



HOME



Speedy  
Hire

London Gateway

TOOL AND SPECIALIST  
EQUIPMENT HIRE



# ***TRANSFORMING TO DRIVE SUSTAINABLE GROWTH***

Speedy Hire Plc  
Annual Report and Accounts 2024

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For more information, visit: [speedyhire.com/investors](https://speedyhire.com/investors)

*Welcome*

**Speedy Hire is the UK's leading provider of tools and equipment hire, and services, to customers ranging from the largest national infrastructure contractors through to SMEs and regional customers, tradespeople and retail consumers.**

Our business operates through an omni-channel approach with 147 Service Centres in the UK and Ireland, and on-site facilities at customer locations supported by regional service hubs and online through our digital infrastructure: speedyhire.com and our mobile app. We also operate through an in-store drop ship vendor digital model in c.300 B&Q stores nationally as well as online at B&Q's website diy.com and trade-point.co.uk, and through strategic joint ventures with AFC Energy in the UK and Ireland and Denholm Energy Services in Kazakhstan.

**Speedy Hire at a glance**

**Revenue**

**£421.5M**

**Adjusted EBITDA**

**£96.8M**

**Net book value (of property, plant and equipment)**

**£233.1M**



**Colleagues (at 31 March 2024)**

**3,293**



**Customers**

**c.61,000**

in the UK and Ireland, ranging from large national contractors to local trade and retail



**Hire product lines**

**2,584**

with ECO products accounting for 55% of our revenue, demonstrating our customers' increasing demand and our commitment to reducing carbon emissions

**Supply chain partners**

**1,224**

from global leading tool, plant and equipment brands



**Electric and hybrid commercial vehicles**

**601**

equating to 57% of our hire fleet

**Service Centre and on-site locations**

**147**

in the UK and Ireland, including industry-leading low and zero carbon facilities

**In-store drop ship vendor digital model**

**c.300**

in B&Q stores nationwide and online at B&Q's website diy.com and trade-point.co.uk

**Website visits**

**2.8M**

visits to speedyhire.com

**Consumable products**

**40,000**

in our extensive range



*Our ambition*

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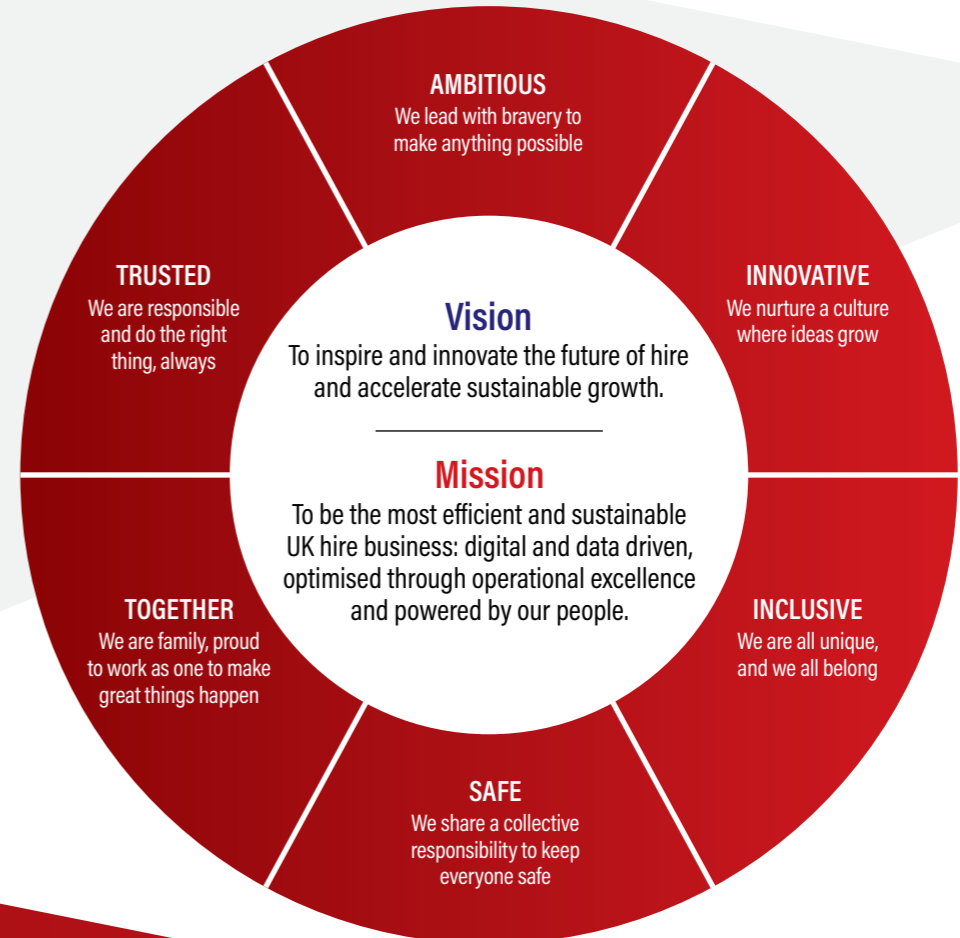
We are actioning an ambitious and transformative strategy 'Velocity' to inspire and innovate the future of hire; a plan that will deliver an improved experience for customers and colleagues and drive sustainable profitable growth generating higher returns for shareholders.

Led by a diverse and talented leadership team, with extensive experience gained from both within and outside the industry, and the dedicated support from all our colleagues, our transformation programme is supporting our Velocity strategy to energise and optimise our business and capitalise on current and future market opportunities.

Underpinning our growth ambitions is our People First strategy with the target of becoming a Times Top 100 business to work for, and our ESG strategy 'The Decade to Deliver' that will enable us to become a carbon net zero business by 2040, ten years ahead of the UK Government target.

I hope you enjoy reading this report, which outlines the progress we have made over the last financial year and our plans of achieving sustainable growth in the future.

➤ **DAN EVANS**  
Chief Executive



## A year in review







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<p><b>APRIL 23</b></p> <p>Highly Commended in the Manager of the Year category at the HAE Awards.</p>	<p><b>JUNE 23</b></p> <p>Speedy Hire and Niftylift launch world-first hydrogen-electric powered access platform, acting as sole supplier for the UK and Ireland.</p> 	<p><b>JULY 23</b></p> <p>Capital Markets Day held at Speedy Hire's flagship carbon-negative Innovation Centre to launch its Velocity strategy.</p> 	<p><b>SEPTEMBER 23</b></p> <p>Recognised as a European Climate Leader by the Financial Times.</p> 	<p><b>SEPTEMBER 23</b></p> <p>Speedy Hire becomes the first hire company to become a participating member of the UN Global Compact; an initiative committed to responsible business practices.</p>	<p><b>OCTOBER 23</b></p> <p>Acquisition of Green Power Hire Limited to provide zero carbon hydrogen powered Battery Storage Units.</p> 		
<p><b>NOVEMBER 23</b></p> <p>Partnership with B&amp;Q extended to provide in-store drop ship vendor digital tool hire model in all B&amp;Q stores nationwide, as well as online at B&amp;Q's website diy.com and trade-point.co.uk.</p>	<p>Formation of 'Speedy Hydrogen Solutions' Joint Venture.</p> 	<p>Achieved EcoVadis Gold rating, placing Speedy Hire in the top 5% of over 100,000 companies assessed.</p> 	<p>Launched first virtual online event 'Speedy Hire Live Net Zero', combined with the launch of its latest sustainable Service Centre at London Gateway.</p>	<p>Partnered with the Lighthouse Club on the 'Make It Visible' mental health in construction campaign.</p> 	<p><b>DECEMBER 23</b></p> <p>Achieved an A rating from global integrated risk assessment firm Moody's.</p>		
<p><b>JANUARY 24</b></p> <p>Launched the installation of life-saving defibrillators in our commercial vehicle fleet.</p> 	<p><b>FEBRUARY 24</b></p> <p>Awarded a CDP A- Award, demonstrating environmental leadership, and disclosing action on climate change, deforestation or water security.</p> 	<p><b>INVESTORS IN PEOPLE</b></p> <p>Awarded the 'We Invest in Apprentices Gold' accreditation by Investors in People.</p>	<p><b>MARCH 24</b></p> <p>Shortlisted in the Fleet News Awards for Excellence in Fleet Safety and Compliance, Most Improved Fleet of the Year, and awarded Transport Manager of the Year for Speedy Hire's Fleet Director Aaron Powell.</p>	<p>Produced Speedy Hire Live Expo24, the largest private exhibition in the UK attracting c.1,700 delegates including industry experts, customers, leading global supplier brands and Speedy Hire colleagues.</p> 	<p>Amelia Woodley, ESG Director, Speedy Hire wins edie Award for Business Leader of the Year.</p> 	<p>Speedy Hire celebrates a decade of RoSPA Gold, achieving the President's Award in recognition of maintaining a Gold rating for 10 consecutive years.</p> 	<p>Speedy Hire announced as a finalist in the Carbon Reduction Champion category at the Construction News Awards, and wins the IPAF Training Centre of the Year for its Ossett training facility in Yorkshire.</p>

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Our customers and end markets

We have a broad spectrum of customers, ranging from the largest national contractors operating on government and private contracts in the infrastructure, construction and industrial markets, through to regional housebuilders and RMI\*\* companies, SMEs, tradespeople and retail consumers.



Infrastructure 32%\*

- New Build Highways, Rail, Energy, Harbours and Airports
- Frameworks in Water and Sewerage (AMP7), Roads (Highways England), Rail (CP6) and Tele-communications



Residential Construction 6%\*

- New Build Housing



Non-Residential Construction 19%\*

- New Build Offices, Shops, Education, Hospitals, Warehouses and Factories, Hotels, Stadiums and Prisons



Residential RMI\*\* 1%\*

- DIY and Home Improvement



Industrial Services RMI 4%\*

- Power, Petrochemicals and Steel



Support Services and Other RMI 38%\*

- Facilities Management, Manufacturing and Production, Environmental Services, Engineering Services, Defence and Media

\*\* RMI concerns work which involves either repairing something which is broken or maintaining it to an existing standard. For housing output, this includes: repairs; maintenance; improvements; conversions (e.g. from a house to multiple flats); extensions; alterations; and redecoration. For other output, this includes: repairs; maintenance; and redecoration.

\* Approximate percentage of Group revenue.

Case Study

Working with Cadent to enable pioneering hydrogen infrastructure

During the year Speedy Hire were awarded a five-year contract by Cadent. The strategic partnership marked a pivotal moment in the industry as Speedy Hire took the lead in supporting Cadent's plans to lay hydrogen-ready pipes nationwide, advancing the UK's sustainability goals.

Testament to Speedy Hire's expertise and extensive Environmental, Social and Governance ('ESG') credentials, the pioneering collaboration will see Speedy Hire supply machinery, tools and equipment to Cadent. The project facilitates the UK's largest gas distribution company's ambition to make its network 'green gas ready', by laying polyethylene pipes to carry a wider range of gas, including hydrogen.

The contract includes the mobilisation of over one hundred excavators and 25 electric vans, and its entire range of Milwaukee MX battery-powered tools, available exclusively through Speedy Hire. In addition, the Company will provide ten electric excavators to be piloted as part of the project, cementing Speedy Hire and Cadent's shared vision of significantly driving down carbon emissions in the construction and utilities sectors.



We're delighted to be entering into such an important strategic partnership with Speedy Hire. By 2030, we have ambitious targets to reduce methane emissions by more than the UK's 30 per cent target and by 2032, our network will be 90 per cent hydrogen ready. For us, the next few years are pivotal, not only for Cadent's own sustainability journey but also for driving progress towards the UK's overall net zero targets. Therefore, it's more important than ever to align with partners that are just as dedicated to driving decarbonisation, with innovation and efficiency."

STEVE FRASER  
CEO, Cadent



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A business model delivering value

Our integrated hire and services customer value proposition.

We provide a single hire destination service for customers, offering a complete site service through the provision of our core fleet of owned products, plus an extensive range of specialist equipment through our partnerships with the industry's leading suppliers. Our centralised Customer Solutions service provides this one-stop-solution for any customer requirement. Our unique value proposition is further enhanced through the delivery of our extensive range of certified training courses, testing, inspection and certification services and carbon site consultancy.

Hire

Our hire products cover a range of 2,584 product lines in categories including small tools, access, power and battery storage, lifting, survey, powered access, welding and plant machinery.

Services

Our services include fuel and energy sales and management, training, product sales, and test, inspection and certification services.



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**Customer driven channel of choice**

**Making us easy to do business with, through providing contact options to suit customers' individual needs.**

With customers ranging from large complex national contractors to home DIYers, our aim is to make it easy for all of them to do business with us, through providing a choice of different contact options to suit their individual needs:



**Customer Solutions**

Our centralised service provides a single hire destination for the provision of all our core products and services, plus an extensive range of equipment in partnership with the industry's leading product suppliers.



**Speedy Hire Direct**

Our central call centre located at our Head Office, with dedicated desks for our National customers.



**Regional Trading Hubs**

Our regional call centres are located throughout the country within our Service Centre network, with dedicated colleagues servicing our Regional customer base.



**Service Centre Network**

Our 147 Service Centre and on-site locations across the UK and Ireland.



**Customer Relationship Centre**

Our central hub in South Wales, dedicated to servicing our Regional, Trade and Retail customers.



**Online**

Through our website and mobile app.



**B&Q and Tradepoint**

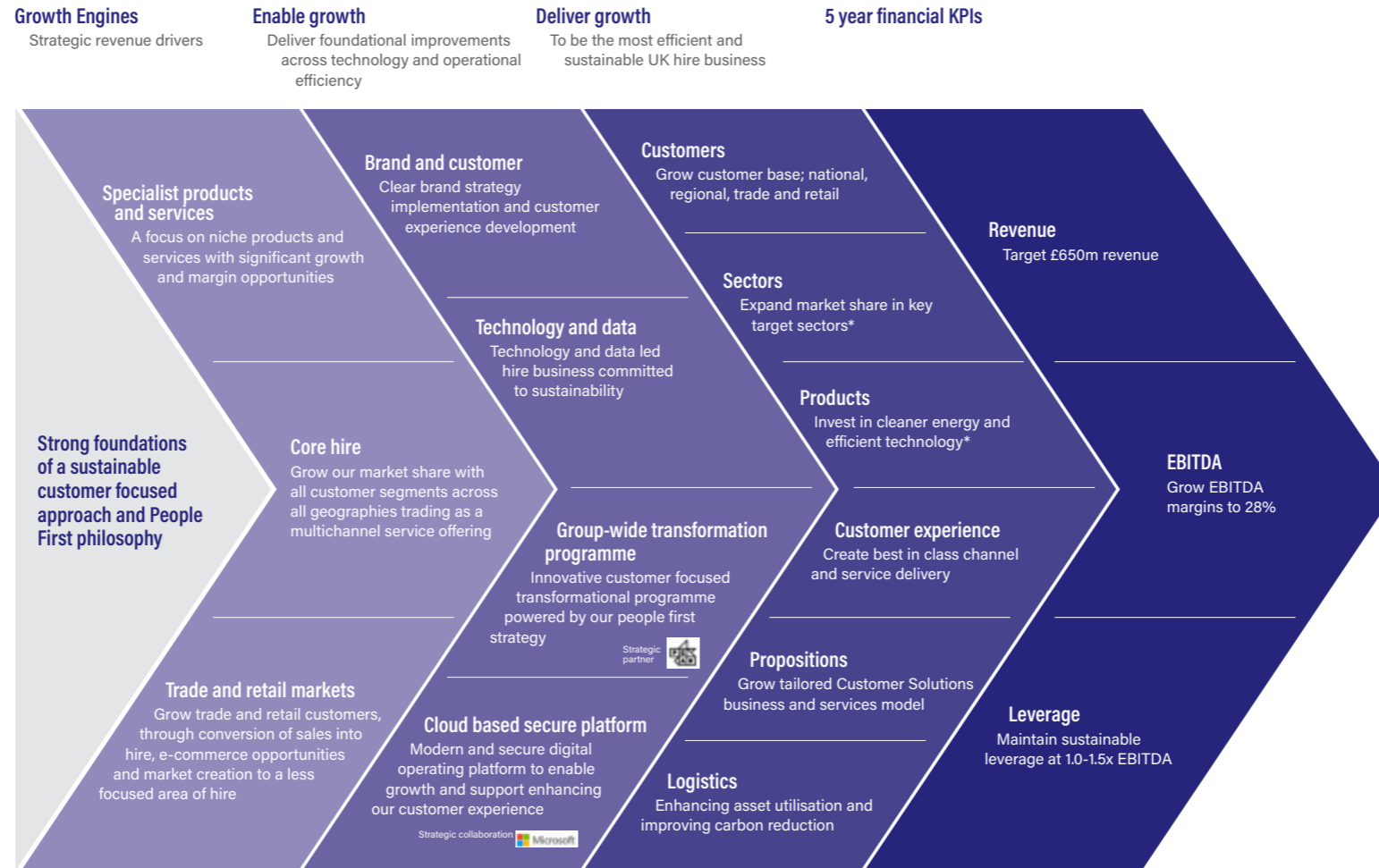
We operate an in-store digital model in B&Q and Tradepoint stores across the UK and on B&Qs website: [diy.com](https://diy.com) and [trade-point.co.uk](https://trade-point.co.uk).



## Our ambitious growth strategy, Velocity

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During FY2023 we developed and launched 'Velocity', a new strategy which is designed to accelerate sustainable growth through increasing revenue and improving margins, along with a clear focus on measurable medium and long-term growth and performance objectives.

Our growth engines reflect opportunities that are presented in our current addressable markets. By focusing on these key areas, we aim to increase market share profitably and accelerate sustainable growth to meet our stated key performance indicators ('KPIs').

Velocity was launched as a five-year transformation and growth strategy. During FY2024 we accelerated progress to deliver a wide range of foundational improvements across technology, operational efficiency, sustainable investment and our People First strategy, delivering strong foundations to fully align with our vision 'To inspire and innovate the future of hire and accelerate sustainable growth'.

\* Infrastructure, Residential Construction, Non-Residential, Construction Residential RMI, Support Services and Other RMI, Industrial Services.



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*A compelling investment proposition*

# WHY INVEST

As a resilient and ambitious business, our transformational strategy 'Velocity' has set out transparent KPIs based on increasing revenue and operational efficiencies to drive profitability and deliver returns for our investor community.

By 2028 we are targeting to:

Grow revenues to

**£650M**

Grow EBITDA margins to

**28%**

Maintain sustainable leverage<sup>1</sup> at

**1.0-1.5x**  
EBITDA

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**Strong and resilient**

Strong and resilient business with the ability to develop revenue, grow EBITDA, expand margins and increase shareholder returns over the next four years.

**Ambitious**

Ambitious, purpose-led Velocity strategy to accelerate profitable growth and become the UK's most efficient and sustainable hire business.

**Optimised**

A digital and data driven business, optimising our network, logistics and products and powered by our people.

**Measured**

Focused key metrics in place to measure strategic progress and priorities.

**ESG leading**

Industry-leading ESG programme designed to reach net zero by 2040.

**End markets**

Supportive long-term end market fundamentals across infrastructure, residential and non-residential construction, industrial as well as RMI\* and Support Services that include Facilities Management, Manufacturing and Production, Environmental Services, Engineering Services, Defence and Media, creating visible, resilient and less cyclical revenue streams.

**Cash generative**

Strong balance sheet and cash generation, with significant banking facility headroom with which to grow the business organically and through value enhancing acquisitions.

**Capital allocation**

Clear capital allocation investment and dividend policy.

<sup>1</sup> Leverage: Net debt covered by EBITDA. This metric excludes the impact of IFRS 16.

\* Repair Maintenance Improvement (housing and construction).



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**Chairman's Statement**



**We remain a strong business with a clear multi-year strategy for sustainable, profitable growth."**



**2.60 pence**

Total dividend per share

**Over £40M**

of revenue from new multi-year contracts

**Overview**

The results we are reporting today demonstrate the resilience of our business model during a challenging macro-economic climate faced by many businesses at this time. We remain a strong business with a clear multi-year strategy for sustainable, profitable growth, with a robust balance sheet which will enable us to future-proof the business by investing in the innovative, market-leading sustainable products that our customers increasingly demand.

**Results**

Group revenue decreased by 4.3% to £421.5m (FY2023: £440.6m), in part due to a softening in Regional customer markets, resulting in lower adjusted profit<sup>1</sup> of £14.7m (FY2023: £30.7<sup>2</sup>), impacted by high operational gearing. Despite this, we have continued to invest in our people and made a significant commitment to transformation as part of our Velocity strategy launched in July 2023.

During the year we secured over £40.0m of annualised revenue from new multi-year contracts and subsequent to the year-end we have secured further renewals and extensions. These wins and renewals are a reflection of our market leading customer service proposition. The contracts won in FY2024 have taken longer to mobilise, due to contract specific delays and we anticipate these new contract revenues taking full effect during the course of FY2025. In all cases we are working closely with our customers to streamline the process for taking on and mobilising new work, to minimise future delays. Our partnership with B&Q was changed from an in-store concession model to a digital model with the launch of tool hire on both DIY.com and Trade-point.co.uk, providing in-store digital home delivery tool hire from c.300 B&Q stores nationwide to a wide-ranging Trade and Retail customer base.

The Group continue to operate internationally through a joint venture in Kazakhstan. The share of profits decreased to £2.9m (FY2023: £6.6m) following a reduction in scale of the significant temporary power contract that gave rise to a record performance in FY2023.

1 See note 12 to the Financial Statements.  
2 Revised, see note 31 to the Financial Statements.

➤ **DAVID SHEARER**  
Chairman

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## Chairman's Statement *continued*

We have invested c.£42.5m in our hire fleet, using data and analytics to target products that our customers need. 63% of that investment was in sustainable products to meet the increasing demand from customers for such items.

We have an industry-leading ESG roadmap whereby we have committed to becoming a net zero carbon business by 2040, ten years ahead of the Government's target. Our ESG strategy 'The Decade to Deliver' is accelerating the reduction of our carbon footprint, while enabling our customers to make choices that reduce their environmental impact. By increasing our percentage of sustainable products for hire, as well as our offering of sustainability related services, we are providing customers the tools they need to achieve this.

### Dividend

The Board is recommending payment of a final dividend of 1.80 pence per share making a total dividend of 2.60 pence per share which is at the same level as last year. Whilst this dividend is outside our policy guideline given the weaker profit performance in FY2024, the strong cash generating performance in the business and the confidence in the future based on the recent contract wins supports this proposal. The Board also recognises the importance of regular returns to shareholders.

### Board and people

Having been appointed as Interim CFO on 1 November 2022, Paul Rayner was appointed permanently as Chief Financial Officer on 1 July 2023. This appointment followed a comprehensive recruitment process supported by external consultants. Paul is a Fellow of The Institute of Chartered Accountants with over 25 years' experience in senior financial

roles including interim and permanent roles respectively on the main board of FTSE listed companies Avon Protection Plc and Chemring Group Plc. In addition we have taken steps as part of our transformation programme to add additional bench strength to the senior management team as we roll out the Velocity Strategy.

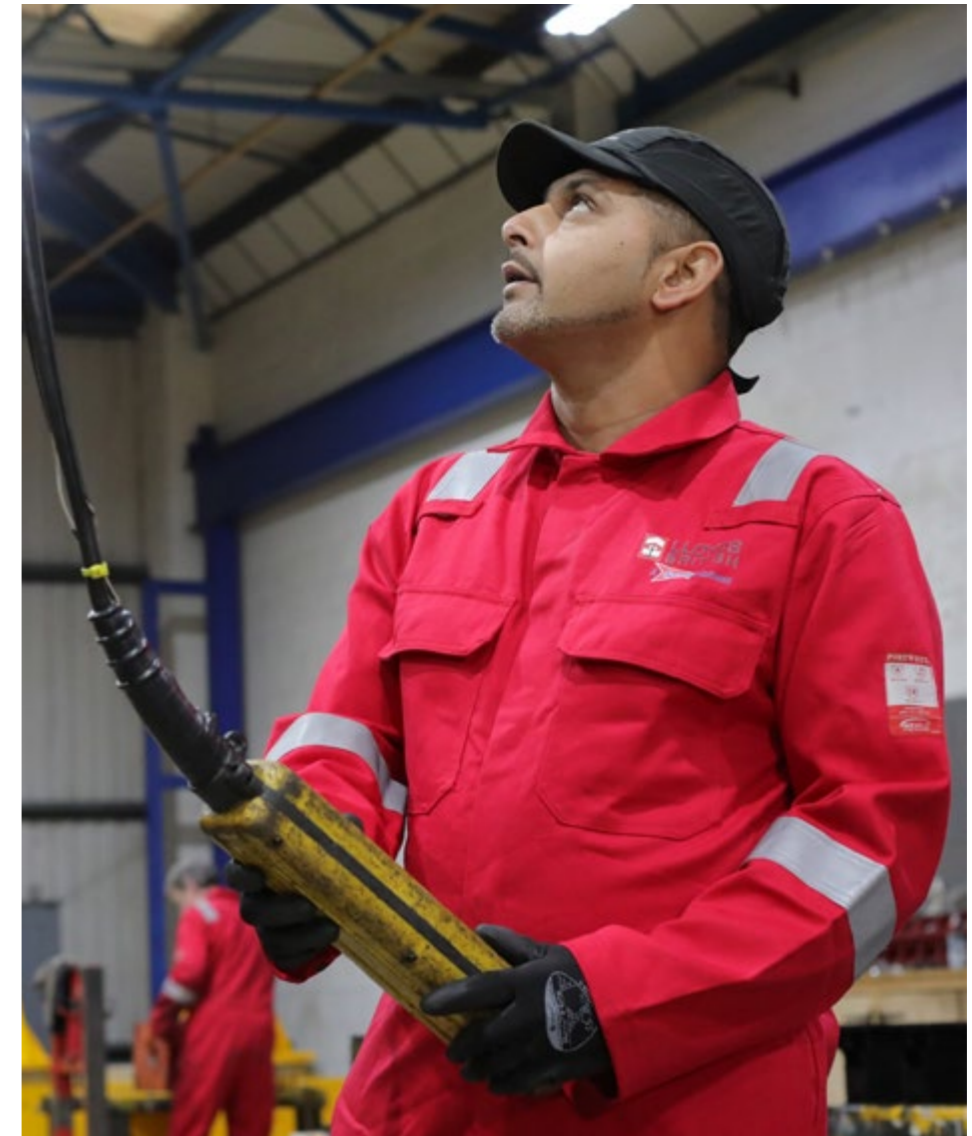
During the year we made a number of changes to our reward strategy for all of our people recognising labour market challenges and the need to support our front-line workforce. This investment in our people is an important leg of our strategy going forward.

