-term and long-term requirements:

- Short-term requirements: for use in unplanned or emergency situations, whereby interim cover on a short-term basis is implemented. The Committee was pleased that capable emergency successors have been identified for all ExCo roles
- Longer-term requirements: for creating a diverse pipeline of talent within the organisation by identifying individuals who have potential to step into the role in the next one to five years. Any gaps in experience and knowledge are identified, and a development plan devised and implemented to upskill potential candidates

Our succession planning process has evolved to strengthen leadership capability, provide greater accountability for developing key talent, drive and monitor more action-orientated outcomes, and develop a stronger and more diverse internal pipeline of talent through accelerated development and hiring.

During the year, the ExCo development and succession review was completed, which provided essential data points to enable focused development activities for each member of the ExCo. In addition to this, all ExCo roles have succession candidates identified within the five-year planning horizon with actions to strengthen and accelerate, with our succession coverage matching external best practice level. The Committee acknowledges that while there is strong representation of women on functional succession plans, it observed that there is more work to be done on ensuring the same applies for the succession plans of commercial roles, which will continue to be an area of focus going forward.

Over the last year, the team has implemented a robust talent policy and process for all senior manager hires, which includes an assessment of the candidate against our new leadership framework and competencies. This policy also ensures that it is a diverse and inclusive process.

In 2025/26, we launched our new Leadership Advantage Programme where 90 senior leaders began their 18-month leadership development journey with our selected global business school partner. This programme supports our People Plan objective to create a strong and diverse pipeline. Further detail can be found on page 53.

For the broader employee base, there is an annual process whereby all individuals throughout the Group undergo regular performance reviews and are responsible for their own development plans, with oversight and support provided by line managers. In addition to this, an ongoing succession planning process is in place to identify talent and successors to senior leadership roles, and to highlight any potential retention risks. For details of our talent programme, see page 53.

The Committee will continue to review and monitor the succession planning process, including performance and talent ratings, to ensure it is effective and appropriate for the Group.

Non-Executive Director succession planning

Throughout the year, the Committee continually considered the Board's balance of skills and experience to ensure the overall composition of the Board remains appropriate. This approach also enables the Committee to identify any skills gaps and to build role profiles quickly, when needed.

Consideration is also given to the Non-Executive Director tenure. During the year, Directors who reached a three- or six-year anniversary from the date of their appointment, were considered by the Committee, taking into account length of tenure, time commitments, and continued independence.

Nomination Committee report continued

Diversity and inclusion

During the year, the Committee approved an updated Board D&I Policy. This provides a high-level overview of the Board's approach to driving D&I in our succession planning, selection, nomination, operation, and performance review of the Board. This policy works in conjunction with our wider Group D&I Policy.

Policy statement

We believe in creating an inclusive and engaging environment, where everyone is proud and excited to come to work and can perform at their best, develop, and thrive. We are proud to support our people to be their best by building an inclusive workplace that supports everyone, irrespective of ethnicity, disability, socio-economic backgrounds, mental health conditions, neurological divergence, age, religion, sexual orientation, or gender identity.

The Board places great emphasis on ensuring that its membership reflects diversity in its broadest sense. We believe a key driver in delivering our organisational diversity commitments is through a Board, which has a balance of skills, personal and cognitive strengths, experience, independence, and knowledge. Consideration is given to the combination of demographics, skills, experience, ethnicity, age, gender, and other relevant personal attributes on the Board to provide the range of perspectives, insights, and challenge needed to support good decision-making.

New appointments are made on merit, taking account of the specific skills and experience, independence, and knowledge needed to ensure a diverse and rounded Board and the benefits each candidate can bring to the overall composition of the Board and its Committees.

Objectives

Objectives for achieving Board diversity are periodically reviewed. The Board aspires to be comprised of:

- At least 40% women
- At least one of the senior Board positions (Chair, CEO, CFO or Senior Independent Director) is a woman
- At least one Director from an ethnically diverse background

The Board acknowledges that in periods of Board change, there may be times when this balance is not maintained. As at 31 March 2026, the Board is comprised of 55% women and 11% from an ethnically diverse background.

Reflecting these aspirations, the Board will aim to meet any recommendations set out by the FTSE Women Leaders Review (formerly Hampton-Alexander Review) and the Parker Review.

The Board places high emphasis on ensuring the development of diversity in the senior management roles across the Group and supports and oversees the Group's ambition of working towards 37-42% of senior leaders being women and 17-22% being ethnically diverse by 2030. See page 52 for further details.

Currently, this Policy is not applied to Board Committees individually, although we strive to apply similar representation across the Committees. The Board is comfortable that the diversity of the Board is reflected across Committee memberships and that this remains an ongoing consideration.

Responsibilities, monitoring, and reporting

The Chairman of the Board will lead the Board's diversity agenda and set measurable objectives, with the aim of continuously improving D&I generally, ultimately leading to better debate and decision-making.

The Board will be expected to role model inclusive language, behaviours, and practice in all undertakings for and on behalf of the Group, setting a clear tone from the top.

The Committee is responsible for ensuring that the Board has the right balance of skills, experience, and knowledge and, in accordance with its Terms of Reference, shall:

- Regularly review Board composition
- Monitor and drive succession planning, talent development, and the broader aspects of D&I for both Executive Directors and the ExCo
- For any Director appointments, work with executive search firms that reflect and understand the Group's values and approach to diversity, including this Policy, and will honour those values and approach in identifying and proposing suitable candidates for appointment to the Board and its Committees

- Identify suitable candidates for appointment to the Board on merit against objective criteria having regard to:
 - The benefits of diversity in promoting the success of the Group for the benefit of its shareholders as a whole
 - The skills, experience, background, independence, and expertise of current members of the Board and its Committees
- Report annually in the Governance report of the Annual Report and Accounts on the implementation of the Board D&I Policy and other matters as required by the Code and other regulatory and statutory requirements
- Review the Board D&I Policy at least annually and recommend any revisions to the Board



Nomination Committee report continued

Gender and ethnicity representation

The Financial Conduct Authority, in its capacity as the UK Listing Authority, introduced rules during 2022 that require listed companies to publish information on gender and ethnic representation on the Board and in executive management roles (Listing Rule UKLR 6.6.6R (9) and (10)). The tables below outline the current gender and ethnic diversity of the Board and our ExCo.

Methodology of data collection

Data in respect of our senior leaders, including our ExCo, is compiled through our employee database and collected on a self-reporting basis. Data in respect of the Board is collected on a self-reporting basis and agreed directly with the Board members.

Diversity statistics as at 31 March 2026

Reporting table on gender representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of ExCo members	Percentage of the ExCo
Men	4	45%	2	7	70%
Women	5	55%	2	3	30%
Not specified/prefer not to say	0	0	0	0	0%

Reporting table on ethnicity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of ExCo members	Percentage of the ExCo
White British or other White (including minority-white groups)	8	89%	4	10	100%
Mixed/Multiple Ethnic Groups	0	0	0	0	0%
Asian/Asian British	1	11%	0	0	0%
Black/African/Caribbean/Black British	0	0	0	0	0%
Other ethnic group	0	0	0	0	0%
Prefer not to say	0	0	0	0	0%
Not specified	0	0	0	0	0%

Throughout the 2025/26 Annual Report and Accounts, the information we disclose is in accordance with our reporting obligations as a UK registered company listed on the London Stock Exchange. We continue to keep our policies and procedures under review to ensure ongoing compliance with the laws and regulations of the jurisdictions in which we operate, including any anti-discrimination regimes as they evolve.

Board performance review

The Committee, led by the Chairman of the Board, is responsible for overseeing the Board performance review process. This year, the Board underwent an externally facilitated performance review.

The Committee also considered the remaining actions taken in response to feedback from the previous internal review undertaken in 2024/25 and monitored progress against the agreed actions. Full details of both the performance review and actions against the previous year's performance review are provided on pages 83 and 84.

Committee governance

Committee structure and meetings

The Committee is comprised of independent members. Louisa Burdett stepped down from the Board and Committee in January 2026. There were no further changes to the Committee membership during the year.

The Committee held two scheduled meetings during the year. Details of attendance at meetings can be found on page 75.

In addition to the members, the regular attendees at the meetings of the Committee have included the CEO, CFO, CPO, and the Company Secretary.

The Committee Chair attends the Company's AGM and is happy to answer any questions from shareholders on matters falling within the Committee's responsibilities.

Meetings of the Committee generally take place shortly before Board meetings and activities of the Committee are reported by the Chair to the Board as a separate agenda item.

Committee responsibilities

The Committee's chief responsibilities have not changed during the year. The Committee's Terms of Reference are reviewed formally and approved annually and set out its principal duties in full, including its authority to carry out its duties. These are available at [rsgroup.com](https://www.rsgroup.com)

Committee performance review

As part of the external performance review, the Committee examined its own performance and operational effectiveness. The Committee members agreed that the meetings continued to be well run with appropriate levels of detail presented.

The overall findings of the performance review demonstrated that the Committee operated effectively and continues to discharge its duties in line with its Terms of Reference.

AUDIT COMMITTEE REPORT

Carole Cran

Chair of the Audit Committee



Key highlights

Membership as at 19 May 2026

- Carole Cran (Chair)
- Alex Baldock
- Miles Roberts
- David Sleath

Activities during 2025/26

Reviewed and confirmed adherence to the requirements of the new "Audit Committees and External Audit: Minimum Standard", through the activities described below:

- Monitored the integrity of the Group's financial statements, including half-yearly and annual announcements relating to financial performance
- Reviewed and monitored the Group's approach to risk management and the effectiveness of its internal controls
- Monitored the Group's preparations for the upcoming changes to the Code in readiness to meet the additional disclosures over the effectiveness of material controls (Provision 29)
- Evaluated the performance of the internal audit function
- Reviewed the Group's ESG reporting approach, including the update on its climate-related risks and opportunities in relation to TCFD and preparedness for future CSRD and ISSB alignment

- Reviewed preparations for the New Failure to Prevent Fraud offence
- Reviewed the performance and effectiveness of the external Auditors, including consideration of their appointment and remuneration
- Conducted regular reviews of cyber security risks, the effectiveness of existing controls, and further planned enhancements to this control environment

Priorities for 2026/27

- Continue to monitor the Group's progress on refining the Group's material controls to comply with the Code, including ensuring that the controls are designed and working effectively, for the detection and prevention of fraud
- Prepare for known legislative or regulatory changes whilst monitoring any upcoming legislation changes
- Continue to focus on principal risks, including the evolving cyber security threat landscape
- Continue to ensure our external Auditors maintain a high standard of audit quality and are sufficiently challenging to management in the course of its work
- Continue to oversee the Group's preparedness for new and evolving ESG reporting and compliance requirements

Dear shareholder

As recently appointed Chair of the Audit Committee (the Committee), I would like to thank our previous Chair, Louisa Burdett for her support in helping me transition into the role. I am pleased to present the Committee's Report for the year ended 31 March 2026. The purpose of this Report is to describe the work undertaken by the Committee and explain how it has discharged its responsibilities throughout the year.

The Committee's main role is to monitor and review the integrity of the Company's financial information. This includes recommending to the Board whether the Company's Annual Report and Accounts, taken as a whole, is fair, balanced, and understandable and whether the assessment of the Group's going concern assumptions and longer-term viability are reasonable. The Committee is also responsible for providing assurance to the Board that the Group's internal controls and risk management systems are fit for purpose and regularly reviewed, as well as overseeing the effectiveness and independence of the external Auditors, Deloitte LLP, including recommending to the Board the approval of their fees and appointment on an annual basis.

We continued to see professional, comprehensive, and robust work in all areas which has meant that the Committee has been able to discharge its obligations seamlessly throughout the year.

The Committee's focus on the Group's financial reporting, includes: the key accounting matters set out on pages 93 and 94; approving the disclosures in relation to climate change and geopolitical uncertainties; the Group's going concern and viability statements; and the Group's use and definitions of alternative performance measures. All of these matters were conducted to the satisfaction of the Committee.

We continued to monitor the Group's progress in further strengthening its internal control framework. Over the year, the Group has enhanced the clarity, consistency, and oversight of its material controls, supported by improvements in monitoring and reporting systems. The Committee is satisfied that the internal controls framework evolution is progressing well and that the Group will be in a position to meet the requirements of the Code provisions.

The Committee considered emerging ESG legislation and associated disclosure requirements, including the Group's approach to responding to these requirements. This encompassed oversight of the fifth year of climate-related risk and opportunity disclosures under TCFD (see pages 62 to 67), review of Scope 3 emissions targets, and the proposed approach for the publication of the Group's first Climate Transition Plan. Alignment with forthcoming ESG regulatory requirements, including CSRD and ISSB, was also covered.

As part of its duties, the Committee has continued to review the Group's information security and data protection controls. The Committee also continued to ensure that appropriate procedures were in place for the detection and prevention of fraud and received regular updates relating to the Group's whistleblowing protocol, further details of which can be found on pages 60 and 96.

On behalf of the Committee, I would like to thank our finance and internal audit teams for their hard work over the past year. I would also like to add thanks to Deloitte for their role as the Group Auditor.

I will be available at this year's AGM to answer any shareholder questions in relation to audit matters.

