

THE REMUNERATION COMMITTEE



PAY SHOULD APPROPRIATELY REFLECT THE PERFORMANCE OF THE GROUP'S BUSINESS AND DELIVERY FOR SHAREHOLDERS

The Remuneration Committee establishes the Remuneration Policy for Executive Directors' remuneration and determines the appropriate performance conditions for the annual cash bonus and long-term incentive awards. The Remuneration Committee also sets remuneration for the Chair, Executive Directors and Senior Executives. The Remuneration Committee is mindful of consistency and fairness in Executive Directors' remuneration, taking into account the performance of the Company and experience of Shareholders and the wider workforce.

This report contains the following separate sections;

- Part 1 – The Chair's annual statement on pages 108 to 111.
- Part 2 – Remuneration at a glance on page 112.
- Part 3 – The Annual Report on Remuneration on pages 113 to 120 which discloses how the existing Remuneration Policy has been applied during the year. Those elements of Part 3 subject to external audit are clearly identified.
- Part 4 – A summary of our Remuneration Policy.

The Remuneration Committee

The Remuneration Committee (the Committee) is a formal Committee of the Board. Its remit is set out in the terms of reference adopted by the Board. The Committee's terms of reference were reviewed by the Committee during the year. A copy of the terms of reference is available on the Group's website at www.cranswick.plc.uk within the Corporate Governance section. The Committee's performance against these terms of reference is reviewed on an annual basis and the Committee is satisfied that it has acted in accordance with its terms of reference during the year.

The primary purpose for the Committee, as set out in its terms of reference, is to set the Remuneration Policy for the Chair, Executive Directors and Senior Executives (including the Company Secretary).

Committee meetings during the year

The attendance of members at the meetings was as follows:

Committee Members	Meetings attended
Pam Powell* – Chair	5/5
Kate Allum*	1/5
Mark Reckitt	5/5
Tim Smith	5/5
Liz Barber	5/5
Yetunde Hofmann**	3/5

* Pam Powell was appointed Chair of the Committee with effect from 1 August 2022 when Kate Allum retired as a Director at the Company's AGM on 1 August 2022. Kate Allum attended all relevant meetings prior to retirement.

** Yetunde Hofmann was appointed as a Director following the Company's AGM on 1 August 2022 and was unable to attend the November Remuneration Committee meeting due to a long-standing conflicting commitment that was approved by the Board.

Other regular attendees

- The Chief Executive, Chief Financial Officer and Group HR Director attend by invitation as required (no individual is involved in decisions relating to their own remuneration).
- The Company Secretary also attends meetings as secretary to the Committee.

Frequency of meetings

The Committee meets as necessary and at least twice a year.

Independence

All members of the Committee are independent.



PAM POWELL
Chair

THE REMUNERATION COMMITTEE

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Key activities in 2022/23

Executive Director and Senior

Executive remuneration

- Reviewed Executive Directors' and other Senior Executives' base salaries.
- Reviewed the Senior Executives' annual bonus structure.

Approval of bonuses

- Set objectives for the annual bonus arrangements for 2023 for Executive Directors and Senior Executives.
- Reviewed the achievement of the Executive Directors' bonus arrangements against the 2022 target.

LTIP awards

- Reviewed the outcome of performance conditions for the LTIP awards which were granted in 2020.
- Revised EPS targets for LTIPs granted in 2020 and 2021 following consultation with major Shareholders.
- Approved LTIP awards granted in 2022, including targets linked to reductions in emissions, water intensity and energy intensity and revised approach to EPS targets as described below.

Shareholder engagement

- Engaged with major shareholders in March 2023, in relation to proposed adjustments to EPS targets for 2020 and 2021 LTIPs, Executive Director salary increases for 2024 in May 2023 and alignment of Executive Directors' pension arrangements with those for the wider workforce, each as discussed further below.

Other activities

- Reviewed the Annual Remuneration Report for 2022/23.
- Reviewed employee benefit structures and approved the issue of the SAYE share scheme for 2022/23.
- Reviewed Committee effectiveness.
- Approved the Committee's terms of reference.

Statement by the Chair of the Remuneration Committee

On behalf of the Remuneration Committee and the Board, I am pleased to present the Remuneration Committee Report for the 52 weeks ended 25 March 2023, which is my first report since appointment as Chair on 1 August 2022. I would like to thank my predecessor, Kate Allum, on behalf of the Committee for her contribution as Chair.

As with prior years, Shareholders will be asked to pass an advisory vote on the Remuneration Report at the forthcoming AGM. We will also be seeking Shareholder approval for a new all-employee SAYE scheme as a replacement for our existing SAYE scheme, which expires this year.

Company performance

Over the course of 2022/23, the Group has continued its strong performance across our core product categories delivering growth ahead of pre-pandemic levels, with adjusted profit before tax increasing by 2.3 per cent and adjusted earnings per share increasing by 2.2 per cent. Furthermore, as discussed in the Chairman's Statement on page 11, the Company is also proposing an increased dividend payment to Shareholders.

The Remuneration Committee believes it is important that the Executive Directors' interests are aligned with the Company's strategic vision, the interests of Shareholders and that the incentive outcomes reported are appropriate given the performance of the Group.

Recognising the difficulties faced by many of our employees in the current financial climate, during the year, the Group has closely monitored the impact of the rising cost of living. This has resulted in a range of unscheduled mid-year pay increases (in addition to scheduled annual pay reviews) concentrating on its lower paid workers and sites where the local cost-of-living crisis has been particularly acute. In addition, the Group also introduced and promoted benefits such as discount voucher schemes to help further mitigate daily living expenses, along with continuing to provide other benefits such as subsidised canteens, transport and discounted staff sales.

Adjustment of EPS targets relating to the 2020 LTIP and 2021 LTIP

The LTIP Awards granted in 2020 and 2021 are based on earnings per share (EPS) (50 per cent) and relative total shareholder return (TSR) (50 per cent) targets measured over three-year performance periods from April 2020 to March 2023 and April 2021 to March 2024 respectively. As originally set, vesting of the EPS component is based on outperforming the average annual increase in UK RPI, at an average annual outperformance of three per cent for threshold vesting and nine per cent for full vesting of this element. The Committee has considered the use of an inflation linked measure, recognising that the UK RPI benchmark is wholly uncontrollable by the management team, and did not include the RPI link for the 2022 LTIP, as described below.

Whilst Cranswick's historic EPS growth has been very strong (with outperformance of 10 per cent over the increase in RPI over the three years up to March 2022), the very significant increases in RPI over 2021 and 2022 (with annualised RPI growth increasing to 13.5 per cent by March 2023) means that the inflationary benchmark to Cranswick's EPS growth will be far in excess of that anticipated when the EPS targets for the 2020 LTIP and 2021 LTIP were originally set and would not result in the EPS component vesting this year.

The Committee firmly believes that retaining the existing inflation-linked EPS targets for the 2020 LTIP and 2021 LTIP is not a fair reflection of the strong underlying earnings growth that will nevertheless have been delivered for Shareholders over the relevant performance periods.

The Committee is mindful that the Company's LTIP is an important incentive to align the Executive Directors and other senior management to the Group's strategy and long-term performance. In order to maintain the level of stretch in the EPS targets based on expected inflation levels when the targets were originally set, and to assess performance on a fair and consistent basis, the Committee has exercised its discretion to substitute the three-year average growth in RPI over the five-year period from 2017 to 2021 (being 2.56 per cent) for the UK RPI benchmark. Using 2.56 per cent as the expectation over the performance period for the 2020 and 2021 LTIPs results in the following EPS targets.

Vesting level	Original targets	Varied targets
Threshold	Average annual growth in EPS of RPI + 3 per cent.	Average annual growth in EPS of 5.56 per cent (i.e., 2.56 per cent +3 per cent.)
Maximum	Average annual growth in EPS of RPI + 9 per cent.	Average annual growth in EPS of 11.56 per cent (i.e., 2.56 per cent +9 per cent.)

The Committee understands that adjustments to incentives should only be undertaken in exceptional circumstances and was satisfied that the recent increases in UK RPI represent such circumstances, when it would be appropriate to exercise its discretion.

The Committee was also mindful that removing RPI as a benchmark is consistent with market practice and reflects the approach approved by the Committee for the awards granted in 2022. This took into account the Group's financial plans, market conditions and the impact of the increase in the corporate tax rate, in connection with which the Committee determined that it was appropriate to set an absolute EPS target linked to the achievement of Group forecasts (rather than continuing to set EPS targets using a three-year average percentage growth rate linked to three-year average RPI).