On behalf of the Board and personally, I would like to take this opportunity to thank each and every one of my colleagues for their continuing commitment and dedication to supporting the business.

### Future

We have a resilient business with an ambitious sustainable growth strategy which has been embedded into our business by our experienced senior management team. As the Velocity strategy rolls out, it puts us in a strong position to meet customer needs and accelerate sustainable profitable growth despite any macro-economic challenges. Having committed to this multi-year strategy, the Board looks forward with confidence as we start to deliver the benefits and capitalise on opportunities in the year ahead.

**DAVID SHEARER**  
Chairman



## Chief Executive's review



During the year we won and extended major contracts with key National customers. After the year end, we have continued positive momentum, securing further contract wins and renewals."



**£7.2m**

Investment in base pay

**63%**

Investment in commercially sustainable hire equipment

### Results

I present our results for the financial year ended 31 March 2024, that demonstrate a resilient performance despite cost inflation and the ongoing macro-economic uncertainty, in common with many businesses and industries across the UK, Ireland and internationally.

Revenue declined by 4.3% to £421.5m (FY2023: £440.6m). Adjusted profit before tax<sup>1</sup> decreased to £14.7m (FY2023: £30.7m<sup>2</sup>). Adjusted earnings per share<sup>3</sup> were 2.35 pence (FY2023: 4.96 pence<sup>2</sup>).

Our Hire business performed well despite challenging trading conditions and the performance of our seasonal products, which were negatively impacted by the winter period. Revenues were down 1.7% versus FY2023, and similarly, our Services business, excluding fuel, was down 1.6%. We are the only UK hire company to provide a fully managed

fuel service and we proactively promote low-emission HVO fuel which now accounts for c.30% of our fuel sales. Impacted by the decline in wholesale price in the year, our fuel revenues were down 22.7%, year on year. In line with our Velocity strategy, we have made in year improvements to our testing, inspection and certification business, Lloyds British, promoting greater access to our diverse customer base, investing in their digital capabilities and restructuring the business to support their growth potential.

Within our National customer segment which accounts for 53% of revenue, our end markets remain positive, and there is a continued strong pipeline of major infrastructure, construction and energy projects. These include investment in hydrogen power infrastructure, major highways projects, nuclear new build and decommissioning work, National Water infrastructure and the

<sup>1</sup> See note 12 to the Financial Statements.  
<sup>2</sup> Revised, see note 31 to the Financial Statements.  
<sup>3</sup> See note 10 to the Financial Statements.

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**DAN EVANS**  
 Chief Executive

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## Chief Executive's review *continued*

continued investment in the rail network including the Government's commitment to HS2 and the proposed Northern Network. Our largest customers servicing these major projects continue to demand commercially sustainable solutions to complex problems, provided through our innovative products and specialist expertise. As a result, revenues from our National customers have increased by 0.2% year-on-year, however revenues from our Regional customers have softened, declining 6.0%. Trade and Retail revenue has remained flat year-on-year as we transition to our digital model.

During the year the Group has monitored and implemented price increases to offset inflationary cost pressures on both overheads and new equipment purchases. Our pricing strategy gives customers the very best value for the high-quality products and services we deliver.

We have taken action to improve asset controls, with digital technology being trialled to further assist in the control for accurate counting of hire equipment. Itemised asset utilisation was 52.4% (FY2023: 54.4%) reflecting the targeted investment in the Group's hire fleet and improved availability, supported by our work with PEAK AI.

Our joint venture in Kazakhstan has performed as expected, albeit lower than the record performance achieved in FY2023. The share of profit decreased to £2.9m (FY2023: £6.6m).

### Strategy and operational review

At our Capital Markets Day in July 2023, we launched our five-year 'Velocity' strategy, designed to accelerate sustainable profitable growth. During FY2024 we have made significant progress in delivering the 'Enable' stage of the five-year transformation programme that underpins the strategy, through creating foundational improvements across technology and operational efficiency. Whilst there is still work to do, we are pleased with progress made in the year and look forward to the continued successful execution of the transformation programme.

### Market overview

Whilst the macro-economic environment remains uncertain, our customer base and the sectors we serve are well diversified, and we are suitably positioned to capitalise on significant growth projected in major infrastructure projects and programmes.

### National customers

We serve approximately 61,000 customers in the UK and Ireland, including 83 of the UK's 100 largest contractors\*. Our customers include major infrastructure contractors working across Highways, Energy, Harbours and Airports, as well as frameworks in Water and Sewerage (AMP7/8), Roads (National Highways), Rail (CP6/7) and Broadband and Telecommunications. We continue to see revenue growth from opportunities with both new and existing National customers.

During the year we won and extended major contracts with key National customers. These contracts represent attractive growth opportunities but have taken longer to mobilise, due to contract specific delays. Therefore, we anticipate the benefit taking effect during FY2025.



### Regional customers

We serve thousands of Regional customers through our Regional Account Management team located across the UK. These customers operate in Non-residential Construction, Infrastructure, RMI ('Repair Maintenance Improvement') and support services that include Facilities Management, Manufacturing and Production, Environmental Services, Engineering Services, Defence and Media. Many customers operating in these areas have been negatively impacted by the challenging economic environment, high interest rates and increased material costs, and as a result our revenues from this customer segment reduced by 6% on the prior year through a softening of volume sales, offset marginally by increased rates.

### Trade and Retail

We support our Trade and Retail customers through our national network of Service Centres, by phone, online through our click and collect service, and through an in-store digital model in B&Q stores nationally, delivering a unique 4-hour delivery service in the process. During Q4 we successfully evolved our Trade and Retail business in partnership with B&Q. Our tool hire model is now an in-store digital model in B&Q's c.300-strong store network nationally, so that customers can now hire our products seamlessly as part of their wider B&Q transaction at the B&Q tills, as well as online through B&Q's website [diy.com](https://diy.com) and [trade-point.co.uk](https://trade-point.co.uk) for home delivery and collection. The Trade and Retail consumer market remains an attractive opportunity for the business. As an already established hire provider in the trade market, the industry-first partnership model with B&Q will penetrate a new consumer market opportunity. This low cost-to-serve combination of in-store and online hire, combined with our existing digital propositions and Service Centre network, will accelerate our strategic aim of increasing share within the Trade and Retail markets.

\* Source - Glenigan Limited.

## Chief Executive's review *continued*

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### Operational efficiency

Operational efficiency continues to be a key part of our Velocity strategy and cost control remains key to delivering long-term sustainable profitable growth. The significant macro-inflationary pressures continue to impact our business, in common with most UK businesses at present. To mitigate the effects of this, we continue to control costs and focus on initiatives to improve operational efficiency and the effective management of our supply chain. By controlling costs, we will enable continued investment in the transformational aspect of our Velocity strategy, supporting the delivery of our stated targets of sustainable revenue and profitable growth. Our industry-leading utilisation of Artificial Intelligence ('AI') through our strategic collaboration with PEAK supports decision making through enhanced management information that links our Service Centre network with our logistics and asset intelligence.

AI assists in predicting which products to invest in, which will further enhance the optimisation of our asset holdings, and through dynamic forecasting enable us to continue to achieve strong asset utilisation rates.

By activating these technologies, we can further ensure that we have the right products, in the right place, at the right time, in the most efficient way to meet customer demand. This is key to delivering for our customers on their key priorities of quality, availability, speed and receiving a first-class customer experience. The use of technology, combined with our service-led people culture makes this differentiating value proposition possible for our customers, enabling them to reduce time and cost on site. We will be digitally, and data driven to ensure our Service Centre network, our logistics and our assets are optimised to continue playing a vital role in our customers success.



Throughout FY2024, we continued to strengthen our partnership with PEAK AI, providing further automation and insight around the optimisation of our fleet holding, replenishment and informing our pricing strategy. These developments contributed to a 1.8pp improvement in utilisation rates across targeted assets. In FY2025 we will be deploying a further suite of initiatives, including a predictive capital expenditure model and a new price optimisation solution to dynamically adjust our pricing offered to customers. In addition, we will also launch PEAK's Audiences app, utilising the latest machine learning technology, to drive greater insight and understanding of our customer behaviour and segmentation to better inform our sales and marketing strategies.

Creating a modern workplace is a strategic pillar in achieving our growth ambitions, and fully integrating our ERP ('Enterprise Resource Planning') system is a foundational building block to enable this. Throughout the year we have further developed our longstanding collaboration with Microsoft by upgrading our ERP system to the cloud-based Microsoft Dynamics 365 Platform. The Platform is simplifying some of our key business processes and significantly improving the user experience, resulting in increased productivity through efficiency, and in the process improving the customer experience. Further to this, we invested in our digital capabilities surrounding our hire fleet management. We have developed a stock counting application to simplify and standardise the asset count process, which will be used in our periodic asset counts.

We continue to develop our future state property programme, to modernise our network with energy efficient, low carbon facilities that optimise efficiencies and reduce operational costs whilst creating

better working environments for our people and a market-leading experience for our customers. During the year we rationalised and consolidated a number of older, less efficient properties into new Service Centres, including in Hull, Southampton and a new flagship centre servicing the Capital; London Gateway, a state-of-the-art 33,000 sq ft facility located in East London.

### ESG

We are committed to becoming a net zero business by 2040; ten years ahead of the UK Government's target. Our carbon emissions\*\* in the UK and Ireland have reduced by 21.4% from 361,361.42 tonnes in FY2023, to 283,947.52 tonnes in FY2024. This reduction has been achieved through the continued procurement and organic generation of renewable energy, investment into a greener property network, a more efficient vehicle fleet and the use of HVO fuel in our larger vehicles.

To minimise our carbon footprint, we actively procure more commercially sustainable assets into our hire fleet including those with solar, hybrid, electric and hydrogen technology. During FY2024 we invested £42.5m in our hire fleet, of which 63% was on commercially sustainable equipment, in the process bringing a world-first hydrogen powered access lift to market. We have a target to ensure that eco products account for 70% of our itemised equipment fleet by 2027.

During the year we acquired sustainable power solutions specialist, Green Power Hire Limited ('GPH') to supply Battery Storage Units ('BSU') to the UK rental market, enabling customers to achieve both financial and environmental savings compared to alternative systems available. We continue to experience strong demand from our current and potential new customers for eco products and sustainable power solutions and are seeing an increasing

\*\* Scope 1, 2 & 3.

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## Chief Executive's review *continued*

number of tenders specifically requiring BSUs. The acquisition has performed in line with our business plan and since purchase we have procured further units to enlarge our battery storage unit fleet and satisfy customer demand.

We also entered into a Joint Venture with AFC Energy plc, a leading provider of hydrogen powered generator technologies, to form 'Speedy Hydrogen Solutions Limited'. This collaboration is providing the UK construction and temporary power market with AFC Energy's sustainable, zero emission temporary power solutions designed specifically for off-grid power. Through the JV we are providing an exclusive full-service hire model for an initial three-year period and are working with our National customers on their demand needs, signifying the growing demand for zero emission power solutions.

Further initiatives to reduce our carbon emissions include investing in modernising our Service Centre network. We installed building management systems into a number of trial locations with a view to reducing our energy consumption. During FY2024, these locations, on average, have achieved an annualised energy consumption reduction of 63.5%, representing c.£40k of efficiency per property.

We were proud to be awarded Gold Standard by EcoVadis, a leading provider of business sustainability ratings, which puts Speedy Hire in the top 5% of sustainable businesses globally. We were also named as a European Climate Leader for 2023 by the Financial Times and attained the RoSPA Presidents Award for achieving the RoSPA Gold standard for ten consecutive years.



## People

We recognise that our people are the most important component of our business, and our ambition is to become a Times Top 100 place to work. Our People First strategy prioritises personal and professional development, wellbeing and equality, diversity and inclusion within the workplace. During the year we have invested in our people to provide fair pay, reward and development opportunities. We have introduced flexible working, and improved systems and processes to make it easier for them to work in their everyday roles.

We have introduced a series of initiatives to enhance our colleagues' experience and encourage loyalty, in the process reducing our voluntary attrition rate to record low levels. Examples include an investment of £7.2m in base pay for people working at our lower grade levels, improved colleague wellbeing through the roll-out of Speedy Hire Work Life Balance to over a third of our colleagues and implementing the UN's Women Empowerment Principles to encourage more women into the business.

We are also preparing for the future by upskilling existing colleagues and attracting new talent to ensure we have the right levels of capability in future skills needed to achieve our Velocity strategy.

In addition, our Emerging Talent Development Board is a group of 11 from our brightest 'emerging talent' colleagues in our business. They are charged with developing themselves personally and professionally while working alongside the Executive Team in contributing to the strategic plans and delivering on complex business projects with female Chief Executive and Chief Financial Officers in position.

I'd like to take this opportunity to thank all our colleagues for their resilience and relentless dedication to the business, whilst continuing to deliver a first-class service to our customers.

## Outlook

We continue to make good progress with implementation of our Velocity strategy which is embedding a solid foundation for growth opportunities in the medium to long-term which will benefit our customers and people whilst enhancing shareholder returns.

The new financial year has started well with performance in line with Board expectations. After the year end, we have continued positive momentum, securing further contract wins and renewals.

As we implement a more efficient and streamlined service through enhanced AI driven data and system digitisation, keep close control of costs, and maximise growth potential through our strong visible pipeline in our core end markets, we look forward to delivering on these opportunities in the year ahead.

**DAN EVANS**  
Chief Executive

**Strategic Report**

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*Financial review*



**Free cash flow is a key metric for the Group and in the year this increased to £23.5m following active working capital management."**



**23%**  
Adjusted EBITDA margin

**£23.5M**  
Free Cash Flow

➤ **PAUL RAYNER**  
Chief Financial Officer

Our financial results for FY2024 demonstrate resilience in the face of cost inflation and well-documented macroeconomic uncertainty. Throughout all, we have maintained our commitment to our people, excellent customer service and progression of our Velocity strategy.

Revenue from our National customers was up marginally year on year, whilst our Regional customers traded 6% down in FY2024. We have observed some encouraging signs in the new financial year to date, with total revenues in line with expectations.

The contract wins achieved in FY2024 are encouraging, with the business securing additional annual turnover in excess of £40.0m across multi-year agreements with new and existing customers. This new business is underpinned by disciplined pricing and is a clear demonstration of the attractiveness of Speedy's customer proposition. Since the year end, further new contracts and extensions have been secured. As with prior periods, the Group expects a second half weighting to its revenues and profits in FY2025 as we mobilise these significant new contracts.

Our services business has performed well, although its pass-through revenues were impacted by the effect of a decrease in wholesale fuel prices. Margins were maintained in this segment.

Free cash flow<sup>1</sup> is a key metric for the Group and in the year this increased to £23.5m (FY2023: £10.6m) following active working capital management.

In October 2023, the Group acquired the entire issued share capital of sustainable power solutions specialist, Green Power Hire Limited ('GPH') for an enterprise value of £20.2m. The acquisition has resulted in goodwill and other intangible assets of £10.9m. Since its acquisition, the GPH business has contributed £2.0m of revenue and £1.6m of EBITDA<sup>2</sup> to the Group, which includes acquisition synergies of c.£0.8m. This trading performance is continuing to build as we target rate increases and invest further in the fleet to satisfy growing customer demand. More detail on the acquisition is provided in note 5.

In addition to the acquisition, in November 2023 Speedy Hire formed a joint venture, Speedy Hydrogen Solutions Limited ('SHS'), with our partner, AFC Energy Plc.

Net debt<sup>3</sup> has increased to £101.3m as at 31 March 2024 representing leverage<sup>4</sup> of 1.5 times (FY2023: £92.4m, 1.3x leverage). This follows the acquisition of GPH, which was funded from the Group's existing debt facilities.

1 Free cash flow: net cash flow before movement in loan balances, merger and acquisition activity and returns to shareholders.  
 2 See note 12 to the Financial Statements.  
 3 See note 21 to the Financial Statements. This metric excludes lease liabilities.  
 4 Leverage: Net debt<sup>3</sup> covered by EBITDA<sup>2</sup>. This metric excludes the impact of IFRS 16.



## Financial review *continued*

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### Group financial performance

Total revenue for the year ended 31 March 2024 decreased by 4.3% versus FY2023 to £421.5m. Revenue (excluding fuel) decreased by 1.9% to £381.4m and revenue from fuel was £40.1m (FY2023: £51.9m). Hire rate increases and performance with our National customers have mitigated some of the softening of revenues with our Regional customers.

Gross profit<sup>1</sup> was £230.0m (FY2023: £239.4m), a decrease of 3.9%. The gross margin<sup>1</sup> increased to 54.6% (FY2023: 54.3%), reflecting the lower proportion of pass-through fuel sales, and our commitment to pricing discipline.

The share of profit from the joint venture in Kazakhstan returned to expected levels at £2.9m (FY2023: £6.6m), following a reduction in scale of the significant temporary power contract that gave rise to a record performance in FY2023.

Adjusted EBITDA<sup>2</sup> decreased by 6.8% to £96.8m (FY2023: £103.9<sup>3</sup>), however margins were held broadly flat at 23%.

Adjusted profit before taxation<sup>2</sup> decreased to £14.7m (FY2023: £30.7m<sup>3</sup>), due to the decline in revenue and the impact of operational gearing on the business. Higher interest costs and reduced performance from our joint venture also contributed to the year on year decrease. ROCE<sup>4</sup> declined to 9.9%, impacted by lower profits in the year.

The Group incurred non-underlying items before taxation of £9.0m (FY2023: £28.5m), further detail on which is given below.

After taxation, amortisation and non-underlying items, the Group made a profit of £2.7m, compared to £1.2m in FY2023.

- 1 From underlying performance; excludes non-underlying items.
- 2 See note 12 to the Financial Statements.
- 3 Revised, see note 31 to the Financial Statements.
- 4 Return on capital employed: profit before tax, interest, amortisation of acquired intangible assets and non-underlying items divided by the average capital employed (where capital employed equals total equity and net debt<sup>5</sup>), for the last 12 months. See note 12 to the Financial Statements.
- 5 See note 21 to the Financial Statements. This metric excludes the impact of IFRS 16.

### Revenue and margin analysis

The Group generates revenue through two categories, Hire and Services.

Revenue and margin by type	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m	Change %
<b>Hire:</b>			
Revenue	253.6	258.0	(1.7)%
Cost of sales <sup>1</sup>	(54.6)	(54.8)	
Gross profit	199.0	203.2	(2.1)%
Gross margin	78.5%	78.8%	

Revenue and margin by type	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m	Change %
<b>Services:</b>			
Revenue	162.5	176.3	(7.8)%
Cost of sales	(130.9)	(142.9)	
Gross profit	31.6	33.4	(5.4)%
Gross margin	19.4%	18.9%	

Hire revenue decreased by 1.7% compared to FY2023, reflecting rate increases mitigating a softening in Regional customer demand. A number of new and renewed contracts with key customers were secured during the year, reflecting the strength of our market position. The Group continued to implement rate increases during FY2024, following on from the programme established in FY2023, to offset the effects of cost inflation on both overheads and new equipment purchases. The rate increases take effect as framework agreements and as hire contracts are renewed, resulting in the benefits of those increases building throughout the year.

Services revenues decreased by 7.8% in the year. Excluding fuel, services revenues were down by 1.6%, affected by general market conditions. Fuel revenue decreased 22.7% compared to FY2023 as a result of the decline in the wholesale price of both diesel and hydrogenated vegetable oil ('HVO'), which does not impact gross margin. Included within Services is £19.8m of revenue from our Lloyds British business (FY2023: £19.6m).

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## Financial review *continued*

### Revenue and margin analysis *continued*

Gross margin<sup>1</sup> increased from 54.3% to 54.6%, resulting from a decrease in lower margin fuel sales, increase in hire rates and a lower depreciation charge offsetting lower utilisation. Hire margin<sup>1</sup> decreased to 78.5% (FY2023: 78.8%) due to pricing increases offset by lower utilisation as a result of softening in customer demand. Asset utilisation on itemised assets for the year decreased to 52.4%, with non-itemised asset utilisation reported at 49.4%. Services margin of 19.4% was impacted positively by the reduction in lower margin fuel revenue (FY2023: 18.9%).

### Overheads

The overheads as disclosed in the income statement can be further analysed as follows:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Distribution and administrative costs <sup>1</sup>	202.9	203.1
Amortisation – acquired intangibles	(0.6)	(0.4)
<b>Underlying Overheads</b>	<b>202.3</b>	<b>202.7</b>

Disciplined cost management, with savings realised from our operational and management restructuring in the last financial year, has meant that we have maintained our underlying cost base even whilst implementing significant salary increases (£7.2m annual investment) for our people and absorbing inflationary pressures. As a result, underlying overheads<sup>1</sup> were 0.2% lower at £202.3m (FY2023: £202.7m). To ensure we can continue to invest in our five-year Velocity growth strategy, we are continuing to control costs through initiatives to improve operational efficiency and targeted supply chain improvements.

Total headcount decreased 2.4% in the year, and average headcount 3.3%, as a result of depot optimisation and restructuring projects.

	2024 £m	2023 %	%
Headcount at year end	3,293	3,375	(2.4)%
<b>Average headcount during the year</b>	<b>3,409</b>	<b>3,524</b>	<b>(3.3)%</b>

<sup>1</sup> From underlying performance; excludes non-underlying items.

### Non-underlying items

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Asset write-off	–	20.4
Other professional and support costs	1.9	1.4
Restructuring costs	3.9	6.7
Transformation costs	3.2	–
<b>Total</b>	<b>9.0</b>	<b>28.5</b>

In October 2023, the Group acquired GPH, advancing the Group's sustainable offering to customers and evidencing the Velocity strategy in action. In addition to the acquisition of GPH, the Group also incurred costs in respect of the formation of SHS, the joint venture with AFC Energy Plc. The costs incurred relate primarily to professional and other supporting fees, amounting to £1.4m in total.

An external review of the entire depot network was commissioned in the year, to assess the condition of each site and the dilapidations that may be payable under the respective lease agreements. This is the first review of its kind undertaken by the Group, and it is not expected that a similar exercise of this scale will be required going forwards. Fees in relation to this review total £0.5m.

The Group incurred further, non-underlying, restructuring costs associated with moving towards its target operating model. At the year end, the Group had exited all B&Q concessions and our products and services are now available for digital hire in-store within B&Q and Tradepoint locations, as well as on the respective websites. In evolving our partnership with B&Q and moving to a more digitally focussed model, the Group incurred £2.7m of non-recurring losses.

The remainder of the restructuring costs included costs associated with depot optimisation and restructuring projects of £1.2m.

The investment in implementing our Velocity strategy and executing our transformation programme represents a significant cost to the business and resulted in an incremental cost of £3.2m to the business in the year.

Detail on the non-underlying items which occurred in FY2023 can be found in note 4.

### Interest and banking facilities

The Group's net interest on borrowings increased to £7.7m (FY2023: £5.1m) reflecting higher average gross borrowings throughout the year following the acquisition of GPH and the impact of increased interest rates. Interest on lease liabilities increased to £5.0m (FY2023: £3.5m). The Group's main bank facilities expire in July 2026, with the additional uncommitted accordion of £220m remaining in place through to this date. The facility continues to give the Group headroom with which to support organic growth and acquisition opportunities.

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## Financial review *continued*

### Interest and banking facilities *continued*

The facility includes quarterly leverage<sup>1</sup> and fixed charge cover covenant tests which are only applied if headroom in the facility falls below £18.0m. The Group tested and maintained significant headroom against these covenants in the year.

Borrowings under the facility are priced based on SONIA plus a variable margin, while any unutilised commitment is charged at 35% of the applicable margin. During the year, the margin payable on the outstanding debt fluctuated between 1.55% and 2.25% dependent on the weighting of the asset base on which borrowings are based between receivables and plant and machinery. The effective average margin in the year was 1.92% (FY2023: 1.84%).

The Group utilises interest rate hedges to manage fluctuations in SONIA. The fair value of these hedges was £0.4m at 31 March 2024 (FY2023: £1.0m). The hedges have varying maturity dates, notional amounts and rates and provide the Group with mitigation against interest rate rises. Over the next 12 months c.50% of the expected net debt is hedged. As of May 2024, 73.3% of the Group's net debt is hedged with a weighted average hedge rate of 4.1%, before bank margin.

### Taxation

The Group seeks to protect its reputation as a responsible taxpayer and adopts an appropriate attitude to arranging its tax affairs, aiming to ensure effective, sustainable and active management of tax matters in support of business performance.

The tax charge for the year was £2.4m (FY2023: £0.6m), with an effective tax rate of 47.1% (FY2023: 33.3%). Adjusting for the impact of non-underlying items, the effective tax rate for FY2024 was 29.3% (FY2023: 20.2%).

### Shares and earnings per share

At 31 March 2024, 516,983,637 Speedy Hire Plc ordinary shares were in issue (FY2023: 516,983,637), of which 4,106,820 were held in the Employee Benefit Trust (FY2023: 4,162,452) and 55,146,281 were held in Treasury (FY2023: 55,146,281).

Adjusted earnings per share<sup>4</sup> was 2.35 pence (FY2023: 4.96 pence<sup>5</sup>). Basic earnings per share<sup>4</sup> was 0.59 pence (FY2023: 0.25 pence), with both years impacted by non-underlying items in their respective years.

### Balance sheet

The Group has maintained a strong balance sheet and is well placed to continue to pursue financial and strategic objectives despite the macroeconomic uncertainties.

Total capital expenditure during the year amounted to £51.5m (FY2023: £60.9m).

We have continued to invest in the hire fleet with additions of £42.5m in FY2024, of which 63% relate to carbon efficient ECO products in line with our target to be a net zero business by 2040 and the increasing relevance of sustainable solutions, including customers mandating zero site emissions in some instances. The acquisition of GPH also contributed a further £11.8m of hire fleet additions in the year. Itemised asset utilisation has decreased to 52.4% (FY2023: 54.4%), with non-itemised asset utilisation 49.4%.

Expenditure on non-hire property, plant and equipment of £9.0m (FY2023: £8.8m) represents the investment in our properties and IT capabilities.

Proceeds from disposal of hire equipment were £16.1m (FY2023: £17.4m). The decrease was driven primarily by an exercise to dispose of certain underutilised assets, resulting in a lower condition of assets being taken to auction attracting lower proceeds.

The Group expects to invest further in its hire fleet to support revenue growth in FY2025, with budgeted capex of c.£55.0m to support growth aspirations.

