

Directors' remuneration report

The Board has prepared this report to the shareholders, taking into account sections 420 to 422 of the Companies Act 2006.

The Board has delegated the responsibility for the executive directors' remuneration to the Remuneration Committee. The scope of their responsibilities includes the executive directors' service contracts, salaries and other benefits, which comprise their terms and conditions of employment.

Remuneration Committee

The current members of the Remuneration Committee are the non-executive directors M Allcock (Chairman of the Committee), I A Thorpe, A B Thorpe, and F Haafkens.

The Committee has met as and when required during the financial year. No member of the Committee has any personal financial interest in the matters to be decided other than as shareholders. There are no conflicts of interest arising from cross-directorships or day-to-day involvement in running the business. The Committee has access to market data when considering the remuneration of the executive directors.

Remuneration policy

Executive directors

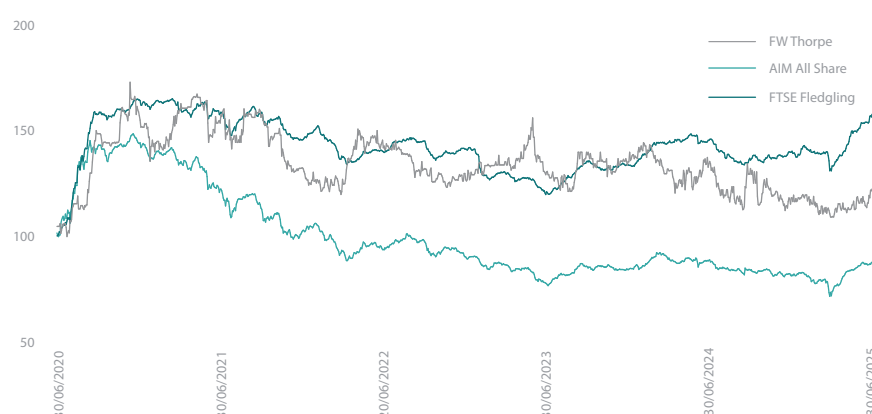
The aim of the Committee is to ensure that the executive directors are fairly rewarded for their responsibilities and contribution to the performance of the Group. The Committee seeks to achieve this with a combination of performance- and non-performance-related remuneration designed to attract, retain and motivate the directors.

In establishing the salaries of the directors, the Committee takes into account the responsibilities and performance of the individual together with data from comparable organisations and indicative trends for the business and its economic sector.

Performance graph

The graph below shows the comparative data for the FTSE AIM share index and the FTSE Fledgling share index, rebased to 100, as these are considered to be the most appropriate comparative indices for the Company's business.

Total shareholder return



The remuneration package consists of the following elements:

1. Basic salary, benefits in kind and other benefits. The salary is determined in July each year, unless there has been a change in responsibilities, where an adjustment will be made at the same time. The benefits in kind mainly consist of the provision of a car and health insurance. A director may choose to take a cash allowance instead of a car. Other benefits consist of pension arrangements and life assurance.
2. Annual bonus. The bonus is derived from the operating profit of the Group and the specific responsibilities of the executive director. The bonuses are paid at the discretion of the Remuneration Committee and relate to the period ending on 30 June in the same year.
3. Long-term incentive scheme. This scheme consists of the "Executive Share Ownership Plan" (ESOP) details of which are shown on page 87.

Non-executive directors

The Board as a whole determines the remuneration of the non-executive directors. The Board takes into account the contribution made and the relative time spent on the Company's affairs. The non-executive directors do not receive bonuses. Their benefits in kind consist of the provision of health insurance.

Directors' service contracts

C Muncaster and J E Thorpe have service contracts terminable on one year's notice. A B Thorpe, I A Thorpe, F Haafkens and M Allcock do not have formal service contracts with the Company.

Directors' emoluments (audited)

	2025	2025	2025	2025	2024	2025	2024	2025	2024
Executive directors	Salary/fees	Bonus	Benefits	Total	Total	Share options gains	Share options gains	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
C Muncaster	429	377	4	810	690	41	90	851	780
J E Thorpe	202	328	3	533	521	–	–	533	521
Non-executive directors									
A B Thorpe	49	–	15	64	53	–	–	64	53
I A Thorpe	49	–	15	64	53	–	–	64	53
M Allcock	130	–	4	134	675	–	40	134	715
P D Mason	–	–	–	–	33	–	–	–	33
F Haafkens	41	–	–	41	62	–	–	41	62
	900	705	41	1,646	2,087	41	130	1,687	2,217

The directors emoluments exclude contributions to the pension scheme. P D Mason resigned from the Board on 18 January 2024.