Rebasing inflation to historic levels for the 2020 LTIP results in 83.7 per cent of the maximum vesting level for the EPS element of this award. However, it remains very unlikely that the EPS element of 2021 LTIP (which vests in 2024) will result in an EPS related award given the EPS base year for that award is significantly higher and the proposed 6% increase in the UK corporation tax rate will also further reduce EPS. No further adjustments are proposed by the Committee in relation to the 2021 LTIP. The Committee has also considered movements in the share price noting the Company has not suffered any significant share price depreciation over the period.

Taking into account the strong performance of the Group and that the 2020 and 2021 LTIPs were granted at share prices of 3,563p and 4,041p respectively, the Committee did not consider that there would be any windfall gains for the Executive Directors as a result of the exercise by the Committee of its discretion. The Committee did not consider that any changes were required to the formulaic TSR outcome for either award (which accounts for 50% of each LTIP award).

Directors pension contribution entitlement

As disclosed in the previous Directors Remuneration Report, Mark Bottomley, Jim Brisby and Adam Couch have existing contractual pension entitlements which have been frozen at their current monetary value for two years and were due to be reduced to 10 per cent of salary (in line with other senior executives) with effect from 1 April 2023. It was intended that pension entitlements would then be reduced to 5 per cent of salary (in line with the wider workforce rate) over the course of the next tri-annual policy review in 2024.

However, in the meantime, the Group has reviewed pension entitlements across its workforce with a view to enhancing these and has introduced a matching scheme for employees which would increase the rate available for the wider workforce from 5 per cent to 10 per cent of salary. The Committee believes this represents a progressive approach to workforce pension contributions and a significant improvement to the benefits available to the Group's employees. Consequently, Executive Director pension entitlements will remain at 10 per cent of salary from 1 May 2023 without further future reduction. This remains consistent with the Directors Remuneration Policy and will also mean that the Company becomes fully compliant with the requirements of the Corporate Governance Code 2018.

Total Shareholder Return (TSR) Group Review

The Committee reviewed the current TSR comparator group used for the purposes of LTIP Awards which consists of 11 companies: Associated British Foods plc, A.G. Barr plc, Britvic plc, Carrs Group plc, Devro plc, Greencore Group plc, Hilton Food Group plc, Kerry Group plc, McBride plc, Premier Foods plc and Tate and Lyle plc. This is a relatively small group and the Committee considered that in relation to future LTIP awards measuring the Company's TSR performance against a broader index would be more appropriate and avoid the risk of more volatile outcomes and would also be more reflective of prevailing market practice. The Committee therefore decided that the Company's TSR performance in relation to future LTIP awards would be measured against companies in the FTSE 250 Index (excluding investment trusts).

2023 bonuses

Bonus awards for 2023 reflect the performance delivered in the year outlined below. A bonus of 46.8 per cent of maximum (i.e. 77.2 per cent of base salary) has been awarded to each of the Executive Directors. In accordance with the Company's Remuneration Policy, because Chris Aldersley has been appointed since the adoption of our current Remuneration Policy, one-third of his bonus since appointment as a Director on 1 August 2022 will be deferred into shares for two years. Further details are shown on page 114. The Committee considers the level of pay-out is reflective of the overall performance of the Group in the year and is appropriate.

LTIP awards vesting in respect of the period ended 25 March 2023

The LTIP Awards granted in 2020 were based on the three-year performance period from April 2020 to March 2023 and were subject to earnings per share (EPS) (50 per cent) and total shareholder return (TSR) (50 per cent) targets. The Committee's approach to the EPS targets for these awards is described above. Performance over the three-year period as measured against EPS has been strong with average annual EPS growth of 10.36 per cent and vesting at 83.7 per cent of the maximum in accordance with the revised targets referred to above. Performance in relation to TSR measured over a three-month averaging period, which the Committee considered an appropriate measure to apply, has been reasonably strong with the Company being ranked in the 58th percentile of its comparator group and, consequently, 38.0 per cent of the TSR element of the award has vested this year. Overall, 60.9 per cent of the maximum award will vest in July 2023 (i.e. 121.8 per cent of salary) for each Executive Director, versus 100 per cent of the maximum award which vested in June 2022 (i.e. 200 per cent of salary). This is reflected in the table on page 114. The Committee considers the level of pay-out is reflective of the overall performance of the Group over the three-year performance period ended 25 March 2023 and is appropriate.

Other than as described above in relation to the LTIP, the Committee did not consider it necessary to exercise its discretion in relation to the annual bonus outcome and LTIP outcome and believes that the measures used to judge performance explained in our Remuneration Policy summarised on page 123, remain appropriate and reflect the performance of the Group throughout the period under review.

LTIP award granted during the period ended 25 March 2023

The Committee also awarded nil-cost share options under the existing LTIP scheme to Senior Executives, including the Executive Directors, during the year. The number of shares awarded to each Executive Director was equivalent to 200 per cent of base salary based on the market value of the Company's shares at the date of award (1 July 2022). Vesting will be after a three-year performance period over which TSR and EPS performance measures (each accounting for 42.5 per cent of the award) and reduction of emissions, energy intensity and water intensity performance measures (each accounting for five per cent of the award) will be assessed. The awards will then be subject to a two-year holding period.

THE REMUNERATION COMMITTEE

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Targets for the reduction of emissions, water intensity and energy intensity have been set based on the Group's published 2019/20 baseline performance and are consistent with the achievement of the Group's long-term target of achieving a 50 per cent reduction in such measures by 2029/30 (after taking into account performance achieved to date).

These awards and details of the performance conditions are set out on page 115.

Salary increases for the year ending 30 March 2024

During our consultation with our major shareholders in March 2023, the Committee set out its approach to Executive Director proposed salary increases for 2023/24. Whilst the Committee is aware of guidance to exercise pay restraint in relation to salary increases for Executive Directors, the Group's performance has nevertheless continued to be impressive and has delivered significant value to its shareholders.

The Committee believes it is important that the Executive Directors' pay should appropriately reflect the performance and complexity of the Group's business and delivery for shareholders. In addition, the Committee does not believe there is a critical flight risk but is mindful of the need to retain and recognise the outstanding performance and contribution of a very experienced, long standing executive team taking into account the competitive market for talent in our sector which includes a number of international businesses which are not subject to the same constraints on pay. The Committee has therefore awarded Executive Directors an increase of 7 per cent, which considered the annual increase for 2023/24 for the wider workforce (which for the majority of employees ranged from 5 per cent to 9 per cent, with an increase of at least 7 per cent for a significant proportion of the workforce, taking into account unscheduled mid-year pay increases focused on our lower paid workers and sites where the cost-of-living crisis has been particularly acute).

Following the increase in pay, which will be applicable from 1 May 2023, the Executive Directors' base salaries will be:

Director	New salary
Chris Aldersley	£532,975
Mark Bottomley	£532,975
Jim Brisby	£532,975
Adam Couch	£806,250

Director changes

Kate Allum retired as a Non-Executive Director at the Company's AGM on 1 August 2022.

Yetunde Hofmann and Chris Aldersley were, respectively, appointed as Non-Executive Director and Executive Director following the Company's AGM on 1 August 2022.

Chris Aldersley was employed by the Group in a senior executive position as Chief Operating Officer prior to being appointed an Executive Director. A summary of Chris Aldersley's remuneration arrangements following his appointment is set out below.

Notice period	12 months
Salary on appointment	£498,100
Pension	£88,680 per annum (reducing to 10 per cent of salary from 1 May 2023)
Annual bonus	165 per cent of base salary
LTIP	200 per cent of base salary

Remuneration for the year ended 30 March 2024

Details of the implementation of the Policy for the year ended 30 March 2024 are disclosed on pages 113 to 120.

Alignment of the Remuneration Policy with the Code

The Remuneration Policy takes into account the principles of clarity, simplicity, risk, predictability, proportionality and alignment to culture, as set out in the Code.

Executive Director pay and the broader workforce

The Committee recognises that an understanding of broader workforce pay and conditions can be helpful in relation to considering executive pay along with other relevant factors. The Committee receives information on the annual salary review across the Group, gender pay and CEO pay ratios together with the principles that are applied in relation to broader incentive schemes operated in the Group. The Committee also considers outcomes in relation to the wider Senior Management team when considering outcomes for the Executive Directors. The Group also operates works committees and employee surveys to obtain employee feedback on all areas of the Group's business and has appointed Yetunde Hofmann as its designated Non-Executive Director to enhance existing engagement methods.

I have described earlier in this report our approach to pensions for the wider workforce and how the Executive Directors pensions are aligned with them and have also the described actions taken by the Group to recognise the difficulties faced by our employees in the current financial climate.

CEO pay ratios

The Company aims to provide a competitive remuneration package which is appropriate to promote the long-term success of the Company and applies this policy fairly and consistently to attract and motivate staff. The Company considers the CEO median pay ratio is consistent with the Company's wider policies on employee pay, reward and progression and is reflective of the sector that the Company operates in. Further information is given on page 117.