Net property, plant and equipment (excluding IFRS 16 right of use assets) was £233.1m as at 31 March 2024 (FY2023: £237.7m), of which equipment for hire represents 90.3% (FY2023: 87.5%).

Following the write-off of assets in FY2023, the Group has implemented additional controls including enhanced senior engagement and involvement, weekly perpetual counts and full counts in September and March. The asset count performed in March 2024 did not identify any significant issues and indicated that the improved controls were operating effectively.

Intangible assets increased to £39.7m (FY2023: £25.0m), following the acquisition of GPH.

Right of use assets of £97.3m (FY2023: £83.2m) and corresponding lease liabilities of £97.6m (FY2023: £86.1m) have increased in part due to new vehicle leases to support the move to a lower carbon fleet as well as property lease renewals, offset in part by depot closures and consolidations.

Continued focus on reducing overdue debt coupled with strong cash collections have resulted in gross trade receivables of £97.3m at 31 March 2024 (FY2023: £102.2m). Bad debt and credit note provisions were £3.4m as at 31 March 2024 (FY2023: £4.3m), equivalent to 3.5% of gross trade receivables (FY2023: 4.2%). In setting the provisions the Directors have given specific consideration to the impact of macroeconomic uncertainties. Whilst the Group has not experienced a significant worsening of debt collections or debt write-offs to 31 March 2024, we continue to monitor the situation closely.

Debtor days as at 31 March 2024 were 64 (FY2023: 61 days). Trade payables as at 31 March 2024 were £44.9m (FY2023: £39.1m). Creditor days were 40 days (FY2023: 37 days).

<sup>1</sup> Leverage: Net debt<sup>2</sup> covered by EBITDA<sup>3</sup>. This metric excludes the impact of IFRS 16.

<sup>2</sup> See note 21 to the Financial Statements. This metric excludes lease liabilities.

<sup>3</sup> See note 12 to the Financial Statements.

<sup>4</sup> See note 10 to the Financial Statements.

<sup>5</sup> Revised, see note 31 to the Financial Statements.

## Financial review *continued*

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### Cash flow and net debt

Cash generated from operations (before changes in hire fleet) for the year was £94.2m (FY2023: 88.7m), representing 97.3% (FY2023: 85.5%) conversion from EBITDA, reflecting the continued focus on working capital improvements. Free cash flow<sup>1</sup> increased to £23.5m (FY2023: £10.6m), as cash disciplines across the business were reinforced.

Net debt<sup>1</sup> increased by £8.9m from £92.4m at the beginning of the year to £101.3m at 31 March 2024, reflecting £20.2m for the acquisition of GPH funded from the Group's existing facilities. Excluding the impact of IFRS 16, leverage<sup>2</sup> increased to 1.5 times (FY2023: 1.3 times).

The Group retained substantial headroom within its committed bank facility throughout the year, with cash and undrawn facility availability of £56.7m as at 31 March 2024 (FY2023: £83.5m).

### Dividend

The Board has proposed a final dividend for FY2024 of 1.80 pence per share (FY2023: 1.80 pence per share) to be paid on 20 September 2024 to shareholders on the register on 9 August 2024.

The cash cost of this dividend is expected to be c.£8m. This takes the total dividend for FY2024 to 2.60 pence per share (FY2023: 2.60 pence per share), following an interim dividend of 0.80 pence per share (FY2023: 0.80 pence per share).

The dividend proposed represents a temporary deviation a from the Group's capital allocation policy, however is in line with our Velocity strategy of enhancing shareholder returns and is affordable, twice covered by free cash flow in the year.

### Capital allocation policy

The Board intends to continue to invest in the business in order to grow revenue, profit and ROCE. This investment is expected to include capital expenditure within existing operations, as well as value enhancing acquisitions that fit with the Group's strategy and are returns accretive.

The Board's objective is to maximise long-term shareholder returns through a disciplined deployment of cash generated, and it has adopted the following capital allocation policy in support of this as highlighted as part of our Velocity strategy:

- Organic growth: the Board will invest in capital equipment to support demand in our chosen markets. This investment will be in hire fleet and IT systems to better enable us to serve our customers;
- Regular returns to shareholders: the Board intends to pay a regular dividend to shareholders, with a policy of growing dividends through the business cycle, and a payment in the range of between 33% and 50% adjusted earnings per share;
- Gearing and treatment of excess capital: the Board is committed to maintaining an efficient balance sheet. The Board has adopted a target leverage in the region of 1.5x through the business cycle, although it is prepared to move outside this if circumstances warrant;
- Acquisitions: the Board will continue to explore value enhancing acquisition opportunities in markets adjacent to, and consistent with, its Velocity strategy.

The Board continues to believe that a strong balance sheet is appropriate for the current stage of the cycle to allow the Company to take full advantage of opportunities that arise.

**PAUL RAYNER**  
Chief Financial Officer

1 See note 21 to the Financial Statements. This metric excludes lease liabilities.  
2 Leverage: Net debt<sup>1</sup> covered by EBITDA<sup>3</sup>. This metric excludes the impact of IFRS 16.  
3 See note 12 to the Financial Statements.

# TRANSFORMING SPEEDY HIRE

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Our transformation programme is digitally and data driven, optimising our network, logistics and assets, and powered by our strategic partners and our People First approach that will enhance our colleagues experience and deliver a first class customer service."

**PAUL JACKSON**  
Chief Digital and Transformation Officer

Paul joined Speedy in May 2022 from IKEA where he was Chief Digital Officer for the UK&I business. He spent the first 10 years of his career as a Management Consultant within Accenture's Financial Services practice. He then moved into retail leading Argos' digital and data transformation before moving to Sainsbury's heading up their group-wide CRM and Targeted Marketing capability.

In July 2024 we launched our Velocity growth strategy at the Capital Markets Day held at our award-winning sustainable Innovation Centre in Milton Keynes. Underpinning our Velocity strategy is our group-wide Transformation Programme, built on six key pillars: Technology and Data; Customer Focus; Innovative Growth; Operational Excellence; Speeding up on Sustainability; and People First, that will enable us to achieve our stated financial and non-financial targets.

Designed with the broad aims of improving our internal operations for our people, improving the experience for our customers, and realising our future revenue and margin potential to generate higher returns for our shareholders, the programme is an essential component of driving our sustainable growth strategy.

## Our Transformation Programme



It will enable us to become a digital and data led business, creating a step change in efficiency, and delivering the technical and operational changes required to establish our future business model.

The transformation programme is built around six clearly defined workstreams:

**TECHNOLOGY AND DATA**



**CUSTOMER FOCUS**



**INNOVATIVE GROWTH**



**SPEEDING UP ON SUSTAINABILITY**



**OPERATIONAL EXCELLENCE**



**PEOPLE FIRST**



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**Technology and data**

Our transformation programme is being driven by leveraging technology and data to drive simplicity and efficiency to support sustainable profitable growth.

By deploying digital and data technology we are significantly improving many aspects of how we operate and manage the business. We are embedding systems to fully automate processes that will make our business, and our customers experience faster and more efficient.

From using artificial intelligence ('AI') to reliably forecast stock levels that meet customer demand, to using data and analytics to provide trusted, actionable insight that drives decision making in logistics, pricing and engineering. We are using data and AI to be more efficient, provide even better levels of service and make better decisions.

Partnering with leading suppliers and using state-of-the-art technology solutions to simplify work and reduce admin, we are:

- Using data and market intelligence to be systematic around identifying leads and business opportunities.
- Deploying systematic account management targeting and CRM techniques with aligned employee incentives.
- Integrating more partners to strengthen our unique proposition of delivering the broadest range of hire products and services in the market, including our own assets, rehire and complementary services.
- Providing data services to add value to our proposition and increase margins through services including carbon usage reporting to assist customers' ESG requirements.

**Strategy in action: Working with Microsoft to power BI**

During the year we introduced Power BI, an advanced business intelligence and data visualisation tool developed by Microsoft. This tool enables users to connect to various data sources, transform and clean the data, and create interactive visualisations and reports. By utilising Power BI, management can easily analyse and explore data to gain valuable insights and make well-informed business decisions.

We adopted Power BI as a flexible and effective tool that will revolutionise our internal data analysis, enabling us to make better informed business decisions and unlock valuable insights into our business.

The technology offers a wide range of benefits, including its collaborative and sharing capabilities, and its ability to allow for real-time collaboration on reports and dashboards, making it effortless for teams to collaborate on data analysis.

During FY2025 we will be implementing Power BI across all business functions, making it available to all colleagues with a robust training and feedback plan to ensure the system remains dynamic in ensuring it meets the unique requirements of all business functions.

We are also using Power BI to help our customers by providing them with validated, purpose led carbon reporting so they can trust our data to make the right carbon choices. With the increasing rise in the importance of carbon reporting and the risk of greenwashing, purpose-led, accurate and validated data has never been more important. Therefore, in FY2024 we developed our first ever customer power BI carbon dashboard that quantifies and reports the carbon emissions for both our hire equipment and transport. Our calculator has been independently verified by Hydrock to industry standards such as RIC's professional Statement Whole Life Carbon assessment for the Built Environment so our customers can trust we are reporting to reputable industry carbon standards.



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# CUSTOMER FOCUS AND INNOVATIVE GROWTH



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We have an unwavering focus on providing the easiest, most convenient customer experience in hire, and we are driving growth through innovation, choice and creating value for our customers."

**ASIF LATIEF**  
Chief Commercial Officer



During the year Asif Latief was appointed into the newly created role of Chief Commercial Officer on the Executive Team. With over 20 years' experience in the hire industry at board level, Asif has spearheaded positive strategic and operational change in fast growth, multi-site companies. At Speedy Hire, Asif is focused on driving a performance-driven culture and creating a commercial framework to accelerate our growth.

Our aim is to be the easiest business to deal with for customers, by providing a fast, comprehensive, and efficient service with a consistent and painless customer experience across all contact points, combined with a consistent single 'shop front' view across all channels such as our website, app and catalogue.

We are developing a single digital platform where customers and colleagues can place an order with a click of the button, with assets delivered to the right place at the right time with no manual intervention. By providing the most convenient and accurate delivery offer in the market with a system that gives customers more control, assets can be delivered in specific timeslots to specific locations of our own or third-party collection points.

With an increasing number of trade and retail customers looking to hire online, being able to order simply and quickly is paramount to their customer experience. We are focusing on providing these customer segments with scalable digital channels that are intuitive, flexible and designed to present cross-sales opportunities with every hire purchase. In addition, it's vital that we understand our customer behaviour and buying preferences.

By implementing an improved customer relationship sales and marketing system integrated into our digital platforms, we will be able to use internal and external data to better understand our customers buying behaviours and target our sales and marketing activity more effectively.

### Strategy in action: Collaboration to drive new market revenue

As part of our long-term Trade and Retail strategy we have developed our partnership with leading home improvement and garden living retailer, B&Q, to facilitate in-store digital tool hire services from over c.300 B&Q stores nationwide. Exclusively, in collaboration with Speedy Hire, the partnership will enable tradespeople and consumers to hire tools for home delivery both in store at the B&Q till as part of their overall shopping transaction, or 24/7 via B&Q's websites, diy.com and trade-point.co.uk.

This major new development enables nationwide access to tool hire at B&Q with our most popular products available to hire digitally in-store through the customer proposition of 'B&Q Tool Hire', powered by Speedy Hire. Customers will benefit from the opportunity to buy products and hire tools in one simple transaction across multiple channels.

# c.61,000

customers in the UK and Ireland, ranging from large national contractors to local trade and retail



# CUSTOMER FOCUS AND INNOVATIVE GROWTH



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To achieve our ambitious growth plans, we need to leverage one of our proven capabilities; innovating the market. For over 45 years we have a proven track record of product and service innovation, and we are focused on applying those principles to sales, marketing, pricing and reducing cost-to-serve which is essential to optimise overall cash margin.

We entered a three-year exclusive sole supplier partnership with NiftyLift to design, manufacture and bring to market the world's first hydrogen-electric powered access platform. We have 100 of these state-of-the-art machines in our fleet, which have received positive customer feedback on their performance and reliability.

Understanding customers' needs for today and tomorrow is essential in future proofing our order book. To that end we are bringing carbon zero products, and reporting services to our National customers to assist them in achieving their sustainability targets associated with the major projects they are contracted on in London and the major cities across the UK.

We have a strong sales pipeline and during the year we have won and extended major contracts with national contractors including Babcock, Vistry Group, Morgan Sindall, Balfour Beatty, Aggregate Industries and Lanes Group, and Cadent, the UK's largest gas distribution company.

### Strategy in action: Supporting Vistry Group with green power

In October 2023 we acquired sustainable power solutions specialist, Green Power Hire Limited ('GPH'), a recognised industry-leading owner and supplier of Battery Storage Units ('BSU') to the UK rental market, mainly to the construction sector. GPH's BSUs, with their market-leading digital capability, enable customers to achieve both financial and environmental savings compared to alternative systems available.

The strategic acquisition was made to meet the strong demand from our current and potential new customers for eco products and sustainable power solutions, with an increasing number of tenders specifying BSUs. The acquisition positions the Group as a market leader in a key growth segment, providing it with the critical mass to meet demand from its customers and enabling it to retain more of the margin from directly hiring to its customers. Up until the acquisition, GPH's BSU assets have been provided by Speedy Hire to our end customers on a re-hire basis as part of our Customer Solutions division. The acquisition of GPH enables us to retain more of the margin from directly hiring to our customers.



"At Vistry we're committed to combatting climate change, having set science-based targets and signed up to the 'Business Ambition for 1.5°C', and have published ambitious targets in reducing our absolute scope 1, 2 and 3 emissions. To reduce these emissions to meet our targets we collaborate with our value chain, and Speedy Hire have become a key partner in helping us achieve our aims."

We are utilising a range of Speedy Hire's eco products, including green power on-site. By doing this we can operate sites that are not only more sustainable for the environment as a whole, but also create better environments for our people on the ground and the local communities we serve by improving air quality and reducing noise pollution."

**ALEX ROBERTS**  
Head of Sustainability  
Vistry Group





# SPEEDING UP ON SUSTAINABILITY

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We're accelerating on sustainability through our Decade to Deliver strategy, leading the industry on ESG to become a net zero carbon business by 2040."

**AMELIA WOODLEY**  
ESG Director

**Amelia joined Speedy Hire as ESG Director in April 2021 and was subsequently appointed to the Executive Team in April 2023. Amelia is an award winning sustainability leader with over 20 years' experience spearheading sustainability strategies across multi-billion pound infrastructure, rail and construction projects and PLCs. Amelia is Chair of the Speedy Hire ESG Committee and is also invited to attend the Policy Liaison Group for ESG. Outside of Speedy Hire Amelia is a member of the All Party Parliamentary Group (APPG), Board of Directors for Bright Future and Trustee and Vice Chair of the St. Alban's Scouts, and a member of the IEMA Sustainable Finance Steering Group.**

Being a responsible, sustainable business is one of our founding principles for future profitable growth. For our National and Regional customers who have their own stretching sustainability targets, we are providing the latest, most innovative commercially sustainable products on the market. Our ECO products now account for 55% of our revenue, demonstrating customers' increasing demand and our commitment to reducing carbon emissions. For trade and retail customers, hire is a sustainable way to solve the problem of purchased tools being used infrequently, getting old instead of getting used. Hiring tools delivers carbon and waste savings while helping people save money and space. And for us, leading the sustainability agenda will not only future-proof our commercial offering, but it is simply the right thing to do for our environment, our people, and the communities we operate in.



# 55%

Our ECO products now account for 55% of our revenue

We aim to cement a position as the Green Icon of Hire by:

- Accelerating innovation: Investing in eco products to reach 70% by 2027 and implementing circular economy solutions.
- Developing climate solutions: Offering net zero solutions and carbon and ESG reporting across our value chain, becoming Nature Positive by 2030, and a net zero business by 2040, ten years ahead of the UK Government target.
- Including Everyone, by focusing on diversity, equity and inclusion, social values and wellbeing.
- Being a positive force as part of the community, by supporting local charities, communities and local businesses, customers and supply chain partners.

Our ambition is to start a revolution that changes the way people see hire, bringing this great sustainable choice to more people, places and products than ever before. It's time for change and the faster we can deliver it, the sooner we can make this the decade of sustainable hire.

### Strategy in action: Recognised as a climate leader

In February 2024 we achieved a CDP A-ranking, up from a previous score of B, only a year prior. This significant achievement is a result of our commitment to sustainable practices, environmental transparency, science-based targets, data and reporting. To earn an A/A- score from CDP, organisations must show environmental leadership, and disclosing action on climate change, deforestation or water security. This A- rating puts Speedy Hire in the leadership category ahead of the Europe-wide average score of B and industry average of C.

We were also named as a European Climate Leader for 2023 by the Financial Times, from an annual list compiled by the Financial Times in partnership with Statista, which elects 500 European and UK companies that lead their industry in environmental performance and credentials towards achieving net zero.

# OPERATIONAL EXCELLENCE



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**We're investing in world class operations and processes."**

**DANNY JOHNSON**  
Managing Director, UK & Ireland

**Appointed to the Executive Team in January 2023, Danny joined Speedy in December 2001, and has undertaken a variety of roles within the business including Sales Director, Regional Director and Managing Director. Danny is also Chair of the Operations Committee.**

At the core of achieving operational excellence is evolving our Service Centre network to become fulfilment and engineering centres, focusing on the management of our assets and delivering exceptional customer service. We will continue to develop our network by creating newer, larger energy efficient centres that operate at scale, enhancing engineering capabilities to drive increased asset availability, and improving the working environment for our people.

**601**

electric and hybrid commercial vehicles, equating to 57% of our hire fleet

Technology and AI will play a key role in optimising our operations in supporting asset management and utilisation which will result in future reductions in capital spend. We are targeting greater stock accuracy from improved depot processes, systems and data, utilising advanced analytics driven asset forecasting to enable optimal asset placement while reducing the cost to fulfil orders through automated order processing.

We operate hundreds of electric and hybrid commercial vehicles, which is having a significantly positive impact on reducing our carbon footprint. To enhance our vehicle delivery and collection operations further, we will introduce centrally managed logistics, using live data from across the network to plan the most effective routes.

### Strategy in action: AI driven operational excellence

Our operations are increasingly data driven in support of our strategy to deliver sustainable profitable growth. Artificial Intelligence ('AI') is helping us accelerate our pathway to achieving sustainable growth.

For optimal operational efficiency and reducing cost-to-serve, we need to ensure we have the right products to meet customer demand, in the right place, at the right time, in the most efficient way to provide exceptional service. Our strategic collaboration with Peak; a market-leading AI Platform company will drive revenue and profit growth, efficiency, and optimisation across the value chain through integrating their software into our systems.

The successful use of AI will be key in further enhancing our ability to optimise our asset holdings throughout the implementation of our growth strategy, through dynamic forecasting which will continue to achieve strong asset utilisation rates on our hire fleet, as well as with our logistic operations and property network.



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# PEOPLE FIRST



**We're working hard and have made significant strides in becoming an employer of choice, with the ambition of becoming a Sunday Times Best Place to Work business."**

**ELLIE ARMOUR**  
Chief People Officer



**Ellie was appointed to the Speedy Hire Executive Team in October 2021, coming from one of the largest engineering companies in Europe, SPIE. Ellie has over 30 years' HR experience covering hospitality, retail, logistics, facilities management, and engineering, holding senior HR posts in DHL Supply Chain Logistics and Tesco. Since joining Speedy Hire, Ellie has brought together a function that is fully integrated into the business, developing our people and driving our People First ways of working.**

We recognise that every sustainably successful business employs a culture where people are both encouraged to strive to achieve to their full potential, and equally supported in delivering outstanding performance. At Speedy Hire our People First approach underpins our Velocity growth strategy; keeping our colleagues engaged in transformation, introducing new skills development and creating inclusive working environments. We ensure our colleagues are at the heart of everything we do, by living our values every day.

During the year we have built on this culture, becoming recognised as a Top 50 Inspiring Work Place by the Inspiring Workplaces Group ('IW'). We have reduced our voluntary attrition rate to a record low of 16.1% and enhanced our colleague's experience by:

- Investing £7.2m in base pay
- Sustaining our overall people engagement score, two points ahead of the benchmark
- Improving colleague wellbeing through the roll-out of Speedy Hire Work Life Balance
- Further supporting colleague mental health with the launch of our Make it Visible campaign in association with the Lighthouse Club
- Creating more opportunities to develop with new customer service, front line management and leadership development programmes
- Investing in more apprenticeships and professional training for new and existing colleagues
- Progressing our female diversity with bespoke mentoring and development
- Implementing the UN's Women Empowerment Principles
- Launching our new Race and Ethnicity affiliate group
- Improving systems and digitising processes to make it easier for them to work for us in their everyday roles.

We also have a sharp eye on the future by upskilling existing colleagues and attracting new talent with new skills such as digital, data and IT systems in order to achieve our Velocity strategy.

Recognising the role of diversity and inclusion is a key pillar that reflects our values and will help drive our ambition.

Both our Plc Board and Executive Team have an executive member from a minority ethnic background and each have two female executive members. We are actively encouraging more women into the organisation and ensuring that the progression opportunities are open to everyone equally. It was a pleasure to appoint our first female Managing Director for Hire to the Senior Leadership Team, earlier this year. We are working hard to overcome perceived challenges resulting from the under-representation of women, those from a minority ethnic background that exist within the construction industry and are actively promoting this through our award winning ESG strategy 'Decade to Deliver'.

More information on our People First strategy can be found within our ESG report on pages 39 to 41.

### Strategy in action: Promoting gender equality

In September 2023, Speedy Hire became the first in UK hire to sign up to the UN Women's Empowerment Principles, which offer guidance to business on how to advance gender equality and women's empowerment. In the six months since becoming a signatory, our score has more than doubled, demonstrating the hard work and commitment of our gender affinity group and the business areas responsible for the individual focus areas.

We have made progress against multiple categories, with a notable increase in our Leadership and Strategy score, and now have a clear action plan to achieve further improvements.

We were proud that our work to drive social value through the United Nations Target Gender Equality programme featured as a case study in a Supply Chain Sustainability School webinar in December 2023, focused on social value initiatives outside of the mainstream.

# 3,293

colleagues as at 31 March 2024

Bringing our Velocity strategy in action together...

# THROUGH SUSTAINABLE INNOVATION AND COLLABORATION

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### Delivering expertise in the nuclear sector

The UK government is committed to generating a significant proportion of its electricity from nuclear power, with plans to achieve up to 24 GW of nuclear capacity by 2050, contributing to 25% of the country's electricity requirements. Using nuclear power will help address the climate change crisis and ensure energy security, with projects like Hinkley Point C leading the way.

We have embarked on a journey in nuclear, solidifying our position as a trusted partner to tier one contractors, SMEs and communities. Entering the nuclear sector presents unique challenges, including rigorous safety regulations, compliance requirements and the need for a deep understanding of the intricacies of nuclear projects.

Speedy Hire's specialist nuclear team understood that working at Hinkley Point C wouldn't be like working at a typical construction site. CRB checks and extensive training are required to access the site, and certification for all products is required. Ensuring that every component that goes into the nuclear reactors are safe, documented, tested and recorded is vital. Speedy Hire formulated a mission within the nuclear sector that extended beyond traditional equipment supply by expanding their nuclear offering and enabling the successful delivery of the project while upholding values such as health, safety, compliance and environmental responsibility.

Kier BAM Joint Venture ("KBJV") have played a vital part in delivering the construction work at Hinkley Point C. The team delivered the first phase of the project, including excavation and large scale earthworks, which Speedy Hire provided equipment from all parts of the business for.

"Speedy Hire has proved invaluable in contributing to our ability to deliver this complex project. The knowledge of the team, linked to the instant availability of equipment and additional services means we can react quickly to the ever-changing needs of our client. The on-site depot allows our teams to start work once a works order is issued, with zero down time waiting for items to be delivered. The addition of a bespoke reporting suite and regular meetings with the Speedy team mean our project costs are being kept firmly on track, which is absolutely key for a project of this scale."

**MARK FREEMAN**  
Senior Logistics Lead at Kier BAM Joint Venture



Speedy Hire has proved invaluable in contributing to our ability to deliver this complex project."

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# SAFETY OF OUR PEOPLE AND COMMUNITIES



The safety, health and wellbeing of our colleagues and customers is our priority."

**At the core of supporting our Velocity strategy is our commitment to the safety of our colleagues and customers. At Speedy Hire, everyone's safety matters and we share a collective responsibility to keep everyone safe. That is why this is a key value in our Velocity strategy.**

Our Health and Safety Management System is designed to eliminate accidents and injuries at work and ensure that safety remains a fundamental element of everyone's mindset across our operations, whether in our workplaces or at customers' sites. During the reporting period key developments included:

- Company-wide implementation of our STOP Campaign (an idea from a member of our active Safety Committee) to remind colleagues to take a moment to Stop, Think, Organise and Proceed (STOP) before starting a task and preventing an accident from occurring.

- Further development and promotion of the use of EcoOnline, our safety management reporting system for every colleague in the business to manage safety incidents, accidents, environmental incidents and hazardous and near miss reporting. EcoOnline also enables colleagues to record positive examples of safety practices, providing the data for us to drive continual improvement through corrective action logging and root cause analysis.
- The launch of our Collective Responsibility Safety Programme to drive improvements and enhance monitoring and reporting, covering six key areas where improvements included:

### People First

We held colleague safety engagement days through our Visible Leadership programme with senior leaders attending all of our sites, hosted Walk and Talk conversations to promote health and wellbeing, and improved workwear and PPE. We also took the opportunity to revisit our principal safety rules and relaunch them as 'Our Commitments' highlighting the key principles in how we behave and engage with the safety agenda on a daily basis.



### Safety organisation

Recognising the importance of consulting with and listening to our colleagues, we completed a pulse safety culture survey where responses helped shape our Health, Safety, Security, Environmental & Quality ('HSSEQ') Plan for 2024. We saw an improved survey response rate of 8% compared to 2022, along with a 16% increase in understanding how and where to report incidents, which provides for greater transparency and accurate date collation. We also implemented our HSSEQ communications strategy, held quarterly Safety Committee meetings, and undertook major incident testing of Crisis Management Plans and Business Impact Assessments.

### Training

We provided safety training to all our leaders, managers and supervisors, including in Leadership Safety Culture training, Construction Design & Management awareness and IOSH approved Managing Safety Health Environment for 200+ colleagues.