Carole Cran

Chair of the Audit Committee
19 May 2026

Audit Committee report continued

KEY ACTIVITIES DURING THE YEAR

MAY 2025

- Reviewed the year-end key accounting judgements and issues (including tax) and approved the accounting treatment; viability and going concern; and fair, balanced, and understandable criteria for recommendation to the Board
- Reviewed the ESG performance against our 2030 action plan targets, and considered the ESG related disclosures for year end, including the TCFD statement and financial scenario analysis recommendation to the Board
- Recommended to the Board for approval the adoption of the Annual Report and Accounts for the year ended 31 March 2025 and the full-year results announcement
- Reviewed non-audit fees and the Non-Audit Services Policy and recommended the Non-Audit Services Policy to the Board for approval
- Recommended to the Board for approval the appointment of Deloitte as Auditors for 2025/26
- Reviewed updates regarding internal audit reports, information security, and quarterly whistleblowing report

JULY 2025

- Reviewed Group internal audit remit and performance
- Quarterly review of non-audit fees completed
- Approved Deloitte's audit plan for 2025/26
- Received reports from the Data Protection Officer and quarterly whistleblowing report
- Review of internal audit reports
- Received an update on the US Inventory Provision review, further to the 2023/24 restatement
- Received an update on the Group's progress on preparing for Provision 29 of the Code (risk management and internal control framework)

NOVEMBER 2025

- Reviewed the half-year key accounting judgements and issues (including tax) and approved their accounting treatment; going concern; and fair, balanced, and understandable criteria for recommendation to the Board
- Reviewed the draft interim results for recommendation to the Board
- Quarterly review of non-audit fees completed
- Reviewed updates regarding internal audit reports and quarterly whistleblowing report
- Received an update on the Group's progress on preparing for Provision 29 of the Code
- Received an update from the Chief Information Security Officer

JANUARY 2026

- Received the Group internal audit update
- 2025/26 ESG reporting approach agreed, including TCFD actions, Scope 3 emissions targets, publication of the Group's first Climate Transition Plan, and wider ESG compliance plans
- Received an update on emerging ESG reporting regulations
- Received an update on the FRC evaluation of major auditors
- Quarterly review of non-audit fees completed
- Received a report from the Data Protection Officer
- Received an update from the Chief Information Security Officer
- Reviewed the annual whistleblowing arrangements and the quarterly whistleblowing report
- Reviewed the Committee's Terms of Reference and recommended adoption to the Board
- Received an update on the Group's progress on preparing for Provision 29 of the Code



Fair, balanced, and understandable

The Board is required to confirm to the Company's shareholders that the Annual Report and Accounts, taken as a whole, is fair, balanced, and understandable and provides the necessary information and key messages to enable shareholders and other stakeholders to assess the Group and the Company's position, performance, business model, and strategy. The Committee advises the Board on whether this confirmation can be made and the Committee assesses whether it can make this recommendation to the Board by following its regular, robust approach which is:

- Ensuring regulatory requirements for the Annual Report and Accounts were thoroughly understood
- Reviewing draft copies of the Annual Report and Accounts to assess and advise on direction and key messages, with a near final version provided to the Committee and Board prior to sign-off of the Annual Report and Accounts
- Assessing management's fair, balanced, and understandable verification process and reviewing its results. This included a cascaded sign-off across the Group to determine the accuracy, consistency, and clarity of the data, information, and language
- Reviewing the use and disclosure of alternative performance measures and confirming its belief that separate disclosure of these measures enables readers of the Annual Report and Accounts to understand better the underlying financial and operating performance of the Group. The alternative performance measures are consistent with prior years. The definitions and reconciliations of alternative performance measures are set out in Note 3 on pages 137 to 141
- Ensuring that a thorough review of the Annual Report and Accounts was undertaken by all appropriate parties, including external advisors

Audit Committee report continued

The Committee has reviewed the Annual Report and Accounts for the year ended 31 March 2026 and has advised the Board that, in its opinion, the Annual Report and Accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary to assess the Group's position and performance, business model, and strategy.

Financial reporting

The primary role of the Committee in relation to financial reporting is to monitor the integrity of the Group's published financial information, including reviewing its full-year and half-year financial results. The Committee undertakes this with both management and Deloitte and concentrates on ensuring compliance with the relevant financial and governance reporting requirements. The Committee considers the principal accounting policies that are used when preparing these results as well as reviewing the significant accounting matters and areas of judgement made as noted below and other key areas of focus as noted on this page and page 94. Also, this includes the fair, balanced, and understandable review as described in more detail on page 92. The Committee receives regular reports from the CFO and Group Financial Controller to support this work.

During the year, the FRC's Corporate Reporting Review (CRR) team carried out a review of the Group's 2025 Annual Report and Financial Statements as part of its annual review of corporate reporting. The Committee received and reviewed the final report from the CRR team which identified no significant findings. The Committee considered the recommendations provided by the CRR team when preparing this Annual Report and Accounts and notes that the FRC's review does not provide assurance that the Annual Report and Accounts is correct in all material respects, as the FRC's role is not to verify information provided, but to consider compliance with reporting requirements.

Significant accounting and reporting matters and areas of judgement

Management is required to exercise judgement in a number of areas when preparing the Group accounts and the Company accounts. The Committee focuses on any significant areas of judgement that may materially impact the Group's and Company's reported results and assesses and challenges, if necessary, whether these judgements are reasonable and appropriate. The Committee also reviews the clarity and transparency of the related disclosures.

The significant accounting issues and areas of judgement considered by the Committee during the year, and how these were addressed, are set out below.

Inventories valuation

Inventories represent a material proportion of the Group's net assets. At 31 March 2026, inventories amounted to £595.0 million (2024/25: £617.3 million), including attributable overheads. Management applies judgement in estimating the net realisable value (NRV) of inventories to determine appropriate provisions. At 31 March 2026, inventory provisions totalled £80.6 million (2024/25: £86.8 million).

The estimation of NRV involves judgement over forecast sell-through volumes and the recoverable value of inventory, informed by historical sales, returns data and current market conditions. Sensitivity analysis was performed on the key assumptions used in determining inventory provisions, considering reasonably possible changes arising from current global economic uncertainty and environmental regulation; this included the impact of an increase and decrease of 10% in provision rates. This analysis indicates that reasonably possible changes in these assumptions are not expected to have a material impact on the NRV of inventories.

How the Committee addressed these matters and conclusions reached

Following the inventory provision restatement in the prior year, which arose from process and system issues within the US operations and unsupported deviations from the Group's inventory provisioning policy, the Group has implemented a more robust, data-driven, and regularly reviewed methodology for calculating and analysing inventory provisions, together with strengthened controls. The revised approach, including the key assumptions, judgements, and sensitivities, was presented to and reviewed by the Committee, which agreed that it is reasonable. See Note 18 on page 159.

Going concern and viability statements

As part of its role in advising the Board, the Committee reviewed the preparation of the Directors' viability statement and the related supporting analysis, as well as the going concern assessment and the adoption of the going concern basis in preparing the Annual Report and Accounts. The Committee also reviewed and agreed the wording of the going concern statement and recommended its approval to the Board.

In reviewing the viability and going concern statements, the Committee considered the assessment period and reviewed and challenged the scenarios applied to each principal risk, including the determination and outcomes of severe but plausible stress tests and reverse stress tests. Based on this work, the Committee recommended that the Board approve both the viability statement and the going concern statement. Further details are set out on pages 39 and 40 of the Strategic report.

Other key areas of focus

The Committee also reviews a number of other key areas that require management to exercise judgement. These judgements have not had a significant effect on the amounts recognised in the accounts in the year ended 31 March 2026, nor are they significant estimates which have a significant risk of resulting in a material adjustment to the carrying amounts of the Group's assets and liabilities within the next year. However, the Committee focuses on these areas to ensure these judgements are also reasonable and appropriate, and to ensure they have not become significant.

Audit Committee report continued

Other key areas of focus

The other key areas of focus in the year were:

Impairment of other assets

The Group carries a significant amount of other intangible assets on the balance sheet. Intangible assets excluding goodwill are stated at cost, or fair value at the date of acquisition, less accumulated amortisation and any provisions for impairment. Residual value is reassessed annually for risk of impairment which involves judgement around the assessment of indicators of impairment, the determination of useful economic lives, and the estimation of future economic benefits.

How the Committee addressed these matters and conclusions reached

In addition to the annual goodwill impairment assessment, other assets are regularly reviewed for indicators of impairment. Where indicators are identified, impairment assessments are performed and reviewed by the Committee, including consideration of key assumptions.

During the year, as the Group entered the next phase of its business and technology transformation programme, management undertook a comprehensive review and impairment testing of legacy and superseded technology assets to assess whether they remained fit for purpose in the context of the Group's future strategic and operational priorities. The review concluded that certain capitalised technology projects were no longer in use and were not expected to generate future economic benefits. As a result, an impairment charge of £14.9 million was recognised in accordance with IAS 36.

An impairment charge was recognised within adjusting items in line with the Group's Alternative Performance Measures and is disclosed in Note 14 on pages 154 to 156. The Committee reviewed management's approach, including the identification of impacted projects, the assessment of recoverability, and the presentation of the impairment charge. The Committee was satisfied that the impairment recognised and the related disclosures are appropriate, clear, and consistent with IFRS and the Group's transformation strategy.

The Committee also reviewed and agreed the trade receivables impairment allowance and the related disclosures in Note 23 on pages 164 to 168.

Impairment of goodwill

At 31 March 2026, goodwill recognised on the balance sheet totalled £634.7 million (2024/25: £616.4 million). The impairment assessment of goodwill involves judgement, particularly in relation to the assumptions applied in value in use models, where indicators of impairment exist.

How the Committee addressed these matters and conclusions reached

The value of goodwill is reviewed regularly for impairment using value-in-use models using cash flows and discount rates as set out in Note 14 on pages 154 to 156. The Committee reviews these impairment tests every year, including the main assumptions. These assumptions also include consideration of the impact of climate change.

The Committee agreed with the tests' confirmation that there remains adequate headroom in place and no impairment provision is required. If there are any indicators that they may be impaired.

Fair values and goodwill on acquisition of business

On 1 March 2026, the Group completed the acquisition of BPX Group for consideration of £35.4 million. The provisional purchase price allocation resulted in goodwill of £9.3 million and other intangible assets of £11.2 million. Judgement is required in determining the fair values of the identifiable intangible assets acquired and the goodwill recognised. In accordance with IFRS 3, the acquisition accounting is not yet finalised at the reporting date and provisional amounts have therefore been recognised. The measurement period will not exceed one year from the acquisition date. Further details are set out in Note 29 on page 170.

How the Committee addressed these matters and conclusions reached

The Committee reviewed the accounting treatment applied to the BPX Group acquisition, including the identification and fair value measurement of the assets acquired and liabilities assumed, and the resulting goodwill. The Committee noted the proximity of the acquisition date to the Group's year end and acknowledged that further valuation work will be completed during the measurement period, with a final purchase price allocation to be presented to the Committee in the next financial year.

The Committee reviewed and challenged the key judgements and estimates applied by management and concluded that it is satisfied with the provisional fair values recognised and the goodwill arising on acquisition.

Audit Committee report continued

Other matters

The Committee also carried out a range of other activities in relation to financial reporting during the year which included:

- Reviewing the impact of amendments to accounting standards adopted during the year
- Reviewing the effective tax rate, judgements made in relation to the levels of tax contingencies for potential challenges by local tax authorities and recoverability of losses, and relevant disclosures
- Reviewing and agreeing the accounting treatment and disclosure of any potential post-balance sheet events at both the half-year and full-year
- Agreeing with management's assessment that there are no indicators of impairment for the investments the Company holds in its subsidiaries

Internal control and risk management

The Vice President, Group Operational Audit and Risk (VP Audit and Risk), provides quarterly reports to the Committee on internal audit assignments completed during the period. These reports highlight matters that may impact delivery of the Group's strategic objectives or indicate areas where improvements to processes or controls are required. The Committee considers these findings and discusses appropriate actions where necessary.

In addition, a biannual review of the Company's principal and emerging risks is undertaken. The outputs are reviewed by the Board and are used to challenge the effectiveness of the Group's risk management and internal control frameworks, as well as to inform the internal audit plan for the year ahead.

The Group's system of internal control and risk management processes have been in place throughout the year and up to the date of this Annual Report and Accounts. In the event weaknesses are identified in the internal control system, plans for strengthening them are put in place and then regularly monitored.

During the year, the Group launched a structured Internal Controls Programme, led by the Director of Controls, to further enhance the Internal Control Framework in response to the increasing scale and complexity of the business. The enhancement of the Internal Control Framework and implementation of controls monitoring, testing, and reporting tool has enabled a more consistent, risk-based approach to control design, monitoring, and reporting, providing improved management insight, oversight, and governance. The programme has strengthened the control environment through targeted enhancements across key processes aligned to material financial and operational risks. No material control weaknesses were identified which would impact the effectiveness of the Group's system of internal control. The Committee receives regular updates on the operation and effectiveness of the Internal Control Framework and takes action where required.

These activities enabled the Board to assess the effectiveness of the Group's system of internal control and residual risks before making its statement in the Annual Report and Accounts. Further information on the Group's principal risks is set out on pages 34 to 38 of the Strategic report.

Internal controls

Internal financial controls are the systems and processes employed by the Group to support the Board in discharging its responsibilities for financial matters and the financial reporting process, as described on page 121.

The principal elements of the Group's internal financial control framework include:

- Continuous monitoring, oversight, and enhancement of the Internal Controls Framework by the Director of Controls, supported by the recently implemented controls management tool
- Independent assessments by internal audit of the effectiveness of operational controls
- Clearly defined terms of reference setting out the responsibilities of the Board and its Committees, with appropriate delegation to management across all locations
- Group Finance and Group Treasury manuals setting out accounting policies, procedures, and control requirements
- Weekly, monthly, quarterly, and annual reporting cycles, including Board-approved targets and regular forecast updates
- Review of financial performance by local leadership teams against forecasts and agreed performance metrics, with consolidated performance reviewed at regional, business, and Group levels
- Specific reporting systems covering treasury operations, tax, major investment projects, and legal and insurance activities, which are reviewed regularly by the Board and its Committees
- Whistleblowing protocol enabling individuals to report fraud, financial irregularities, or other matters of concern

The updated UK Corporate Governance Code was published in January 2024. Through a targeted Internal Controls Programme, the Group has increased its focus on enhancing financial reporting controls, building on the existing control environment. The programme prioritises key risk areas and extends to other relevant aspects of the controls environment impacted by the Code, which will apply to the Group for the year ending 31 March 2027. The Committee will continue to monitor progress against these requirements.

Internal audit

The work of the internal audit function spans the whole Group, including, as and when relevant, acquired businesses, and provides independent and objective assurance over the Group's systems of internal controls through a risk-based approach. The Committee reviews and approves the scope and resourcing of the internal audit plan annually with the VP Audit and Risk. The scope of the plan is determined by reference to the Group's operating risks and strategy as well as geographic, functional, and external risks. The Committee reviews:

- The level and skills of resources allocated to the internal audit function to conduct this programme of work
- The summary of the results of each audit and the business team's resolution of any control issues identified
- The effectiveness of the internal audit function

The VP Audit and Risk has regular, open access to the Committee Chair. Discussions focus on audit planning and matters noted during internal audit assignments. Other members of the Committee are also available as required. The Committee meets with the VP Audit and Risk without the presence of management at least once a year. As noted in the 2024/25 Annual Report and Accounts, Mark Taylor retired from the position of VP Audit and Risk in May 2025 and the Committee welcomed Chris Curtis as Mark's replacement.