Shareholder approval and engagement

Ongoing engagement by the Chairman, Chief Executive, Chief Financial Officer and myself has ensured that key Shareholders have been regularly updated on progress and performance throughout the year. As noted above, the Remuneration Committee engaged with Shareholders during the year on the changes to the 2020 and 2021 Long Term Incentive Plan (LTIP) inflation linked earnings per share (EPS) targets, Executive Directors' base salary increases and the alignment of Executive Directors' employer pension contributions with the rate available for the wider workforce for the financial year ending 30 March 2024. We were pleased that the Shareholders consulted were supportive of our proposals.

CORPORATE GOVERNANCE

Principle	Commentary
Clarity: remuneration arrangements should be transparent and promote effective engagement with Shareholders and the workforce.	We operate simple variable pay arrangements, which are subject to clear performance measures aligned with the Group's strategy and the interests of all stakeholders.
Simplicity: remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Details of our remuneration arrangements are disclosed clearly and concisely.
Risk: remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	Both the annual bonus and LTIP are subject to malus and clawback provisions. This allows the Committee to have appropriate regard to risk considerations. Annual bonus deferral has been introduced for new Executive Directors from 2021/22 onwards, providing longer term alignment with Shareholders' interests. The Executive Directors' current shareholdings (other than Chris Aldersley, who was appointed a Director from 1 August 2022) are each in excess of 619 per cent of salary and provides sufficient alignment between Executive Director and Shareholder interests in the long term. The Committee also has discretion to override formulaic outcomes, which may not accurately reflect the underlying performance of the Group.
Predictability: the range of possible values of rewards to individual Directors and other limits or discretions should be identified and explained at the time of approving the Remuneration Policy.	Details of the range of possible values of rewards and other limits or discretions can be found on page 95 of the 2020/21 Directors' Remuneration Report.
Proportionality: the link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	We believe that total remuneration should fairly reflect performance of the Executive Directors and the Group as a whole, taking into account underlying performance and shareholder experience. The Committee considers the approach to wider workforce pay and policies when determining the Directors' Remuneration Policy to ensure that it is appropriate in this context.
Alignment to Culture: incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	In determining the Remuneration Policy, the Committee was clear that this should drive the right behaviours, reflect our values and support the Company purpose and strategy. The Committee will review the remuneration framework regularly so that it continues to support our strategy.

On behalf of the Board, I would like to thank Shareholders for their continued support. Should you have any questions on, or would like to discuss any further aspect of, our remuneration strategy I can be contacted at pam.powell@cranswick.co.uk.



Pam Powell
Chair of the Remuneration Committee

23 May 2023

2023 bonuses

Measure	Threshold	Maximum	Actual
Adjusted Group profit before tax	£132.5m	£149.8m	£141.9m
Bonus payable (% of salary)	20%	165%	77.2%

Note: Adjusted Group profit before tax targets are stated before deduction of bonuses paid to Executive Directors, associated employers NI and non-trading items.

ANNUAL REPORT ON DIRECTORS' REMUNERATION

Remuneration at a glance

Our performance during the year

+14.4%

Like-for-like revenue increase to £2,297.9m.

-(16.0)%

Share price decrease to 3,014p at 25 March 2023.

Adjusted profit before tax

£140.1m

Adjusted earnings per share

210.0p

Targets

Bonus

100%

Adjusted profit before tax

LTIP

50%

Relative TSR

50%

EPS

>92%

of total votes cast in favour of the Remuneration Committee's Policy and Report at last year's AGM.

Read more:
see page 114 for more details

Remuneration in 2023

The Committee ensures that executive remuneration targets are stretching, aligned with business strategy to drive long-term Shareholder value and reflect the performance of the business during the period under review. Executive Directors' rewards (excluding base salary and benefits) are two-fold: short term by way of a cash bonus (part of which is deferred into shares in the case of Chris Aldersley); and longer term by way of share awards under the Company's Long Term Incentive Plan (LTIP).

	Adam Couch	Mark Bottomley	Jim Brisby	Chris Aldersley*
Salary	751	496	496	331
Benefits	36	33	32	23
Pension	134	89	89	59
Bonus	580	383	383	256
LTIP	711	470	470	94
SAYE	-	4	-	-
Total	2,212	1,475	1,470	763

* Chris Aldersley was appointed as a Director on 1 August 2022.

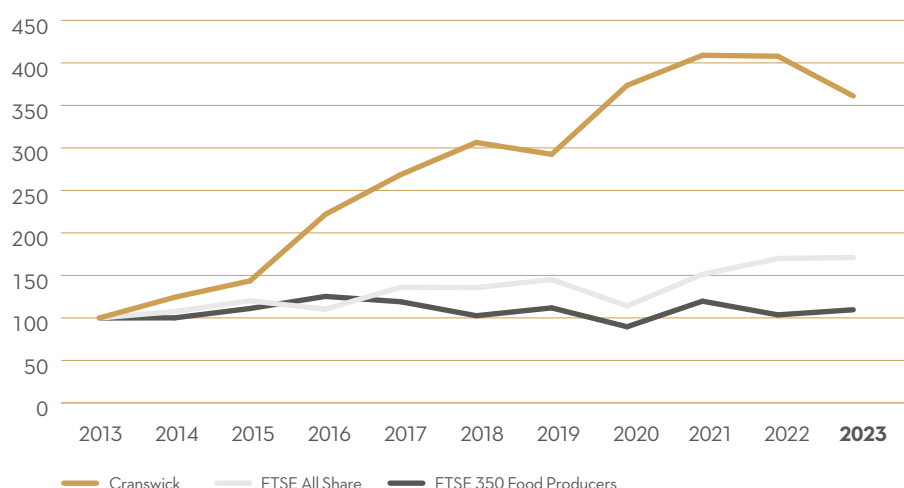
Outcomes

Achieved adjusted Group profit before tax of £140.1 million – 46.8 per cent of the maximum bonus opportunity achieved (77.2 per cent of salary). Performance measured over the three-year period ended 25 March 2023, EPS growth was 10.4 per cent, and TSR was ranked in the 58th percentile of its comparator group. LTIP awards made in July 2020 will therefore vest in July 2023 in relation to 83.7 per cent in respect of the EPS element and 38.0 per cent in respect of the TSR element, in aggregate 60.9 per cent of the maximum (121.8 per cent of salary).

Remuneration for 2024

Salary	7 per cent increase to Directors salaries taking into account annual increases for the wider workforce which was at least 7 per cent for a significant proportion of the workforce (including unscheduled mid-year pay increases focused on our lower paid workers and sites where the cost-of-living crisis has been particularly acute).
Bonus	Opportunity unchanged at 165 per cent of salary for 2023/24. Stretching target – unchanged from previous years at 100 per cent on adjusted Group profit before tax. One-third of any bonus earned by Chris Aldersley will be deferred into shares for two years.
LTIP awards	Opportunity unchanged at 200 per cent of salary for 2023/24. Stretching targets – unchanged from previous year at 42.5% EPS, 42.5% relative TSR, 15% ESG.

Total Shareholder Return



CORPORATE GOVERNANCE

Directors' Remuneration (audited)

The remuneration Policy operated as intended in 2022/23. The table below sets out the single figure remuneration details of the Directors for the reporting year:

	Salary and fees		Benefits		Bonus		LTIP*		Pension		SAYE		Total		Total fixed		Total variable	
£'000	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Executive Directors																		
Chris Aldersley**	331	-	23	-	256	-	94	-	59	-	-	-	763	-	413	-	350	-
Mark Bottomley	496	476	33	33	383	399	470	980	89	88	4	-	1,475	1,976	618	597	857	1,379
Jim Brisby	496	476	32	32	383	399	470	980	89	88	-	-	1,470	1,975	617	596	853	1,379
Adam Couch	751	720	36	33	580	604	711	1,482	134	134	-	17	2,212	2,990	921	887	1,291	2,103
	2,074	1,672	124	98	1,602	1,402	1,745	3,442	371	310	4	17	5,920	6,941	2,569	2,080	3,351	4,861
Non-Executive Directors																		
Tim Smith	250	190	-	-	-	-	-	-	-	-	-	-	250	190	250	190	-	-
Mark Reckitt	66	63	-	-	-	-	-	-	-	-	-	-	66	63	66	63	-	-
Pam Powell	63	54	-	-	-	-	-	-	-	-	-	-	63	54	63	54	-	-
Kate Allum***	22	63	-	-	-	-	-	-	-	-	-	-	22	63	22	63	-	-
Liz Barber	63	49	-	-	-	-	-	-	-	-	-	-	63	49	63	49	-	-
Yetunde Hofmann**	37	-	-	-	-	-	-	-	-	-	-	-	37	-	37	-	-	-
	501	419	-	-	-	-	-	-	-	-	-	-	501	419	501	419	-	-
Total	2,575	2,091	124	98	1,602	1,402	1,745	3,442	371	310	4	17	6,421	7,360	3,070	2,499	3,351	4,861

* The values of the LTIP awards which vested in June 2022 have been updated for the actual share price on the date of vesting. In line with the regulations, the values for 2023 are based on the average share price over the three-month period to 25 March 2023 as these awards will not vest until July 2023 (see tables on page 114).