### Health

We continued to provide occupational health screening tests to our colleagues in National Service Centres. We also registered our defibrillators with The Circuit to allow public use, delivered CPR training to many colleagues, and promoted a wellbeing calendar with events and activities.

### Innovation in safety

We installed EcoOnline, StaySafe and What3Words onto our drivers Personal Digital Assistant ('PDAs') and invested in a forklift truck fleet with enhanced HALO safety features. We continue to work with and support many industry-leading associations such as HAE, LEEA, IPAF, RISQS and IOSH, ensuring that we remain at the forefront of knowledge, understanding and collaboration.

### System improvements and awards

Whilst enhancing EcoOnline dashboards/reporting, we also established a 'Safe' scorecard for operational colleagues, consolidated COSHH assessments, launched a lone worker support app, and improved our Point of Work Risk Assessments ('POWRA').

We recorded 0.22 RIDDOR accidents per 100,000 hours worked. While we recognise this is an increase on last year's rate of 0.12, the underlying trend for the past three years has been downwards. Our Lost Time Incident Frequency Rate has improved over the reporting period from 0.63 in March 2023 to 0.42 in March 2024.

We also enjoyed a record year of leading indicators (number of hazards reported, near misses and positive observations), up 73.3% at 6,991 events recorded compared to 4,034 in the prior year.

In FY2024 Speedy Hire were awarded the prestigious President's Award by the Royal Society for the Prevention of Accidents (RoSPA) having been awarded ten consecutive RoSPA Gold Awards. This remarkable achievement reflects our unwavering commitment to the wellbeing of our colleagues, customers and communities by setting the highest standards of health and safety across the industry.

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Financial KPIs

Revenue (£m)



A measure of the work we are undertaking.

Adjusted EBITDA<sup>1</sup> (£m)



A measure of operating return before depreciation, profit/loss on planned disposals of hire equipment, amortisation and non-underlying items.

Operating profit (£m)



A measure of profit we generate from core operations before the impact of financing and tax.

Operating cash (£m)



A measure of cash generated from operating activities, including changes in hire fleet.

Net debt<sup>2</sup> to EBITDA<sup>1</sup> (times)



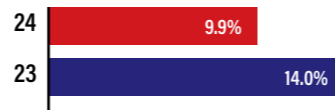
A measure of how leveraged the balance sheet is.

Utilisation<sup>3</sup> (%)



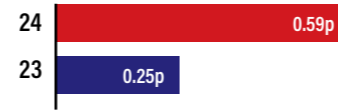
A measure of how many of our itemised assets are on hire to customers by net book value.

ROCE<sup>4</sup> (%)



A measure of how well Speedy is delivering a return from the capital invested.

Earnings per share (pence)



A measure of the return generated for the holder of each of our ordinary shares.

Adjusted earnings per share<sup>5</sup> (pence)



A measure of the return generated for the holder of each of our ordinary shares, adjusted to exclude amortisation of acquired intangibles and non-underlying items.

Dividend per share (pence)



A measure of the total return awarded to the holder of each of our ordinary shares.



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1 Operating profit before depreciation, amortisation and non-underlying items, where depreciation includes the net book value of planned hire equipment disposals, less the proceeds on those disposals (profit or loss on planned disposals of hire equipment). See note 12 to the Financial Statements.  
 2 This metric excludes lease liabilities. See note 21 to the Financial Statements.

3 Utilisation of itemised assets.  
 4 Return on Capital Employed: Profit before tax, interest, amortisation and non-underlying items divided by the average capital employed (where capital employed equals total equity and net debt<sup>3</sup>), for the last 12 months. See note 12 to the Financial Statements.  
 5 See note 10 to the Financial Statements.

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# ESG report

## SPEEDING UP ON SUSTAINABILITY



“As a sustainability leader in UK hire, Speedy Hire's solutions and services are helping to decarbonise a construction and infrastructure industry that contributes significantly to global carbon emissions.”

AMELIA WOODLEY  
ESG Director

We have made great strides to date against our Decade to Deliver Environmental, Social, Governance ('ESG') strategy to develop the hire industry of the future, through innovation, decarbonisation, developing green skills and delivering positive social impact. We are delighted that our efforts have been recognised in awards and accreditations from respected bodies.

### Delivering our sustainability strategy

Sustainability is core to Speedy Hire's vision, mission and Velocity strategy, at the heart of which is our ambition to become the most efficient and sustainable UK hire business. Our goal is to inspire and innovate the future of hire and accelerate sustainable growth. This is supported by our sustainability strategy, The Decade to Deliver – its name reflects our belief that the next ten years will define the next 100 years. The strategy is built on four pillars that guide our work to deliver on sustainability for our customers, people, communities and planet.

The core purpose of our strategy is to drive a hire revolution, inspiring people to make hire their first choice and bringing this sustainable option to more people, places and products. Along with our quest to make the shared use model of hiring tools and equipment even more sustainable than it intrinsically is, a core focus is on helping every project – large or small – to use less carbon and more efficient products. The Decade to Deliver is also about accelerating change and the Working Together pillars of our strategy help us achieve this through upskilling our colleagues, welcoming everyone into the Speedy Hire family and supporting charities. We recognise that more can be achieved by working together and collaborate closely with our customers, suppliers and communities to optimise our environmental and social impact.

THE DECADE TO DELIVER

**A HIRE REVOLUTION:**  
*Inspiring people to make Hire their first choice*

**WORKING TOGETHER**

Speedy

ACCELERATING INNOVATION	CLIMATE SOLUTIONS	INCLUDING EVERYONE	PART OF THE COMMUNITY
<p>Hire is built for sustainability. This decade we're going to make hire even more sustainable than it already is by working even harder with our customers, suppliers and investors to push for even better designed products: built to last, designed to be repaired and made to be recycled.</p>	<p>When it comes to climate change, we're all facing the heat. We're going Net Zero Carbon, fast and we are helping our customers do the same. That means accelerating towards low carbon delivery vehicles and innovative products and services to help our customers respond rapidly.</p>	<p>Delivering on the promise of a sustainable Speedy requires great people working together on shared goals. At Speedy we look out for one another and help each other grow. By welcoming everyone into the Speedy family and helping them be the best they can be, we can really make this decade count.</p>	<p>Speedy people are part of local communities all over the country. It's in our nature to join in, help solve the challenges we face today and get ready for the future. A decade of supporting our communities will help make a meaningful difference.</p>

There is more to do to achieve our ambitious targets, and we have a clear plan to address our material issues. The UK's net zero economy grew by 9% in 2023, outpacing overall economic growth of 0.1%<sup>1</sup>, demonstrating the future opportunities for industry-leading companies like Speedy Hire that are supporting the transition to net zero.”

AMELIA WOODLEY  
ESG Director

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## ESG report *continued*

### Building on our recognised sustainability leadership

Since its launch in 2022, The Decade to Deliver strategy has energised our work to build on our strong track record as an industry leader in sustainability.

During FY2024, our ESG performance has been recognised by respected bodies, with awards and accreditations, including:



Named as a Financial Times European Climate Leader for 2023 and 2024, the only hire company to rank, and scoring the second highest among construction companies.



Improved CDP rating, achieving A-, placing Speedy Hire Plc in the Leadership band. For context, the Europe regional average is B-, and the average score for the trading, wholesale, distribution, rental and leasing sector is C. We also received a CDP A for supplier engagement on climate change.



The only hire company, globally, to be accepted by the Exponential Roadmap Initiative and the United Nations Global Compact.



Awarded EcoVadis Gold, placing us in the top 5% of companies and in the top 2% of businesses in the UK for decarbonisation readiness.



HAE ('Hire Association Europe') Winners of the CSR and Sustainability award for our Decade to Deliver Strategy and Best Use of Media award for our Net Zero 2023 Virtual Conference.



Received Gold status for the Supply Chain Sustainability School Plant Charter, underlining our commitment to taking action to reduce emissions from our equipment.



The first company in UK hire to have our near and long-term science-based targets to achieve net zero carbon emissions by 2040 validated by the Science Based Targets initiative ('SBTi'), further enhancing our accountability-focused leadership in sustainability.



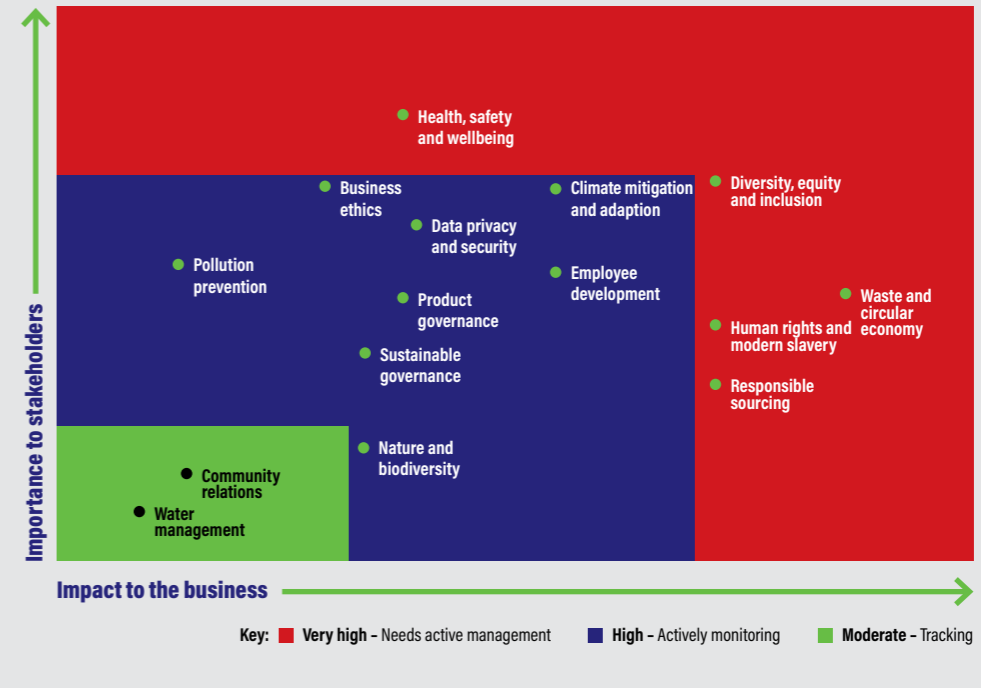
More information about our awards, accreditations and standards is available on our website: [www.speedyhire.com/esg/governance](http://www.speedyhire.com/esg/governance)

### Our material sustainability issues

We want to ensure that our strategy is effective in meeting the needs of stakeholders. We worked with an external consultant, Simply Sustainable, to conduct a materiality assessment to identify and better understand the sustainability topics that matter most to our internal and external stakeholders, and which present the greatest risks and opportunities.

Following our materiality assessment, each of our top five ESG risks and opportunities has also been allocated an Executive Team Sponsor, to embed accountability. The areas are:

- Waste and Circular Economy;
- Health, Safety and Wellbeing;
- Diversity, Equity and Inclusion;
- Modern Slavery and Human Rights; and
- Responsible Sourcing.





ESG report *continued*

# SUSTAINABILITY PERFORMANCE

Our sustainability dashboard, outlining progress against our targets.

Pillar	Goal	Target	Progress to date	Status
<b>ACCELERATING INNOVATION</b>	To be the green icon of hire	70% eco products by volume by 2027	51% eco products by volume (FY2024)	●
		Zero waste to landfill	Zero waste to landfill (FY2024)	●
		85% recycling by 2025	57% recycling (FY2024)	●
<b>CLIMATE SOLUTIONS</b>	Achieve net zero by 2040, and be nature positive by 2030	50% reduction in scope 1 and 2 emissions by 2030 (compared to 2020)	49% reduction in scope 1 and 2 emissions vs FY2020	●
		42% reduction in scope 3 emissions by 2030 (compared to 2020)	11% increase in scope 3 emissions vs FY2020	●
		100% renewable electricity by 2027	94.2% renewable electricity (FY2024)	●
		30% natural gas replaced with alternative fuels and technologies by 2030	41.9% reduction in natural gas (FY2024)	●
		100% of company cars to be electric/hybrid by 2025	99% company cars are electric/hybrid (FY2024)	●
		15% HGVs transitioned to electric by 2030	1.3% HGVs transitioned to electric (FY2024)	●
		25% of HGVs converted to HVO D+ by 2030	35% of HGVs converted to HVO D+ (FY2024)	●
		66% of LCVs will be electric by 2030	17% of LCVs transitioned to electric (FY2024)	●
		35% reduction in hotel use by 2030	8.12% reduction in hotel use (FY2024)	●
		45% reduction in car use emissions by 2030	87% decrease in car use emissions vs FY2020	●
		40% reduction in air travel emissions by 2030	53% reduction in air travel emissions vs 2020	●
		68% reduction in emissions associated with sold diesel by 2030	56.6% reduction in sold diesel emissions vs 2020	●
		18% reduction in sold fossil fuel such as petrol by 2030	12% reduction in emission from sold fossil fuels (FY2024)	●
<b>INCLUDING EVERYONE</b>	To be a Top 100 employer	30% women by 2030	22% women (FY2024)	●
		100% people receive DEI and sustainability training by 2025	95% of people received DEI training (FY2024)	●
		5% of workforce in 'earn and learn' positions by 2026	3.3% of our workforce in 'earn and learn' positions (FY2024)	●
		80% people engagement score by 2027	75% engagement score (FY2024)	●
<b>PART OF THE COMMUNITY</b>	To support local communities	1% profit invested in charitable and community programmes by 2025	1+% of profit donated (FY2024)	●
		3,500+ volunteering days per annum	876 volunteering days (FY2024)	●
		Increase our social value year on year	£29M in social value generated (FY2024)	●

Key: ● On track to meet targets ● Working towards meeting targets ● Not on track to meet targets; working to address

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ESG report *continued*

# SUSTAINABILITY GOVERNANCE

**Being brilliant at the basics**

**Our work to achieve our sustainability targets and ensure a fair and inclusive transition to a low-carbon economy is overseen and guided by a robust governance framework to enable timely, informed and integrated decision making. This is supported by senior leadership oversight and sustainability expertise. The remuneration of our Executive Team is linked to our ESG performance.**

We have sound governance controls and processes in place covering structure and oversight, code of conduct, reporting and the integrity and security of systems. These enable us to make effective decisions while meeting the needs of our stakeholders. We also believe in promoting equality and diversity within the workforce and we work hard to foster that culture within all areas of our business.

Details of our governance structure and approach can be found on our website and include:

- **PLC Board:** The PLC Board approves the Company's ESG strategy and has strategic oversight of ESG-related risks and opportunities. It meets three times a year.
- **Sustainability Committee:** This is a Board Committee responsible for overseeing the ESG strategy, performance against targets, as well as climate-related risks and opportunities. It is chaired by a Non-Executive Director and meets three times a year.
- **ESG Committee:** The Committee is responsible for driving the ESG strategy and performance and chaired by the ESG Director. It is attended by key stakeholders across Human Resources, Operations, Digital, Supply Chain, Legal and Risk. The Committee reports monthly to the Executive Team and to the Sustainability Committee three times per year.
- **Sustainability Roundtable:** The Roundtable is a forum to discuss ESG-related issues with ESG Business Partners from across the business. It is chaired by the ESG Director and meets quarterly. Read more about our ESG Business Partners on page 41.

- **People Like Us ('PLUS') Committee:** Sponsored by the Chief People Officer, the PLUS Committee meets monthly to drive delivery of gender, race and ethnicity, and wellbeing initiatives and KPIs.
- **Sustainability Groups:** These groups cover topics including modern slavery and human rights, social value, climate change and TCFD, nature and ISO 20400. Participants are colleagues from across Speedy Hire, who are supported by ESG experts. The groups meet monthly to offer ideas and support to the delivery of the sustainability strategy and KPIs.

Developments in FY2024 included the refinement of our governance structure to include the PLUS Committee in the wider ESG governance framework, expanding its remit such that its colleague-led affinity network now spans gender balance, wellbeing, race and ethnicity. In addition, Angela Hughes was appointed to the role of ESG Policy, Governance and Compliance Manager. Angela moved from our HR team, upskilling and retraining to work in sustainability – read more about developing green skills on page 41. We have also strengthened our internal processes and governance around investment in and divestment of assets to prioritise the circular economy, as well as net zero and human rights.

Recognising the importance of data to monitoring, reporting on and improving our performance, we invested in Accenture's platform to identify our carbon intensive suppliers to collect scope 3 carbon data and adopt science based targets ('SBTs') to drive carbon reductions. We also worked with a specialist provider, Thrive, to measure our social value creation.

We continue to embed sustainability more deeply throughout our business and to strive for best practice, increasing our efforts to collaborate with our supply chain to ensure our products, goods and services are sustainably sourced, and aligning with the ISO 20400 sustainable procurement standard – read more about this on page 38.

**Strengthening our approach to modern slavery and human rights**  
**An important outcome of the materiality process was the enhanced emphasis on modern slavery and human rights, identified as one of our top five material issues.**



Following a gap analysis undertaken in 2023 against UK and international best practice standards, we have worked to improve the management and monitoring of modern slavery and human rights, with our ESG Director nominated as the accountable Executive Team Member.

A focus on human rights has been embedded throughout our business via mechanisms that include our Human Rights Policy and Anti-Slavery and Human Trafficking Policy, inclusion in our bi-annual ESG horizon scanning exercises, our cross-functional Modern Slavery Working Group, our risk management framework, and the introduction of mandatory training for all employees. Our ongoing work to achieve alignment with ISO 20400: Sustainable Procurement Guidance includes a requirement for suppliers to meet standards in respect of modern slavery and human rights. This is reflected in our supplier onboarding and monitoring processes, including assessing suppliers against dedicated KPIs.

Speedy Hire is a member of the UN Global Compact and is also an active member of a cross-industry Modern Slavery Group with the Supply Chain Sustainability School ('SCSS'). Our work also includes support for survivors of modern slavery – read about our partnership with Bright Future on page 40.

Our ESG disclosure scores on human rights and labour standards, from Moody's, ISS, EcoVadis and the Home Office Modern Slavery Assessment Tool, have improved since strengthening our focus on this topic, positioning us as an industry leader. We continue to work to review and develop our approach to modern slavery and human rights, in line with OECD Best Practice Guidance.



**Read more in our Modern Slavery Statement on our website.**

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ESG report *continued*

# ACCELERATING INNOVATION

**Becoming the green icon of hire**  
We strive to make hire even more sustainable by working closely with our suppliers and investing in eco technologies such as battery, solar and hydrogen, sustainable fuels and engines compliant with Stage V off-highway vehicle emissions regulations. This helps to reduce our emissions and support our customers to meet their carbon commitments.

**55%**  
of revenue generated from eco products.

**51%**  
of our hire fleet transitioned to eco alternatives to achieve our target of 70% eco products by 2027.

**c.13.8m**  
litres of HVO D+ supplied to customers, reducing customer carbon emissions by 109,000 tCO<sub>2</sub>e.

**57%**  
of waste recycled, continued to achieve zero waste to landfill and, against of least 85% of our waste by 2025.

**Investing in eco technologies**  
Our eco roadmap commits us to transition 70% of our itemised hire assets to eco products by 2027. In FY2024, 51% of our itemised assets were eco and 55% of revenue was generated from eco products, reflecting customer demand to reduce their carbon emissions and our commitment to support them.

Key developments in FY2024 included:

- Entered a three-year exclusive partnership with NiftyLift to design, manufacture and bring to market the world's first hydrogen-electric powered access platform. We now have 100 machines in our fleet, and customer feedback on performance and reliability has been positive.
- Acquired Green Power Hire, positioning Speedy Hire as a leader in the high growth, low carbon battery storage unit segment.
- Established Speedy Hydrogen Solutions, a hire business for hydrogen powered generator plant, created in partnership with AFC Energy.
- Awarded a gold status as a signatory to the SCSS's Plant Charter, reflecting our industry leadership in this category.

We are actively monitoring and prioritising the phasing out of fossil fuels from our hire fleet to meet our net zero ambition. In addition to lowering emissions and improving air quality, benefits include enhancing equipment safety by reducing noise and vibration.

**Switching to sustainable fuels**  
As we work with suppliers to develop and invest in eco technologies, we have also continued to supply HVO D+, which reduces tailpipe carbon emissions by up to 90%. In FY2024 we supplied c.13.8 million litres of HVO D+ to our customers supporting the reduction of c.109,000 tCO<sub>2</sub>e compared with diesel, reducing our scope 3 carbon emissions, and improved air quality in relation to nitrous oxide and particulate matter.

**Developing circularity**  
By promoting shared usage as an alternative to ownership, the hire industry directly supports the circular economy, lowering environmental impact by maximising asset utilisation and extending lifecycles through high standards of maintenance, repair and retrofitting, as well as selling on the secondary market or recycling assets at the end of their useful lives at Speedy Hire. All of these elements contribute to reducing the use of resources associated with production of new equipment.



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ESG report *continued*

Accelerating innovation *continued*

Our eco roadmap defines three core principles for our circularity approach: circular product design; repair, refurbish, retrofit; and making hire the norm.

## Our roadmap to 70% eco products by 2027

Solar

Battery

Engine Emissions

Hydrogen

Circularity

**Solar lighting towers and generators**

**Cordless power tools**

*Battery powered light equipment*

*Battery Storage Units and generators (BSU's)*

**Sustainable (HVO D+) alternative to diesel**

*Research into future synthetic fuels*

*Stage V engines (new and retrofit for stage IIIA)*

**Hydrogen fuel cell potential for powered access and generators**

*Supporting infrastructure, manufacturing and distribution of hydrogen supply*

**Circular product design**

*Retrofitting existing products*

*Repairing and refurbishing products*

*Recycling products*

*Making hire the norm*



**Strategy in action**  
**Recyclable temporary fencing**

Exclusive to Speedy Hire, Q-Fence panels are 100% recyclable, which also bring operational benefits compared to the metal panels typically used. These include being non-conductive, unbreakable, reflective and able to be lifted and installed by a single person.

Supplier collaboration is key to developing products that are made to last, easy to repair, contain recycled materials that can be recycled again, and are able to integrate renewable technologies. Speedy Hire's contract requirements state that suppliers shall incorporate the principles of circular economy and identify and report opportunities for promoting resource efficiency, including eliminating waste and pollution and circulating products and materials. Similarly, when we onboard new suppliers, we request details of their sustainability performance and maturity, including their approach to circular economy, waste and recycling. An example of our approach to circular product design is the launch this year of Q-Fence plastic panels (see strategy in action).

Our roadmap includes adopting circular economy practices to reduce carbon, waste, water use and pollution by working with colleagues and suppliers to repair, refurbish, retrofit and/or recycle our products. We have developed an industry-first approach to sustainable batteries, aligning to the Global Battery Alliance ('GBA') vision to have a sustainable battery value chain by 2030. This includes the principle to establish a circular battery value chain, where materials are repaired, reused or recycled. We are also helping our customers to embrace the circular economy, as part of their work to reduce and report their carbon emissions. This includes setting a strategy to achieve zero waste to landfill, targeting reuse of equipment, and collaborating with clients to reduce waste within their own operations and offices.

Through our partnership with B&Q we have continued our drive to make hire the norm among retail consumers, to reduce the environmental impact from underutilised tools.

Circularity will continue to be a focus in FY2025, and we have appointed a specialist consultancy firm to support our progress in the priority areas we have identified.

**Reducing waste**

We continue to work to identify ways of reducing waste and packaging, increase recycling and eliminate non-recyclable waste such as single use plastics. During FY2024 we achieved 57% recycling and sent zero waste to landfill. This has been done by working closely with suppliers and monitoring their packaging, waste and recycling performance against KPIs, and through the continued implementation of

the waste hierarchy and segregation, with clear signage and communications, as well as recycling audits and reporting.

We continue our focus on increasing our recycling rate to achieve 85% recycling by 2025, and to work with our suppliers to reduce packaging waste through understanding the types of packaging used and adopting more sustainable alternatives where possible, such as delivering products to our depots in reusable crates.

**Monitoring water consumption**

We have engaged a supplier to install automatic water meter readers across our property estate in FY2025 to monitor our water use and evaluate how consumption can be reduced.

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ESG report *continued*

# CLIMATE SOLUTIONS

**Decarbonising hire**  
We have continued to invest in initiatives and systems to understand, monitor and reduce emissions in our vehicles (commercial and company cars) and properties and across our hire fleets.



**Setting ambitious net zero targets**

Speedy Hire's science-based net zero target – the first in UK hire to be validated to the most ambitious designation available through the SBTi ('Science Based Target initiative') process – is focused on prioritising 'deep decarbonisation' of direct emissions, with residual emissions being 'neutralised' in line with the SBTi criteria to reach net zero emissions by 2040.

The Company's near-term target commits Speedy Hire to reduce absolute scope 1 and 2 GHG (Greenhouse Gas) emissions by 51.6% by 2030 and to reduce absolute scope 3 GHG emissions by 42% within the same timeframe. Our long-term net zero target also commits Speedy Hire to reducing absolute scope 1, 2 and 3 GHG emissions by 90% by 2040.

As part of our commitment to climate leadership we have aligned our near and long-term targets to a 1.5°C pathway in line with the Paris Agreement, as a minimum. Our scope 3 targets include full value chain emissions – purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, use of sold goods and downstream leased assets.

**Making promising progress on reducing carbon**

Having reduced scope 1 and 2 emissions by 49% compared with our FY2020 baseline, we have made significant progress against our 2030 goal. Our scope 3 emissions have increased by 11% compared to our FY2020 baseline, driven by business growth, increased spend and improved scope 3 supply chain data. Our scope 3 figures to date have been calculated on a blend of spend and activity-related data, but we are now working with Accenture to migrate to activity-based data across capital goods and purchased good and services, which will provide a more accurate representation of our Scope 3 emissions on an absolute basis. Read more in our Corporate Greenhouse Gas ('GHG') Report on page 44, and in our TCFD report on page 49.

The initiatives that have contributed to our performance to date include:

**Scope 1 emissions (7% of our carbon footprint in FY2020 reduced to 4% in FY2024)**

- Replacing diesel commercial vehicles with sustainable fuels ('HVO D+') and rolling out electric vehicles across our commercial fleet. In FY2024 we replaced 1 million litres of diesel with HVOD+ reducing emissions by 2,454tCO<sub>2</sub>e and have 601 electric and hybrid vehicles, including 154 Ford e-transits and the first ever 27T Electra HGV.
- Replacing 99% of diesel and petrol company cars with electric/hybrid technologies and the installation of electric vehicle charging points across our property estate.
- Investing in low emissions technologies across our hire fleet such as solar, battery and hydrogen to support our customers to reduce their carbon emissions. Read more on page 35.