Audit Committee report continued

Other activities

Cyber security risk, digital security, and information governance

The Committee noted that the approach to identifying, assessing, and managing cyber security risk is integrated within our Group-wide approach to risk management, with failure in information technology and cyber security identified as a principal risk. The Committee conducted regular reviews of cyber security risks, the effectiveness of existing controls, and the need for additional mitigations.

Fraud

The Committee is responsible for reviewing the Group's procedures for the prevention and detection of fraud. Suspected cases of fraud must be reported to the Company Secretary or General Counsel within 48 hours and investigated by operational management, Group compliance, or internal audit, as appropriate. The outcome of any investigation is reported to the Company Secretary, General Counsel, and the CFO. A register of all suspected fraudulent activity and the outcome of any investigation is maintained and circulated to the Board on a regular basis, with the Committee also receiving regular updates.

The Group takes steps in line with good business practice to detect and prevent fraudulent activity, and is preparing for the new requirements of the Economic Crime and Corporate Transparency Act related to fraud prevention. The Committee is pleased to report that there were no frauds of a material nature discovered during the year, although the Group is subject to various attempts at external and low-level credit card and online fraud.

Whistleblowing

In accordance with the provisions of the Committee's Terms of Reference, the Committee is responsible for reviewing the arrangements whereby all of the Group's employees may, in confidence, raise concerns about illegal, unethical, or improper behaviour or other matters and for ensuring that these concerns are investigated and escalated as appropriate. Reports may be raised directly to senior management or through an external third-party reporting tool. Whistleblowing is referred to internally as Speak Up and is available to all of the Group's employees, customers, and suppliers. The Committee receives aggregated reports on matters raised through these services and monitors their resolution. The Group's existing policies and procedures (adopted globally) have been updated to reflect the ongoing implementation across EU Member States of the 2021 European Whistleblowing Directive. An awareness campaign was also launched across the Group during the year. The Group will continue to monitor any national laws that implement additional, relevant requirements and make any required changes to policies and procedures where appropriate. For further information see page 60.

ESG

During the year, the Committee considered current and emerging ESG legislation and disclosure requirements and received updates from the ESG team on the Group's regulatory readiness, including progress towards alignment with CSRD and ISSB. This included oversight of the fifth year of climate-related risk and opportunity disclosures under TCFD (see pages 62 to 67), review of Scope 3 emissions targets, and consideration of the proposed approach to publishing the Group's first Climate Transition Plan. The Committee reviewed and agreed the ESG reporting requirements for 2026/27 and future years and was satisfied that the ESG disclosures, including the TCFD report, contained appropriate and accurate data and information, recommending their approval to the Board.

Data protection

The Committee continued its reviews of the data protection compliance programme through reports from the Data Protection Officer. The Committee continued to provide oversight of the Group's compliance with laws regarding the protection of personal data across its operations, including the General Data Protection Regulation and the UK's Data Protection Act.

The Committee received regular reports from the Data Protection Officer, highlighting ongoing compliance work such as training, targeted training for high risk teams, and awareness campaigns to embed a culture of privacy by design, as well as assessments of the impact of material changes to the Group's operations on its handling of personal data (such as significant changes to systems and integration of acquisitions) and monitoring of changes in the regulatory environment.

External Auditors Effectiveness and independence

The Committee is responsible for reviewing the performance and effectiveness of the external Auditors, Deloitte, as well as their appointment and remuneration.

A review of Deloitte's audit of the Group's 2025 accounts was conducted during the year by the FRC's Audit Quality Review (AQR) team. The Committee received regular updates from Deloitte and management during the process, and reviewed the final report from the AQR team which assessed the audit as limited improvements required. The Committee also considered the FRC's Audit Quality Inspection report on audits performed by Deloitte for 2025/26, published in July 2025.

During the year, the Lead Audit Partner, Jon Thomson, and the Group Second Partner, Becky Drew, together with other relevant and appropriate members of the Deloitte audit team, attended all of the Committee's meetings. Deloitte provided reports and conclusions on the Group's key accounting judgements, internal control processes, and half-year report.

Further details of how the Committee and the external Auditors work together, as well as how the external Auditors' independence is maintained, can be found in the governance section of our website. As in previous years' reports, the Committee can confirm that the Group does not engage Deloitte to undertake any work that could affect its independence.

The Committee has satisfied itself that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority on 26 September 2014.

Non-audit assignments undertaken by the Auditors

The Group operates a policy to ensure that the provision of non-audit services does not impair the external Auditors' independence or objectivity and that only permitted services are provided. In determining this policy, the Committee took into account possible threats to the external Auditors' independence and objectivity.

The policy on non-audit services includes:

- In providing a non-audit service, the external Auditors should not:
 - Audit their own work
 - Make management decisions for the Group
 - Create a mutuality of interest
 - Find themselves in the role of advocate for the Group

Audit Committee report continued

- The total non-audit fees for any financial year should not exceed 70% of the average of the external audit fee over the last three years. In practice, the non-audit fees are normally significantly below this level

The policy also states that the Committee has pre-approved the CFO to have authority to commission the external Auditors to undertake non-audit work (not covered on the previous page) where there is a specific project with a cost that is not expected to exceed £50,000. Any fees above £50,000 must be pre-approved by the Committee.

Full details of our policy in relation to non-audit services can be found on the governance section of our website. This policy was reviewed by the Committee during the year and no changes were required.

During the year under review, there were non-audit fees of £0.1 million for Deloitte compared to audit fees of £4.3 million. The non-audit fees primarily relate to the interim audit review. Further information on fees payable to Deloitte are included in Note 6 on page 143.

The Committee has satisfied itself that its use of the external Auditors complies with both the Code and the FRC's Ethical and Auditing Standards regarding the scope and level of non-audit work and non-audit fees incurred by the Group.

Committee governance

Committee structure and meetings

The Committee acts independently of management to ensure the interests of our shareholders are protected properly in relation to financial reporting, risk, and internal control. All members of the Committee are independent Non-Executive Directors, with sufficiently wide-ranging business experience, expertise, and competence to enable the Committee to fulfil its responsibilities effectively. Louisa Burdett stepped down as Chair of the Committee in July 2025 and as a member of the Committee and the Board in January 2026. Carole Cran was appointed as Chair of the Committee in July 2025, and is a chartered accountant and, having held senior financial management positions, has extensive knowledge and experience of financial markets, treasury, risk management, and financial accounting standards. Biographies for the Committee members are set out on pages 72 to 74.

The Committee held four scheduled meetings during the year. Meetings were held in line with the financial and reporting cycles of the Company. Meetings are generally held prior to Board meetings so that optimum collaboration with the Board is maintained. The Committee Chair provides updates to the Board on the proceedings, considerations, and findings of each meeting.

The Committee Chair extends invitations to certain other key individuals to attend meetings, including the Chairman of the Board, other Non-Executive Directors who are not members of the Committee, the CEO, CFO, Company Secretary, Group Financial Controller, VP Audit and Risk, and the external Auditors. The Data Protection Officer attends meetings twice a year to give updates on data protection matters, and the Chief Information Security Officer regularly attends to report on cyber security matters.

During the year, the Committee held separate sessions with the VP Audit and Risk and the external Auditors without the presence of management. The VP Audit and Risk and the external Auditors have direct access to the Committee Chair outside of formal Committee meetings.

Committee responsibilities

The Committee's chief responsibilities have not changed during the year. The Committee's Terms of Reference set out its principal duties in full, including its authority to carry out its duties, they are reviewed formally and approved annually to ensure compliance with the latest regulatory requirements. The Terms of Reference were reviewed during the year and updated to provide greater clarity regarding aspects included in the controls framework and inclusion and further clarity of the duty to ensure a robust assessment of emerging and principal risks. The updated Terms of Reference are available in the governance section of our website:

[rsgroup.com](https://www.rsgroup.com)

The core functions of the Committee include:

- Supporting the Board in ensuring the integrity of the financial and corporate reporting and auditing processes
- Assisting the Board in assessing the long-term viability of the Group by reviewing and challenging the scenarios considered and severe but plausible stress testing performed on the principal risks
- Advising the Board on whether the half-year and full-year financial reports present a fair, balanced, and understandable assessment of the Group's position and prospects
- Ensuring effective internal control and risk management systems are in place
- Measuring the Group's effectiveness in managing risk and reviewing the risk identification process
- Approving the remit of the internal audit function and reviewing its effectiveness and findings

- Ensuring that an appropriate relationship is maintained between the Group and its external Auditors, including the recommendation to the Board to approve their appointment and fees
- Monitoring progress of the Group's information security strategy to mitigate its major risks
- Reviewing the scope and effectiveness of the external audit process
- Reviewing whistleblowing, fraud, anti-bribery and corruption, and data protection procedures

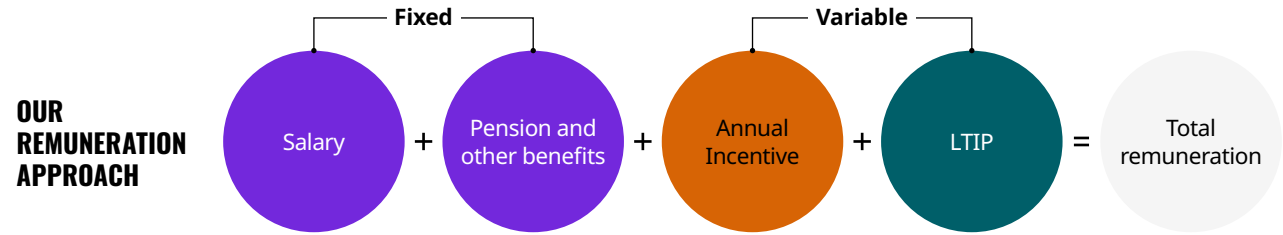
Committee performance review

This year, the Board underwent an external performance review, and the activities of the Committee were reviewed as part of this process. The results of this review demonstrated that the Committee continued to operate effectively and provided sufficient challenge and that the composition worked well with a good balance of experience. The Committee agreed that a smooth handover took place to the new Committee Chair, and that meetings were felt to have good substance, with a good blend of personalities across the Non-Executive Directors and beyond. It was noted that oversight of control design and implementation would continue to be a key area of focus for the Committee, and that there was good oversight of the internal controls programme. After noting that there had been improvements to papers, key recommendations arising include the opportunity to improve papers further by utilising more detailed executive summaries to enable better discussion, and continued focus on the work required to ensure compliance with Provision 29.

+ Further details of the performance review process can be found in the Governance Report on pages 83 and 84.

Directors' Remuneration report

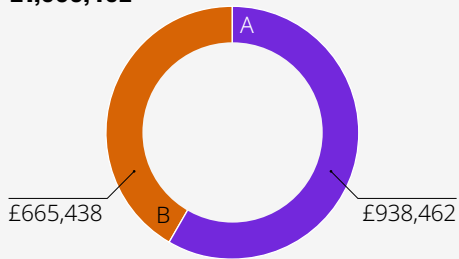
REMUNERATION AT A GLANCE



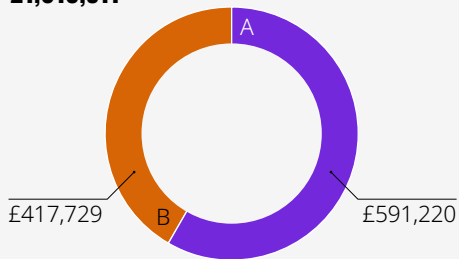
REMUNERATION OUTCOMES IN 2026

Single figure of remuneration

Simon Pryce
£1,608,462



Kate Ringrose
£1,013,511



A Salary, pension and other benefits
B Annual Incentive

2026 Annual Incentive

Measure (weighting)	Threshold	Maximum	Outcome
Adjusted profit before tax excluding restructuring (25%)	£232.2m	£264.2m	10.2%
Actual			£248.6m
Adjusted free cash flow excluding restructuring (25%)	£107.5m	£139.5m	25.0%
Actual			£204.7m
Like-for-like Group revenue change (25%)	0.1%	5.1%	0.0%
Actual			(0.5)%
CO ₂ e reduction (Scope 1 & 2 emissions) (10%)	3.8%	6.9%	10.0%
Actual			10.0%
Net Promoter Score - Transactional (4%)	48.5	49.1	0.0%
Actual			45.2
Net Promoter Score - Relational (1%)	39.3	40.3	0.0%
Actual			35.5
Individual strategic targets (10%)	Simon Pryce/Kate Ringrose		7.5%/7.5%
Total formulaic bonus	Simon Pryce/Kate Ringrose		45.2%/45.2%
Total Adjusted bonus (0.2)%	Simon Pryce/Kate Ringrose		52.5%/52.5%

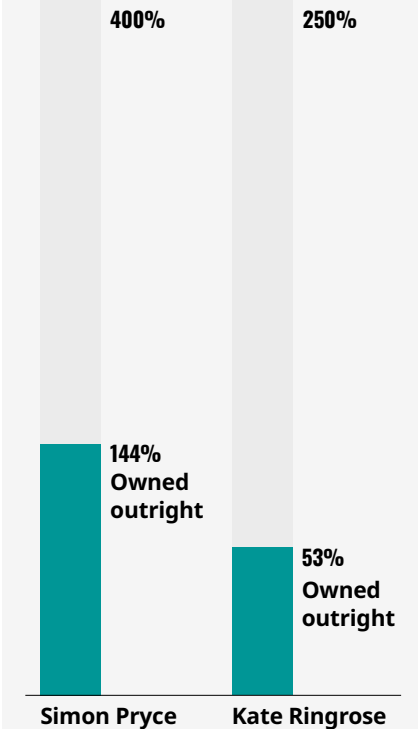
2023 LTIP AWARD

0%

of maximum

Vesting of this award was determined in accordance with the performance targets, measured over the three years ended 31 March 2026. See page 109.

Share ownership requirement



Directors' Remuneration report continued

DIRECTORS' REMUNERATION POLICY AND IMPLEMENTATION FOR 2026/27

Directors' Remuneration Policy

The key components of our remuneration framework are fixed pay, annual bonus and share awards as set out in the Directors' Remuneration Policy. Our objective is to appropriately reward the delivery of the strategic plan.