** Appointed to the Board on 1 August 2022. The 2023 figures reflect their remuneration for the period from 1 August 2022.

*** Retired from the Board on 1 August 2022.

As reported last year, the Executive Directors had pay awards in the year effective from 1 May 2022 which were consistent with the average increase awarded to Senior Executives and below average increases applied to the wider workforce as set out below:

	From 1 May 2022		
Mark Bottomley	£498,100	4%	Below wider workforce
Jim Brisby	£498,100	4%	Below wider workforce
Adam Couch	£753,500	4%	Below wider workforce

Chris Aldersley's salary on appointment was set at £498,100.

Benefits principally comprise health and life insurance, personal tax advice, pension advice and Company car allowance.

Our approach to Executive Director pension with effect from 1 April 2023 is described in the Committee Report on page 109.

The number of Directors who were active members of the money purchase pension scheme in the year was two (2022: two).

The Non-Executive Chairman is paid a fee of £250,000 for chairing the Company, which is reviewed triennially. No additional fees are payable to the Chairman for chairing any committees or undertaking workforce engagement.

Non-Executive Directors are paid a basic fee of £56,000 with additional fees of £11,000 paid for chairing Committees, for the role of Senior Independent Director and for undertaking the role as designated Non-Executive Director for workforce engagement, which are reviewed triennially.

ANNUAL REPORT ON DIRECTORS' REMUNERATION

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Annual bonus arrangement (audited)

The bonus scheme in operation is based on the achievement of adjusted Group profit before tax targets which are set with regard to the Company's budget, historical performance and market outlook for the year. There are four bonus profit targets triggering awards of 20 per cent, 50 per cent, 100 per cent and 165 per cent of base salary with a straight line, pro-rata award for profits falling between the targets.

In accordance with the Company's Remuneration Policy, one-third of the bonus earned by Chris Aldersley apportioned to the period since he was appointed a Director on 1 August 2022 will be deferred into shares for two years. The single figure table includes the bonus related to the portion of the year for which Chris Aldersley was an Executive Director.

The performance in the year, before charging bonus awards made to the Executive Directors and the Chief Operating Officer, was £141.9 million. This resulted in a bonus award of 77.2 per cent of salary as shown below. The Committee considers the level of pay-out is reflective of the overall performance of the Group in the year and is appropriate.

	Threshold	Target to stretch		Maximum	Actual
Group profit targets	£132.5m	£138.8m	£144.5m	£149.8m	£141.9m
Bonus payable (% of salary)	20%	50%	100%	165%	77.2%

This award is reflected in the table above.

LTIP award vesting in respect of the 52 weeks ended 25 March 2023 (audited)

The Remuneration Committee makes awards under the LTIP in order to ensure that Executive Directors and Senior Management are involved in the longer term success of the Group. Options awarded can only be exercised if certain performance criteria are achieved by the Group. The performance criteria for the 2020 LTIP awards that will vest in June 2023 are as follows:

- After taking into account the changes to the EPS targets described in the Committee's statement on page 108, 50 per cent of each award is subject to an EPS target requiring average annual growth in EPS of 5.56 per cent for threshold vesting and average annual growth in EPS of 11.56 per cent for full vesting, with average annual growth between 5.56 and 11.56 per cent rewarded pro-rata.
- 50 per cent is aligned to a TSR target measured against a comparable group of companies over a three-year period. The TSR target allows 22.5 per cent of the shares subject to the target to vest at the 50th percentile and 100 per cent at the 90th percentile with performance between the 50th and 90th percentiles rewarded pro-rata.

The comparison companies used are: Associated British Foods plc, A.G. Barr plc, Britvic plc, Carrs Group plc, Devro plc, Greencore Group plc, Hilton Food Group plc, Kerry Group plc, McBride plc, Premier Foods plc and Tate and Lyle plc.

The value of the LTIP for the year ended 25 March 2023 relates to awards made in July 2020 with a performance criteria based on the three years ended 25 March 2023 that will vest in July 2023 calculated at the average price for the three months ended on 25 March 2023 of 3,099 pence. Over the three-year performance period the EPS element of the award, based on the criteria set above, gave an outperformance of 7.8 per cent over the adjusted average annual growth (referenced above) and vesting at 83.7 per cent of the maximum. Performance in relation to TSR measured over a three-month averaging period has been reasonably strong with the Company being ranked in the 58th percentile of its comparator group and, consequently, 38 per cent of the TSR element of the award has vested this year. The total award of 60.9 per cent of maximum (121.8 per cent of salary) is reflected in the table on page 113, and below. The Committee considers the level of pay-out is reflective of the overall performance of the Group over the three-year performance period ended 25 March 2023 and is appropriate.

	Date of grant	Options granted	Vesting performance	Shares awarded	Average share price	Value of shares
Chris Aldersley*	1 July 2020	22,450	60.9%	13,662	3,099	£94,086
Mark Bottomley	1 July 2020	24,900	60.9%	15,154	3,099	£469,622
Jim Brisby	1 July 2020	24,900	60.9%	15,154	3,099	£469,622
Adam Couch	1 July 2020	37,700	60.9%	22,944	3,099	£711,035

* Chris Aldersley's LTIP award was made whilst employed by the Group in a senior executive position as Chief Operating Officer prior to being appointed a Director on 1 August 2022. The value of the award vesting, included in the figure above and the single figure table, is the value of 8/36 of the vesting shares, reflecting the proportion of the three year performance period for which Chris Aldersley was a Director.

The 2020 LTIP awards with a performance period ended 25 March 2023, were granted on 1 July 2020 when the share price was 3,664 pence. The three-month average share price ended on 25 March 2023 was 3,099 pence. This equated to a decrease in value for each Executive Director of 565 pence per share due to vest in July 2023. The proportion of the value attributable to share price growth is therefore -15.4 per cent. The Committee did not exercise discretion in respect of the share price depreciation.

True-up of awards vested in respect of the 52 weeks ended 26 March 2022 for share price on vesting date (audited)

The value of the LTIP for the 52 weeks ended 26 March 2022 relates to awards, made in 2019, with a performance criteria based on the three years ended 26 March 2022 that vested in June 2022, updated for the actual vesting share price of 3,082 pence. The EPS element of the award achieved 100 per cent of its performance target and 100 per cent was achieved under the TSR measure giving an overall award of 100 per cent and this is reflected in the 2022 column of the table on page 113 and in the table below.

The 2019 LTIP awards with performance period ended 26 March 2022, were granted on 1 June 2019 when the share price was 2,684p. Based on the vesting share price, this equated to an increase in value of 398 pence per share.

	Date of grant	Options vested	Value of award as at 26 March 2022 based on an average price of 3,612p	Value of award when vested in July 2022 at the market price of 3,082p
Mark Bottomley	1 June 2019	31,800	£1,148,616	£980,012
Jim Brisby	1 June 2019	31,800	£1,148,616	£980,012
Adam Couch	1 June 2019	48,100	£1,737,372	£1,482,346

LTIP awards granted during the year ended 25 March 2023 (audited)

Details of the nil-cost LTIP options granted in the year under the LTIP are set out below:

	Date of grant	Basis of award	Number of shares	Share price at grant* (p)	Face value of shares	Vesting at minimum performance	End of performance period
Chris Aldersley**	1 July 2022	200% of salary	31,900	3,124	£996,556	25%	30 March 2025
Mark Bottomley	1 July 2022	200% of salary	31,900	3,124	£996,556	25%	30 March 2025
Jim Brisby	1 July 2022	200% of salary	31,900	3,124	£996,556	25%	30 March 2025
Adam Couch	1 July 2022	200% of salary	48,250	3,124	£1,507,330	25%	30 March 2025

* Based on the average of the quoted market price of the Company's shares on the three dealing days prior to the date of grant.

** Chris Aldersley's LTIP award was made whilst employed by the Group in a senior executive position as Chief Operating Officer prior to being appointed a Director on 1 August 2022 and is in line with the limits in the LTIP as approved by Shareholders.

Each person has also been granted a tax qualifying option over 320 shares at an exercise price of 3,124p per share as part of their award. These tax qualifying options are linked to the LTIP nil-cost options such that, at the time of exercise, to the extent that there is a gain in the tax qualifying option, the LTIP nil-cost option will be forfeited to the value of that gain.