## 50.7%

reduction in carbon emissions per employee since FY2020.

## 49%

reduction in scope 1 and 2 carbon emissions since FY2020 baseline, placing us well on track to achieve our 2030 goal.

## 11%

increase in scope 3 carbon emissions since FY2020 baseline, against our target to reduce these by 42% by 2030.

Our detailed targets across all scopes are set out in our net zero roadmap:

SCOPE 1	SCOPE 2	SCOPE 3
<p>Replace <b>100% of petrol and diesel cars</b> within fleet with EVs</p> <p>Transition <b>25% of UK-based vans and HGVs</b> to low carbon alternatives like HVO</p> <p>Transition <b>66%</b> of diesel vans and <b>15%</b> of UK-based HGVs to EV</p> <p>Reduce refrigerant leakage by <b>14%</b> and natural gas emissions by <b>30%</b></p>	<p><b>100% renewable electricity</b> by FY2027 in UK and Ireland</p>	<p>Engage with <b>top 30 suppliers</b> to set their own science-based targets</p> <p><b>49% reduction</b> in fossil fuel driven equipment hire to customers</p> <p>Utilise policy, engagement and booking process to <b>reduce travel by economy flights by 40%</b></p> <p><b>68% reduction</b> in sold diesel</p> <p><b>18% reduction</b> in sold fossil fuels such as petrol</p> <p><b>2% YOY waste reduction</b> from 2023 via staff engagement</p> <p><b>17% reduction</b> in sold propane</p>
<p><b>Scope 1 &amp; 2 Emissions reduced by 50% by 2030</b></p>		<p><b>Scope 3 Emissions reduced by 42% by 2030</b></p>

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ESG report continued

Climate solutions continued

- Increasing the replacement of diesel in our hire fleet with alternative clean technologies and sustainable fuels such as HVO D+.
- Using double deck trailers across our trunking routes to reduce the number of vehicles needed to move assets, removing underutilised vehicles, and optimising deliveries and collections. We also use vehicle telematics to monitor vehicle usage and fuel consumption.

Scope 2 emissions (2% of our carbon footprint in FY2020 reduced to 0.04% in FY2024)

- Sourcing 94% of our electricity from renewable sources, with a goal of achieving 100% by 2027.
- Reduced our natural gas by 41.9% versus our 2030 target of 30%.
- Achieved our 14% F gas emission reduction target ahead of 2030.
- Consolidating our property estate and investing in new sustainable buildings incorporating energy efficient measures such as LED lighting, Building Management Systems ('BMS') to control heating and cooling, smart working bays and renewable technologies such as solar photovoltaics ('solar PV'). Our Milton Keynes Innovation Centre has a rare EPC rating of A+ and is a net zero carbon building. In FY2024 we opened three new sustainable low-carbon Service Centres at Hull, Southampton and London Gateway, adding to the two opened in FY2023. We also integrated Building Management Systems at our National Service Centres in Tamworth, Erith, Glasgow and Newport reducing energy use by between 50-73%.

Scope 3 emissions (91% of our carbon footprint in FY2020 increasing to 96% in FY2024)

- Implementing the ISO 20400 sustainable procurement standard to reduce emissions across the value chain, including the adoption of a supplier sustainability standard mandating all suppliers to commit to SBTs by 2025 – see strategy in action.
- Investing in a supplier engagement platform to engage key suppliers to calculate scope 3 emissions across our value chain so we can further focus on our carbon hotspots – capital goods and purchased goods and services. This will include our top 200 suppliers, who account for 90% of the emissions in our supply chain. We will actively work with them to reduce their emissions and improve their carbon data sets, from spend analysis to product-specific data.
- Adopting a sustainable travel policy to encourage tele-conferencing and sustainable models of travel reducing our scope 3 emissions associated with car and air travel ahead of our 2030 target.
- Mandatory energy efficiency training for all staff to support behavioural change campaigns.



Verifying and reporting performance

Our carbon reduction targets and progress against these are reported in accordance with ISO 14064-1:2018 as part of our commitment to data accuracy and transparency. We are the first in UK hire to publish full value chain emissions verified against this standard. Our GHG statement is published annually – read more on page 44.

We are also the first in UK hire to align to PAS 2080:2023 in recognition of its importance to achieving our net zero goals as well as those of customers. Following an independent gap analysis, we are in the implementation phase with the ambition to gain third party verification in FY2025.

In November we opened our Basildon, London Gateway, depot, a 33,000sqft. state-of-the-art facility whose eco-credentials are expected to halve our electricity consumption compared to previously used facilities in the area.

Supporting customers to reduce and report their carbon emissions

As well as eco technologies, we also offer a suite of carbon intelligence services including validated carbon data, net zero workshops, carbon literacy training, carbon reporting and auditing to help customers achieve net zero. We also recently launched a carbon dashboard to help customers quantify and monitor the emissions of the assets they hire and the associated transport movements for the vehicles used to deliver and collect equipment.

By reporting our emissions as a CDP transparent reporter, we also support our customers by providing them with third party validated scope 3 information to help with their own reporting. This can be based on spend or provided in more detail by key asset type.

We do a lot of work with HS2, who regard Speedy Hire among the sustainability leaders in their supply chain. We have collaborated in various events with them, including co-hosting a webinar and speaking at their staff conference.

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ESG report *continued*

Climate solutions *continued*

At Speedy Hire we believe in the importance of providing our customers with validated, purpose led carbon reporting so they can trust our data to make the right carbon choices. With the increasingly rise in the importance of carbon reporting and the risk of greenwashing purpose led, accurate and validated data has never been more important.

In FY2024 we developed our first ever customer power BI carbon dashboard powered that quantifies and reports the carbon emissions for both our hire equipment and transport.

Our calculator has been independently verified by Hydrock to industry standards such as RIC's professional Statement Whole Life Carbon assessment for the Built Environment so our customers can trust we are reporting to reputable industry carbon standards.

Setting out our Roadmap to Nature Positive by 2030

We have partnered with third party biodiversity specialists to develop our roadmap to Nature Positive by 2030 and have made progress through FY2024. We have undertaken a scoping assessment of our nature-related impacts and dependences following the LEAP approach published by the Task Force on Nature-related Financial Disclosures ('TNFD') framework.

The outcomes form the basis of our Net Positive roadmap below, which will be further developed in FY2025.

**6. Monitor & report**  
We will monitor progress, continuously improve & report lessons learnt to support adoption of Nature Positive across our industry

**5. Take action**  
We will avoid & reduce our impacts on nature, address dependencies & support nature conservation efforts to have an overall Nature Positive impact. We will proactively encourage our suppliers & customers to adopt a Nature Positive approach

**4. Prioritize**  
We will identify our impacts & dependencies on nature that are material to the natural environment & to our business. We will prioritize these within a detailed plan with actions, KPIs. & a program



**1. Set the foundation**  
We will commit to good practice & set the scope of our Nature Positive target

**2. Establish governance**  
We will establish governance for our Nature Positive target Et integrate nature within our business decision-making

**3. Measure our baseline**  
We will measure our impacts on nature & assess how we depend on nature across our value chain: this is our baseline to compare Nature Positive outcomes against

Strategy in action

Driving sustainable procurement

During FY2024, we made progress toward our goal of implementing the ISO 20400 sustainable supply chain standard by 2025 to ensure all our goods, products and services are sustainably sourced and that fair labour practices are upheld.

Following the gap analysis undertaken in FY2023, we implemented initiatives including nominating an Executive Team Sponsor for Sustainable Procurement and introducing an automated supplier onboarding portal to assess

suppliers' sustainability maturity and performance against our top five ESG material risks and opportunities. We require suppliers to adhere to our policies and have asked key suppliers to join our SBT journey by 2025. We offer sustainability advice and training via our ESG team, for those suppliers requiring support.

We also work with the SCSS ('Supply Chain Sustainability School') to share best practice and lessons learned, and participate in and host forums for suppliers to present their innovations and new developments, culminating in the annual Speedy Live Expo event.

In December 2023. The digital portal to onboard suppliers went live, enabling visibility into areas of potential risk in terms of suppliers' sustainability performance. This leads to follow-up discussions to explore how these can be mitigated and to flag where suppliers may need additional support. We are also in the process of onboarding a sustainable supply chain solution to support with the auditing of our suppliers.



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ESG report *continued*

# INCLUDING EVERYONE

**Building the workforce of the future**

We recruit and develop people from diverse backgrounds, nurturing the skills needed to equip the business for the future and creating a competitive advantage as well as generating social value. We work hard to create a workplace where colleagues have a strong sense of belonging and know they are supported in achieving their career ambitions, or simply being, the best they can be.

Employee engagement remained ahead of the external benchmark.

# 82%

of Speedy Hire colleagues said they are motivated to do their best work (4% above external benchmark).

# Gold

Received 'We invest in apprentices' gold accreditation from Investors in People.

# Silver

Awarded silver accreditation from The 5% Club in recognition of our efforts to have 5% of our workforce in 'earn and learn' positions.

**Engaging our colleagues**

We use a range of channels and formats to engage our diverse colleague demographic. Following insight from our engagement survey and focus groups, we introduced quarterly Leadership/SLT Connect sessions and monthly Connect Team Talks for line managers to cascade key business updates. We foster an open and honest culture by promoting an 'Ask the Exec' Q&A forum on our intranet and hold regular Visible Leadership Days.

Our People Like Us ('PLUS') colleague-led, affinity networks continue to thrive, supporting the delivery of our social value objectives in relation to race and ethnicity, wellbeing and gender balance. Our Colleague Consultative Committee ('CCC') provides an avenue for representatives across the business to review colleague ideas and challenges, and provide feedback directly to the Chief Executive, Chief People Officer and other members of the Executive Team.

**Responding to feedback**

We achieved an engagement score of 75% in our FY2024 People First annual engagement survey. This score is consistent with our main survey in FY2023 and 3% above the external benchmark. 82% of participants reporting feeling motivated to do their best work, 4% above the external benchmark and an indicator of a happy and productive workforce. The survey highlighted the desire to increase visibility of the senior leadership team across the network, and we responded by adding the initiatives mentioned above.



**Prioritising wellbeing**

Poor mental health is a major issue in the construction industry, with Office for National Statistics data covering England and Wales indicating that workers in construction are nearly four times more likely to take their own lives than those in other sectors<sup>1</sup>.

A key pillar of our Velocity strategy is putting our People First, with colleagues' mental health and wellbeing a priority. We work with the Lighthouse Club, a charity that provides emotional, physical and financial support to construction workers and their families, who have helped us build awareness around mental health wellbeing and delivered training to our managers. We have 90 volunteer Mental Health First Aiders, and colleagues also have access to support via our Employee Assistance Programme.

During FY2024, supported by our Wellbeing Affinity Group and steered by the results of the People First survey, we delivered a calendar of wellbeing initiatives, campaigns and events promoting awareness and support for colleagues' physical, mental and financial health. Launched in FY2023, our 'Time to Talk' video series with colleagues from around the business has continued to encourage more people to talk about mental health.

**Offering work life balance**

We continued to make progress on rolling out our 'Speedy Work Life Balance' to all eligible colleagues. Colleagues are offered greater flexibility to reduce core, contracted hours and identify more balanced work patterns, with eligibility designed to protect our customer experience and revenue. Over a third of our colleagues are now on a flexible working scheme which supports the drive to becoming a more attractive, engaged and high performing workplace.

<sup>1</sup> <https://www.britsafe.org/safety-management/2023/mental-health-in-construction-building-the-next-storey>



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## ESG report *continued*

### Including everyone *continued*

#### Fostering diversity, equity and inclusion ('DEI') and promoting social mobility

We have refined our approach to promoting diversity, equity and inclusion ('DEI') at all levels of our business, to better equip our organisation for the future while supporting social mobility by providing opportunities for people from a range of under-represented backgrounds.

As well as amendments and additions to our policies and procedures, our work has encompassed delivering dedicated training (with 95% of colleagues completing our new DE&I eLearning training), talks, events and communications, and collaborations with organisations to attract and retain a broader demographic. These include Not Going to Uni, Clean Sheet, who support people with convictions into employment, Career Transition Partnership, who support military leavers (Speedy Hire is a signatory to the Armed Forces Covenant), and The Early Careers Foundation, who help young people from low-income backgrounds through mentorship.

As we continue our work to increase female representation from 22% in FY2024 to achieve our target of 30% women by 2030, Speedy Hire adopted the United Nations Women's Empowerment Principles, and is one of 197 UK signatories of the UN Global Compact to have completed the nine-month Target Gender Equality programme. Our gender pay gap has increased slightly this year in comparison to figures reported for April 2023 but remains well below both the national median average of 14.3% published for 2023 by the Office for National Statistics and the gap for the construction industry for the year ending April 2023 of 16.8%, published by CIPD – our full gender pay gap report is available on our website.

Although Speedy Hire has not chosen to become an officially accredited Real Living Wage employer, we are proud to consistently set our minimum hourly pay rates above those defined by the Real Living Wage Foundation.

We seek to embed our DEI values through our supply chain and prioritise working with MSMEs ('Micro, Small and Medium Enterprises'), VCSEs ('Voluntary, Community and Social Enterprises') and female and ethnic minority-owned businesses, where appropriate. We are a signatory to the Supply Chain Sustainability School ('SCSS') People Matter Charter, whose principles include fairness, inclusion and respect, as well as training and skills. Colleagues from our ESG team co-chair the SCSS working group focused on social value also participate in the SCSS Modern Slavery working group.

#### Nurturing early careers

We aim to be a youth employer of choice, ensuring that young people are aware of Speedy Hire and the hire industry as an attractive career option. In addition to working with organisations such as The Youth Group and Not Going to Uni, we engage in outreach

events at schools and colleges across the UK. In FY2024 we attended 18 outreach events, reaching approximately 1,700 young people, and offered activities such as mock interviews, CV building and skills training. We also welcome school groups to tour our Milton Keynes Innovation Centre, to provide insights to our organisation, culture, sustainability and innovation.

We offer in-person and virtual work experience, hosting 16 in-person placements, with 344 young people enrolled onto our virtual programme with Springpod. As part of our corporate partnership with The Early Careers Foundation, 14 Speedy Hire colleagues trained as mentors and were matched with 16-18-year-olds for monthly, hour-long mentoring sessions.

Speedy Hire is a member of The 5% Club, whose employer-members work to create shared prosperity across the UK by committing to raise the number of apprentices, graduates and sponsored students on formal programmes to 5% of the workforce by 2025. We have received a silver accreditation, with 3.3% of our workforce in 'earn and learn' programmes in FY2024. Our goal is to reach 4% next year.

Currently, there are 65 early careers trainees at Speedy Hire. A further 30 colleagues are using apprenticeships to upskill and progress their careers. Our apprentices range in age from 16 to 40+ and follow individual pathways.

Our work has been recognised by Investors in People, with a gold level award for the 'We invest in apprentices' accreditation.

Each year, we welcome a cohort of graduates. In FY2024, 13 graduates joined, including our first ESG graduate, with a total of 20 graduates currently on the programme.



The late careers mentoring programme, launched in FY2023, ensures the skills of our more experienced colleagues are passed on to trainees. We trained and financially incentivised 14 mentors across the business to work with first year apprentices, facilitating a two-way sharing of knowledge and experience.

### Strategy in action

#### Supporting survivors of modern slavery

In FY2024, we became a partner of Bright Future Co-op, a national initiative that aims to fast-track survivors of modern slavery into high-quality employment. We have been working with Bright Future to train our recruitment teams and line managers to support modern slavery survivors into employment and to offer paid employment at Speedy Hire.

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**ESG report** *continued*

**Including everyone** *continued*

**Developing our people**

Supporting and developing our people is core to achieving our Velocity strategy to accelerate sustainable growth, and we invest in talent development throughout our colleagues' time with us, including in green skills to support our development of sustainable solutions. Under our Career Line of Sight scheme, colleagues have clarity on ways to develop their careers with us.

Our broad training offer includes a comprehensive programme of online, classroom and practical courses delivered by our internal Training Academy, which provided a total of 59,632 hours of training in FY2024.

Colleagues with the aspiration and potential for leadership positions are invited to join our High Potential Programme. During FY2024, 41 colleagues undertook the programme, with 36% female participation. The 11 colleagues selected in FY2023 for our Emerging Talent Development Board have continued to work closely with the Executive Team to contribute to strategic plans and deliver projects. These programmes complement our annual Senior Leadership Programme, which in FY2024 was attended by 10 colleagues. The 12-month programme is linked closely to our Velocity strategy.

We recognise the importance of sustainability training to supporting the green transition. During the year, we worked with Futerra, IEMA and SCSS to deliver sustainability training to the Senior Leadership Team, ESG Business Partners (see strategy in action) and for colleagues who registered for our Sustainability 101 Lunch and Learn sessions. Our aim is that all our people will be trained in sustainability by 2025.



**Strategy in action**

**Embedding sustainability through industry-first programme**

We are delighted that the 30 ESG Business Partners selected from across our organisation completed the green skills training they began in FY2023, becoming associate members of IEMA. Our industry-leading 'Building Sustainability Confidence' programme, launched in collaboration with IEMA and the Green Careers Hub, was designed to further embed sustainability throughout our business and culture, and demonstrates the opportunities available to colleagues.

**Enhancing colleague attrition**

Attracting and retaining talent in a sector that generally suffers from high turnover rates is one of our biggest challenges. In FY2024 we achieved a voluntary turnover rate of 16.1% compared to a prior year rate of 20.2% and an industry average of 20%. Our exit interviews during FY2023 indicated our most vulnerable area of attrition was amongst colleagues with less than a year's service. This community became the focus for the People Team with a complete refresh of a colleague's onboarding experience, starting from the recruitment process, moving to the offer, then the weeks and days leading up to the start date, finally followed by the first few weeks on the job. New communication, relationship-building, point of contact, and week one induction activities have all improved our retention in this tenure group.

With an industry skills shortage of engineers and drivers, our later-years colleagues remain essential to the success of our business. Part-time working and Speedy Work Life Balance have been key to the retention of this invaluable part of our Speedy Family.

As we continue to invest in reward, recognition, career development wellbeing, and improved working environments, we expect to maintain lower than sector colleague turnover rates and higher than benchmark engagement scores.



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ESG report *continued*

# PART OF THE COMMUNITY

**Making a meaningful difference to our communities**

With around 3,500 colleagues working over many locations, we touch the lives of thousands of families and hundreds of local communities. Core to what we do is our responsibility to be a force for good and to have a positive social impact in the communities in which we work, recruit and train.



## £29m

of social value created.

## £168,158

Donated to charity, representing 1% of profit; our goal is to invest 1% of profit in charitable and community programmes by 2025.

## 876hrs

Volunteering hours contributed; our aim is to contribute 3,500+ volunteering days per year, an average of 1 day per employee.



**Creating social value is a key focus area for us – it is a core element of two of the four pillars of our Decade to Deliver strategy, with the pillars Including Everyone and Part of the Community.**

**We are proud to have created £29m of social value during the year. This has been achieved by proactively recruiting from under-represented communities, employing apprentices, workplace training, sourcing from small local businesses where appropriate, and our colleagues taking part in extensive volunteering and fundraising work to support worthy causes and communities."**

**AMELIA WOODLEY**  
ESG Director

**Creating social value**

We want to create social value for our people, communities and local economies. We are aware of the impacts the construction industry has on the environment and society but also recognise its potential to build stronger, more resilient communities.

As an employer, we have a positive effect on society by being inclusive and offering employment opportunities to people from diverse backgrounds – read about our work on page 39. We strive to have a workforce that is content and safe, and we offer opportunities for personal development and training. As a customer, we seek to support local businesses and are proud that more than half of our supply chain spend at 59% comprises micro, small and medium-sized enterprises ('MSMEs').

Working with specialist advisor, Thrive, we have adopted a new framework – Impact Evaluation standard align to government guidance to systematically measure the social value we generate. In FY2024 we created £29m of social value, of which £16m was from sourcing from MSMEs. This is an increase from £9.2m in FY2023.



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## ESG report *continued*

### Part of the community *continued*

#### Harnessing our Speedy Spirit

During the year colleagues supported diverse causes and initiatives with fundraising and the volunteering leave to which every employee is entitled, totalling up to 3,500 days per year. Initiatives included sports feats, such as a marathon relay trek from John O'Groats to Land's End that raised over £20,000 for Teenage Cancer Trust, local litter picking events, creating bespoke outdoor spaces for those in need and washing cars to raise money for local charities. Our Charity, Community and Volunteering policy enables colleagues to apply for donations for fundraising events in which they are taking part.

We also took part in volunteering alongside our customers and partners. As part of our commitment to be involved in more nature-positive initiatives, we have partnered with construction company, Sisk, and the North Pennines National Landscape, contributing funds and volunteering hours to plant 10,000 cotton-grass plants and make dams with coir rolls to help to restore natural peatlands.

To further encourage our Speedy family to partake in volunteering in FY2024 we also launched a skilled volunteering programme to enable our people to contribute their skills to local communities and businesses.



#### Supporting charities and community projects

In FY2024, we donated to a range of charities as part of our commitment to donate 1% of profits each year to deserving causes. This included £25,000 to the British Heart Foundation's research into Sudden Cardiac Arrest, £25,000 to the Warrington Youth Zone, £30,000 to WellChild Helping Hands projects and a further £80,000 in matched funding to diverse charities.

Other highlights during FY2024 included the launch of our 23 kits for 2023 campaign that offered sponsorships to 23 teams or sportspeople from across the UK and Ireland, based on colleague nominations. The successful athletes received funding totalling over £11,500. We also became a national partner to the Scouts, sponsoring their DIY badge and raising awareness of the construction industry among young people across the country.

Within our local communities, we provided free hire equipment to the value of around £38,000 in 2023, and supported town shows, community parks and garden improvements. We participate in collecting food for food banks, providing toys for local groups and donated £8,000 across 12 local charities as part of our Regional Christmas Community giving campaign.



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ESG report *continued*

# CORPORATE GREENHOUSE GAS (GHG) REPORT

This GHG Report has been compiled covering the total scope 1,2 and 3 emissions of Speedy Hire Plc.

### Greenhouse Gas Summary

This statement has been prepared in accordance with ISO 14064-1:2018 for the purpose of documenting our greenhouse gas ('GHG') emissions for Financial Year 2024 (April 1 2023 to 31 March 2024) and transparently discloses progress against our targets. Ultimately this statement and its disclosure is the responsibility of Speedy Hire Plc and its Executive Team.

We aim to achieve a minimum of a 5% reduction year on year to meet our PLC targets within scope 1, 2 and limited 3, and therefore, comparisons are made to both the previous financial year and our baseline year (FY2020) in that scope. It is intended to inform all of our employees and Board of Directors, and is reviewed on an annual basis in line with the financial year. We also aim to reduce our scope 1 and 2 only by 51.6% by 2030 to meet our Science Base Target obligations.

In our ambition to deliver absolute net zero across all scope 1, 2 and 3, headline scope 3 figures have been provided, followed by the methodology used to calculate our emissions, and finally, a detailed breakdown of our emissions. Within FY2024 we are now including scope 3 (categories 1, 2, 3, 4, 5, 6, 7, 9, 11, 13, 15) within our declaration which differs from previous financial year greenhouse gas disclosures. Our scoped emissions have been prepared in accordance with the GHG Protocol Corporate Standard for the purpose of documenting our GHG under Speedy Hire Plc operational control.

For the reference period 1 April 2023 to 31 March 2024 (FY2024) Speedy's emissions were 283,947.52 tCO<sub>2</sub>e for scope 1, scope 2 and scope 3 (excluding category 8, 10, 12, 14). This is an increase of 5.45% from the 2019 baseline year total footprint of 269,265.64 tCO<sub>2</sub>e and a 21.42% reduction from financial year 2023 total footprint of 363,572.51 tCO<sub>2</sub>e. The viewed increase this year of our total emissions against our baseline can be attributed to business growth over the last 5 years. A reduction in total scope 1, 2 and 3 emissions from last financial year is due to market conditions impacting trading, data availability and a better understanding of our supply chain's impact.

### Quantification Methodology Summary

We have reported on all emissions sources required under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), scopes 1, 2 and 3, and emissions factors from the UK Government's GHG Conversion Factors for Company Reporting FY2024 as well as International Energy Agency ('IEA') and EORA Global Supply Chain Database ('EORA'). The organisational boundary has been set based on the operational control approach. A significance threshold of a single omission at 1%, and a cumulative impact of omissions been no more than 5%, has been applied to the total emission scope inventory, meaning emission data sources below this threshold may be omitted from the footprint due to their lack of magnitude, level of influence, data availability or data accuracy.

### Scope 1, 2 & 3 methodology

Speedy Hire Plc carbon footprint has been quantified by Hydrock Consultants Limited and Accenture.

Accenture completed the 2024 third-party assessment of Speedy Hire Plc scope 3 category 1 (Purchased goods and services) and category 2 (Capital goods) aligned to the GHG Protocol definitions (The Corporate Value Chain (Scope 3) Standard). The quantification was done using financial spend based data including manual payment systems. Accenture have used spend categories, provided by their inhouse AI tool, to align carbon factors against EORA EEIO factors. Accenture's scope excluded all scope 3 categories apart from category 1 and 2. Within category 1 and 2 Accenture have omitted spend-related emissions associated with taxes and bank fees. Due to the high-level nature of the spend categories we understand the limitations in accuracy for inclusions and/or exclusions assigned by the EORA EEIO emission factors.

Hydrock Consultants Limited completed the 2024 third-party assessment of Speedy Hire Plc scope 1, 2 and scope 3 categories 3 ('FERA'), 4 (upstream transportation and distribution), 5 (waste generated in operations), 6 (business travel), 7 (employee commuting), 9 (downstream transportation and distribution), 11 (use of sold products), 13 (downstream leased assets), 15 (investments). Hydrock Consultants Limited has used an activity based approach for scope 1, a location and market-based approach to scope 2 and a financial based approach for scope 3. The GHG Protocol Corporate Accounting and Reporting Standard (revised edition) has been used to derive scopes with emissions factors adopted from the UK Government's GHG Conversion Factors for Company Reporting as well as International Energy Agency ('IEA').

The methodology for downstream leased assets has been updated for Speedy Hire products since last financial year, as more accurate assumptions regarding fuel consumption and hours of use per hire day have been extracted from 'Speedy's Product Carbon Calculator'. For Investments (category 15), well to tank ('WTT') emissions for employee commuting have been included for the first time this year. In addition, water consumption has been included for the first time in category 5.