Element	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed pay	Salary, benefits and pension				
Annual bonus	Delivered two-thirds in cash	One-third delivered in shares. Two-year deferral period. No further performance conditions			
LTIP	Three-year hybrid delivered as a mix of performance and restricted shares			Two-year holding period. No further performance conditions	
Shareholding requirement	Executive Directors' minimum shareholding requirement				

Fixed pay

Simon Pryce

£870,300

(3% increase)

Kate Ringrose

£551,600

(4% increase)

Alignment with broader employee rewards

3%

UK employees average salary increase

88%

of employees are either shareholders or award holders

100%

of employees are eligible to participate in an incentive plan

£250

of restricted shares will be awarded to all eligible employees

Directors' Remuneration report continued

REMUNERATION COMMITTEE REPORT

Joan Wainwright

Chair of Remuneration Committee



Key highlights

Membership as at 19 May 2026

- Joan Wainwright (Chair)
- Alex Baldock
- Miles Roberts
- David Sleath

- Reviewed the Terms of Reference for the Committee and All-Employee Share Plan Committee
- Reviewed the performance of the Remuneration Advisor, Alvarez & Marsal

Activities during 2025/26

- Approved the 2025 pay review for the Executive Directors and senior management
- Approved and aligned 2024/25 remuneration outcomes with Company performance, including the 2024/25 Annual Incentive, Journey to Greatness (J2G) Long-term Incentive Plan (LTIP), and 2022 LTIP Award outcomes
- Reviewed senior management pay outcomes
- Approved the 2025/26 Annual Incentive and 2025 LTIP design
- Approved the remuneration package for the incoming President, Americas and Chief Customer Experience Officer
- Reviewed the approach to the wider workforce remuneration including the award of the All-Employee Share Plan
- Approved the 2025 Directors' Remuneration Report put to shareholders at the July 2025 AGM
- Reviewed the 2025 Gender Pay Gap report

Priorities for 2026/27

- Ensuring that both short- and long-term incentive design and outcomes continue to support delivery of our strategy and reflect the performance of the Company, and the experience of our stakeholders
- Continue to oversee the embedding of our Reward philosophy across the organisation
- Review of the strategy to address gender pay gaps
- Maintain an active and engaging dialogue with shareholders and ensure their views are sought and considered when determining executive remuneration

Dear shareholder

On behalf of the Remuneration Committee (the Committee), I am pleased to present the Directors' Remuneration report for the year ended 31 March 2026. This report explains the remuneration outcomes for our Executive Directors and the wider workforce during the year, including how we ensure strong alignment to the performance delivered for our stakeholders.

This year, we operated under the 2025 Directors' Remuneration Policy (the Policy) approved at the 2025 AGM. The Policy can be found on our website [rsgroup.com](https://www.rsgroup.com). I would like to thank our shareholders for their continued support for our approach to executive remuneration.

Introduction

At the 2025 AGM, shareholders approved our new Policy, under which we introduced a 'hybrid' LTIP structure. Our objective was to more optimally align our long-term incentive structure with our strategy and better reflect the nature of the markets in which the Group operates, ensuring that we can appropriately reward Executive Directors for the delivery of sustainable performance and continued strategic execution through the industrial cycle. The hybrid model is also consistent with our approach to management incentives below the Executive Directors and allows us to better compete in global talent markets (with a sizable portion of our business based in North America). A detailed rationale for the hybrid structure was set out in my letter in last year's report.

In developing the Policy and determining the right level of reward, the Committee undertook an extensive multi-phased consultation process engaging with our top 30 shareholders, representing over 86% of the share register, broadening the coverage from previous Policy consultations.

Overall, shareholders were supportive of our approach, with a clear understanding of the challenges we face and acknowledgment of how we were seeking to address these in a robust and responsible way. Shareholders were supportive of the removal of the J2G LTIP Award and the transition of our LTIP towards the hybrid structure, with the continued commitment to performance. Shareholders also appreciated the recalibration of our market reference point from FTSE 50-100 to FTSE 75-125. The feedback from this engagement was instrumental in shaping the final Policy in a number of areas; as we explained last year.

At the 2025 AGM, while we received strong support of c. 98% for our Directors' Remuneration Report, the Committee recognises that a reasonable minority of our shareholders, as well as some of the proxy voting agencies, were not able to support the Policy. Following the AGM, we re-engaged with our top 30 shareholders to provide a further opportunity for their input. As anticipated, given the extensive engagement exercise we had conducted in advance of the AGM, which had already provided the opportunity for views to be shared as the Policy proposal was developed, we received a very limited response to the follow-up engagement. Most responses reiterated the support provided during the original engagement process.

Based on all these engagements and the feedback received, the Committee has a very clear understanding of the views of our shareholders. We are comfortable that overall, shareholders were supportive of our approach, in particular the material reduction in quantum from the J2G LTIP award under the 2022 Directors' Remuneration Policy and the application of the 50% 'discount' in how we calibrated the normal restricted share award sizes under the hybrid LTIP.

Directors' Remuneration report continued

However, we acknowledge that some shareholders were unable to support the Policy, primarily due to the quantum of award made to the CEO in 2025, as we transitioned to the hybrid structure. The award size was critical to the Committee's desire to retain and engage Simon Pryce to continue his strong leadership through the next phase of strategic execution, in the face of a highly competitive market for experienced high-calibre leadership talent. Nevertheless, we recognise and acknowledge that not all shareholders shared this view.

Looking forward to 2026/27, we will continue our implementation of the hybrid structure, which is working as intended through the management team – providing a continued focus on driving long-term performance in key shareholder metrics (earnings per share (EPS), total shareholder return (TSR) and return on capital employed (ROCE)), while also ensuring we build long-term shareholdings to align and retain our talented executive team. In line with the commitment made last year, which was an important part of securing support from our shareholders, the award level for the CEO will reduce this year, to align with the normal award level under the Policy (200% performance shares, 50% restricted shares), calibrated to reflect the 50% discount on what his equivalent LTIP award would have been. Full details of proposed packages for the year ahead are described below. We are confident that our shareholders are supportive of this approach, which reflects a market-aligned award level against our FTSE 75-125 peer group.

On behalf of the Committee, I would like to again thank shareholders that took part in the various engagement processes and for the valuable feedback they have provided. We remain fully committed to a transparent ongoing dialogue with shareholders, stakeholders and proxy voting agencies and we will continue to engage on remuneration and other matters.

2025/26 Performance outcomes Incentive outcomes for the year ended 31 March 2026

The Committee reviewed and made some changes to the bonus performance measures as part of the Policy review: The 2025/26 Annual Incentive measures included adjusted profit before tax excluding restructuring, like-for-like Group revenue change, adjusted free cash flow excluding restructuring (each equally weighted 25%), CO₂e reduction (Scope 1 and 2 emissions) (weighted 10%), a reintroduction of Net Promoter Score (NPS) (weighted 5%), reflecting the importance of having a customer measure at the Group level and individual strategic targets (weighted 10%).

The formulaic outcome against the stretching targets set was 45.2%. During the final review, the Committee then determined, together with management that it would be appropriate to reduce the outcome by 0.2% to ensure internal consistency in annual incentive outcomes across the Group. This results in an adjusted outcome of 45.0% of maximum. Including the individual strategic measures, the adjusted bonus outcomes are 52.5% of maximum for both Simon and Kate. Details of the individual strategic targets are shown on page 110.

The 2023 LTIP Award, which was based on performance over the three-years ended 31 March 2026, did not achieve the threshold level of performance for both the EPS and TSR performance measures and therefore the Committee determined it was appropriate to lapse these awards in full for all participants, including the Executive Directors.

The Committee reviewed the bonus and LTIP outturns against a broader assessment of underlying performance for our stakeholders over the respective performance periods. Overall, the Committee concluded that both outcomes described above were appropriate and no further adjustments were made.

Remuneration for the year ahead 2026/27

2026 salary review

Having considered individual performance, the competitiveness of the Executive Directors base salaries and the UK average workforce increase of 3%, the Committee determined base-salary increases of 3% for Simon Pryce and 4% for Kate Ringrose to be appropriate and aligns both just below the market. These increases will be effective 1 June 2026.

2026/27 annual incentive

The Annual Incentive for 2026/27 will continue to be based on key financial and strategic targets for the year. The Committee reviewed the performance measures and agreed these remain the right focus areas, but to ensure continued alignment with the strategy and objectives for the year ahead, there will be some changes to the weight of some measures. In recognition of the strategic importance of delivering for our customers (discussed further on page 11), the weighting of the NPS measure will be increased from 5% to 10%.

The remainder of the incentive will continue to be based on an appropriately balanced mix of key metrics: adjusted like-for-like Group revenue change (20%), adjusted PBT excluding restructuring (25%), adjusted free cash flow excluding restructuring (25%), CO₂e reduction (Scope 1 and 2 emissions) (10%) and individual strategic targets (10%).

Before any incentive pays out, a threshold level of adjusted profit before tax excluding restructuring will need to be achieved.

Consistent with prior years we will set stretching performance targets for each of the performance measures and will disclose these retrospectively in next year's report. The Executive Directors will continue to be eligible for a maximum award of 150% of salary and one-third of any earned amount will be deferred into shares for two-years.

2026 LTIP

For 2026, it is proposed to grant awards for the Executive Directors at the normal Policy award level for their role. For Simon Pryce this will result in an award of 200% and 50% of salary for performance shares and restricted shares, respectively. Kate Ringrose will receive 170% performance shares and 40% restricted shares consistent with last year. The performance shares will continue to be based on a combination of EPS and TSR, with a ROCE underpin. For 2026, the EPS target range will be increased from 5-10% p.a. to 7.5%-15% p.a., reflecting our continued commitment to driving exceptional performance through our incentives. The restricted shares will be subject to a discretionary performance underpin.

Chairman of the Board and Non-Executive Director fees

Following a review, the fees for Non-Executive Directors were increased by 3%; consistent with the wider UK workforce. As the Chairman's fee is well positioned against the FTSE 75-125 peer group, the Chairman's fee was increased by 2%.

Consideration of wider workforce experience

During the year, we continued to embed our reward philosophy by launching an All-Employee share plan to all employees who are not eligible for LTIP awards. We are delighted that 88% of our employees are now shareholders or award holders. External recognition of the reach of our All-Employee share plan was received in the form of a Newspad award for Best All-Employee Share Plan. Enabling our people to become shareholders and to have a personal stake in the business remains important to us and in 2026/27 we will be awarding our eligible employees a second award of restricted shares.

Directors' Remuneration report continued

Each year we make systemic progress against our strategy to ensure globally that our people feel a sense of belonging. This includes policy implementation around neurodiversity, growth of our ERGs to support our people, and the implementation of a Veteran's community. Additionally, we continue to grow our mental health first aiders across the Group with an additional cohort in Germany.

The wellbeing of our people remains an ongoing priority for the Group and we will continue to review our reward offering to ensure it reflects our reward philosophy and supports colleague wellbeing through inclusive and flexible benefits.

As we look ahead, we are preparing for the implementation of the European Union Pay Transparency Directive across our European operations. This development further reinforces our commitment to fostering a transparent and equitable approach to pay, which remains a central pillar of our Reward Philosophy.

Looking forward

I am proud of the work the Committee has done during the year and would like to thank the Committee members for their contribution. Once again, I would also like to thank our shareholders for the time taken to engage with us during the year and their continued support at the last AGM. I hope that you will join the Board in supporting the resolution to approve the 2025/26 Directors' Remuneration report, to be put to shareholders at the 2026 AGM.

Joan Wainwright

Chair of Remuneration Committee
19 May 2026



KEY ACTIVITIES DURING THE YEAR

MAY 2025

- Approved the 2025 Policy and considered shareholder feedback
- Approved the 2024/25 Annual Incentive, J2G LTIP Award and 2022 LTIP Award outcomes
- Approved the final design of the 2025/26 Annual Incentive and 2025 share plans design for the ExCo, senior management and all employees
- Approved Executive Directors, ExCo and senior management share awards
- Approved the 2025 Directors' Remuneration Report
- Reviewed the approach to the wider workforce remuneration
- Received an overview of the European Union Pay Transparency Directive

JULY 2025

- Reviewed and approved the 2025/26 Annual Incentive targets
- Considered shareholder feedback to the 2025 Policy

NOVEMBER 2025

- Discussed and agreed the approach to further engagement with shareholders on the 2025 Policy
- Approved the remuneration package on appointment of the new President, Americas

DECEMBER 2025

- Reviewed the proposed share awards to eligible employees who joined the Group between June and December 2025
- Approved the remuneration package on the appointment of the new Chief Customer Experience Officer
- Reviewed the Remuneration Advisor performance and fees for the year
- Received a market update from the Remuneration Advisor

MARCH 2026

- Reviewed the initial view of the 2025/26 Annual Incentive and 2023 LTIP Award outcomes against the performance targets
- Approved the 2026 LTIP and 2026/27 Annual Incentive plan design
- Reviewed the share ownership status of Executive Directors and the ExCo
- Reviewed the Committee annual performance review
- Reviewed the Terms of Reference for the Committee and All-Employee Share Plans Committee
- Reviewed the 2025 Gender Pay Gap Report

SUMMARY OF THE 2025 DIRECTORS' REMUNERATION POLICY

2025 Directors' Remuneration Policy

The Policy was approved by shareholders at the AGM held on 17 July 2025 and became effective from that date. A summary of key terms in the Policy is set out below and the full Policy as approved by shareholders is available in the Corporate Governance section of our website at [rsgroup.com](https://www.rsgroup.com). Details of how the Policy has been applied during the year can be found throughout the Annual Report on Remuneration on pages 107 to 111.

Component: Base salary

Element	Details
Objective	To provide a market-competitive level of fixed pay reflecting the scale and complexity of our business enabling us to attract and retain global talent.
Operation	Generally reviewed each year, with increases normally effective from 1 June. Salaries are set by the Committee to reflect factors which include the scale and complexity of the Group, the scope and responsibilities of the role, the skills, experience and performance level of the individual, the overall total compensation opportunity, and the Committee's assessment of the competitive environment, including consideration of appropriate market data for companies of broadly similar size, sector and international scope to RS Group plc.
Opportunity	There is no prescribed maximum salary. Base salary increases are applied in line with the outcome of the annual review. Factors that are considered include: increases for other employees, changes in role and responsibilities, market levels, and individual and Company performance. Salary increases will normally be based on the same framework which applies across the UK employee population.
Performance measures	Not applicable.