Details of the performance targets for the LTIP granted during the year ended 2023 are as follows:

EPS as at 30 March 2025	Vesting percentage
211.1 pence per ordinary share	25%
Growth between 211.1 pence and 237.5 pence per ordinary share.	Straight-line vesting
237.5 pence per ordinary share.	100%
TSR performance	Vesting percentage
Median	25%
Between median and upper decile	Straight-line vesting
Upper decile	100%
Emissions reduction (tonnes CO ₂ e)*	Vesting percentage
14.8 per cent	25%
Between 14.8 per cent and 19.7 per cent	Straight-line vesting
19.7 per cent	100%
Water Intensity reduction (m ³ /sales tonnes)**	Vesting percentage
10.7 per cent	25%
Between 10.7 per cent and 14.3 per cent	Straight-line vesting
14.3 per cent	100%
Energy Intensity reduction (kWh/sales tonnes)	Vesting percentage
13.8 per cent	25%
Between 13.8 per cent and 18.4 per cent	Straight-line vesting
18.4 per cent	100%

* Emissions are total Scope 1 and Scope 2 emissions (location based).

** Water intensity excludes farms.

The Committee has discretion to reduce the extent of vesting in the event that it considers that performance against any measure is inconsistent with the overall financial or non-financial performance of the Group over the performance period.

ANNUAL REPORT ON DIRECTORS' REMUNERATION

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SAYE (audited)

The value of the SAYE options relates to awards granted three or five years ago that have had their full contribution paid by the Executive Director and have been exercised in the year. The awards exercised in 2022 by Mark Bottomley had an exercise price of 2,239 pence and a market value of 3,270 pence respectively. The notional gain is shown in the 2023 column of the table on page 113.

Payments to past Directors (audited)

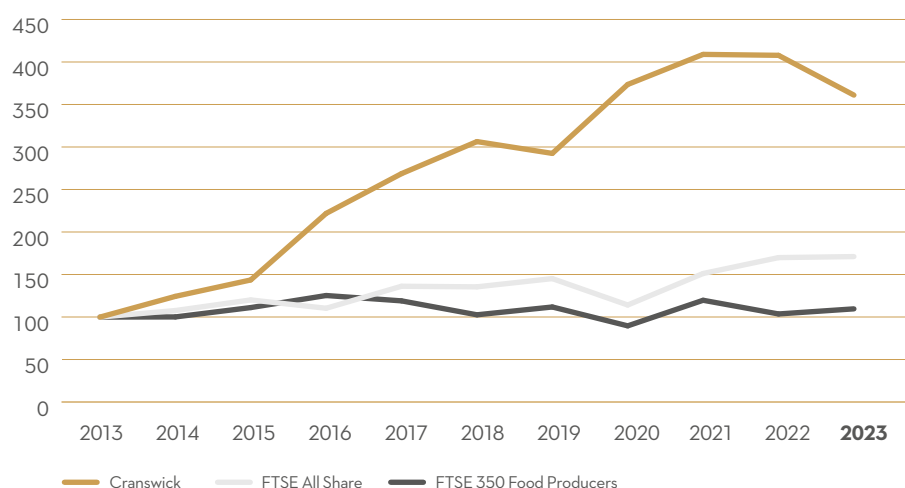
There have been no payments made for loss of office during the year. As reported last year, Martin Davey remained with the Company in an advisory capacity until May 2022, with remuneration arrangements disclosed in last year's report.

No other payments have been made to past Directors during the year.

Performance graph – total shareholder return (unaudited)

The graph below shows the percentage change (from a base of 100 in March 2013) in the TSR (with dividends reinvested) for each of the last 10 years on a holding of the Company's shares against the corresponding change in a hypothetical holding in the shares of the FTSE 350 Food Producers and Processors Price Index (FTSE FPP) and the FTSE All Share Index (FTSE All Share). The FTSE FPP and the FTSE All Share were chosen as representative benchmarks of the sector and the market as a whole for the business.

Total shareholder return



The table below illustrates the change in the total CEO remuneration over a period of 10 years, with the bonus awards in those years and the LTIP vesting awards set against a percentage of the maximum available.

£'000	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Base salary	542	562	588	599	616	635	651	669	720	751
Benefits	31	29	29	31	32	33	34	32	33	36
Pension	108	112	118	120	123	127	130	134	134	134
Bonus	252	843	882	898	925	240	979	1,004	604	580
LTIP	149	825	1,148	1,341	1,793	840	1,118	1,200	1,482	711
SAYE	-	-	38	-	-	-	49	-	17	-
CEO total remuneration	1,082	2,371	2,803	2,989	3,489	1,875	2,961	3,039	2,990	2,212
Bonus award against maximum opportunity	31%	100%	100%	100%	100%	25%	100%	100%	51%	47%
LTIP vesting against maximum opportunity	25%	87%	100%	100%	100%	81%	99%	77%	100%	61%

Annual percentage change in remuneration of Directors and employees (unaudited)

The table below shows the percentage change in each Director's salary/fees, benefits and bonus between the year ended 27 March 2021, the year ended 26 March 2022 and the year ended 25 March 2023, and the average percentage change in the same remuneration over the same period in respect of the employees of the Company on a full-time equivalent basis.

The average employee change has been calculated by reference to the mean of employee pay. During the year ended 25 March 2023, Yetunde Hofmann and Chris Aldersley were appointed to the Board, and accordingly they have been excluded from the analysis.

		Average employee*	Mark Bottomley	Jim Brisby	Adam Couch	Kate Allum**	Mark Reckitt	Pam Powell	Tim Smith****	Liz Barber	Martin Davey***
Salary/fees	2022/23	+19.1%	+4.2%	+4.2%	+4.3%	+4.8%	+4.8%	+16.7%	+31.6%	+28.6%	n/a
	2021/22	+0.3%	+7.7%	+7.7%	+7.6%	+6.8%	+6.8%	+5.9%	+222.0%	-	-
	2020/21	+6.6%	+2.8%	+2.8%	+2.8%	-	-	-	-	n/a	-
Benefits	2022/23	+1.7%	0.0%	0.0%	+9.1%	n/a	n/a	n/a	n/a	n/a	n/a
	2021/22	-11.6%	+6.5%	+3.2%	+3.1%	n/a	n/a	n/a	n/a	n/a	-
	2020/21	-2.3%	-3.7%	-0.7%	-5.7%	n/a	n/a	n/a	n/a	n/a	+2.6%
Bonus	2022/23	+35.3%	-4.0%	-4.0%	-4.0%	n/a	n/a	n/a	n/a	n/a	n/a
	2021/22	-18.1%	-39.9%	-39.9%	-39.9%	n/a	n/a	n/a	n/a	n/a	-
	2020/21	+12.1%	+2.8%	+2.8%	+2.6%	n/a	n/a	n/a	n/a	n/a	-

* Includes the impact of pay awards, growth in employee numbers and restructuring of plc support functions.

** Retired from the Board and as a Director on 1 August 2022, in order for the numbers to be comparable the 2022 value has been annualised.

*** Retired from the Board and as a Director on 26 July 2021, in order for the numbers to be comparable the 2021 value has been annualised.

**** Increase in remuneration during 2020/21 is due to being appointed as Chairman on 26 July 2021.

Chief Executive pay ratio (unaudited)

The table below shows the pay ratio based on total remuneration and salary of the Chief Executive to the 25th, 50th and 75th percentile of all permanent UK employees of the business.

Year	Method*	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2020	Option A	120:1	101:1	79:1
2021	Option A	112:1	95:1	77:1
2022	Option A	119:1	100:1	80:1
2023	Option A	77:1	68:1	54:1

2023	Chief Executive	25th percentile	Median	75th percentile
Salary	751	22	26	34
Total Remuneration	2,212	28	33	41

* The Company used Option A as defined in The Companies (Miscellaneous Reporting) Regulations 2018, as the calculation methodology for the ratios was considered to be the most accurate method. The 25th, median and 75th percentile pay ratios were calculated using the full-time equivalent remuneration for all UK employees as at the financial year end and incorporated all components of employee remuneration. Employees' involvement in the Group's performance is encouraged, with all employees employed on the relevant offer date eligible to participate in the SAYE schemes. Certain employees also participate in discretionary bonus schemes.

The Chief Executive remuneration for the year ended 26 March 2022 is the total single figure remuneration figure as disclosed on page 113, which has been adjusted to reflect the actual LTIP vesting (further information on page 115). This adjustment has reduced the CEO pay ratios for the year ended 26 March 2022 as follows: 25th percentile 129:1 to 119:1; median 108:1 to 100:1; and 75th percentile 87:1 to 80:1.

The workforce comparison is based on the payroll data for the financial year for all employees (including the Chief Executive but excluding Non-Executive Directors) as at 25 March 2023. The workforce comparison has not excluded any component of total pay and benefits.