The acquisition of Green Power Hire this financial year and its impact has been incorporated into the emissions reporting found in table 1 and contributes a total of 31.22 tCO<sub>2</sub>e in scope 3 (category 2, 3, 4, 6 and 7), representing 0.01% of our total emissions.

While third party consultants have delivered GHG emission quantification, ultimately it is the responsibility of Speedy Hire Plc management team to deliver, assure and disclose.

There have been no biogenic CO<sub>2</sub> emission sinks or procured offsets during FY2024.

### Data confidence

The data used to report the GHG emissions have been assessed and assigned the following:

- Scope 1 & 2  
– 'Good' level of confidence +/-6.2%
- Scope 3 (category 1 & 2)  
– 'Fair' level of confidence +/- 19.9%
- Scope 3 (categories 3, 4, 5, 6, 7, 9, 11, 13, 15)  
– 'Good' level of confidence +/-8.5%

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**ESG report** *continued*

**Corporate Greenhouse Gas (GHG) Report** *continued*

The confidence level has been established using the ‘GHG Protocol guidance on uncertainty assessment in GHG inventories and calculating statistical parameter uncertainty’. We aim to reduce the level uncertainty regarding our Scope 3 emissions by transitioning to activity-based data.

**Base year selection**

Our baseline reports on the scope 1,2 and 3 inventory in FY2020 (April 1 2019 to March 31 2020).

This baseline was undertaken by a third-party consultant and the financial year was chosen for the following reasons:

- FY2020 was prior to COVID-19 pandemic and the impact it had on our operations.
- FY2020 was deemed a typical year of activity with low uncertainty in data yield.

There has been no historic change of the baseline report prior to this statement as our threshold for re-baselining has not been met, however we acknowledge a baseline recalculation may take place in the future. Any re-baseline activity will come under our greenhouse gas management system requirements for re-baselining.

**Global GHG emissions**

The following GHG emission reporting is for a complete scope 1, 2 and 3 comparisons which is under the ISO 14064-1 boundary and third

party verified. We have seen an increase in our total carbon emissions across scope 1, 2 and 3 against our baseline, and are now tracking this through the emissions per employee which is 86.38 tCO<sub>2</sub>e in FY2024.

A detailed breakdown is shown in the below. Our carbon emissions are reported in tonnes of CO<sub>2</sub>e which is aggregated from all direct and indirect emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and other relevant greenhouse gases.

Tonnes of CO<sub>2</sub>e

Emission scope	Emissions Source	Current Reporting Year FY2024	Last Reporting Year FY2023	Baseline (FY2020)	Narrative
Scope 1	Combustion of Fuel and Operation of Facilities	12,297.84	12,768.80	19,841.43	We have seen a continued reduction in commercial use of fossil fuels, uptake of EVs within the commercial fleet and use of transition fuels.
Scope 1	Refrigerants	0	0	13.17	No refrigerant gases have been recorded this financial year.
Scope 2	Electricity, Heat, Steam and Cooling Purchased for Own Use (market-based)	121.00	225.30	4,411.68	We have continued the transition our electricity consumption to renewable tariffs. Within FY2024 we now have 94.2% of our needs backed by REGO certification schemes.
Scope 2	Electricity, Heat, Steam and Cooling Purchased for Own Use (location-based)	1,716.08			
	<b>Total Scope 1 and 2 Emissions (market-based)</b>	<b>12,418.84</b>	12,994.10	24,266.28	48.82% reduction against our baseline.
Scope 3	Cat 1: Purchased Goods and Services	13,699.33	41,824.89	16,281.00	Within financial year 2023 the overall cost of vehicle-related procurement increased significantly comparative to the baseline, along with increased price of leased EVs due to the historic semiconductor shortage, IT services also saw a huge rise with prices driven up by inflation coupled with annual price increases. These factors, coupled with an increase in the number of products purchased (such as new and replacement laptops), had a compounded impact on FY2023 emissions compared to this financial year.
Scope 3	Cat 2: Capital Goods	64,752.95	70,357.00	58,275.85	We have seen our spend within capital goods align to current market conditions and business growth.
Scope 3	Cat 3: FERA	3,429.05	3,582.07	1,290.37	Our FERA emissions now include well to tank emissions previously unrecorded within our baseline. This will be revised against our re-baselining policy within financial year 2025.
Scope 3	Cat 4: Upstream Transportation and Distribution	1,916.97	3,743.91	6,701.16	We have seen a reduction in spend within third party haulage positively impacting our upstream transportation and distribution.

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**ESG report** *continued*

**Corporate Greenhouse Gas (GHG) Report** *continued*

Tonnes of CO<sub>2</sub>e

Emission scope	Emissions Source	Current Reporting Year FY2024	Last Reporting Year FY2023	Baseline (FY2020)	Narrative
Scope 3	Cat 5: Waste Generated in Operations	139.31	55.45	91.94	Emissions have increased with the inclusion of water and waste water treatment now been included. This was not recorded within our baseline and will be revised against our re-baselining policy within financial year 2025.
Scope 3	Cat 6: Business Travel (inc. all WTT emissions)	189.27	184.11	392.91	We have seen a decrease in overall business travel across rail, air, ferry and hotel stays from our baseline.
Scope 3	Cat 7: Employee Commuting	3,019.97	4,049.35	3,398.94	Employee commuting has reduced due to the reduction in our headcount from last financial year.
Scope 3	Cat 8: Upstream Leased Assets	Scoped out	Scoped out	Scoped out	
Scope 3	Cat 9: Downstream Transportation and Distribution	3,156.00	2,761.43	3,698.41	We have seen our emissions within downstream transportation and distribution align to current market conditions.
Scope 3	Cat 10: Processing of Sold Products	Scoped out	Scoped out	Scoped out	
Scope 3	Cat 11: Use of Sold Products	98,950.36	85,948.64	66,237.66	We now have more granular data of the use of sold products which has impacted our emissions reporting. We also acknowledge the decrease in sales for transitional fuels and the sale of fossil fuels due to market conditions.
Scope 3	Cat 12: End of Life Treatment of Sold Products	Scoped out	Scoped out	Scoped out	
Scope 3	Cat 13: Downstream Leased Assets	81,620.98	134,467.14	87,479.56	Our reported emissions are based on a robust sampling methodology which excludes the identification of eco products. We anticipate these emissions to continue in a downtrend as we refine our data sampling practises.
Scope 3	Cat 14: Franchises	Scoped out	Scoped out	Scoped out	
Scope 3	Cat 15: Investments	654.49	1,393.33	1,151.56	We have seen our activity-based data within our investments align to current market conditions.
<b>Total Scope 3 Emissions</b>		<b>271,528.68</b>	<b>348,367.32</b>	<b>244,999.36</b>	<b>An increase of 10.83% against our baseline</b>
<b>Total emissions Scopes 1, 2 and 3</b>		<b>283,947.52</b>	<b>361,361.42</b>	<b>269,265.64</b>	<b>An increase of 5.45% against our baseline</b>

\* Category 8 (upstream leased assets), 10 (processing of sold products), 12 (end of life treatment of sold products), 14 (franchises) are scoped out due to Speedy's business operations consistent with the GHG Protocol definitions (The Corporate Value Chain (Scope 3) Standard).

\* Please note FY2023 scope 3 was not disclosed and was calculated internally to benchmark performance. The scope 3 categories 1, 2, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15 did not come under the FY2023 ISO 14064-1:2018 third party verification. Scope 3 categories 3, 5 and 6 were included within the FY2023 ISO 14064-1:2018 third party verification.

**Verification Assurance Statement**

This Verification Assurance Statement ('AST') is associated with Speedy Hire Plc's, Greenhouse Gas Statement on Operational Control Emissions for the Financial Year April 1, 2023 to March 31, 2024 (FY2024).

This AST has been prepared for Speedy Hire Plc (Chase House, 16 The Parks, Newton Le Willows, Merseyside, WA12 0JQ) in accordance with Hydrock's contract.



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## ESG report *continued*

### Corporate Greenhouse Gas (GHG) Report *continued*

#### Terms of Engagement

Hydrock Consultants Limited (Hydrock) were commissioned by Speedy Hire Plc to assure the Greenhouse Gas ('GHG') Emissions Inventory and GHG Statement of Speedy Hire Plc for FY2024, based on operational control consolidation.

The GHG Statement relates to the following emissions:

- Complete scope 1 Direct Emissions
- Complete scope 2 Indirect Emissions
- Scope 3 Indirect Emissions, including the following scope 3 ('GHG Protocol') categories:
  - 1 - Purchased goods & services,
  - 2 - Capital goods, - 3. Fuel- and energy-related activities ('FERA'), 4- Upstream transportation & distribution, 5 - Waste generated in operations, 6 - Business travel, 7 - Employee commuting, 9 - Downstream transportation & distribution, 11 - Use of sold products, 13 - Downstream leased assets, 15 - Investments
  - Note, scope 3 categories 8 (Upstream leased assets), 10 (Processing of sold products), 12 (End of life treatment of sold products), and 14 (Franchises) are not included.

Hydrock were commissioned by Speedy Hire Plc to provide unaccredited GHG data verification to ISO 14064-1:2018.

A separate team of Hydrock consultants have provided GHG consultancy support to Speedy Hire Plc. However, the verification contract delivered by Hydrock has mitigated the risk between consultancy and verification by having separate personnel. This risk has been reviewed under the Hydrock stage 3 technical assurance review.

#### Management Responsibility

Speedy Hire Plc was responsible for providing suitable evidence and conformity against the ISO 14064-1:2018 criteria. Hydrock's responsibility was to carry out the unaccredited verification of GHG in accordance with the contract with Speedy Hire Plc.

Ultimately, the FY2024 GHG emissions data for Speedy Hire Plc, has been approved by, and remains the responsibility of Speedy Hire Plc.

#### Hydrock Approach

Our verification has been conducted in accordance with ISO 14064-3:2019, Specification with guidance for validation and verification of greenhouse gas statements to provide reasonable assurance that GHG data as presented in the GHG Statement have been prepared in conformance with:

- ISO 14064-1:2018 - Specification with guidance at the organisational level for quantification and reporting of greenhouse gas emissions and removals (hereafter referred to as ISO 14064-1).

To form our conclusions, the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- Review existing Greenhouse Gas Management Systems and processes to manage GHG emissions.
- Interview various Speedy Hire Plc Senior Management Staff and contracted Consultants (from Hydrock and Accenture) to confirm engagement, processes and responsibilities.
- Investigate internal governance, systems and tools which contribute to the financial year reporting.

#### Level of Assurance and Materiality

For scope 1, 2 and 3 (categories 3, 5, 6 and 11) the opinion expressed in this ASt has been formed on the basis of a reasonable level of assurance and at a materiality of  $\pm 5\%$ .

For scope 3 (categories 1, 2, 4, 7, 9, 13, and 15) the opinion expressed in this ASt has been formed on the basis of a limited level of assurance.

#### Hydrock Opinion

Based on Hydrock's approach, we believe that the organisation has, in all material respects:

- Met the requirements of ISO 14064-1; and
- Disclosed accurate and reliable performance data and information.

#### Qualifications

Hydrock has not verified the GHG emissions of the FY2022, FY2021 and FY2020, which Speedy Hire Plc has established as the base year for GHG emissions.

For scope 3 emissions categories, Hydrock was only able to verify the following categories to reasonable assurance:

- 3 - Fuel- and energy-related activities ('FERA'), 5 - Waste generated in operations, 6 - Business travel, 11 - Use of sold products.

The following scope 3 Categories were only verified to limited assurance due to their estimation:

- 1 - Purchased goods & services, 2 - Capital goods, 4 - Upstream transportation and distribution, 7 - Employee commuting, 9 - Downstream transportation and distribution, 13 - Downstream leased assets, 15 - Investments.

Hydrock has not verified current Science Based Target initiative ('SBTi') progress or verified any other Scope 3 carbon data apart from those specified within this assurance statement.

Hydrock has not verified Speedy Hire Employee numbers.

Hydrock has not verified the uncertainty assessments completed for scope 1, 2 and 3 emissions.

Hydrock has not verified the source of the EORA database emission factors used to quantify the scope 3 categories 1-Purchased Goods and Services, and 2-Capital Goods. Hydrock does not have access to the EORA database. However, Hydrock has verified the correct application of the selected EORA emission factors.

Hydrock has not verified the scope 1 emissions associated with hydrofluorocarbons, i.e. refrigerant (fluorinated) gas loss due to the lack of inspection records for all locations. However, this does not represent a material omission.

#### Notes for information

Any external disclosure by Speedy Hire Plc in relation to this assurance engagement is made at the risk of Speedy Hire Plc. The Hydrock risk is mitigated by the issuance of this Assurance Statement.

#### Hydrock competence and independence

Hydrock ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all assurance engagements is internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

The above is an extract from the Verification Assurance Statement (ASt) provided by Hydrock Consultants Limited and the full version can be provided upon request.



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## ESG report *continued*

### Corporate Greenhouse Gas (GHG) Report *continued*

#### Streamlined Energy and Carbon Reporting

The UK Government's Streamlined Energy and Carbon Reporting ('SECR') is the carbon and energy consumption reporting scheme that builds on existing reporting requirements that companies face. SECR came into effect in April 2019 and requires companies to disclose their energy use and carbon emissions in their annual filings.

The aim is to highlight opportunities for energy savings and decarbonisation at the board level and is publicly available to stakeholders. It is a mandatory reporting framework for all large UK business and imposed by the UK Government.

#### Statement of compliance

Reporting years FY2020, FY2023 and, FY2024 using all of the Scope 1 Gas and Scope 2 Electricity data available to date. This FY2020 data has not been validated through a third-party verification. This approach will be followed for following years.

	FY2024	FY2023	FY2020 (baseline)
Scope 1 emissions (tCO <sub>2</sub> e)	12,297.84	12,768.77	19,854.60
Scope 2 emissions (tCO <sub>2</sub> e) (market-based)	121.00	225.28	4,411.68
<b>Total Scope 1 and 2 emissions (tCO<sub>2</sub>e)</b>	<b>12,418.84</b>	12,994.05	24,266.22
Emission intensity Scope 1 & 2 (tCO <sub>2</sub> e/sqft)	6.2	6.7	n/a
Natural gas usage (kWh)	3,908,216	3,654,672	7,365,690
Commercial fuel usage (ltr)	5,357,055	5,502,104	6,310,316
Electricity usage (kWh)	8,518,924	9,267,873	11,438,472
<b>Total energy consumption (kWh) (Gas &amp; Electric)</b>	<b>12,427,140</b>	12,922,545	18,804,162

Note: emission intensity unit per sqft of property was not disclosed during our baseline.

#### Methodology

ESOS methodology (as specified in Complying with the Energy Savings Opportunity Scheme version 6, published by the Environment Agency 28/10/2019) used in conjunction with Government GHG reporting conversion factors.

Sites given average square footage (supplied by Speedy Hire)

- Carbon factors used are sourced from Government DEFRA Conversion Factors
- Intensity ratios calculated using square meterage
- kgCO<sub>2</sub>e per square meter of total site area

#### Energy Efficiency Actions

Speedy Hire Plc is committed to responsible energy management and will practice energy efficiency throughout the organisation. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions. See pages 36 to 37 for initiatives we have undertaken for the purpose of increasing the businesses energy efficiency in the most recent financial years.

The following energy efficiency measures are under consideration for implementation in financial year 2025.

- Continue to increase procurement of renewable energy
- Phasing away from natural gas to green alternatives
- Applying an 'eco' standard to all properties that are retrofitted and new leases. This includes energy efficient measures such as LEDs, BMS, smart bays, controlled heat and cooling and on-site renewables.

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# TASKFORCE ON CLIMATE-RELATED FINANCIALS DISCLOSURE ('TCFD')

Pillar	Disclosure	Page
Governance	a. Describe the Board's oversight of climate-related risks and opportunities.	49
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	50
Strategy	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	51
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	60
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	59
Risk Management	a. Describe the organisation's processes for identifying and assessing climate-related risks.	61
	b. Describe the organisation's processes for managing climate-related risks.	61
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	61
Metrics & Targets	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	61
	b. Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas ('GHG') emissions and the related risks.	62
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	62

Introduction

This disclosure details Speedy's response to the Task Force on Climate-related Financial Disclosures ('TCFD') Recommendations and Recommended Disclosures and TCFD Annex in accordance with Listing Rule LR 9.8.6 (8) for UK premium-listed companies. We consider this report to be consistent with the recommendations of TCFD and the following sections correspond to this framework. The sections below describe how climate change is incorporated into corporate governance processes, its potential impact on our strategy and financial planning, its treatment in our risk management procedures and our climate-related metrics and targets. We also integrate climate-related disclosures throughout this Annual Report and Accounts, including the results of our Double Materiality Assessment on page 50 and a detailed breakdown of our emissions found on page 45.

Governance

Board-Level Oversight

Our Board has strategic oversight of climate-related risks and opportunities and for approving the Company's ESG strategy and sustainability targets. The PLC Board responsibilities are discharged through its Committees. Each Board Committee liaises directly with Executive Directors and relevant management and provides regular reports to the PLC Board. Responsibilities for each committee are as follows:

Committee	Responsibilities	Meetings in FY2024
Sustainability Committee	Oversees the management of TCFD and climate-related risks and opportunities as part of the Committee's oversight of the Company's ESG strategy and performance against targets.	Three
Remuneration Committee	Integrates our ESG-related performance metrics where relevant into the Company's variable remuneration, including the Executive Team's bonus payments being linked to targets related to carbon reduction, gender diversity, and social value.	Five
Audit & Risk Committee	The Committee reviews the efficacy of risk management and internal control processes, including risk related to climate change and oversees the Company's compliance with its disclosure obligations.	Four
Nomination Committee	Supports the Company's diversity, equity and inclusion strategy with the aim of developing an increasingly diverse and inclusive workforce including across backgrounds, experience, knowledge, skills and gender which additionally helps create a sustainable and prosperous business.	Two



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## ESG report *continued*

### Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

Below is a summary of the key discussion points from the Sustainability Committee meetings in FY2024:

- May 23: Approval of the FY2023 ESG report (including TCFD statement and Sustainability Committee report).
- September 23: FY2024 ESG strategy update and presentation of Double Materiality Assessment results.
- March 24: FY2024 ESG strategy update, FY2025 ESG planning, and an ESG legislative and market update.

The PLC Board approve the annual budget for capital expenditure, including spend linked to the management of climate-related risks and opportunities, as well as acquisitions and divestments, which must align with the ESG strategy.

In FY2024, the Board have been involved in the:

- Acquisition of Green Power Hire a leading battery-storage units' provider, the launch of Speedy Hydrogen Solutions Limited with AFC Energy, a dedicated hydrogen powered generator plant hire business, and bringing the world's first hydrogen powered articulated boom to market in partnership with Niftylift.
- Investment in energy efficient measures across our property estate such as our new energy efficient Service Centres at London Gateway Basildon, Southampton and Hull and the installation of Building Management Systems and solar photovoltaics to optimise energy efficiency across our National Service Centres ('NSCs').
- Introducing more electric vehicles for the commercial fleet and company cars.

- Furthermore, to drive internal engagement with our climate targets, it has agreed to include ESG KPIs into the performance objectives for all Senior Leadership (career level 7 and above).\*

#### \*ESG objectives for Executive Board and Senior Leadership

- Carbon emissions: 5% reduction in emissions year-on-year (linked to Science-based target to reduce absolute Scope 1 & 2 GHG emissions by 51.6% by FY2030 from a FY2020 base year).
- Diversity: 23% females in our workforce (linked to target of 30% women by 2030).
- Social Value: 4% of workforce in earn and learn programmes (linked to target of 5% by 2026).

#### Management-Level Oversight

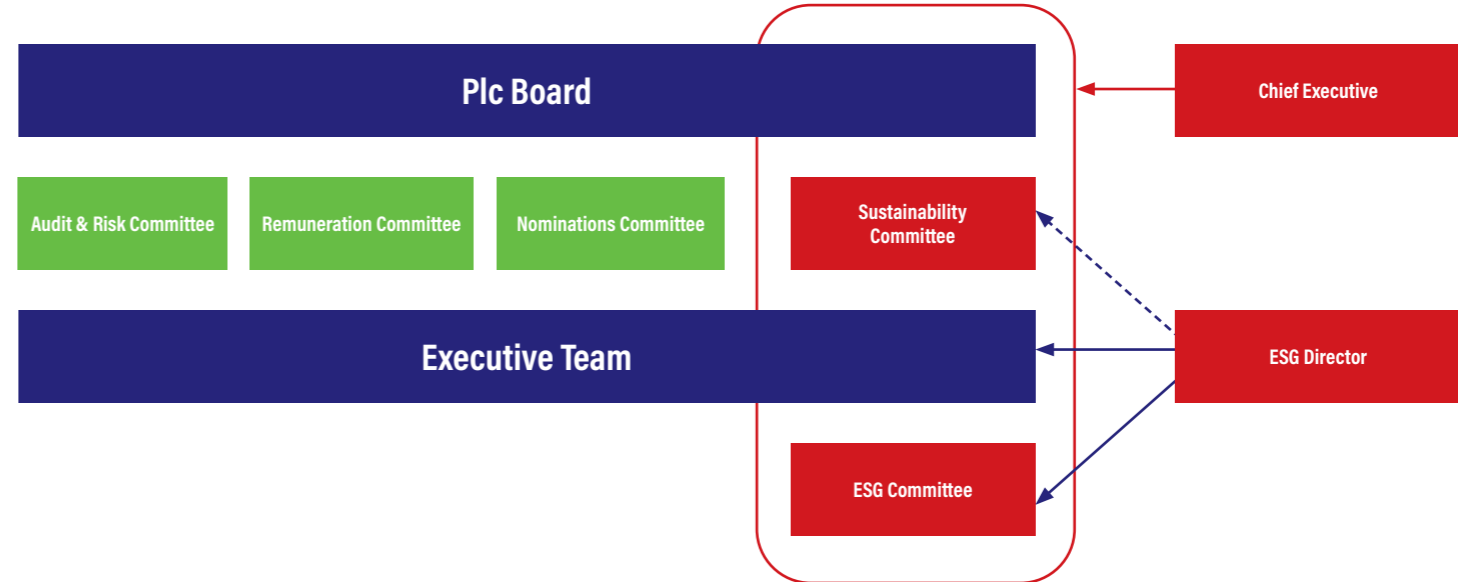
The Executive Team has day-to-day responsibility for ensuring the management of climate risks and opportunities, it meets monthly and is also briefed directly by Executive Directors on material issues.

The Chief Executive is a member of the PLC Board Sustainability Committee to which climate-related matters are reported or escalated in accordance with governance and policy set by the PLC Board Sustainability Committee. The ESG Director reports to the Chief Executive, is a member of the Executive Team, chairs the ESG Committee, and attends the PLC Board Sustainability Committee providing a valuable link between the relevant committees and the Executive Team.

The ESG Director chairs the ESG Committee which is responsible for driving the ESG agenda, climate strategy and performance, and its members meet monthly. Meetings are attended by key stakeholders across HR, Operations, Digital, Supply Chain, Legal, Finance and Risk. Other stakeholders will attend as guest presenters to update the ESG Committee on their progress against the ESG Strategy. This Committee reports to the Executive Board monthly and the PLC Board Sustainability Committee three times a year.

Thirty ESG Business Partners have been appointed across the business to attend a sustainability roundtable chaired by the ESG Director. The roundtable considers the mitigation of climate-related risk and delivery of climate-related opportunities.

## Governance framework



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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

**Training and Partnerships**

In FY2024, we collaborated with industry experts Institute of Environmental Management and Assessment ('IEMA'), Green Career Hub, Futerra, Watts Sustainability, Sustainability Supply Chain School ('SSCS') to deliver our sustainability training programmes. We have also formally partnered with engineering design and environmental consultancy Hydrock, who provide technical sustainability advice and support to our ESG team and the wider business.

All staff at Speedy Hire have been enrolled in e-learning training on energy efficiency and waste, with training on climate and carbon rolled out to specific groups. The Sustainability Committee, Executive Board and Senior Leaders have all received specific training on ESG including climate-related issues. Furthermore, our nominated ESG Business Partners are all being trained to IEMA Associate level and our Supply Chain and Category Managers have completed training by SSCS on sustainable procurement, social value, modern slavery and human rights. In FY2024, our employees completed 2,702 hours of sustainability-related training. By FY2025, we have a target for all staff at Speedy to complete sustainability training.

**Strategy**

**Climate-related risks and opportunities**

Climate-related risks and opportunities risks have been identified for Speedy at a group level using a bottom-up and inside-out approach by engaging with all entities and functions internally, as well as an outside-in assessment by external climate consultants. The risks and opportunities were scored using a Climate Impact Toolkit based on the likelihood and impact of it occurring to identify the most material risks and opportunities. Impact related to the financial impact based on thresholds defined in the Risk and Assurance Policy and Process Documents and likelihood was assessed based on stakeholders view of likelihood within a defined percentage range.

Our list of the top material climate-related risks and opportunities outlined in the table below continues to remain relevant in FY2024. We revise and refresh the list of risks and opportunities every three years. The timeframes were selected based on the TCFD recommendations to align with our capital planning and investment horizons, the useful life of assets, and harmonised with national/international climate policy and our SBTi target year (for the quantitative scenario analysis modelling).

The list of climate risks below includes the potential impacts and the mitigating controls we have put in place to manage these risks. To embed climate risk across the organisation, in FY2024, we engaged with stakeholders across the business to review the effectiveness of current mitigating controls for key climate impacts. This highlighted actions to address gaps in our controls and recommendations on how to embed climate risk management into the risk management processes. Off the back of this work, we have enhanced the controls we have in place that support climate-related risk management processes, such as business continuity, financial and strategic planning to strengthen our climate resilience.