Component: Pension

Element	Details
Objective	To provide a level of retirement benefit that is competitive in the relevant market and aligned to the approach for the employee population.
Operation	Executive Directors may participate in the defined contribution section of the group pension scheme or receive a cash supplement in lieu.
Opportunity	A maximum contribution or cash supplement from the Company for any Executive Directors will be in line with the maximum rate taken by the majority of the wider UK workforce (currently 10.5% of salary).
Performance measures	Not applicable.

Summary of the 2025 Directors' Remuneration Policy continued

Component: Benefits

Element	Details
Objective	To provide benefits in line with the relevant market.
Operation	Executive Directors are provided with a company car (or a cash allowance in lieu thereof) and medical insurance. Other benefits may be provided or introduced from time to time to ensure the benefits package is appropriately competitive and reflects the circumstances of the individual Executive Director.
Opportunity	While there is no prescribed maximum, Executive Directors do not normally receive total taxable benefits exceeding 10% of base salary and it is not currently anticipated that the cost of benefits provided will exceed this level in the years over which this Policy will apply. The Committee retains the discretion to approve a higher cost where appropriate (for example, relocation expenses or expatriation allowance) or in circumstances where factors outside the Company's control have changed materially (for example, market increases in insurance costs).
Performance measures	Not applicable.

Component: Annual Incentive

Element	Details
Objective	To focus Executive Directors on achieving demanding annual targets relating to Group performance. The deferral element ensures focus on our longer-term business goals.
Operation	<p>Performance targets are normally set at the start of the financial year taking into account the annual targets and objectives agreed by the Board. After the end of the financial year, the Committee determines the extent to which these targets have been achieved.</p> <p>A proportion of the total annual incentive payment (currently one-third) is delivered in the form of deferred shares in the Company under the Deferred Share Bonus Plan (DSBP). These shares normally vest after a period of two years, subject to continued employment. Dividend equivalents may be payable on shares which vest and may be delivered in the form of shares. The remainder is paid in cash after the year end.</p> <p>Malus and clawback provisions apply to all elements of the Annual Incentive.</p> <p>The Committee will operate the DSBP in accordance with the rules of the plan.</p>
Opportunity	The maximum opportunity in respect of a financial year is 150% of base salary.
Performance measures	<p>Payment is determined by reference to performance, assessed over one financial year based on financial and strategic performance measures which the Committee considers to be aligned to the strategy and the creation of shareholder value.</p> <p>The performance measures and weighting for Awards to be granted in 2026/27 are summarised on page 107.</p> <p>The performance measures and weightings are normally agreed by the Committee at the start of each year, according to annual business priorities. The overall framework will normally be weighted towards financial measures of performance. The Committee retains discretion to use different or additional measures and weightings to ensure that the annual incentive framework appropriately supports the business strategy and objectives for the relevant year.</p> <p>The Committee has discretion to adjust the formulaic annual incentive outcomes to ensure alignment of pay with performance and fairness to shareholders and participants. The Committee also has the discretion to adjust targets for any exceptional events that may occur during the year. Any such discretion will be within the limits of the plan and will be fully disclosed in the relevant Annual Report on Remuneration.</p> <p>Before any incentive may pay out, a threshold level of adjusted profit before tax excluding restructuring must be achieved. For threshold performance, the annual incentive payout will not normally exceed 10% of the maximum opportunity. For target performance, the annual incentive payout will be no higher than 50% of the maximum opportunity.</p>

Summary of the 2025 Directors' Remuneration Policy continued

Component: Long-term incentive

Element	Details
Objective	To link the largest part of the Executive Director's annual package with long-term business performance, while ensuring the Group can reward on a through-cycle basis, and attract and retain Executives globally. Performance metrics are aligned with shareholders' interests and the holding period ensures a focus on sustainable long-term performance.
Operation	Awards of shares may be made annually under the Company's LTIP, in the form of conditional shares or nil-cost options. Dividend equivalents may be payable on any shares vesting and may be delivered in the form of shares. Under the hybrid structure, awards of both Performance Shares and Restricted Shares will be made. These awards will vest over a period of three years subject to continued employment and the satisfaction of the performance measures (for the Performance Shares) and the discretionary underpin (for the Restricted Shares), as described below. There will be a further holding period of two years following vesting. Malus and clawback provisions apply. The Committee will operate the LTIP in accordance with the rules of the plans.
Opportunity	<p>The maximum LTIP award in respect of a financial year will comprise of:</p> <ul style="list-style-type: none"> – A maximum Performance Share award of 250% of salary; and – A maximum Restricted Share award of 100% of salary <p>Awards will normally be granted below these maximum award level.</p>
Performance measures	<p>Vesting of the Performance Shares will be determined by reference to performance assessed over a period of at least three years, based on performance measures which the Committee considers to be aligned with the delivery of strategy and long-term shareholder value. The performance measures are determined annually and will normally include metrics linked to profitability, shareholder value and capital efficiency.</p> <p>The level of vesting for threshold performance of the Performance Shares will be no higher than 25% of maximum. Additionally, for the Award to vest, the Committee must be satisfied that there has been a sustained improvement in the Company's underlying financial performance. The Committee has discretion to adjust the formulaic outcomes if it does not appropriately reflect underlying performance over the period or is not appropriate in the context of circumstances that were unexpected or unforeseen when awards were made. The Committee also has discretion to adjust targets if it considers that an amended target is reasonable, appropriate and would not be materially more or less difficult to satisfy than when it was originally set.</p> <p>Whilst the Restricted Share awards provide greater certainty of reward by their very nature, the Committee will ensure any value delivered to Executive Directors is fair and appropriate in the context of the business performance and experience of our shareholders. As a result, they are subject to a discretionary underpin that guides the Committee when determining whether any discretion needs to be applied to reduce, including to zero, the final vesting of awards. The underpin is based on a holistic review of overall business performance delivered over the vesting period, as determined by the Committee. In assessing the underpin, the Committee will consider the Group's overall performance by reference to a range of factors including, but not limited to, underlying financial health in the context of the Board's expectations and the market environment, strategic execution, and progress towards our sustainability commitments.</p>

Summary of the 2025 Directors' Remuneration Policy continued

Component: Share ownership requirement

Element	Details
Objective	To align Executive Director and shareholder interests and reinforce long-term decision making.
Operation	<p>Executive Directors are expected to build up and retain a personal holding in RS Group plc shares:</p> <ul style="list-style-type: none"> – CEO – holding of 400% of base salary – CFO – holding of 250% of base salary <p>To support this objective, Executive Directors are expected to retain at least 50% of any share awards that vest (net of tax) until this guideline is met. Unvested DSBP awards and vested LTIP awards in a holding period will count towards this guideline (on a net-of-tax basis).</p>
Opportunity	Not applicable.
Performance measures	Not applicable.

Component: Post-employment share ownership requirement

Element	Details
Objective	To create long-term alignment between Executive Director and shareholder interests by ensuring a shareholding is retained in the period after an Executive Director has left the Group.
Operation	Executive Directors are required to retain a personal holding in RS Group plc shares for a period of two years after leaving the Board/Company. The level of required shareholding is equal to that of the in-employment guideline (for the CEO this is 400% of salary and for the CFO this is 250% of salary) or, if lower, the actual shareholding at the date of leaving the Board/Company. The actual shareholding at cessation includes only shares which have vested (or are in a deferral or holding period, on a net-of tax basis).
Opportunity	Not applicable.
Performance measures	Not applicable.

ANNUAL REPORT ON REMUNERATION

This part of the Remuneration Report has been prepared in accordance with Part 3 of the revised Schedule 8 set out in The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and Listing Rule 6.6.6R. The Annual Report on Remuneration will be put to an advisory shareholder vote at the forthcoming AGM.

2025 Directors' Remuneration Policy implementation for the year ending 31 March 2027

Executive Directors

Base salary

Base salary for the Executive Directors effective from 1 June 2026 are shown below.

	Base salary effective 1 June 2026	Base salary effective 1 June 2025	Change
Simon Pryce	£870,300	£845,000	3%
Kate Ringrose	£551,600	£530,450	4%

Consistent with previous years and the principles we apply when reviewing base salary through the organisation, a number of factors, including performance, market position and relativity to the wider workforce, were considered by the Committee for the Executive Directors. This year, the average expected increase for the wider UK workforce is 3%. Following a review of the Executive Directors salaries, the Committee determined that both Executive Directors salaries, Simon Pryce's salary will be increased by 3% and Kate Ringrose's salary will be increased by 4%.

Benefits

Benefits will be provided in accordance with the Policy. There are no changes in benefits compared to the prior year.

Pension

The pension rate for Executive Directors is 10.5% of base salary, which aligns with the rate for the majority of the wider UK employee population.

Performance-related annual incentive

The maximum annual incentive opportunity for Executive Directors will remain unchanged at 150% of base salary.

The annual incentive will be based on a balanced set of key financial and strategic targets for the year, as set out below:

	Weighting
Adjusted profit before tax excluding restructuring	25%
Adjusted free cash flow excluding restructuring	25%
Like-for-like Group revenue change	20%
CO ₂ e reduction (Scope 1 and 2 emissions)	10%
NPS	10%
Individual strategic targets	10%

As set out in the Chair's letter on pages 100 to 102, the Annual Incentive for 2026/27 will continue to be based on key financial and strategic targets for the year. The Committee reviewed the performance measures and felt that these remain appropriately aligned with strategy and our objectives for the year ahead. In recognition of the strategic importance of delivering for our customers (discussed further on page 11), the weighting of the NPS measure will be increased from 5% to 10%. The remainder of the incentive will continue to be based on an appropriately balanced mix of key metrics: adjusted profit before tax excluding restructuring (25%), adjusted free cash flow excluding restructuring (25%), like-for-like Group revenue change (20%), CO₂e reduction (Scope 1 and 2 emissions) (10%) and individual strategic targets (10%).

The Annual Incentive targets are considered to be commercially sensitive and will therefore be disclosed retrospectively in next year's report. For 2026/27, before any incentive may be paid to Executive Directors, a threshold level of adjusted PBT must be achieved.

One-third of any incentive earned by Executive Directors will be deferred into shares for a further two years under the DSBP.

2026 LTIP Award

In line with the Policy, awards will be made under the hybrid structure in 2026, combining awards of Performance Shares and Restricted Shares. Award sizes for the Executive Directors are set out in the table below, and are consistent with normal award levels under the Policy. For the CEO, this represents a reduction in award size from 2025.

	Performance Shares	Restricted Shares
Simon Pryce	200% of salary	50% of salary
Kate Ringrose	170% of salary	40% of salary

Annual report on remuneration continued

Vesting of performance shares will be determined in accordance with the following performance targets measured over the three years ending 31 March 2029 as follows:

Measure	Weight	Threshold (25% of max)	Maximum (100% of max)
Adjusted EPS CAGR (three-year CAGR of the 2028/29 adjusted EPS, compared with the 2025/26 adjusted EPS) ¹	50%	7.5%	15.0%
TSR (FTSE 350 index) ^{1,2}	50%	Median	Upper quartile
ROCE (average of 2026/27, 2027/28, 2028/29)	Underpin 15%	If the underpin is not met, the Committee will review the formulaic level of vesting and consider whether it would be appropriate to use its discretion to adjust the level of vesting.	

1. Straight-line vesting between measurement points.

2. TSR peer group comprises of the FTSE 350 index, excluding financial services and energy companies.

Taking account of internal forecasts of performance over the performance period, the challenging market conditions in which the Group operates, our long-term growth ambitions and the expectations of the investment community of the Group's future potential performance, and the adjusted EPS targets The performance shares will continue to be based on a combination of EPS and TSR, with a ROCE underpin. For 2026, the EPS target range will be increased from 5-10% p.a. to 7.5%-15% p.a., reflecting our continued commitment to driving exceptional performance through our incentives. The Restricted Share awards will be subject to the underpin as described on page 105.

The award will be subject to a post-vesting holding period of two years.

All-Employee share plans

Executive Directors can participate in any all-employee share schemes offered to all employees on identical terms, with the exception of the 2025 and 2026 All-Employee share awards explained on page 101.

Chairman and Non-Executive Directors

Following a review, the fees for Non-Executive Directors will be increased by 3%. The pay increases for UK employees are expected to be an average of 3%. As the Chairman's fee is well positioned against the FTSE 75-125 peer group, the Chairman's fee will increase by 2%. With effect from 1 April 2026, the Chairman's fees increased from £393,070 to £400,930 and the Non-Executive Directors' fees were increased from £69,973 to £72,072. The additional fees for the Audit and Remuneration Committee Chairman's fees and the roles in respect of employee engagement and Senior Independent Director remain unchanged at £17,000, £10,000 and £15,000 respectively.

Implementation of Directors' Remuneration Policy for the year ended 31 March 2026

Single figure for total remuneration for Executive Directors (audited)

The following table provides a single figure for total remuneration of the Executive Directors for the year ended 31 March 2026 and the prior year.