A substantial proportion of the Chief Executive's total remuneration is performance-related. The ratios will therefore depend significantly on the Chief Executive's annual bonus and LTIP outcome, and may fluctuate year-to-year. In respect of the median employee (50th percentile), total remuneration has increased to at £33,000. The Group considers the median pay ratio to be consistent with the Group's wider policies on employee pay, reward and progression. In 2021, a special bonus was paid to all site-based colleagues which resulted in a decrease in the median pay ratio 2021, with no further special bonuses having been paid in subsequent years. The variation in the median pay ratio reflects the greater proportion of the Chief Executives' total remuneration being performance based and dependent on the Company's share price.

Relative importance of the spend on pay (unaudited)

The table below shows the total remuneration paid across the Group together with the total dividend paid and share buybacks in respect of 2023 and the preceding financial year. There have been no share buybacks during 2023 and 2022.

Pay against distributions £'m	2023	2022	Change %
Remuneration paid to all employees*	335.9	291.1	+15.4%
Total dividends paid and share buybacks in the year	40.7	37.7	+8.0%

* Includes the impact of pay awards, growth in employee numbers and corporate activity.

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Outstanding share awards (audited)

The interests of the Executive Directors in the LTIP and SAYE schemes were as follows:

Long Term Incentive Plan (audited)

	Year of award	At 26 March 2022 Number	Granted in the year Number	Exercised in the year Number	Lapsed in the year Number	At 25 March 2023 Number	Exercise price p	Market price at grant p
Chris Aldersley**	2019	26,300	–	(26,300)	–	–	nil	2,674
	2020	22,450	–	–	–	22,450	nil	3,664
	2021	23,700	–	–	–	23,700	nil	4,050
	*2022	–	31,900	–	–	31,900	nil	3,034
Mark Bottomley	2019	31,800	–	(31,800)	–	–	nil	2,674
	2020	24,900	–	–	–	24,900	nil	3,664
	2021	23,700	–	–	–	23,700	nil	4,050
	*2022	–	31,900	–	–	31,900	nil	3,034
Jim Brisby	2019	31,800	–	(31,800)	–	–	nil	2,674
	2020	24,900	–	–	–	24,900	nil	3,664
	2021	23,700	–	–	–	23,700	nil	4,050
	*2022	–	31,900	–	–	31,900	nil	3,034
Adam Couch	2019	48,100	–	(48,100)	–	–	nil	2,674
	2020	37,700	–	–	–	37,700	nil	3,664
	2021	35,850	–	–	–	35,850	nil	4,050
	*2022	–	48,250	–	–	48,250	nil	3,034

* Each of the Executive Directors, was also granted a tax qualifying option over 320 ordinary shares at an exercise price of £31.24 per ordinary share which is linked to the LTIP awards such that, at the time of exercise. To the extent that there is a gain in the tax qualifying option, the LTIP was scaled back by the value of that gain.

** Chris Aldersley's LTIP awards were made whilst employed by the Group in a senior executive position as Chief Operating Officer prior to being appointed a Director on 1 August 2022.

The performance periods run for three years from the commencement of each financial year and conclude at the end of the financial year three years later and are exercisable on the attainment of certain performance criteria detailed on pages 114 and 115. The range of exercise dates are 1 July 2023 to 1 June 2032.

The LTIP, issued in 2020, which vests in July 2023, will achieve 83.7 per cent of the EPS target and 38 per cent of the TSR target giving a share vesting of 60.9 per cent of the maximum award.

The following Directors exercised LTIP share options during the year:

	Number	Date exercised	Exercise price p	Market price p	Gain on exercise £
Chris Aldersley*	26,300	27 June 2022	nil	3,082	810,513
Mark Bottomley	31,800	27 June 2022	nil	3,082	980,012
Jim Brisby	31,800	27 June 2022	nil	3,082	980,012
Adam Couch	48,100	27 June 2022	nil	3,082	1,482,346

* Chris Aldersley's LTIP award was made whilst employed by the Group in a senior executive position as Chief Operating Officer prior to being appointed a Director on 1 August 2022.

Savings-related share option scheme (audited)

	Year of award	At 26 March 2022 Number	Granted in the year Number	Exercised in the year Number	Lapsed in the year Number	At 25 March 2023 Number	Exercise price p	Range of exercise dates
Chris Aldersley	2017	584	–	–	–	584	2,565	1 Mar 2023 – 1 Sept 2023
	2020	535	–	–	–	535	2,800	1 Mar 2026 – 1 Sept 2026
	2022	–	600	–	–	600	2,498	1 Mar 2028 – 1 Sept 2028
Mark Bottomley	2018	401	–	(401)	–	–	2,239	1 Mar 2022 – 1 Sept 2022
	2020	321	–	–	–	321	2,800	1 Mar 2024 – 1 Sept 2024
	2022	–	360	–	–	360	2,498	1 Mar 2026 – 1 Sept 2026
Jim Brisby	2018	669	–	–	–	669	2,239	1 Mar 2024 – 1 Sept 2024
	2020	535	–	–	–	535	2,800	1 Mar 2026 – 1 Sept 2026
Adam Couch	2017	205	–	–	–	205	2,565	1 May 2023 – 1 Nov 2023
	2019	591	–	–	–	591	2,534	1 Mar 2025 – 1 Sept 2025
	2020	347	–	–	–	347	2,800	1 Mar 2026 – 1 Sept 2026

The Executive Directors are eligible, as are other employees of the Group, to participate in the SAYE scheme, which by its nature does not have performance conditions.

The following Executive Director exercised savings related share options during the year:

	Number	Date exercised	Exercise price p	Market price p	Gain on exercise £'000
Mark Bottomley	401	10 August 2022	2,239	3,270	4.1

Minimum shareholding

The Remuneration Committee has recommended that the Executive Directors hold shares in the Company worth at least 200 per cent of base salary. The Executive Directors' (other than Chris Aldersley, who was appointed as a Director on 1 August 2022) current holdings and value are all in excess of the 200 per cent target and are shown below. In accordance with the Company's Remuneration Policy, Chris Aldersley will hold shares acquired through the LTIP and any deferred bonus award (after sales to cover tax and costs) until the value of his total shareholding is equal to 200 per cent of his annual base salary.

Directors' interests (audited)

	LTIP (Unvested, subject to performance)*	LTIP (Vested unexercised)**	SAYE (Non-performance related)	Number of shares held as at 25 March 2023	Value of shares held as a % of base salary	Target %
Chris Aldersley***	55,600	13,662	1,719	29,066	164	200
Mark Bottomley	55,600	15,154	681	109,410	619	200
Jim Brisby	55,600	15,154	1,204	118,777	672	200
Adam Couch	84,100	22,944	1,143	196,641	735	200
Mark Reckitt	–	–	–	1,615	–	–
Tim Smith	–	–	–	5,000	–	–
Pam Powell	–	–	–	1,000	–	–
Liz Barber	–	–	–	1,000	–	–

* Not including tax qualifying options granted to each of the Executive Directors.

** LTIP awards are due to vest in July 2023 with the performance criteria now completed.

*** Chris Aldersley's LTIP awards were made whilst employed by the Group in a senior executive position as Chief Operating Officer prior to being appointed a Director on 1 August 2022.

The share price at 25 March 2023 of 3,014 pence was used in calculating the percentage figures shown above. Kate Allum had no interests in the Company while a director. Yetunde Hofmann has no interests in the Company at the present time. There have been no further changes to the above interests in the period from 25 March 2023 to 23 May 2023.

Remuneration for the year ending 30 March 2024 (unaudited)

Salaries and pension

Our approach to Executive Directors' salaries and pension for 2023/24 are described in the Committee Chair's Statement on pages 108 to 110.

Bonus

The 2024 bonus scheme in operation will be based on the achievement of Group profit targets which are set having regard to the Company's budget, historical performance and market outlook for the year. The actual 2024 targets are not disclosed as they are considered to be commercially sensitive. The targets will be declared retrospectively in the 2024 Annual Report & Accounts, provided they are not considered commercially sensitive at that time. There will be four bonus profit targets triggering awards of 20 per cent, 50 per cent, 100 per cent and 165 per cent of base salaries with a straight line pro-rata award for profits falling between the targets.

LTIP

LTIP awards, equivalent to 200 per cent of basic salary, will be made in June 2023 and vesting will be after a three-year performance period. 42.5 per cent of the award will be based on a TSR performance measure, 42.5 per cent on an EPS performance measure, and 15 per cent on sustainability measures.