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Technology:</b> Climate technology may not keep up with demand.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>• Managing Director of UK&amp;IRL</li> <li>• Chief Commercial Officer</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>• Vehicles – Fleet Director</li> <li>• Hire Fleet – Group product Innovation and Supply Chain Director</li> </ul>	<p>This could lead to unreliable new technologies and increased costs which customers are unwilling to pay.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>• Reduced revenue if the wrong cost is passed onto customers lowering demand</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>• Increased R&amp;D expenditure of low-carbon solutions</li> <li>• Adjusted capital expenditure including new investment in technologies</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring the market and research</li> <li>• Engaging with customers to understand the preferences and carbon and whole life cost benefits of eco products</li> <li>• Increased R&amp;D expenditure and capex investment on low-carbon solutions and sustainable fuels</li> </ul>

**Timeframes:**

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	High	High	Medium
Net Zero 2050 (1.5°C)	Medium	Medium	Medium	Low

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Assets:</b> Carbon-intensive assets may become obsolete.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>• Chief Financial Officer</li> <li>• Chief Commercial Officer</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>• Director of Assets and Projects</li> <li>• Group product Innovation and Supply Chain Director</li> </ul>	<p>This could damage our margins if these assets cannot generate revenue and impose more costs for disposal.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>• Loss in revenue due to decreased demand or contract volume</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>• Increased R&amp;D expenditure of development and market proposition of low carbon technologies</li> <li>• More investment in new technologies including their insurance</li> <li>• Investment in new fleet and equipment which is less energy intensive</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>• Increased costs paying carbon tax schemes or fines</li> </ul>	<ul style="list-style-type: none"> <li>• Investing in the repair, refurbishment and/or retrofitting of equipment to eco</li> <li>• A roadmap for investment in low carbon technologies and sustainable fuels and targeted divestment of carbon intensive products</li> <li>• Developed our circular economy principles to lower the environmental impact of our products</li> <li>• Working with suppliers to design products that contain recycled materials and can be recycled or repurposed to extend product lifecycle</li> </ul>

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Fuel:</b> Increasingly limited supply of fossil fuel may lead to greater instability in fuel prices.</p> <p><b>Executive Sponsor:</b></p> <ul style="list-style-type: none"> <li>• Managing Director of UK&amp;IRL</li> </ul> <p><b>Risk Owner:</b></p> <ul style="list-style-type: none"> <li>• Head of Fuel</li> </ul>	<p>This could expose us to cost increases and difficulty in passing on fuel prices to customers.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>• If price is passed onto customers, then Speedy risk losing customers</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>• Increased investment into fossil fuel alternatives</li> <li>• Increased investment into replacing vehicles</li> <li>• Increased investment into refurbishing and/or replacing assets</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>• Increasing R&amp;D expenditure to respond to market and technology trends</li> <li>• Increased taxes and regulation to curb carbon emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Hedge our fuel rates for diesel and Hydrogenated Vegetable Oil (HVO) D+</li> <li>• A roadmap for investment in low carbon technologies and sustainable fuels and targeted divestment of carbon intensive products</li> <li>• Invested in hybrid/electric company cars and 154 electric light commercial vehicles</li> <li>• Use of sustainable fuels across our properties, products and commercial vehicles</li> <li>• Change the delivery time for fuel to times of less traffic to reduce costs. Electric vehicles also reduce deliveries due to being able to accommodate heavier loads</li> <li>• Improve fuel efficiency and/or reduce fuel consumption for current fleet via: retrofitting drag reduction devices to HGVs, introducing vehicle telematics and speed limiters, and training eco-driver and fuel behaviours</li> </ul>



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Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Low	Low	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	High	High
Net Zero 2050 (1.5°C)	Medium	High	High	High

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	Medium	High
Net Zero 2050 (1.5°C)	Medium	Medium	Medium	High

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Energy:</b> Increasing energy prices will increase direct costs.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>• Chief Commercial Officer</li> <li>• Chief Financial Officer</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>• Head of Supply Chain (Indirect)</li> <li>• Property Director</li> </ul>	<p>We could be exposed to increases in cost. Increasing electricity costs will increase the costs across our sites and increasingly more material the cost of recharging electric vehicles</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>• If price of increased energy costs is passed onto customers (cost to charge assets/vehicles), then Speedy risks losing customers</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>• Increased R&amp;D expenditure to respond to market and technology trends</li> <li>• More investment into renewable energy and energy reduction initiatives</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>• Investment in new equipment which is less energy intensive</li> </ul>	<ul style="list-style-type: none"> <li>• Hedge energy rates and Power Purchase Agreements (PPAs) in place for properties with on-site renewables</li> <li>• Launched a sustainable buildings transformation programme, taking learnings from our Milton Keynes site which is a rare EPC A+, net zero carbon building to apply to other locations such as London Gateway Basildon, Southampton and Hull</li> <li>• Investing in energy-efficient technologies such as Building Management Systems for all new properties and existing properties with high energy use, such as our National Service Centres which can include LED lighting, controlled heating and cooling, air quality management, daylight harvesting and on-site renewables such as solar photovoltaics</li> <li>• Estate strategy aims to reduce depot numbers through consolidation of older building stock to newer and more energy efficient premises</li> <li>• New depots all fitted with electric heating or cooling systems rather than gas and budget allocated to replace old gas fired heating systems with electric alternatives</li> <li>• Installation of on-site renewables such as solar photovoltaics at some properties such as Milton Keynes and Glasgow</li> <li>• Rolled out mandatory training to all employees on energy-efficiency</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	Medium	High
Net Zero 2050 (1.5°C)	Medium	Medium	Medium	High

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Reputation:</b> Speedy may not stay on track to meet its Science Based Target ('SBT').</p> <p><b>Executive Sponsor:</b></p> <ul style="list-style-type: none"> <li>• ESG Director</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>• Head of Net Zero</li> <li>• Group Marketing Director</li> </ul>	<p>This could lead to reputational repercussions with stakeholders, such as customers, investors and partners.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>• Loss of revenue if customers terminate contracts or choose SBT-aligned providers</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>• Investment in new reduction initiatives including new technologies</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>• Increased expenditure to track and monitor performance of climate goals</li> <li>• Increased marketing costs if commitments are not met</li> </ul>	<ul style="list-style-type: none"> <li>• Developed net zero roadmap across scopes 1, 2 and 3 and sustainability heatmaps for each business unit, with a tailored approach on how to reach net zero SBT</li> <li>• Assigned ESG responsibilities across the business using a RACI matrix and embedded ESG business partners to drive achievement of KPIs</li> <li>• A roadmap for investment in low carbon technologies and sustainable fuels and targeted divestment of carbon intensive products</li> <li>• Requested key suppliers in supply chain to align to SBTs by 2025</li> <li>• Implemented power BI carbon dashboards for carbon reporting (company and customer level) and a supplier engagement platform to assess top suppliers by carbon emissions to prioritise and monitor carbon reductions</li> <li>• Regular ESG horizon scanning to monitor climate policy and regulation to future proof our approach to net zero</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Low	Low	Medium	Medium
Delayed Transition (2°C)	Low	Low	Medium	High
Net Zero 2050 (1.5°C)	Low	Medium	High	High



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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Customer demand:</b> Speedy's provision of low-emission fuel alternatives may be insufficient to meet customer demand.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>Managing Director of UK&amp;I</li> <li>Chief Commercial Officer</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>Head of Fuel</li> <li>Operations Director</li> <li>Group product Innovation and Supply Chain Director</li> </ul>	<p>There is a risk of losing customers to competitors or straining customer relationships due to cost negotiations.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Customers may move to suppliers with lower carbon emission products</li> <li>Reduced demand for high-emission fuels</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Investment and R&amp;D in low-emission fuel alternatives</li> <li>New machinery and specialist equipment, particularly in relation to hydrogen</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Increased training costs to upskill staff to maintain and fix new products</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring the market and research</li> <li>Engaging with customers to understand the preferences and carbon and whole life cost benefits of eco products</li> <li>Working with suppliers to bring eco-products and sustainable fuels to market</li> <li>Identify and set aside budget to invest in research and development for alternative products and services</li> <li>A roadmap for investment in low carbon technologies and sustainable fuels and targeted divestment of carbon intensive products</li> <li>Acquisition of clean technology businesses such as Green Power Hire and associated staff with green technology skills</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	High	High
Net Zero 2050 (1.5°C)	Medium	High	High	High

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Regulation:</b> Not meeting compliance requirements of advancing climate regulation.</p> <p><b>Executive Sponsor:</b></p> <ul style="list-style-type: none"> <li>ESG Director</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>Head of Net Zero</li> <li>HSSEQ Director</li> </ul>	<p>Carbon taxes or fuel bans may lead to higher operational costs, fines or assets becoming obsolete, and lead to loss of contracts or partners. Growing reporting requirements also require additional costs and resource.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Loss of revenue if our assets are stranded</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Investment in new equipment and vehicle fleet</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Increased resource to monitor and respond to new regulation</li> <li>Increased costs in paying carbon cap-and-trade and tax schemes</li> <li>More investment into compliance with energy efficiency and carbon directives</li> </ul>	<ul style="list-style-type: none"> <li>Implemented governance mechanisms to continuously monitor the ESG regulatory and reporting landscape</li> <li>Review requirements and regulations through the ESG Committee and PLC Board Sustainability Committee</li> <li>Six monthly ESG briefings regarding updates to legislation, regulations and guidelines</li> <li>Respond to changing regulation through linking Science Based Targets (SBTs) and net zero goals into Velocity business strategy and investment plans, TCFD and climate transition plan</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (30C)	Low	Low	Low	Medium
Delayed Transition (20C)	Medium	Medium	High	High
Net Zero 2050 (1.50C)	Medium	High	High	High

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Risk overview	Potential Impacts	Mitigating Controls
<p><b>Data:</b> Challenges in obtaining scope 3 greenhouse gas emissions data</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>Chief Commercial Officer</li> <li>Chief Digital and Transformation Officer</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>Head of Supply Chain (Indirect)</li> <li>IT Development Director</li> </ul>	<p><b>Inaccurate or incomplete Scope 3 data</b> could mean that a failure to satisfy reporting requirements and rising stakeholder expectations.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Lower likelihood of winning customer contracts if GHG product reporting is falling behind competitors</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Pressure to invest in more advanced tracking devices to capture emissions of sold products</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Investment in resourcing to implement</li> </ul>	<ul style="list-style-type: none"> <li>Contractually instructed suppliers to provide GHG data and implemented a supplier onboarding portal with questions on climate and carbon</li> <li>Implemented supplier engagement platform to collect carbon data from supply chain to prioritise most material suppliers to reduce emissions</li> <li>Validation of scope 3 emissions to ISO 14064-1 by external third party</li> <li>Investing in using video telematics on key equipment</li> <li>Launched customer carbon calculator and dashboard to provide carbon emissions for assets hired and vehicle deliveries</li> </ul>

**Timeframes:**

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Low	Medium	High	High
Net Zero 2050 (1.5°C)	Medium	Medium	High	High

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Infrastructure:</b> Insufficient EV infrastructure development might inhibit Speedy's transition success.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>Managing Director UK&amp;I</li> <li>Chief Financial Officer</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>Fleet Director</li> <li>Property Director</li> </ul>	<p>Electrification of own and hired fleet and machinery is reliant on progress in developing EV infrastructure enabling Speedy and its clients to operate. Customer satisfaction could be affected if this impacts how quickly we can service customers.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Return on investment in operational savings</li> <li>Income stream from developing and operating charging infrastructure</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Capital expenditure to install EV charging points at our sites</li> <li>Investment in industry initiatives including joint collaboration on EV infrastructure development initiatives</li> <li>Investment in carbon neutral materials and fuels</li> </ul>	<ul style="list-style-type: none"> <li>Developed fleet investment and transition roadmap in line with SBTs</li> <li>Invested in EV charging points across our property estate</li> </ul>

**Timeframes:**

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Low	Low	Low	Medium
Delayed Transition (2°C)	Medium	Medium	High	High
Net Zero 2050 (1.5°C)	Medium	Medium	Medium	Medium



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Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

We also capture our climate-related opportunities. The four most significant opportunities are listed in the tables below.

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Extreme weather events:</b> Business operations and human capital may be significantly affected by the increasing frequency and severity of extreme weather events.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>Chief Financial Officer</li> <li>HSSEQ Director</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>Property Director</li> <li>Health and Safety Director</li> </ul>	<p>This could negatively impact operating efficiency and increase costs as business operations and human capital may be significantly affected.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Lower worker efficiency will impact production due to delays, which would mean that less revenue can be made</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Damage to production facilities and manufacturing equipment which may need to be repaired or replaced</li> <li>Relocation of some sites which are experiencing significant physical risks or where buildings are not climate resilient</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Increased insurance premiums</li> <li>Lower worker efficiency will increase the labour cost per unit of product</li> </ul>	<ul style="list-style-type: none"> <li>Estate strategy aims to reduce depot numbers through consolidation of older building stock to newer and more energy efficient premises in line with our Velocity business strategy</li> <li>Investing in energy efficient measures such as air conditioning improves the health and wellbeing of employees to maintain productivity</li> <li>Developed nature positive by 2030 roadmap to explore linking nature into climate resilience measures across the property estate</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	Medium	Medium
Net Zero 2050 (1.5°C)	Low	Medium	Medium	Medium

Risk overview	Potential Impacts	Mitigating Controls
<p><b>Extreme weather events:</b> Storms and extreme winds speeds may cause physical damage to Speedy's sites and assets.</p> <p><b>Executive Sponsors:</b></p> <ul style="list-style-type: none"> <li>Chief Financial Officer</li> <li>HSSEQ Director</li> <li>General Counsel and Company Secretary</li> </ul> <p><b>Risk Owners:</b></p> <ul style="list-style-type: none"> <li>Property Director</li> <li>Health and Safety Director</li> <li>Legal Counsel and Assistant Company Secretary</li> </ul>	<p>This could negatively impact operating efficiency and increase costs as business operations and human capital may be significantly affected.</p> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Significant investment into mitigating the impacts of extreme weather events, particularly at sites at risk of flooding and drought</li> <li>Relocation of some sites which are experiencing significant physical risks or where buildings are not climate resilient</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Increase of insurance premiums to cover the cost of increasing, and more severe extreme weather</li> </ul>	<ul style="list-style-type: none"> <li>Estate strategy aims to reduce depot numbers through consolidation of older building stock to newer and more energy efficient premises in line with our Velocity business strategy</li> <li>Property team assess flood risks as part of estate strategy</li> <li>Developed nature positive by 2030 roadmap to explore linking nature into climate resilience measures across the property estate</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	High
Delayed Transition (2°C)	Medium	Medium	Medium	Medium
Net Zero 2050 (1.5°C)	Medium	Medium	Medium	Medium

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

We also capture our climate-related opportunities. The four most significant opportunities are listed in the tables below.

Opportunity overview	Potential Impacts	Actions to seize opportunities
<p><b>Products and services:</b> Customer demand for low-emissions equipment and services will rise as the economy transitions to net zero.</p> <p><b>Executive Sponsor:</b></p> <ul style="list-style-type: none"> <li>Chief Commercial Officer</li> </ul> <p><b>Opportunity Owner:</b></p> <ul style="list-style-type: none"> <li>Group product Innovation and Supply Chain Director</li> </ul>	<p>This could lead to new revenue streams and greater market shares, especially if we are a first mover. In addition, our hire equipment could help customers deal with the negative impacts of floods, storms and other extreme weather events.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>New revenue streams from new products</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Investment and R&amp;D in low emission fuel alternatives</li> <li>New machinery and specialist equipment, particularly in relation to hydrogen</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Increasing R&amp;D expenditure to respond to market and technology trends</li> <li>Increased training costs to upskill staff to maintain and fix new products</li> </ul>	<ul style="list-style-type: none"> <li>Launched a joint venture, Speedy Hydrogen Solutions Limited, with AFC Energy Plc for dedicated hydrogen powered generator plant hire business</li> <li>Formed a partnership Niftylift to design, manufacture and bring to market the world's first hydrogen-electric powered access platform</li> <li>Acquired Green Power Hire to service battery storage needs of market and associated staff with green technology skills</li> <li>Horizon scanning for the latest technological developments, market and regulatory changes, customer demands and other insights</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	High	High
Net Zero 2050 (1.5°C)	Medium	High	High	High

Opportunity overview	Potential Impacts	Actions to seize opportunities
<p><b>Supports targets:</b> Investment in low-emissions product technology will support Speedy's climate targets.</p> <p><b>Executive Sponsor:</b></p> <ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul> <p><b>Opportunity Owners:</b></p> <ul style="list-style-type: none"> <li>Commercial and Finance Director</li> <li>Group financial Controller</li> </ul>	<p>In addition to meeting our climate targets, this could lead to increased efficiencies and opportunities for business partnerships.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Increased green revenue streams</li> <li>Return on investment in savings on energy costs</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Increased resource expenditure to monitor and respond to market and technology trends</li> <li>More investment into renewable energy and energy reduction initiatives</li> <li>Investment in new low-carbon materials</li> </ul>	<ul style="list-style-type: none"> <li>Invested in hybrid/electric company cars and electric commercial vehicles</li> <li>Invested in EV charging points across our property estate</li> <li>Invested in energy efficient measure across our property estate including Building Management Systems and solar photovoltaics</li> <li>Increased R&amp;D expenditure and capex investment on low-carbon solutions and sustainable fuels</li> </ul>

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	Medium	High
Net Zero 2050 (1.5°C)	Medium	Medium	High	High

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure (‘TCFD’) continued

Opportunity overview	Potential Impacts	Actions to seize opportunities
<p><b>Climate leadership:</b> Achieving our Science-Based Target could allow us to become a climate leader.</p> <p><b>Executive Sponsor:</b> • ESG Director</p> <p><b>Opportunity Owner:</b> • Head of Net Zero</p>	<p>Progressing in key reduction activities and achieving committed reductions is likely to lead to sustained growth of long-term financial and reputational benefits as well as attract and retain customers, as well as new talent.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Higher revenues due to growing customer demand for low-emission products and services</li> </ul> <p><b>CAPEX</b></p> <ul style="list-style-type: none"> <li>Increased R&amp;D expenditure for low-emissions solutions</li> <li>Investment in new equipment and vehicles</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Decreased operational expenditure over time</li> <li>More investment into renewable energy and energy reduction initiatives</li> </ul>	<ul style="list-style-type: none"> <li>We are the first UK equipment hire business to have a validated SBT</li> <li>Awarded Financial Times Climate Leader 2023 and 2024 and ISS ESG Prime Status as an ESG leader in Support Services</li> <li>EcoVadis Gold rating, CDP B rating, and Moody’s A++ rating for our environment strategy and our approach to sustainability</li> <li>Accepted into the Exponential Roadmap Initiative based on our climate leadership</li> <li>Gold Member of the Supply Chain Sustainability School (‘SCSS’). We offer support with events to upskill firms on integrating more sustainable ways of working into their businesses and attend SCSS subject matter working groups</li> <li>Joined the United Nations Global Compact (‘UNGC’) and supports the UN Sustainable Development Goals</li> <li>Hosted a live Net Zero thought leadership event with customers and supply chain partners</li> </ul>

Opportunity overview	Potential Impacts	Actions to seize opportunities
<p><b>Product/service development:</b> Customer demand for products and services that allow them to track emissions from equipment hire products and deliveries.</p> <p><b>Executive Sponsor:</b> • Chief Financial Officer</p> <p><b>Opportunity Owners:</b> • Commercial and Finance Director • Head of business Intelligence</p> <p><b>Timeframes:</b> Short-term (0-1 years)</p>	<p>By mitigating our data-related risk and developing new products to help partners and customers understand their carbon impacts and help manage it, this could generate new revenues.</p> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>Higher revenues due to growing customer demand insights to track emissions</li> </ul> <p><b>OPEX</b></p> <ul style="list-style-type: none"> <li>Ongoing costs of working with third party to maintain and run the technology solution</li> <li>Costs associated with verifying customer emissions data to deliver service</li> </ul>	<ul style="list-style-type: none"> <li>Launched customer carbon calculator and dashboard to provide carbon emissions for assets hired and vehicle deliveries</li> <li>Launched a carbon intelligence division to provide our customers with carbon expertise to help them achieve net zero</li> </ul>

Based on our current controls for identified risks and our ongoing actions to seize opportunities, we are well positioned to manage our climate-related risks and opportunities. We will continue to review each material climate-related risk and opportunity, monitor for emerging risks, and build upon our existing mitigating controls to enhance the resilience of our business to the impacts of climate change.

Timeframes:

Scenarios	ST (2024)	MT (2024-2027)	LT (2027-2032)	VT (2032-2050)
Current Policies (3°C)	Medium	Medium	Medium	Medium
Delayed Transition (2°C)	Medium	Medium	High	High
Net Zero 2050 (1.5°C)	High	High	High	High

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**ESG report** *continued*

**Taskforce on Climate-Related Financials Disclosure ('TCFD') continued**

**Scenario Analysis**

Climate scenario analysis is an integral element of TCFD-aligned risk management and is a key tool that we utilise to help us understand and address climate risk and equip us to build strategic resilience.

Following our 2023 qualitative scenario analysis, we built upon our learnings by performing quantitative scenario analysis to understand the financial impact of one of our most material and strategically important climate-related risks. The results of the 2023 qualitative scenario analysis can be found in our 2023 Annual Report on page 49. This report is located in the 'Investors' section of our website under 'Reports and Results.'

The risk selected was the 'Reputational' risk: 'Speedy may not stay on track to meet its Science Based Target ('SBT')'. The financial driver of this risk explored through modelling was the additional cost, over and above hire fleet growth plans, that we may incur by transitioning the fleet to low carbon alternatives in line with our SBT trajectory based on supply of alternative technologies. Incurring these costs allows us to maintain our reputation as a climate leader. In FY2025, we are planning to do further quantitative modelling of material climate risk. This risk was selected as it relates strongly to several of Speedy's most material climate risks and drives one of Speedy's most material emissions categories (downstream leased assets). Additionally, there was sufficient high-quality data available to model this risk accurately and the output provided an investment roadmap to inform our financial planning.

The scenarios and time horizons used for in the quantitative analysis modelling were aligned to those used for qualitative modelling in 2023 which were based off the recommendations of the TCFD, except for the 'very long-term' time horizon, which we have aligned to our net zero ('NZ') SBT year (2040) for the financial modelling. The scenarios examined during the quantitative scenario analysis were aligned to the Network for Greening the Financial System (NGFS) archetypes which included a well below 2°C scenario in line with the TCFD Recommendations as follows:

- **Net Zero 2050 (1.5°C):** Policies are implemented immediately and smoothly. Emissions start declining immediately and reach zero by 2050. This scenario is aligned with the RCP 2.6 pathway.
- **Delayed Transition (2°C):** This scenario assesses our resilience under a high transition risk scenario with increased physical risk. With no additional policies, emissions rise until 2030. Thereafter, strong and rapid policy sees emissions decline dramatically, reaching net zero by 2060. This scenario is aligned with the RCP 4.5 pathway.
- **Current Policies (3°C):** This scenario tests our resilience in a world with high warming and physical change. With only current policies pursued, emissions continue to rise. This scenario is aligned with the RCP 8.5 pathway.

We further tailored these scenarios for this financial modelling using quantitative indicators of future asset costs from third party data sets and building in assumptions about viability of LC technology. The LC technologies within the scope of the modelling were limited to HVO, hydrogen and electric power. This is supported by a recent pledge by the Construction Leadership Council to transition to alternative energy sources, primarily green hydrogen, and electric powered plant as diesel replacements. It is important to note that these may not be the only low carbon technologies that come into the market. We will assess the appropriateness of each new technology as it comes to market and are staying abreast of new synthetic fuel research in particular.

Scenario assumptions:

Scenario	Assumptions
<b>Hybrid Scenario</b>	This scenario follows the current policies pathway until 2030 and the delayed transition from 2030 to 2040. This scenario is a highly likely scenario for Speedy to experience because the transition to a NZ economy across the UK is happening at a slower pace than advised by climate science.
<b>Net Zero 2050 (1.5°C)</b>	This scenario enables us to explore the impact of our NZ strategy where global decarbonisation efforts are also aligned to NZ action from present. In this scenario, alternative LC assets come to market in the short-term. Technology advances mean that hydrogen and electric alternatives are available for all our assets, including our highly energy intensive assets such as large generators.
<b>Delayed Transition (2°C)</b>	In this scenario, global policy implementation is delayed until after 2030, from which point action towards NZ is stringent. LC alternative assets are not widely available until the mid-term. This technology is highly expensive and HVO is therefore the most cost-effective method of reducing asset emissions until the 2030s.
<b>Current Policies (3°C)</b>	In this scenario, global efforts towards NZ do not advance over and above current levels. Technology investment and legislation do not support NZ action and therefore Speedy is highly reliant on HVO to achieve NZ emissions across our hire fleet. Electric alternatives and hydrogen assets do not relay deep decarbonisation for Speedy as they are predominantly sourced from fossil fuel.

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

The scenario analysis findings are impacted by several important factors such as asset availability, technology investment, competition for assets and fuel source stock. We have detailed the key findings in each scenario below:

**Hybrid Scenario:**

This scenario is most representative of the future conditions that we anticipate will occur and is therefore most relevant to our investment plans. This scenario relays low cost in the short to mid-term as we steadily invest in alternative LC technologies, focusing first on electric asset alternatives where technology advancement allows, i.e. predominantly smaller, lower power assets (for example, we have acquired Green Power Hire, specialising in LC battery storage), and relying on HVO for the remainder of the transition in the short-term. Cost is a major blocker for customers around the use of HVO low emissions fuel. We are actively campaigning for government to recognise the emissions benefits of this and other low-carbon fuels to reduce the cost so it is comparable with diesel. We are investing in hydrogen asset alternatives in the short-term due to customer demand, such as our launch of Speedy Hydrogen with AFC Energy but anticipate that the majority of the hydrogen transition will occur in the long and very long-term due to a delay in asset availability and technology advances.

**Net Zero Scenario:**

In this scenario, alternative assets which run on electricity or hydrogen fuel are available from the short-term, we therefore begin investing in this technology early. This scenario sees heavy costs in the short-term because global policy mandates that a net zero transition is necessary, meaning that global demand for assets running on renewable fuels is very high. In the long to very long-term, asset cost diminishes due to heavy investment in LC assets. However, we still see higher costs than BAU would dictate

because we replace our full fleet with alternative, low carbon assets.

**Delayed Transition Scenario:**

In this scenario, hydrogen asset alternatives do not come online until 2030, and the cost of investing in this technology is high. Electric assets come online in the 2020s but their cost is similarly high. We therefore do not invest heavily in these alternative LC technologies until the long-term. We rely heavily on HVO for the bulk of our emissions savings in the short and mid-term, achieving deep emissions reductions at efficient costs. However, as we begin to invest in electric and hydrogen alternative assets in the long-term, we must transition more assets to these alternative technology in a shorter window of time i.e. before our NZ SBTi target year, 2040. The cumulative cost is therefore highest in this scenario.