	Simon Pryce		Kate Ringrose	
	2026	2025	2026	2025
Base salary	£832,950	£768,946	£527,875	£512,500
Taxable benefits ¹	£18,052	£17,463	£16,252	£15,458
Pension benefit ²	£87,460	£80,739	£47,093	£53,812
Total fixed	£938,462	£867,148	£591,220	£581,770
Annual incentive ³	£665,438	£608,499	£417,729	£393,975
LTIP	0	-	0	-
Buy-out ^{4,5}	-	-	-	£141,128
SAYE award discount ⁶	£4,562	-	£4,562	-
Total variable	£670,000	£608,499	£422,291	£535,103
Total	£1,608,462	£1,475,647	£1,013,511	£1,116,873

- Taxable benefits consist of medical benefits and car allowance.
- Simon received the amounts shown above as a cash supplement in lieu of pension. In 2025/26, Kate received a contribution of £10,000 to the defined contribution pension plan and received a further £37,093 as a cash supplement in lieu of pension. No Executive Director has prospective benefits under a defined benefit pension relating to qualifying service.
- Annual incentive shows the full value of the annual incentive in respect of each year. For 2025/26 the final outcome of the incentive was 52.5% of maximum for both Simon Pryce and Kate Ringrose. This value will be delivered as one-third shares (which will vest after two-years) and two-thirds cash. For 2024/25 the final outcome of the incentive was 52.5% of maximum for Simon Pryce and 51.0% of maximum for Kate Ringrose. This value was delivered as one-third shares and two-thirds cash.
- The buy-out vesting value in 2024/25 shows the value of Kate Ringrose's performance share sign-on award which vested on 30 June 2024. The award granted Kate over 25,973 shares on 14 November 2023. The value of the sign-on award is based on the share price on the date of vesting 701.5p. The figure includes dividend equivalent shares to the value of £5,493. The value of Kate's award declined over the period between grant and vest by £2,340, due to share price depreciation. Full details can be found on page 124 of last year's report.
- Malus and Clawback provisions were not operated in the year.
- The Save as You Earn (SAYE) discount shown for 2025/26 is the difference between the grant date value per share and the exercise price; the exercise price was 452.00p.

Annual report on remuneration continued

Incentive outcomes for the year ended 31 March 2026 (audited)

Annual incentive in respect of performance for the year ended 31 March 2026

The performance measures, target ranges and performance against each of the measures for the 2025/26 Annual Incentive are outlined in the table to the right. Targeted performance was calibrated to deliver an incentive of 75% of salary for the Executive Directors (50% of the maximum opportunity), with incentive payments worth up to 150% of salary for achieving stretch performance targets.

The formulaic outcome against the stretching targets set was 45.2%. During the final review, the Committee then determined together with management that it would be appropriate to reduce the outcome by 0.2% to ensure internal consistency in annual incentive outcomes across the Group. This results in an adjusted outcome of 45.0% of maximum. Including the individual strategic measures, the adjusted bonus outcomes are 52.5% of maximum for both Simon and Kate. Further background on financial and strategic performance for the year ended 31 March 2026 is provided in the Strategic report.

2023 LTIP Awards vesting

An award of shares was made under the LTIP in May 2023 to Simon Pryce of over 236,414 shares and to Kate Ringrose in November 2023 of over 175,168 shares. These awards are subject to vesting based 50% on adjusted EPS compound annual growth rate (CAGR) and 50% on the Company's TSR versus the industrial/electronics peer group with a ROCE underpin over the three years ended 31 March 2026. Performance targets, and actual performance against these is summarised in the table below:

Measure	Weight	Threshold (25% of max)	Maximum (100% of max)	Performance achieved	Vesting (% of maximum)
Adjusted EPS (three-year CAGR of the 2025/26 adjusted EPS, compared with the 2022/23 adjusted EPS) ¹	50%	5%	10%	(15.3)%	0%
TSR (vs industrial/electronic peer group) ^{1,2}	50%	Median	Upper quartile	Below Median	0%
ROCE (average over 2023/24, 2024/25, 2025/26)	Underpin 20%			15.9%	
Total 2023 LTIP Award vesting				0%	0%

1. Straight-line vesting between measurement points.

2. TSR peer group comprises ABB, Arrow Electronics, Avnet, Bunzl, Datwyler, Essentra, Fastenal, Ferguson, MSC Industrial Direct, Rexel, Rockwell, Schneider, Siemens, TE Connectivity, WESCO International and WW Grainger.

Following the end of the performance period, the Committee determined that as the threshold level of performance was not achieved on either performance measure nor the underpin, the awards should lapse in full.

The Committee reviewed the bonus and LTIP outturns against a broader assessment of underlying performance for our stakeholders over the respective performance periods. Overall, the Committee concluded that both outcomes described above were appropriate and no further adjustments were made.

Measure and weighting	Performance level	% Payout performance level	Target	Actual performance	Simon Pryce earned incentive (% of max)	Kate Ringrose earned incentive (% of max)
Adjusted profit before tax excluding restructuring (25% weighting)	Threshold	0.0%	£232.2m	£248.6m	10.2%	10.2%
	Target	12.5%	£252.2m			
	Maximum	25.0%	£264.2m			
Adjusted free cash flow excluding restructuring (25% weighting)	Threshold	0.0%	£107.5m	£204.7m	25.0%	25.0%
	Target	12.5%	£127.5m			
	Maximum	25.0%	£139.5m			
Like-for-like Group revenue change (25% weighting)	Threshold	0.0%	0.1%	(0.5)%	0.0%	0.0%
	Target	12.5%	3.1%			
	Maximum	25.0%	5.1%			
Transactional NPS (4% weighting)	Threshold	0.0%	48.5	45.2	0.0	0.0
	Target	2.0%	48.7			
	Maximum	4.0%	49.1			
Relational NPS (excl. Japan) (1% weighting)	Threshold	0.0%	39.3	35.5	0.0	0.0
	Target	0.5%	39.8			
	Maximum	1.0%	40.3			
CO ₂ e reduction (Scope 1 and 2 emissions) (10% weighting)	Threshold	0.0%	3.8%	10.0%	10.0%	10.0%
	Target	5.0%	5.4%			
	Maximum	10.0%	6.9%			
Individual strategic targets (detailed on page 110)		Up to 10%			7.5%	7.5%
Formulaic incentive outcome					52.7%	52.7%
Adjusted incentive outcome (0.2)%					52.5%	52.5%

Annual report on remuneration continued

Simon Pryce	
Individual strategic targets	Outcomes
Continue to drive cultural evolution, embedding values and promoting belonging within an appropriate risk management and control environment.	Exceeded – Continued to drive cultural evolution, embedding values and supported by successful launch of belonging strategy. Overall engagement score increased to 75.
Review and develop an evolution of the operating model to improve efficiency, optimise product and trading flows and enhance the customer experience.	Fully met – On-going effectiveness monitored and opportunities identified. Clear plan and delivery resources in place, milestones met.
Enhancing people bench strength.	Exceeded – Strong people capability enhancements and improved bench strength. Global leadership program designed and launched, delivering measurable improvements in leadership approach, behaviours and decision making.
Continue effective communication and execution of the Group strategic plan.	Exceeded – Completed strategy review reflecting internal experience, external trends, market developments, competitor analysis and customer and supplier insights. Successful cascade throughout the business and translated into updated execution plans. Value creating acquisition executed and integration of acquired businesses delivering ahead of plan. Disciplined capital allocation.
Drive material enhancements in customer strategy and experience.	Fully met – Enhanced experiences enabled. Created potential based segmentation to support more targeted activation in 2026/27. Global digital commerce engine design and build on plan.

Kate Ringrose	
Individual strategic targets	Outcomes
Design deliver and embed step change improvements to key financial processes, driving accuracy and insight for decision making.	Exceeded – key financial process upgrades delivered. Improved forecasting accuracy and consistency. Standard programme management process and tools launched providing enhanced insights, decision making and prioritisation.
Elevate organisation capability through new global control framework and effective monitoring.	Exceeded – Designed and commenced implementation of enhanced risk based controls framework.
Continue to ensure efficiency and effectiveness of operating model including Enterprise Resource Planning (ERP).	Exceeded – On-going effectiveness monitored, opportunities identified. Clear plan and delivery resources in place. High level S4/HANA process architecture complete. Data cleanse and migration on track. Risk mitigated programme planning complete.
Build highly engaged, inclusive and motivated finance organisation.	Fully met – finance transformation plan commenced. Enhanced people capability and experience. Improved engagement scores across function.

Annual report on remuneration continued

Scheme interests awarded during the year ended 31 March 2026 (audited)

2025 LTIP Award

During the year the following LTIP Awards were granted to the Executive Directors:

	Performance shares		Restricted shares	
	Simon Pryce	Kate Ringrose	Simon Pryce	Kate Ringrose
Basis of award (% of base salary)	250%	170%	100%	40%
Number of performance shares awarded ¹	383,393	163,659	153,357	38,508
Award date face value	£2,112,500	£901,765	£845,000	£212,180
Threshold vesting outcome	25%	25%	N/A	N/A
Performance/underpin period	1 April 2025 – 31 March 2028			
Post-vesting holding period	Two years			

1. Awards were made using the average of the share price for the thirty dealing days immediately preceding the grant date of 5 June 2025, being 551.00p.

The performance conditions for the performance shares are as follows:

Measure	Weight	LTIP targets	
		Threshold (25% of max)	Maximum (100% of max)
Adjusted EPS CAGR (three-year CAGR of the 2027/28 adjusted EPS compared with the 2024/25 adjusted EPS) ¹	50%	5%	10%
TSR (FTSE 350 peer group) ^{1,2}	50%	Median	Upper Quartile
ROCE (average of 2025/26, 2026/27, 2027/28)	Underpin at 15%. If the underpin is not met, the Committee will review the formulaic level of vesting and consider whether it would be appropriate to use its discretion to reduce the level of vesting.		

1. Straight-line vesting between measurement points.

2. TSR peer group is detailed on page 108.

The restricted share awards are subject to the discretionary underpin detailed on page 105.

Total pension entitlements (audited)

The pension rate for Executive Directors is 10.5% of base salary, which aligns with the rate for the majority of the wider UK employee population.

Chairman and Non-Executive Director remuneration

Single figure for total remuneration for Non-Executive Directors (audited)

The table below sets out a single figure for the total remuneration received by each Non-Executive Director for the year ended 31 March 2026 and the prior year:

	Total fees		Taxable expenses		Total	
	2026	2025	2026	2025	2026	2025
Rona Fairhead	£393,070	£385,360	£4,604	£3,998	£397,674	£389,358
Alex Baldock	£69,973	£67,935	£781	£583	£70,754	£68,518
Louisa Burdett ¹	£63,574	£82,935	£1,520	£735	£65,094	£83,670
Carole Cran ²	£82,515	£22,645	£512	£3,351	£83,027	£25,996
Navneet Kapoor ³	-	£50,951	-	£3,009	-	£53,960
Bessie Lee	£79,974	£72,935	£4,318	£9,343	£84,292	£82,278
Miles Roberts ⁴	£69,973	£5,661	£1,112	£51	£71,085	£5,712
David Sleath	£84,974	£82,935	£951	£660	£85,925	£83,595
Joan Wainwright	£96,973	£87,935	£8,835	£12,431	£105,808	£100,366

- Louisa Burdett stepped down as Chair of the Audit Committee and as a member of the Board on 15 July 2025 and 31 January 2026 respectively.
- Carole Cran was appointed as a Director of the Board and Chair of the Audit Committee on 1 December 2024 and 15 July 2025 respectively.
- Navneet Kapoor stepped down from the Board on 31 December 2024.
- Miles Roberts was appointed as a Director of the Board on 1 March 2025.

For 2025/26, the Non-Executive Directors received base fees of £69,973 per annum. Fees were paid on a pro-rata basis, reflecting length of time in the role. Additional fees of £15,000 and £17,000 per annum were paid in respect of the Senior Independent Director role and to the Chairs of the Audit and Remuneration Committees respectively. The Chair of the Nomination Committee role was conducted by Rona Fairhead, Chairman. Rona did not receive an additional fee for chairing the Nomination Committee. Bessie Lee and Joan Wainwright each received an additional fee of £10,000 per annum for their role as the Board's representatives on employee engagement.

Annual report on remuneration continued

Percentage change in remuneration of the Directors and employees as 31 March 2026

The table below shows the percentage change in the annual cash remuneration of the Directors (comprising base salary/fees, the value of taxable benefits and earned annual incentives), as disclosed in the single figure for total remuneration (see the tables on page 108 for Executive Directors and on page 111 for the Non-Executive Directors) from the prior year compared with the average percentage change for all UK employees of RS Group plc. If the Directors did not serve a full year their base salary/fee is annualised.

	Base salary/fees					Taxable benefits					Annual incentive				
	Change 2026	Change 2025	Change 2024	Change 2023	Change 2022	Change 2026	Change 2025	Change 2024	Change 2023	Change 2022	Change 2026	Change 2025	Change 2024	Change 2023	Change 2022
Simon Pryce ¹	8.3%	2.6%	850.3%	2.8%	9.6%	3.4%	1.7%	100%	N/A	N/A	9.4%	100%	N/A	N/A	N/A
Kate Ringrose ²	3.0%	1.7%	N/A	N/A	N/A	5.1%	4.7%	N/A	N/A	N/A	6.0%	100%	N/A	N/A	N/A
Rona Fairhead ³	2.0%	2.0%	3.0%	4.8%	223.1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alex Baldock ⁴	3.0%	2.0%	3.0%	4.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Louisa Burdett ⁵	(23.3)%	1.6%	2.4%	3.9%	9.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Carole Cran ⁶	264.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Navneet Kapoor ⁷	N/A	2.0%	23.5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bessie Lee ⁸	9.7%	1.9%	2.8%	5.8%	9.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Miles Roberts ⁹	1,136%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
David Sleath ¹⁰	2.5%	1.6%	2.4%	3.9%	(2.1)%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Joan Wainwright ¹¹	10.3%	0.6%	24.0%	7.0%	9.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
UK-based ExCo and employee population ¹²	3.5%	4.3%	7.4%	8.1%	1.9%	13.6%	(6.8)%	(8.3)%	5.6%	(6.4)%	16.1%	(251.6)%	17.1%	20.3%	17.7%

1. Simon Pryce stepped down as Chair of the Remuneration Committee on 14 March 2023 and as a Non-Executive Director with effect from 2 April 2023, following confirmation of his appointment as CEO of the Group effective 3 April 2023. The very large percentage increase for 2023/24 simply reflects this transition of Simon's role from a Non-Executive Director to an Executive Director.
2. Kate Ringrose was appointed as CFO of the Group effective 2 October 2023.
3. Rona Fairhead was appointed to the Board on 1 November 2020 as Non-Executive Director and received the Non-Executive Director base fee until she became Chairman and Chair of the Nomination Committee on 1 February 2021, at which point her fee was increased to the Chairman's fee at that time of £350,000.
4. Alex Baldock was appointed to the Board on 1 September 2021.
5. Louisa Burdett stepped down as Chair of the Audit Committee and as a member of the Board on 15 July 2025 and 31 January 2026 respectively.
6. Carole Cran was appointed as a Director of the Board and Chair of the Audit Committee on 1 December 2024 and 15 July 2025 respectively.
7. Navneet Kapoor was appointed to the Board on 1 June 2022 and stepped down from the Board on 31 December 2024.
8. Bessie Lee was appointed as Board employee engagement representative on 1 June 2021.
9. Miles Roberts was appointed to the Board on 1 March 2025.
10. David Sleath stepped down as Chair of the Nomination Committee on 31 January 2021.
11. Joan Wainwright was appointed as Board employee engagement representative on 1 June 2021 and Chair of the Remuneration Committee on 14 March 2023.
12. The annual percentage change in annual incentive is calculated by reference to the annual incentive payable in respect of performance applicable to the financial year for Executive Directors and by reference to all incentive payments received during the financial year for all employees.