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Details of the performance targets for the LTIP awards to be granted are as follows:

EPS as at 30 March 2026	Vesting percentage
215.6 pence per ordinary share	25%
Growth between 215.6 pence and 249.8 pence per ordinary share	Straight-line vesting
249.8 pence per ordinary share	100%
Emissions reduction (tonnes Co2e)*	Vesting percentage
12.4 per cent	25%
Between 12.4 per cent and 16.5 per cent	Straight-line vesting
16.5 per cent	100%
Water Intensity reduction (m3/sales tonnes)**	Vesting percentage
12.2 per cent	25%
Between 12.2 per cent and 16.3 per cent	Straight-line vesting
16.3 per cent	100%
Energy Intensity reduction (kWh/sales tonnes)	Vesting percentage
14.0 per cent	25%
Between 14.0 per cent and 18.7 per cent	Straight-line vesting
18.7 per cent	100%

* Emissions are total Scope 1 and Scope 2 emissions (location based).

** Water intensity excludes farms.

The TSR performance measure will be the same as for the awards granted in 2022 as disclosed on page 115 measured against the revised TSR comparator group described on page 114. Threshold vesting for the LTIP award is intended to be 25 per cent of maximum in line with the Remuneration Policy.

Awards are subject to a two-year holding period.

Advisers to the Committee (unaudited)

The Committee keeps itself fully informed on the developments within the industry and in the field of remuneration, and seeks advice from external advisers where appropriate. Deloitte LLP was reappointed by the Committee to advise it during 2023 and has provided general remuneration advice and share scheme advice to the Company. Deloitte is a member of the Remuneration Consultants Group and as such voluntarily operated under the Code of Conduct in relation to executive remuneration consulting in the UK. Deloitte's fees for providing remuneration advice agreed by the Committee were £42,030 for the year ended 25 March 2023. Deloitte also provides consultancy services to the Group but otherwise has no connection to the Company or its directors. However, the Committee have reviewed any potential conflicts of interest and judged that Deloitte's advice is both objective and independent. The Committee have also been provided advice during the year in relation to its consideration of matters relating to Directors' remuneration by the Chief Executive Officer, Chief Financial Officer and Company Secretary.

Statement of Shareholders voting (unaudited)

The resolution to approve the 2022 Remuneration Committee Report was passed on a poll at the Company's last AGM held on 1 August 2022. The votes cast in respect of the resolution were:

Remuneration Committee Report	Number	%
For	40,566,242	92.53
Against	3,276,024	7.47
Withheld	11,473	–

The resolution to approve the Remuneration Policy was passed on a poll at the Company's 2021 AGM held on 26 July 2021. The votes cast in respect of the resolution were:

Remuneration Policy	Number	%
For	36,982,645	86.78
Against	5,632,533	13.22
Withheld	568,001	–

Remuneration disclosure

This report complies with the requirements of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended, the principles and provisions of the 2018 UK Corporate Governance Code and the Listing Rules of the Financial Conduct Authority.



Pam Powell
Chair of the Remuneration Committee

REMUNERATION POLICY

This part of the Directors' Remuneration Report sets out a summary of the Directors' Remuneration Policy (Policy). The full Policy is available in the 2020/21 Annual Report & Accounts on the Group's website at www.cranswick.plc.uk.

Link between Policy, strategy and structure

Our Remuneration Policy is principally designed to align the interests of Executive Directors and Senior Executives with the Company's strategic vision and the creation of sustainable long-term value for our stakeholders without encouraging excessive levels of risk taking. The Policy is intended to remunerate our Executive Directors competitively and appropriately for effective delivery of this and allows them to share in this success and the value delivered to Shareholders. The principles and values that underpin the remuneration strategy are applied on a consistent basis for all Group employees. It is the Group's policy to reward all employees fairly, responsibly and by reference to local market practices, by providing an appropriate balance between fixed and variable remuneration.

The remuneration package is in two parts, to provide competitive total remuneration:

- a non-performance part represented by fixed remuneration (basic salary, pension and benefits); and
- a significant performance-related element in the form of an annual bonus and long-term share-based awards.

The details of individual components of the remuneration package are set out below:

Purpose and link to strategy	Operation	Performance metrics	Maximum entitlement
Base salary			
To provide a market competitive base salary to attract and retain executives.	<p>Base salaries are ordinarily reviewed annually taking into account a number of factors including (but not limited to):</p> <ul style="list-style-type: none"> • the individual's skills, experience and responsibilities; • pay increases within the Group more generally; and • performance, group profitability and prevailing market conditions. <p>Any changes will usually take effect from 1 May.</p>	While no formal performance conditions apply, an individual's performance in role is taken into account in determining any salary increase.	<p>Whilst there is no maximum salary, increases will normally be within the range of salary increases awarded (in percentage of salary terms) to other employees in the Group.</p> <p>However, higher increases may be awarded in appropriate circumstances, such as:</p> <ul style="list-style-type: none"> • an increase in scope of the role or the individual's responsibilities; • where an individual has been appointed to the Board at a lower than typical market salary to allow for growth in the role, in which case larger increases may be awarded to move salary positioning to a typical market level as the individual gains experience; • change in size and complexity of the Group; and/or • significant market movement. <p>Such increases may be implemented over such time period as the Committee deems appropriate.</p>
Pension			
To provide a framework to save for retirement.	<p>Executive Directors are entitled to non-contributory membership of the Group's defined contribution pension scheme.</p> <p>Alternatively, at their option, Executive Directors may receive a cash payment in lieu of pension contribution, subject to the normal statutory deductions (or a combination thereof).</p> <p>Pension contributions may also be made in lieu of salary.</p>	N/A	<p>For Executive Directors appointed after 1 April 2021, a Company contribution and/or cash payment in lieu not exceeding the contribution available to the majority of the Group's wider workforce.</p> <p>For Executive Directors appointed before 1 April 2021, a Company contribution and/or cash payment in lieu will be fixed at their entitlements as at 31 March 2021 for two years, then reduced to 10 per cent of salary by 1 April 2023.</p>

REMUNERATION POLICY

CONTINUED

Purpose and link to strategy	Operation	Performance metrics	Maximum entitlement
Benefits			
To provide market competitive benefits as part of the remuneration package.	<p>Market competitive benefits principally comprise health insurance (which may include coverage for the Director's spouse/partner and dependent children), life insurance, income protection insurance, personal tax advice, pension advice and company car allowance or the provision of a company car and running costs.</p> <p>Additional benefits might be provided from time to time if the Committee decides payment of such benefits is appropriate. Reimbursed expenses may include a gross-up to reflect any tax or social security due in respect of the reimbursement.</p> <p>Benefits are not pensionable.</p>	N/A	Whilst the Committee has not set an absolute maximum on the level of benefits Executive Directors may receive, the value is set at a level which the Committee considers to be appropriately positioned, taking into account relevant market levels based on the nature and location of the role and individual circumstances.
Annual bonus			
<p>To incentivise and reward Executive Directors and Senior Executives for performance in the year against targets linked to the delivery of the Company's strategic priorities.</p> <p>Where deferral applies, this provides a retention element and direct alignment to Shareholders' interests.</p>	<p>Measures and targets are reviewed annually and any pay-out is determined by the Committee after the year end, based on performance against targets set for the financial period.</p> <p>The Committee has discretion to amend the pay-out if it considers that the formulaic outcome does not reflect the Committee's assessment of business performance, is not appropriate in the context of circumstances that were unexpected or unforeseen at the start of the relevant year, or is not appropriate in the context of other factors considered relevant by the Committee.</p> <p>For Executive Directors appointed on or after the date on which this Policy becomes effective, one-third of any bonus earned will be deferred into shares for up to two years. Deferral of any bonus is subject to a de minimis limit of £10,000.</p> <p>A greater proportion of the bonus may be deferred with the agreement of the Executive Director.</p> <p>Additional shares may be awarded in respect of shares subject to deferred bonus awards to reflect the value of dividends which would have been paid on those shares during the period from grant to release date (this payment may assume that dividends had been reinvested in shares on a cumulative basis). Bonuses are non-pensionable.</p> <p>Recovery provisions apply as referred to on page 124.</p>	The bonus will be based on the achievement of targets with stretching performance measures and respective weightings (where more than one measure is used) set each year dependent on the Group's strategic priorities.	<p>The maximum opportunity is 165 per cent of base salary.</p> <p>Subject to the Committee's discretion to override formulaic outcomes, the bonus for achieving threshold performance is 20 per cent of maximum opportunity, rising up to 50 per cent of the maximum for on-target performance.</p> <p>Subject to the Committee's discretion to override formulaic outcomes, vesting of the bonus in respect of strategic measures or individual objectives will be between 0 per cent and 100 per cent based on the Committee's assessment of the extent to which the relevant metric or objective has been met.</p>