Directors' pension arrangements (audited)

J E Thorpe is a deferred member of the defined contribution section of the FW Thorpe Retirement Benefits Scheme.

I A Thorpe, A B Thorpe and M Allcock are retired members of the defined benefit section.

The FW Thorpe Retirement Benefits Scheme is a funded, HMRC-approved occupational pension scheme. The scheme is divided into two sections – a defined benefit scheme and a defined contribution scheme. The defined benefit section was closed to new members on 1 October 1995.

The defined benefit section aims to provide a maximum pension of two-thirds of pensionable salary at normal retirement date.

M Allcock and J E Thorpe have ceased being active members of the FW Thorpe Retirement Benefits Scheme and C Muncaster has ceased being an active member of his personal pension scheme due to HMRC limits on lifetime allowances and annual contributions. Subsequently, the Company has entered into pension compensation arrangements with these three directors to compensate them for the loss of these employer pension contributions. During the financial year the Company paid pension compensation to M Allcock of £nil (2024: £194,901), C Muncaster £72,990 (2024: £54,359) and to J E Thorpe £34,317 (2024: £33,317).

All the executive directors are covered by life assurance benefit of four times pensionable salary.

There are no directors, excluding those classified as pensioners, having accrued entitlements under the defined benefit section of the pension scheme.

Directors' remuneration report continued

CEO pay ratio

FW Thorpe, being a UK listed company with more than 250 employees, is required to disclose annually the ratio of the CEO's pay to the lower quartile, median and upper quartile pay of their UK employees. These details are shown in the table below.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024–25	Option A	25:1	18:1	10:1
2023–24	Option A	28:1	20:1	11:1
2022–23	Option A	27:1	19:1	9:1
2021–22	Option A	26:1	18:1	9:1

Option A was chosen as it represents the most accurate means of identifying the percentiles. The comparison is based on data for the year ended 30 June 2025. The table below sets out the salary and total pay and benefits for the three quartiles.

	25th percentile pay	Median pay	75th percentile pay
Base salary	£26,908	£35,808	£54,075
Total remuneration	£36,562	£51,774	£93,257

Directors' shareholdings

The directors listed below were in office during the year. Directors' interests in the share capital of the Company at 30 June 2025 and 30 June 2024 were as follows:

	Ordinary shares of 1p Beneficial	
	2025	2024
Executive directors		
C Muncaster	160,000	140,000
J E Thorpe	2,164,682	2,164,682
Non-executive directors		
A B Thorpe	25,892,700	25,892,700
I A Thorpe	25,047,120	25,047,120
M Allcock	235,450	235,450
F Haafkens	–	–

The market price of the Company's shares at the beginning and end of the financial year was 337p and 320.5p respectively, and the range of market prices during the year was from 272p to 367p.

Executive share ownership plan (ESOP) (audited)

Share options were granted during 2014, under the Company's ESOP, to the Company's executive directors and certain directors of subsidiary companies. The plan allows the vesting of options subject to the achievement of performance targets, being annual growth of pre-tax earnings per share in excess of RPI plus 3% over a five-year period.

Share options were granted during 2024, under a Company ESOP to Company's executive directors and certain directors of subsidiary companies. This plan allows for the vesting of options subject to the achievement of performance targets, being:

- Annual growth of pre-tax basic earnings per share in excess of CPI plus 2% over a five-year period;
- Total shareholder return where the Company must be ranked above the median of the comparator group at the end of the five-year period; and
- Appropriate progress towards the Group's carbon reduction target in line with the Group's sustainability strategy, and any published commitments made at the end of the five-year period.

The options that were granted to the executive directors are detailed in the table below.

	C Muncaster	C Muncaster	J E Thorpe
Date granted	24 October 2014	30 May 2024	30 May 2024
Share options	200,000	200,000	200,000
Exercise price (p) - Approved options	124	375	375
Exercise price (p) - Unapproved options	124	337.5	337.5

	C Muncaster	C Muncaster	J E Thorpe
Number at 1 July 2024	20,000	200,000	200,000
Awarded	–	–	–
Exercised	(20,000)	–	–
Forfeited	–	–	–
Lapsed	–	–	–
Number at 30 June 2025	–	200,000	200,000
Of which:			
Vested in the year	–	29,440	29,440
Total vested	–	29,440	29,440

There have been no changes in the interests of the directors in the share capital of any company in the Group during the period 1 July 2025 to 3 October 2025.

Approved by the Board and signed on its behalf by:



Craig Muncaster

Chief Executive, Group Financial Director and Company Secretary

3 October 2025