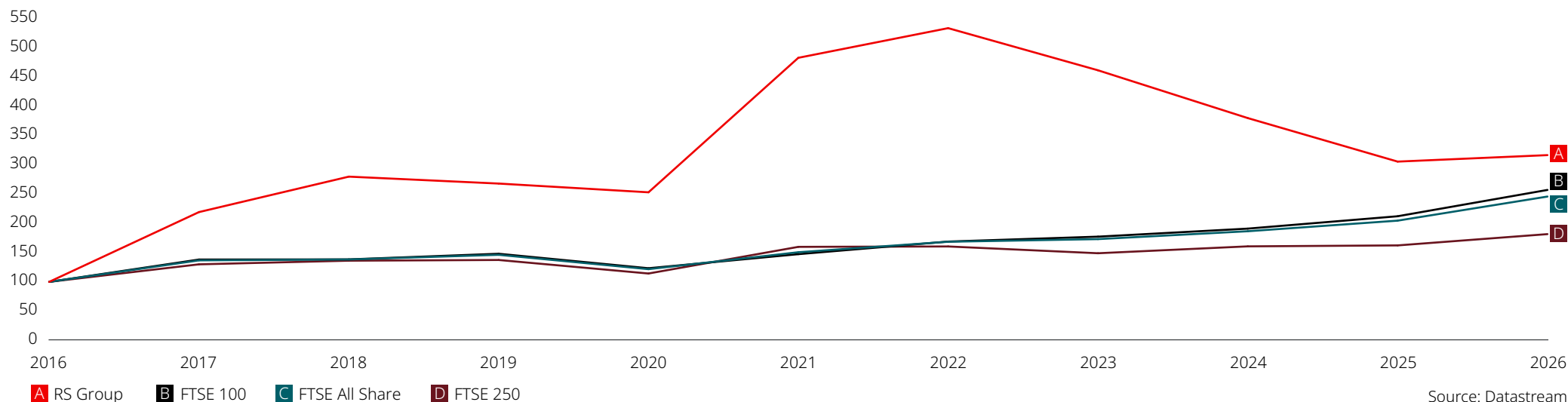
Annual report on remuneration continued

Performance graph and table

The following graph shows the ten-year TSR performance of the Company relative to the FTSE 250, FTSE 100 and All Share Indices. The FTSE All Share, FTSE 100 and FTSE 250 are broad equity market indices of which RS Group plc has been a member in this period. The table below details the CEO's single figure of remuneration for the same period.

Total shareholder return

(value of £100 invested on 31 March 2016).



Year	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31 March 2017	31 March 2018	31 March 2019	31 March 2020	31 March 2021	31 March 2022	31 March 2023	31 March 2024	31 March 2025	31 March 2026	
	Lindsley Ruth¹	Lindsley Ruth	Lindsley Ruth	Lindsley Ruth	Lindsley Ruth	Lindsley Ruth	Lindsley Ruth²	David Egan³	Simon Pryce^{4,5}	Simon Pryce⁵	Simon Pryce⁶
CEO total remuneration (£000s)	1,401	4,410	4,421	2,551	2,578	2,976	1,813	487	850	1,476	1,608
Annual incentive award (as a % of maximum opportunity)	82.5%	90.1%	68.0%	21.7%	80.8%	80.0%	63.2%	63.2%	0% ⁴	52.5%	52.5%
LTIP award vesting (as a % of maximum opportunity)	N/A ¹	100%	100%	91.3%	74.7%	46.0%	50.0%	50.0%	N/A ⁵	N/A ⁵	0.0% ⁶

1. Lindsley Ruth joined the Company in 2015 and therefore did not receive any vested LTIP Awards in 2017.

2. Lindsley Ruth's remuneration for the year ended 31 March 2023 was pro-rated to reflect that he stepped down from the role of CEO on 16 December 2022.

3. David Egan's remuneration for the year ended 31 March 2023 was adjusted to reflect the period he acted as CEO (3 November 2022 to 31 March 2023).

4. Simon Pryce did not receive an incentive award for the year ended 31 March 2024. Full details of the incentive outcomes are detailed on page 107 of the 2023/24 report.

5. Simon Pryce was appointed as CEO in 2023 and did not receive any vested LTIP Awards in 2024 and 2025.

6. Simon Pryce did not receive a vested LTIP Award in 2026 as the 2023 LTIP Award did not meet the required threshold level of performance. Full details of this award are set out on page 109.

Annual report on remuneration continued

CEO pay ratio reporting

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2026 ¹	A	55:1	40:1	25:1
2025 ²	A	53:1	40:1	24:1
2024	A	31:1	24:1	14:1
2023	A	104:1	80:1	48:1
2022	A	115:1	93:1	56:1
2021	A	99:1	88:1	49:1
2020	A	207:1	166:1	105:1

1. UK-based employee data and the CEO data was taken as at 31 March 2026.

2. The pay ratios for 2025 shown in last year's report were incorrectly based on salary only and have been re-stated above based on total compensation.

The Company adopted Method A in the regulations to calculate the pay ratios because this is considered to be the most statistically robust methodology. Under Method A, the total pay and benefits has been calculated on a full-time equivalent basis to identify the 25th percentile, median and 75th percentile people.

The salary of the individuals at the 25th, 50th and 75th percentile in the table above for 2025/26 are £25,770, £32,285, and £53,264 respectively. The total pay and benefits of the individuals at the 25th, 50th and 75th percentile in the table above for 2025/26 are £29,501, £40,166, and £65,605 respectively.

A significant portion of CEO pay is delivered as variable pay which can change materially by year. For 2026, the ratio has remained broadly consistent with the prior year, reflecting the similarity of CEO incentive outcomes for those years. In line with the Company's reward practices, the median pay ratio employee receives a base salary at market rates for their role and is eligible for the full range of benefits and bonus participation available to their peers of the same level within the organisation, see page 116.

Payments for loss of office (audited)

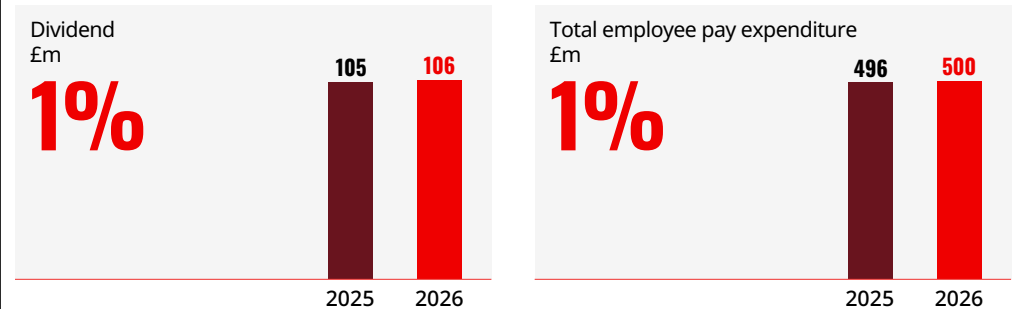
There were no payments for loss of office during the year.

Payments to past directors (audited)

There were no payments to past directors during the year.

Relative importance of spend on pay

The graphs below show total dividends paid by the Company to shareholders and expenditure on total employee pay for the year and the prior year, and the percentage change year-on-year.



The total employee pay expenditure figures above include labour exit costs set out in Note 8 on pages 143 and 144.

Directors' shareholdings (audited)

The interests of the Directors and their connected persons in the Company's ordinary shares are shown on the right, together with total share awards and share options and information on whether the Executive Directors had met their shareholding requirements on 31 March 2026. For 2025/26, Executive Directors are expected to continue to build up their personal holding in RS Group plc shares. The shareholding requirement under the Policy is 400% and 250% of salary for Simon Pryce and Kate Ringrose, respectively.

The value of the shares used to calculate whether the shareholding guideline is met is 652.00p, being the average share price over the three months ended 31 March 2026. Between the year end and the date of this Annual Report and Accounts, there has been no movement in current Directors' shareholdings. Details of the scheme interests contained in columns A–D of the table on the right are provided in the 'Share Awards' table on page 115.

Executive Directors' service contracts

Simon Pryce entered a service contract with an effective date of 3 April 2023. Kate Ringrose entered a service contract with the Company with an effective date of 2 October 2023. Both contracts have no fixed term and are subject to 12 months' notice by either party.

Annual report on remuneration continued

	Owned outright	Shareholding guideline % base salary	Current holding % salary	Guideline met?	Share awards held			Options held
					RSU unvested, subject to performance (A)	LTIP unvested, subject to performance (B)	DSBP unvested, not subject to performance (C)	SAYE unvested, not subject to performance (D)
Simon Pryce	186,947	400%	144%	No	153,357	892,806	36,811	4,037
Kate Ringrose	43,016	250%	53%	No	38,508	520,780	23,833	4,037
Rona Fairhead	12,541							
Alex Baldock	2,239							
Louisa Burdett	-							
Carole Cran	3,000							
Bessie Lee	-							
Miles Roberts	7,860							
David Sleath	31,188							
Joan Wainwright	-							

Director's share scheme interests (audited)

Share awards

	Scheme	Notes	Date of award	Shares awarded on 1 April 2025	Awarded during the year	Vested during the year	Lapsed during the year	Shares held on 31 March 2026	Normal vesting date
Simon Pryce	LTIP	1	26 May 2023	236,414	-	-	-	236,414	26 May 2026
	LTIP	1	5 Jun 2024	272,999	-	-	-	272,999	5 Jun 2027
	LTIP	1	18 Jul 2025	-	383,393	-	-	383,393	18 Jul 2028
	Restricted Shares	2	18 Jul 2025	-	153,357	-	-	153,357	18 Jul 2028
	J2G LTIP	1	26 May 2023	355,427	-	-	355,427	-	21 Jul 2025
	DSBP		5 Jun 2025	-	36,811	-	-	36,811	5 Jun 2027
Total				864,840	573,561	-	355,427	1,082,974	
Kate Ringrose	Restricted sign-on	3,4	14 Nov 2023	12,527	504	13,031	-	-	30 Jun 2025
	LTIP	1	14 Nov 2023	175,168	-	-	-	175,168	26 May 2026
	LTIP	1	5 Jun 2024	181,953	-	-	-	181,953	5 Jun 2027
	LTIP	1	18 Jul 2025	-	163,659	-	-	163,659	18 Jul 2028
	Restricted Shares	2	18 Jul 2025	-	38,508	-	-	38,508	18 Jul 2028
	DSBP		5 Jun 2025	-	23,833	-	-	23,833	5 Jun 2027
Total				369,648	226,604	13,031	-	583,121	

1. All awards made to the Executive Directors under the LTIP awards are subject to performance conditions, set in prior year reports. The normal vesting date for the LTIP award is the third anniversary of grant.

2. Awards made to Executive Directors under the Restricted Share Incentive Plan are subject to a performance underpin.

3. The restricted sign-on award is not subject to performance conditions and therefore has been disclosed in the Single Figure Remuneration table on page 108 accordingly.

4. Shares in lieu of dividends were awarded to Kate Ringrose upon vesting of the Restricted sign-on award.

Annual report on remuneration continued

Share options

	Scheme	Date of grant	Vesting date	Expiration date	Exercise price	Shares under option 1 April 2025	Granted during the year	Exercised during the year	Lapsed during the year	Shares under option 31 March 2026
Simon Pryce	SAYE	6 Dec 2023	1 Feb 2027	31 Jul 2027	562.00p	3,300	–	–	3,300	–
	SAYE	3 Dec 2025	1 Feb 2029	31 Jul 2029	452.00p	–	4,037	–	–	4,037
Total						3,300	4,037	–	3,300	4,037
Kate Ringrose	SAYE	6 Dec 2023	1 Feb 2027	31 Jul 2027	562.00p	3,300	–	–	3,300	–
	SAYE	3 Dec 2025	1 Feb 2029	31 Jul 2029	452.00p	–	4,037	–	–	4,037
Total						3,300	4,037	–	3,300	4,037

Remuneration for the wider workforce

The remuneration for the wider workforce is based on principles broadly aligned with the Policy. Annual salary reviews across the Group consider business performance, local pay and market conditions, individual performance and salary levels for similar roles in comparable companies.

All employees, including the Executive Directors, the ExCo and senior management across the Group are eligible to participate in an incentive programme. In line with typical market practice, opportunities and performance measures vary by organisational level, geographical region and an individual's role. Executive Directors and the ExCo are eligible to participate in the DSBP, LTIP and Restricted Awards on similar terms, including share ownership requirements. Differences apply where appropriate (e.g. in the grant levels awarded). Senior leaders may also be invited to participate in the LTIP or receive Restricted Share awards. All our eligible employees can participate in the Company's all-employee share plans. This includes the All-Employee Share Award, see page 101 for further information.

It is important that our people have the opportunity to share in the success of the business that they help create. We achieved this in 2025/26 through:

Refresh of the Group's reward philosophy to underpin the Group's strategy and values

- Continuation of our global recognition programme and platform aligned to the Group's values
- Providing the opportunity for all of our employees at all levels of the Group to participate in the short-term incentive programme
- Award of restricted shares to senior leaders below the ExCo
- Launch of the All-Employee share plan to employees globally
- Providing a SAYE plan to help our UK employees become shareholders
- Providing a phantom SAYE plan in those countries outside the UK where it is legally possible to do so (which is cash settled for participants)

Priorities for 2026/27

- Continued embedding of our Reward philosophy across the organisation
- Preparing for compliance with the forthcoming EU Pay Transparency legislation
- Delivery of a second All-Employee share plan, enabling even more colleagues to become shareholders

Committee governance

Committee structure and meetings

The Committee is comprised of independent members. Joan Wainwright was appointed as Chair in March 2023. Joan has been a member of the Committee since July 2021 and therefore meets the requirements of the Code. Louisa Burdett stepped down as member of the Board and as a Committee member with effect from 31 January 2026. There have been no further changes to Committee membership during the year. Details of the skills and experience of the Committee members can be found on pages 72 to 74.