Purpose and link to strategy	Operation	Performance metrics	Maximum entitlement
Share-based awards			
A Save As You Earn (SAYE) share scheme is available to all eligible employees.	Subject to approval by the Board, SAYE options are made available to eligible staff, including Executive Directors, in accordance with the scheme rules that reflect the applicable legislation with an option exercise price which may be set at a discount of up to 20 per cent to the share price when the option is offered.	N/A	The limit on monthly savings and maximum discount that may be applied in setting the exercise price will be determined in accordance with the applicable tax legislation from time to time and will be the same for the Executive Directors as for other eligible employees. At the date of approval of this Policy, the maximum saving is £500 per month and the maximum discount is 20 per cent.
LTIP			
Long Term Incentive Plan (LTIP) awards provide a clear link between the remuneration of Executive Directors and the creation of value for Shareholders by rewarding the achievement of longer term strategic priorities aligned to Shareholder interests.	<p>The LTIP awards may take the form of nil (or nominal) cost share options or conditional awards.</p> <p>The Committee may at its discretion structure awards as qualifying LTIP awards, consisting of a tax qualifying CSOP option with an exercise price equal to the market value of a share at the date of grant and an ordinary nil-cost LTIP award, with the ordinary award scaled back at exercise to take account of any gain made on exercise of the CSOP option.</p> <p>Awards will usually vest following the assessment of the applicable performance measures. Awards held by Executive Directors are then subject to a two-year holding period which may be structured as either: (1) the Executive Director being entitled to acquire the shares once vested, but, other than as regards sales to cover tax, being prevented from selling shares until the end of the holding period; or (2) the Executive Director being prevented from acquiring shares until the end of the holding period. If a holding period is structured on the latter basis, additional shares may be awarded in respect of vested shares to reflect the value of dividends paid on shares from the start of the holding period until the date on which the Executive Director is entitled to acquire shares (this payment may assume that dividends have been reinvested in shares on a cumulative basis).</p> <p>The Remuneration Committee has discretion to amend pay-outs if it considers that the formulaic output does not reflect its assessment of performance, is not appropriate in the context of circumstances that were unexpected or unforeseen at the date of grant, or is not appropriate in the context of other factors considered relevant by the Remuneration Committee.</p>	<p>Performance measures for LTIP awards are typically assessed over a period of three years and will include financial measures (which may include, but are not limited to EPS growth and relative TSR) and may include strategic/ individual performance measures (which may include ESG measures). At least 80 per cent of the award will be subject to performance measures based on financial measures. Where more than one measure is used, the weightings will be determined by the Committee taking into account the Company's key strategic priorities.</p> <p>Subject to the Committee's discretion to override formulaic outturns, threshold vesting will not be at more than 25 per cent of maximum. The award vests in full for maximum performance.</p>	<p>The normal maximum award level under the LTIP in respect of any financial year is 200 per cent of base salary. In exceptional circumstances, this can be increased to 250 per cent of base salary.</p> <p>If a qualifying LTIP award is granted, the value of shares subject to the CSOP option will not count towards the limits referred to above, reflecting the provisions for scale back of the ordinary LTIP award.</p>

REMUNERATION POLICY

CONTINUED

Purpose and link to strategy	Operation	Performance metrics	Maximum entitlement
Fees and benefits payable to Non-Executive Directors			
To pay fees at a level that reflects market conditions and are sufficient to attract and retain individuals of the appropriate calibre.	<p>The fees of the Non-Executive Directors are determined by the Board and reviewed periodically.</p> <p>On appointment, a Non-Executive Chairman's, fees would be determined by the Committee.</p> <p>Non-Executive Directors are paid a basic fee with additional fees paid for other Board responsibilities or roles or time commitment, such as chairing Committees, for holding the role of Senior Independent Director or designated Non-Executive Director with responsibility for engaging with the workforce.</p> <p>Non-Executive Directors are not eligible to participate in any of the Group's share schemes, incentive schemes or pension schemes.</p> <p>Non-Executive Directors may be eligible to receive benefits such as travel costs and other reasonable expenses. Reimbursed expenses may include a gross-up to reflect any tax or social security due in respect of the reimbursement.</p>	N/A	Fees are set taking into account the responsibilities of the role and the expected time commitment.

Recovery provisions

The annual bonus and LTIP are subject to recovery provisions as set out below.

Malus provisions apply which enable the Remuneration Committee to determine before the payment of an annual bonus or the vesting of an LTIP award, that the bonus opportunity or LTIP award may be cancelled or reduced.

Clawback provisions apply which enable the Remuneration Committee to determine for up to two years following the payment of a cash bonus or the vesting of an LTIP award, that the amount of the bonus paid may be recovered (and any deferred bonus award may be reduced or cancelled, or recovery may be applied to it if it has been exercised) and the LTIP award may be cancelled or reduced (if it has not been exercised) or recovery may be applied to it (if it has been exercised).

The malus and clawback provisions may be applied in the event of misstatement, performance error and misconduct by a participant, material risk management failure, serious reputational damage or material corporate failure.

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

Differences in Policy on remuneration of Executive Directors from policy on remuneration of employees generally

The Company aims to provide a remuneration package that is market competitive and which reflects responsibility and role scope. Accordingly, Executive Directors have a greater weighting towards long-term and performance-based remuneration.

Shareholding requirement during employment

To promote alignment between Executive Directors' and Shareholders' interests, the Committee has adopted a formal shareholding requirement for Executive Directors. Each Executive Director is required to hold shares acquired through the LTIP and any deferred bonus award (after sales to cover tax and costs) until the value of their total shareholding is equal to 200 per cent of their annual base salary.

Where an LTIP is subject to a holding period on the basis that the Executive Director is prevented from acquiring shares until the end of the holding period, the vested shares count towards the shareholding requirement, on a net of assumed tax basis.

Shares subject to a deferred bonus award count towards the shareholding requirement, on a net of assumed tax basis.

Shareholding requirement post-employment

The Committee has adopted a post-employment shareholding requirement. Shares are subject to this requirement only if they are acquired from LTIP or deferred bonus awards granted after 1 April 2021. Shares purchased by an Executive Director are not subject to this requirement.

For the first 12 months after cessation of employment, such of their relevant shares as have a value at cessation equal to 200 per cent of salary (or if less all of their relevant shares) and in the following 12 months, retain such of their relevant shares as have a value at cessation equal to 100 per cent of salary (or if less all of their relevant shares).

Service contracts

The Committee's current policy is not to enter into employment contracts with any element of notice period in excess of one year. Accordingly, each of the following Executive Directors has a one year rolling contract: Adam Couch commencing 1 May 2006 (revised 1 August 2012), Mark Bottomley from 1 June 2009, Jim Brisby from 26 July 2010 and Chris Aldersley commencing 1 August 2022.

Non-Executive Directors

Each Non-Executive Director has an appointment letter – Mark Reckitt for three years from 1 May 2020, Pam Powell and Tim Smith for three years from 1 April 2021, Liz Barber for three years from 1 May 2021 and Yetunde Hofmann from 1 August 2022. The continuing appointments are subject to annual re-election at the Company's AGM.

Copies of the service contracts and letters of appointment are held at the Company's Registered Office and will be available for inspection at the AGM.

Legacy remuneration arrangements

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above where the terms of the payment were agreed: (i) before the Policy set out in this 2023 Annual Report & Accounts came into effect, provided that the terms of payment were consistent with the Shareholder-approved Directors' Remuneration Policy in force at the time they were agreed, or (ii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a director of the Company. For these purposes, 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

Pay and conditions elsewhere in the Group

The Committee does not directly consult with employees regarding the remuneration of the Executive Directors. However, when considering remuneration levels to apply, the Committee will take into account base pay increases, bonus payments and share awards made to the Company's employees generally.

The following are the key aspects of how pay and employment conditions across the Group are taken into account when setting the remuneration of employees, including the Executive Directors:

- the Group operates within the UK food sector and has many employees who carry out demanding tasks within the business;
- all employees, including Directors, are paid by reference to the market rate;
- performance is measured and rewarded through a number of performance-related bonus schemes across the Group including LTIP share options for Executive Directors and Senior Executives;
- performance measures are cascaded down through the organisation to individual businesses;
- the Group offers employment conditions that are commensurate with a medium-sized quoted company, including high standards of Health & Safety and equal opportunities; and
- the Group operates Save As You Earn share schemes which are open to all eligible employees including Executive Directors. (Approximately 20 per cent of the workforce participate in the SAYE scheme).

Consideration of Shareholders' views

The Committee believes that ongoing dialogue with major Shareholders in relation to Executive Director remuneration is of key importance.

The Committee will consider Shareholder feedback received on remuneration matters including issues raised at the AGM as well as any additional comments received during any other meeting with Shareholders. The Committee will seek to engage directly with major Shareholders and their representative bodies should any material changes be proposed to be made to the Remuneration Policy or made to the way the Remuneration Policy is implemented.