The Committee held three scheduled and two unscheduled meetings during the year. Details of attendance at meetings can be found on page 75.

The Chairman of the Board, CEO, CFO, other Board members, Company Secretary, Chief People Officer and Vice President of Group Reward, were invited to attend Committee meetings to advise on specific items and on matters relating to the performance and remuneration of senior managers, other than in relation to their own remuneration. The Company Secretary acts as Secretary to the Committee. Meetings of the Committee generally take place shortly before Board meetings, and activities of the Committee are reported by the Chair to the Board as a separate agenda item.

The Committee Chair attends the Company's AGM and is happy to answer any questions from shareholders on matters falling within the Committee's responsibilities. As described above, the Committee Chair is also one of the Non-Executive Directors designated to undertake employee engagement, therefore also providing employees the chance to raise direct remuneration-related questions during the year.

Committee responsibilities

The role of the Committee is to consider the remuneration packages designed to promote the long-term success of the Company and to ensure that Executive Directors and the ExCo are compensated appropriately for their contributions to the Group's performance, taking into consideration the wider employee group. The Committee also considers the remuneration of the Chairman of the Board. The Board determines the remuneration of the Non-Executive Directors. No individual is present while decisions are made regarding their own remuneration.

The Committee's key responsibilities have not changed during the year. The Committee's Terms of Reference are reviewed formally and approved annually and are available at: [rsgroup.com](https://www.rsgroup.com).

Annual report on remuneration continued

Committee performance review

This year, the Board underwent an externally facilitated performance review and the activities of the Committee were reviewed as part of this process. The results of the performance review demonstrated that the Committee continued to operate effectively and in alignment with its Terms of Reference. Further details of the performance review process can be found in the Corporate Governance report on pages 83 and 84.

Advisors

Alvarez & Marsal (A&M) has provided independent advice to the Committee since its appointment in 2023. A&M is a member of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to executive remuneration consultancy in the UK (details of which can be found at [remunerationconsultantsgroup.com](https://www.remunerationconsultantsgroup.com)). There is no connection between A&M, the Company or its Directors.

During the year A&M provided advice in several areas, including:

- Independent advice to support the Committee in setting performance targets and to implement the Policy
- Support in drafting the Directors' Remuneration Report for the year ended 31 March 2026
- Updates to the Committee on regulatory changes and the investor environment

A&M's fees for the provision of executive remuneration consultancy services to the Committee during the year, charged on a time and materials basis, totalled £75,100.

Consideration of employment conditions elsewhere in the Group

The Group seeks to promote and maintain good relations with employee representative bodies, including trade unions and works councils, as part of its broader employee engagement strategy and consultation on matters affecting our people and business performance as required, in each case, by law and regulation in the jurisdictions in which the Group operates. The Committee is mindful of the pay increases, incentive outcomes and share award participation in relevant markets across the rest of the Group when considering the remuneration of the Executive Directors. Our people have the opportunity to discuss various topics including remuneration via various internal forums. One such forum is the employee engagement sessions held with Bessie Lee and Joan Wainwright, in their capacity as engagement designated Non-Executive Directors. Further information regarding the sessions held during the year can be found on page 82.

Consideration of shareholder views

The Committee consulted widely with key investors and proxy advisers and took feedback into account when developing the Policy. Since the 2025 AGM, we re-engaged with our largest 30 shareholders to provide a further opportunity for their input (as described in further detail on pages 100 to 101). It remains the Committee's intention that key shareholders will normally be consulted before making any significant changes to the application of the Policy.

More broadly, the Committee considers shareholder views received during the year and at the AGM each year and is regularly kept abreast of evolving guidance from shareholders and investor bodies. The Chair of the Committee is always available to shareholders, should they wish to discuss remuneration arrangements.

Summary of shareholder voting

Summarised below are the results at the 2025 AGM vote on the 2025 Directors Remuneration Policy and the vote on the 2025 Directors' Remuneration Report:

	Total number of votes	% of votes cast
2025 vote on Directors' Remuneration Policy		
For (including discretionary)	264,865,666	65.63%
Against	138,733,440	34.37% ¹
Total votes cast (excluding withheld votes)	403,599,106	
Votes withheld	15,042,059	
Total votes (including withheld votes)	418,641,165	
2025 vote on Directors' Remuneration Report		
For (including discretionary)	402,826,628	97.90%
Against	8,644,692	2.10%
Total votes cast (excluding withheld votes)	411,471,320	
Votes withheld	7,169,845	
Total votes (including withheld votes)	418,641,165	

1. For further details regarding the vote outcome for the 2025 Directors' Remuneration Policy, see pages 100 to 101.

Directors' report

DIRECTORS' REPORT

Information incorporated by reference

The following information required to be disclosed in this Directors' report (in accordance with Listing Rule (LR) 6.6.6R and otherwise) is set out on the page numbers below:

Likely future developments	4 and 9 to 14
Diversity and Inclusion Policy (including disability ¹)	52, 89 and 90
Employee engagement	16, 51 and 82
Other stakeholder engagement	17, 18 and 76
Greenhouse gas emissions ¹	45 and 46
Names of Directors who served during the year	72 to 74
Details of employee share schemes	99, 101 and 116
Risk management (including hedging) and financial instruments	164 to 168
Activity on Company culture	3, 10, 16 and 51 to 54
Long-term incentive schemes	98 to 101, 105, 107, 109 and 111

1. Information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and included in the Strategic Report.

This section (together with the information on pages 70 to 117 and other information cross-referenced by this section which is incorporated by reference) constitutes the Directors' report for the purposes of the Companies Act 2006 (Companies Act) and fulfils the requirements of the corporate governance statement for the purposes of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules (DTR).

Principal activities

RS Group is a differentiated, high-service global distributor of product and service solutions providing small volumes of our suppliers' products to our industrial customers. RS Group plc is a public company incorporated in England and Wales with company number 647788.

A list of the Company's investments and subsidiaries at 31 March 2026 can be found in Note 31 to the Group accounts on pages 171 to 175 of this Annual Report and Accounts.

The principal activity of the Company is to act as the holding company of the Group.

The Directors are not aware, at the date of this report, of any major changes in the Group's activities in the coming year.

Results and dividends

The Group's results for the year ended 31 March 2026 are set out in the Group income statement on page 130.

The Board proposes, subject to approval of shareholders at the AGM to be held on 16 July 2026, that a final dividend of 14.2p per ordinary share be paid on 24 July 2026 to shareholders whose names are on the register of members at the close of business on 12 June 2026. The Directors have declared dividends as follows:

Dividends in 2026	Dividends in 2025
Interim dividend of 8.7p per ordinary share (paid on 2 January 2026)	8.5p per ordinary share
Proposed final dividend of 14.2p per ordinary share (to be paid on 24 July 2026)	13.9p per ordinary share
Total ordinary dividend of 22.9p per ordinary share for the year ended 31 March 2026	22.4p per ordinary share

During the year under review Computershare Trustees (Jersey) Limited, trustee of the RS Group Employee Trust, has waived its right to receive dividends over its total holding of 10,883,849 shares as at 31 March 2026.

Appointment and retirement of Directors

The appointment and retirement of Directors is governed by the Company's Articles of Association (Articles), the Code and the Companies Act. The Company's Articles may only be amended by a special resolution of the shareholders in a general meeting.

In the interest of good governance and in accordance with the provisions of the Code, all Directors will retire and will seek re-election at the forthcoming AGM.

Biographies of the current Directors can be found on pages 72 to 74. Details of the Directors seeking re-election at the AGM are set out in the Notice of AGM.

Board composition changes

Changes to the composition of the Board since 1 April 2025 up to the date of this Report are shown in the table below.

	Left the Board
Louisa Burdett	31 January 2026

Directors' report continued

Directors' interests

The Directors' interests in, and options over, ordinary shares in the Company are shown in the Directors' Remuneration report. Since the year end, there have been no changes to such interests.

In line with the requirements of the Companies Act, Directors have a statutory duty to avoid situations in which they have, or may have, interests that conflict with those of the Company unless that conflict is first authorised by the Board.

The Board has in place a formal conflicts of interest management procedure. The Board is responsible for considering whether authorisation is required, and if it can be given, in relation to new situations as they arise. The Board reviews annually any conflict authorisations it has given and any limitations that have been applied. The Company's Articles contain provisions to allow the Directors to authorise potential conflicts of interest, so that if approved, Directors will not be in breach of their duty under company law.

Powers of the Directors

Subject to the Articles, the Companies Act, and any directions given by special resolution, the business of the Company will be managed by the Board, who may exercise all the powers of the Company. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge any of its undertaking, property, and uncalled capital and to issue debentures or other securities, whether outright or as collateral security for any debt, liability, or obligation of the Company or of any third party.

Directors' indemnities

In accordance with the relevant provisions of the Companies Act and the Company's Articles, the Company entered into a new deed in March 2023 to indemnify the Directors and Officers (from time to time) of the Company to the extent permitted by the law. The deed for existing Directors is available for inspection at the registered office of the Company.

The Company purchased and maintained Directors' and Officers' liability insurance throughout 2025/26, which was renewed for 2026/27. Neither the indemnity nor insurance provides cover in the event that a Director or Officer is proved to have acted fraudulently.

Substantial shareholders

The processes by which the Company seeks to understand the views of its major shareholders are described on page 18.

Information provided to the Company by substantial shareholders pursuant to the DTR is published via a Regulatory Information Service.

As at 31 March 2026 and 19 May 2026, being the last practicable date, the Company had been notified by its substantial shareholders under Rule 5 of the DTR of the following interests in the Company's shares:

Shareholder	Number of	Percentage of	Number of	Percentage of
	shares as at	issued share	shares as at	issued share
	31 March 2026	capital as at	19 May 2026	capital as at
FMR LLC	38,165,532	8.05%	38,165,532	8.05%
Artemis Investment Management LLP	25,745,982	5.43%	25,745,982	5.43%
Wellington Management Group LLP	23,807,812	5.02%	23,807,812	5.02%

Share capital

As at 31 March 2026, the Company's issued share capital comprised a single class of 474,049,468 ordinary shares of 10p each, totalling £47,404,946.80.

Full details of share options, awards, and shares issued under the terms of the Company's share incentive plans can be found in Note 9 on pages 144 to 146.

The Company was authorised by shareholders at the AGM held on 17 July 2025 to purchase up to 10% of its ordinary share capital in the market. The Company did not make use of this authority during the year, and in line with market practice, will be seeking to renew such authority at this year's AGM.

Restrictions on voting rights

A member is not entitled to vote (in person or by proxy) at any general meeting or class meeting if either: (i) any call or other sum then payable by that member in respect of that share remains unpaid; or (ii) that member has been served with a notice after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Act. Voting rights may be exercised in person, by proxy or, in relation to corporate members, by a corporate representative. Proxy forms must be submitted not less than 48 hours before the time of the meeting or adjourned meeting.

Directors' report continued

Restrictions on transfer of shares

The Directors may, in the case of shares in certificated form, in their absolute discretion and without assigning any reason, refuse to register any transfer of shares (not being fully paid shares) provided that such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

The Directors may also refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly, in which case notice of the refusal must be sent to the allottee or transferee within two months after the date on which the letter of allotment or transfer was lodged with the Company. A shareholder does not need to obtain the approval of the Company, or of other shareholders in the Company, for a transfer of shares to take place.

Political donations

In the year ended 31 March 2026, the Group made no political donations or contributions. It remains the Company's policy not to make political donations. However, the application of the relevant provisions of the Companies Act is potentially very broad in nature and, as it did last year, the Board will be seeking shareholder authority to make political donations up to a defined limit to ensure that the Group does not inadvertently breach these provisions as a result of the breadth of its business activities, although the Board has no intention of using this authority.

AGM

The Notice of AGM is set out in a separate circular and is available on our website at [rsgroup.com/investors/shareholder-information/agm-information](https://www.rsgroup.com/investors/shareholder-information/agm-information). Shareholders can submit questions relating to the business of the meeting in advance to CompanySecretary@rsgroup.com.

Independent Auditors and audit information

Each of the persons who is a Director at the date of approval of this Annual Report and Accounts confirms that:

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

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

Significant agreements: change of control

The Company has a number of contractual arrangements which it considers essential to the business of the Company. Specifically, these are committed loan facilities from a number of banks and arrangements with third-party providers of administrative services. A change of control of the Company may cause some agreements to which the Company is a party to alter or terminate. These include bank facility agreements and employee share plans, which would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time.

The Group has committed facilities totalling £682 million as at 31 March 2026 which contain clauses which require lender consent for any change of control. Should consent not be given, a change of control would trigger mandatory repayment of the said facilities.

Articles of Association

Any amendments to the Articles of the Company may be made in accordance with the provisions of the Companies Act by way of a special resolution of the Company's shareholders in a general meeting. The Articles were last approved by shareholders at the AGM in 2021/22.

Governance arrangements

Information regarding the Company's governance arrangements is set out in the Governance report on pages 70 to 121. These pages are incorporated by reference into the Directors' report.

On behalf of the Board:

Clare Underwood

Company Secretary
19 May 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Responsibility of Directors for annual report and accounts

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulation.

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have prepared the Group accounts in accordance with UK-adopted international accounting standards (UK IAS) and Company accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and applicable law).

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the accounts, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable UK IAS have been followed for the Group accounts and United Kingdom Accounting Standards, comprising FRS 102, have been followed for the Company accounts, subject to any material departures disclosed and explained in the accounts;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and enable them to ensure that the accounts and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Directors 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 and Company's position and performance, business model, and strategy.

Each of the Directors, whose names and functions are listed on pages 72 to 74 confirm that, to the best of their knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, 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 Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- The Annual Report and Financial Statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model, and strategy.

In the case of each Director in office at the date the Directors' Report is approved, they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's Auditors are aware of that information.

Simon Pryce

Chief Executive Officer
19 May 2026