**Current Policies Scenario:**

In this scenario, hydrogen and electric asset replacements do not become available in line with our NZ transition plan. This is partially due to a lack of investment in LC technologies, and partially due to the energy sources that alternative technologies would run off not decarbonising, for example, hydrogen fuel sources remaining largely sourced from fossil fuel stocks and the national grid not transitioning to renewable electricity sources beyond present levels. We are therefore forced to rely on alternative fuels for our NZ transition. The alternative fuel used in the modelling is HVO, this can be used in our current diesel engines as a low emissions substitute fuel and therefore does not relay asset replacement costs. This scenario therefore represents the lowest cumulative cost because we do not need to invest heavily in replacing our fleet with alternative assets. However, due to the cost premiums of HVO versus diesel not all customers are opting for HVO making this transition pathway difficult to realise.

To help us meet our SBT, we need to transition our hire fleet to low carbon alternatives, which may incur a financial impact based on the incremental capex investment required. The table below shows the financial impact of transitioning our hire fleet to low carbon alternatives above what we anticipate in a business-as-usual scenario due to fleet growth and our usual asset replacement schedule. The definition of the financial impact bands and materiality come from our Risk & Assurance Policy and Process Document, with the addition of a 'very high' relevant to the potential investment requirements.

**Key Time Horizons:**

- ST:** short-term (2024)
- MT:** medium-term (2024-2027)
- LT:** long-term (2027-2032)
- VT:** very long-term (2032-2040)

**Key Impact Bands:**

- Low:** £250,000 – £1,000,000
- Moderate:** 1,000,000 – 2,500,000
- High (material):** 2,500,000 – 5,000,000
- Very High (highly material):** > 5,000,000

The additional cost impact associated with our hire fleet transition, across the time horizons is categorised below.

Scenario	Impact Rating (by Time Horizon)			
	Short Term (2025)	Medium Term (2027)	Long Term (2032)	Very Long Term (2040)
Hybrid Scenario	Low	Low	Very High	Very High
Orderly Transition	Low	Low	Very High	Very High
Delayed Transition	Low	Low	Moderate	Very High
Current Policies	Low	Low	Low	Low

■ Low risk intensity   
 ■ Medium risk intensity   
 ■ Very High risk intensity

**Financial Planning**

The completion of quantitative modelling has enhanced our understanding of future decarbonisation pathways, the associated risk and opportunities, and the investment needed. Our ability to transition our fleet to reach our NZ target is largely dependent on technological advancements in low carbon assets (HVO, electric and hydrogen) and their costs. A key outcome of the scenario analyses is a roadmap outlining the optimum time to invest in low carbon assets to replace current diesel assets in each scenario. This information will be integrated into our sustainable growth strategy and financial planning cycle to inform investment and divestment priorities.

We are in the process of developing a NZ transition plan aligned to the Transition Plan Taskforce ('TPT') guidelines which is considered to be the gold standard for a credible and robust plan. The transition plan will include tangible actions for resourcing, financing and operational considerations to meet our climate targets, manage climate-related risks, and contribute to the economy-wide climate transition.

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## ESG report *continued*

### Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

#### Risk management

We have developed a comprehensive list of climate-related risks to assess our exposure. These risks are included in the Company risk register, as well as the individual risk registers for each functional departments which are assessed periodically in line with our overall risk management processes.

#### Identifying and assessing climate-related risks

This list of climate-related risks is periodically updated and includes both physical risks (e.g. flooding or storms) as well as transition risks (e.g. regulatory, technological, reputational, or legal risks) involved with the shift to a low-carbon economy. In FY2024, we completed a Double Materiality Assessment which includes ESG risks (see page 50). This was leveraged to create an ESG risk heatmap which includes the top climate-related risks for prioritisation in risk management. Each of the risks identified in the assessment has a dedicated Executive sponsor assigned as responsible for managing the risk.

On at least a six-monthly basis, internal stakeholders and risk owners assess our comprehensive list of climate-related risks and opportunities for materiality based on their likelihood and impact. This approach is aligned with our risk management framework and based on current expectations of climate trajectories and global action.

#### Managing climate-related risks

On behalf of the Audit & Risk Committee, the ESG Director and Head of Risk and Assurance review the ESG risk register based on the ESG risks in the individual risk registers for each of Company's functional departments. To conduct this review, the ESG Director seeks climate-related mitigation activities from internal stakeholders, as well as climate risk specialists.

It is then decided whether to transfer, control or mitigate the risk in the register and this is embedded into our risk management framework. These risks and associated mitigations are reviewed by the ESG Committee on a quarterly basis.

#### Integrating Climate-Related Risk

Climate-related risk management is integrated in our overall risk management. Our climate-related risks are integrated into the Company's overall risk register and used by the Board to assess our principal risks. All risks and opportunities identified in this disclosure are therefore listed in the Company's risk register.

#### Metrics and targets

Developing metrics and targets for our key risks and opportunities is essential to track our progress in decarbonising our business, managing climate-related risks and capturing opportunities.

#### Science-based targets

The SBTi Net-Zero Standard is the world's only framework for corporate net-zero target setting in line with climate science. In FY2024, our near-term and long-term science-based targets ('SBT') have been validated by the SBTi, which includes a target to reach net zero by FY2040<sup>1</sup>. We are the first UK Hire company to have a validated SBT and a decarbonisation roadmap across all scopes to reach net zero.

The following targets have been validated by the SBTi:

#### We have committed to:

- Reduce absolute scope 1 and 2 GHG emissions by 51.6% by FY2030 from a FY2020 base year (target includes land-related emissions and removals from bioenergy feedstocks)<sup>2</sup>.
- Reduce absolute scope 3 GHG emissions by 42% by FY2030 from a FY2020 base year.
- Reduce absolute scope 1, 2 and 3 GHG emissions by 90% and commit to offsetting the residual emissions 10% by FY2040 from a FY2020 base year to reach net-zero GHG emissions.

These targets span the entire business: product offering, operations, property estate, fleet, and supply chain. Our scope 1 and 2 targets will be achieved by transitioning to HVO fuel and electric vehicles, renewable electricity, low-carbon heating, cooling, and retrofitting our properties. Our scope 3 targets will be achieved by investing in low carbon equipment and sustainable fuels and implementing circular economy solutions such as repairing, refurbishing and retrofitting our equipment. We are working collaboratively with our supply chain to engage and achieve net zero by 2040 together and have asked our top suppliers to join the SBTi Initiative by 2025.

As a part of our commitment to net zero, we have taken a business view on the use of offsets. As we have an SBTi-validated net zero target, we are committed to using high-quality removals to offset the remaining 10% of our hard-to-abate emissions for our 2040 net zero date.

We are committed to investing in solutions that deliver decarbonisation in the real economy and are currently not engaging in beyond value-chain mitigation. We are however developing our Nature Positive by 2030 roadmap and will be reviewing our position on offsetting for our remaining 10% of emissions.

We have made great progress on our Scope 1 and 2 2030 SBT due to our:

- Reduction in commercial use of fossil fuels, continued use of transition fuels and increase in EVs within the commercial fleet and company cars.
- Reduction in natural gas (scope 1) across our property estate.
- Increase in our transition of electricity consumption to renewable tariffs (scope 2).
- Continued behavioural changes to reduce overall emissions from our vehicle fleet and property estate through training and behavioural change initiatives.

Like all businesses, decarbonising our value chain to reduce scope 3 emissions is a significant challenge. Our scope 3 emissions have increased slightly against our SBT baseline primarily resulting from business growth over the last 5 years but have reduced versus FY2023 due market conditions impacting trading, data availability and a better understanding of our supply chains impact.

1 Near-term refers to 2030 in alignment with the SBTi definition. We have set 2040 as the target year to achieve our long-term, net zero SBT.  
 2 This target was updated from a 50% reduction to a 51.6% reduction following the SBTi's recommendation that the target should increase due to the emissions reduction progress we have made already.

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') *continued*

To date, we have made good progress on reducing our scope 3 emissions by:

- Transitioning more of our assets to eco products and we anticipate that emissions from our assets will continue in a downward trend.
- Continuing to encourage the sale of alternatives to fossil fuel, such as HVO D+, to drive emissions reduction.
- Reducing our emissions across business travel and employee commuting.
- Achieved our first full scope 3 ISO 14064-1 verified carbon footprint.

We are furthering refining our scope 3 calculation from a spend based model to an activity-based model using our carbon supplier engagement platform, which we expect will also drive a further reduction in emissions. We will continue to have our value chain emissions third party verified to ISO 14064-1 each year to remain in line with market expectations.

**GHG emissions**

We use the Greenhouse Gas ('GHG') Protocol to calculate our GHG emissions, which are reported for scope 1, 2 and 3 emissions below. For a comparison of emissions to our base year, a breakdown of emissions by category, and a detailed narrative on our performance against our emissions targets is available in our GHG statement on pages 44 to 48.

In addition to tracking our SBTs and GHG emissions, we monitor several other metrics and targets such as operational and financial. This allows us to track the magnitude of risks and exposure to these risks, identify opportunities, and strengthen our resilience to climate change in alignment with our net zero target. These are outlined in the tables below.

GHG Emissions (*Risk: Reputational and Opportunity: Climate leadership*)

Targets	FY23	FY24	Target Status
Reduce absolute scope 1 & 2 GHG emissions by 51.6% by FY2030 from a FY2020 base year.	48.55% decrease vs base year	<b>48.82% decrease vs base year</b>	On track to achieve
Reduce absolute scope 3 GHG emissions by 42% by FY2030 from a FY2020 base year.	42.19% increase vs base year	<b>10.83% increase vs base year</b>	Work ongoing to achieve

Metrics	Baseline	FY23	FY24
Scope 1 emissions (tCO <sub>2</sub> e)	19,841.43	12,768.80	<b>12,297.84</b>
Scope 2 emissions (tCO <sub>2</sub> e) (market-based)	4,411.68	225.30	<b>121</b>
Scope 3 emissions (tCO <sub>2</sub> e)	244,999.36	348,367.32	<b>271,528.68</b>

Note: Scope 1, 2 and 3 emissions have been assured by Hydrock for the Financial Year April 1, 2023 to March 31, 2024.

Energy (*Risks: Fuel price and Energy price*)

Targets	FY23	FY24	Target status
100% renewable electricity by 2027	c.90%	<b>94.2%</b>	On track
30% of natural gas to be replaced with alternative fuels and technologies by 2030 from a FY2020 base year	50.7% decrease vs base year	<b>47.3% decrease vs base year</b>	Achieved
100% company cars to be electric/hybrid by FY2025 and 100% electric by 2030	82%	<b>99.35%</b>	On track
15% of HGVs transitioned to electric by 2030	1.3%	<b>1.3%</b>	On track
25% of HGVs converted to HVO D+ by 2030	n/a	<b>35%</b>	Achieved
Light Commercial vehicles introduced	150	<b>154</b>	On track
66% of our LCVs will be electric by 2030	11.7%	<b>17%</b>	On track

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ESG report *continued*

Taskforce on Climate-Related Financials Disclosure ('TCFD') continued

Metrics	FY23	FY24
The litres of diesel replaced by running large commercial vehicles on HVO D+ (litres)	1.1 million	1 million
Associated emissions reduction from HVO D+ from large commercial vehicles (tCO <sub>2</sub> e)	2,860	2,454
Number of depots with Building Management Systems (BMS) installed	4	10

Hire Assets (Risks: Assets, climate technology, customer demand and Opportunities: Product and service and supports targets)

Target	FY23	FY24	Target status
70% of itemised products to be eco by FY2027	44%	51%	On track

Metrics	FY23	FY24
Percentage of capital expenditure on hire fleet relating to eco products	51%	63%
Proportion of revenue that is generated from eco products	53%	54.8%
Increasing our sales of HVO D+ to support our customers' demand for sustainable fuels and associated emissions reduction (litres)	c.14 million	13.4 million

EV charging infrastructure (Risk: Infrastructure)

Metric	FY23	FY24
Continue to roll out EV charging infrastructure across our network (total no. of chargers installed)	87	162





## Non-financial and sustainability information statement

In accordance with sections 414CA and 414CB of the Companies Act 2006, the information below sets out how we comply with each reporting requirement, where further information can be found within the Annual Report and Accounts and which relevant policies and guidance are adopted:

What we do is described on pages 5 and 6 and our vision, mission and values are described on page 2. We demonstrate how we act as a responsible business when fulfilling our mission and values throughout our ESG Report on pages 30 to 63. Our principal risks and uncertainties, together with the mitigating controls in place, are summarised within our Principal Risks and Uncertainties disclosures on pages 68 to 73. A description of all matters relating to climate-related risks and opportunities, are included within our Task Force on Climate-related Financial Disclosures on pages 49 to 63.

Reporting requirement	Information necessary to understand our development, performance, position and the impact of our activity	Relevant policies and guidance <sup>1</sup>
<b>ENVIRONMENTAL MATTERS</b>	Our policies reflecting the needs of our environmental and support our roadmap to net zero. ESG Report – Pages 30 to 63, incorporating the following key areas: Delivering our sustainability strategy – Page 30 Climate solutions – Pages 36 to 38 Our roadmap to net zero – Page 36 Corporate Greenhouse Gas ('GHG') Report – Pages 44 to 48 Task Force on Climate-related Financial Disclosures – Pages 49 to 63	Supplier Trading Agreement Supplier Code of Conduct Speedy Sustainability Requirements for Suppliers Supply Chain Policy Sustainability Policy Sustainable Travel Policy
<b>COLLEAGUES</b>	Our People First strategy is driven by living our values of ambition, innovation, inclusivity, safety, working together and trusting each other. Our policies help support this. Including everyone – Pages 39 to 41	Employee Handbook Recruitment, Selection & Equal Opportunity Policy Diversity, Equity and Inclusion Policy Resolving Issues at Work Policy Health and Safety Policy
<b>SOCIAL MATTERS</b>	Our policies, underpinned by our Code of Conduct, support all colleagues to do the right thing within our communities and from a safety and environmental perspective. Part of the community – Pages 42 to 43 Accelerating innovation – Pages 34 to 35 ESG Report – Pages 30 to 63	Code of Conduct Charity, Community & Volunteering Policy Time off for Public Duties Policy Health and Safety Policy
<b>HUMAN RIGHTS</b>	Reflecting the needs of our stakeholders we consider human rights within our own operations, suppliers and customers. Our published Modern Slavery Statement is available at <a href="http://www.speedyhire.com/investors">www.speedyhire.com/investors</a> Strengthening our approach to modern slavery and human rights – Page 33	Human Rights Policy Anti-Slavery and Human Trafficking Policy Employee Handbook Code of Conduct Speak Up Whistleblowing Policy Data Protection – GDPR – Policies
<b>ANTI-CORRUPTION AND ANTI-BRIBERY</b>	Our policies support compliance with anti-bribery and anti-corruption requirements. We strive to act in a clear, transparent and fair way without our operations and expect our stakeholders to do the same. Audit & Risk Committee Report – Code of Conduct – Page 89 Corporate Governance – Pages 79 to 84	Code of Conduct Anti-Bribery Policy Speak Up Whistleblowing Policy Supplier Trading Agreement Supplier Code of Conduct Supply Chain Policy Internal financial control processes

<sup>1</sup> Some of our policies and guidance are only published internally.

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## Section 172 statement and engagement with stakeholders

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Section 172 of the Companies Act 2006 requires the Directors of Speedy Hire Plc to act in a way that they consider, in good faith, both individually and together, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

Each Director and the Board collectively gives careful consideration to the factors set out above and have acted in a way they consider complies in all respects with their Section 172(1) duty, in the decisions taken during the year ended 31 March 2024. Details of how the Board discharged its duties are set out in the Strategic Report pages 65 to 67 and should be read in conjunction with information disclosed in the Governance section, on pages 75 to 121.

To help facilitate this, before each scheduled Board meeting all Directors receive appropriate reports addressing key matters concerning customers, suppliers, investors, colleagues, regulators and the environment and also information regarding the Group, comprising a financial report and briefings from senior executives.

The Chief Executive and Chief Financial Officer also brief Directors on results, key issues and strategy. During Board meetings, the Non-Executive Directors regularly make further enquiries of the Executive Directors and seek additional information which is provided either at the relevant meeting or subsequently.

This information and any related reports (provided either before or after meetings) are considered in the Board's discussions and in its decision making process when having regard to Section 172 of the Companies Act 2006.

### Stakeholder engagement

Engagement with relevant stakeholders is a key consideration of the Board which varies depending on the subject at hand. Pages 65 to 67 detail Speedy's key stakeholders and how we engage with them.

As mentioned above the Board receives reports from management concerning its customers, suppliers and others in a business relationship with the Company which it takes into account in its discussions and also in the Section 172(1) decision making process. The Board has also received training relating to its obligations under Section 172(1) and the consideration of the Company's stakeholders.

### Colleague engagement

In addition to the Board receiving reports from management concerning its colleagues the Board engages directly with colleagues in a variety of ways. This includes via its Colleague Consultative Committee (attended annually by Non-Executive Director, Rhian Bartlett), via its People First Awards, annual Speedy Hire Live Expo and Chief Executive's and Chief Financial Officer's 'Up to Speed' and 'The Hub' communications and updates. Further information on colleague engagement can be found on pages 39 to 41.

### Board decisions and stakeholders

We set out on pages 65 to 67 a number of examples of how the Directors have had regard to Section 172(1) when discharging their duties and the effect that this regard had on the decisions being made. Speedy's approach to connecting with our people, customers, communities and suppliers, is to build a sustainable future, as detailed on pages 30 to 63 through the Company's ESG programme. Our mission is to be the most efficient and sustainable UK hire business: digital and data driven, optimised through operational excellence, and powered by our people. Our vision is to inspire and innovate the future of hire and accelerate sustainable growth.

### Our key stakeholders

Engagement with our key stakeholders plays an essential role throughout the business. It is a multi-layered process with engagement touching all levels of our business from front line operations to the Board and its Committees.

Our key stakeholders and examples of how we engage is detailed in the tables on the following pages. Relevant information from these interactions informs judgements and decision making.



## Section 172 statement and engagement with stakeholders *continued*

### Key stakeholder

Customers		
<b>Why we engage</b>		
Understanding the needs and challenges of our customers allows us to deliver a service of high standards. We engage with our customers to ensure our services meet their evolving requirements and we seek to solve their challenges through innovative technology and solutions to support their current and future needs.		
<b>Ways we engage</b>		
<ul style="list-style-type: none"> <li>Face to face meetings (when required), videoconferencing and calls</li> <li>Tendering and RfP processes</li> <li>Monitoring of hires, sales and services</li> <li>Speedy Hire Direct, a central call centre in the North West, with dedicated desks for our National customers</li> <li>Customer Solutions, a centralised service providing a single hire destination service through the provision of all our core products and services, plus an extensive range of equipment in partnership with the industry's leading product suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Regional Trading Hubs, regional call centres are located throughout the country, with dedicated staff servicing our Regional customer base</li> <li>To B&amp;Q's customer base via their store and online channels (<a href="http://www.diy.com">www.diy.com</a> and <a href="http://www.trade-point.co.uk">www.trade-point.co.uk</a>) through our drop ship vendor arrangement Service Centre network, through approximately 147 centres across the UK and Ireland</li> <li>Customer Relationship Centre, through our central hub in South Wales, dedicated to servicing our SME customers</li> <li>Online, through our website and mobile app</li> </ul>	<ul style="list-style-type: none"> <li>Social media</li> <li>Product videos and peer reviews</li> <li>Advertising campaigns</li> <li>The Speedy Hire Live Expo, the industry's largest private hire event bringing together c.1,700 customers, colleagues, suppliers and industry experts</li> <li>Speedy Hire Live Net Zero virtual event, an innovative live studio webcast event to customers, suppliers and colleagues featuring thought leading ESG speakers and panels</li> <li>Trade shows throughout the year</li> </ul>
<b>Areas discussed</b>		
<ul style="list-style-type: none"> <li>Availability of products and services (including use of AI)</li> <li>Improved customer service</li> <li>Range of products and services</li> <li>Value for money</li> </ul>	<ul style="list-style-type: none"> <li>Access to customer services e.g. Speedy app and tracking</li> <li>Four-hour service commitment to customers on our top selling products</li> </ul>	<ul style="list-style-type: none"> <li>'One Speedy' for first class customer experience</li> <li>Sustainability solutions</li> <li>Product development</li> </ul>

### Key stakeholder

Colleagues		
<b>Why we engage</b>		
Engaging with colleagues is fundamental in creating a strong culture and fulfilling place to work where colleagues can contribute and help to deliver our, ambition, vision, mission and long-term success.		
<b>Ways we engage</b>		
<ul style="list-style-type: none"> <li>Colleague Consultative Committee meetings (including NED attendance)</li> <li>People First Survey and pulse surveys</li> <li>Apprenticeship and graduate programmes (commitment to the 5% Club initiative)</li> <li>Career Line of Sight programme</li> <li>Benchmarking of key roles within the business</li> <li>'The Hub' communications platform and intranet</li> <li>Active Yammer communities to promote social engagement</li> <li>'Up to Speed' e-communications</li> <li>Mobile phone and PDA text messaging</li> <li>Senior management meetings held at various UK and Ireland locations</li> <li>Senior Leadership quarterly 'Connect Calls' and monthly 'Team Talks'</li> </ul>	<ul style="list-style-type: none"> <li>Executive Team and Chief Executive video updates and colleague briefings</li> <li>People Fluent training portal for key messages that fall outside of the regular Executive Team video updates which can be broadcast or targeted to specific groups of colleagues</li> <li>Line manager communication and engagement workshops and training modules</li> <li>Training Academy schedule of online, classroom and practical training courses</li> <li>Personal Development Reviews</li> <li>'Celebrating Excellence' reward scheme</li> <li>People First Awards nomination process and finalist gala dinner</li> <li>Long service recognition scheme at 10, 20 and 25 years' service</li> <li>The Speedy Hire Live Expo</li> <li>Speedy Hire Live Net Zero virtual event</li> </ul>	<ul style="list-style-type: none"> <li>Inclusion in cross functional project teams to inform project development</li> <li>Over 50 volunteer Mental Health First Aiders throughout the business</li> <li>Established a Gender Affinity Group to support our Decade to Deliver strategy</li> <li>Partnered with Bright Future to bring survivors of modern slavery into the business</li> <li>Conducted modern slavery/human rights training for Executive Team</li> <li>Established a Human Rights cross-functional working group that meets monthly facilitated by human rights experts</li> <li>PLUS – People Like Us, colleague group and its underlying affinity groups: <ul style="list-style-type: none"> <li>Gender</li> <li>Race and ethnicity</li> <li>Wellbeing</li> </ul> </li> </ul>
<b>Areas discussed</b>		
<ul style="list-style-type: none"> <li>Career opportunities</li> <li>Wellbeing (including mental and physical health)</li> </ul>	<ul style="list-style-type: none"> <li>Training and development (including safety)</li> <li>Pay and conditions</li> <li>Colleague engagement</li> </ul>	<ul style="list-style-type: none"> <li>Human rights</li> <li>Forced labour/modern slavery</li> <li>Sustainable procurement</li> <li>Environmental sustainability</li> </ul>

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Key stakeholder

Suppliers

Why we engage

To support our business operations and ambition, we require an efficient supply chain. It is critical that we have good supplier relationships to allow us to deliver a standout customer experience. Engaging with our suppliers by working collaboratively ensures we can bring innovative solutions to the future of hire.

Ways we engage

- Tendering process
- Visits and meetings (including via videoconferencing)
- Supplier conferences
- Partnership Programme engages customers, suppliers and peer groups on key sustainability issues
- Use of electric vans reducing CO<sub>2</sub>
- Industry trade shows
- Product innovation days
- The Speedy Hire Live Expo
- Speedy Hire Live Net Zero virtual event
- Responsible sourcing initiatives (modern slavery risk assessment and questionnaire on ESG topics)
- Creation of a risk prioritisation methodology
- Implemented a procurement platform for onboarding processes

Areas discussed

- Quality management
- Cost efficiency
- Ethical Trading policy
- Long-term relationships
- Sustainability as part of our ESG programme
- Product development
- Human rights
- Forced labour/modern slavery
- Sustainable procurement
- Environmental sustainability



Key stakeholder

Investors

Why we engage

We provide clear and transparent information to the market which allows investors and potential investors to make informed decisions. Regular communication is important to ensure the Board is aware of investor expectations.

Ways we engage

- Annual Report and Accounts
- Annual General Meeting
- RNS announcements
- Investor presentations and roadshows
- Capital markets days
- Corporate website
- One-on-one meetings
- Information requests
- Consultation letters
- The Speedy Hire Live Expo
- Speedy Hire Live Net Zero virtual event

Areas discussed

- Financial and operating performance
- Dividends
- Risk information
- Access to Management
- Strategy
- Sustainability
- Remuneration Policy

Communities and environment

Why we engage

Engaging with local communities to identify opportunities to minimise the environmental impact of our business as we work towards our commitment of operating efficiently as an industry-leading sustainable company. This re-enforces our commitment to enabling our customers to meet their sustainability targets, and our people and local communities, from looking after their wellbeing and boosting diversity, equity and inclusivity, to supporting charity and community projects wherever we operate.

Ways we engage

- Community engagement via our community investment programme
- ESG strategy and initiatives to achieve ESG-related targets, including the aim to achieve Net Zero by 2040
- As a Youth Verified Business we showcase the hire industry and career opportunities available
- Collaboration and partnerships with Charities including WellChild, Lighthouse Club, and the British Heart Foundation
- Developed a Sustainable Battery policy for our procurement processes following meeting with the Global Battery Alliance
- Signatory to Cleansheet, a national Criminal Justice Charity to offer people with convictions the hope of a better future by finding sustainable employment
- Partnered with Bright Future to bring survivors of modern slavery into the business
- Communities Committee and Community Ambassadors

Areas discussed

- Climate change
- Sustainability
- Local communities
- Human rights
- Forced labour/modern slavery
- Sustainable procurement
- Charity

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**Principal risks and uncertainties**

The business strategy in place and the nature of the industry in which we operate expose the Group to a number of risks. As part of the risk management framework in place, the Board considers on an ongoing basis the nature, likelihood and potential impact of each of the significant risks it is willing to accept in achieving its strategic objectives.

The Board has delegated to the Audit & Risk Committee responsibility for reviewing the effectiveness of the Group's internal controls, including the systems established to identify, assess, manage and monitor risks. These systems, which ensure that risk is managed at the appropriate level within the business, can only mitigate risk rather than eliminate it completely.

The principal risks and mitigating controls in place are summarised below.

Description and potential impact	Strategy for mitigation	
<b>SAFETY, HEALTH AND ENVIRONMENT</b>		
<p><b>Serious injury or death</b></p> <p>Speedy operates, transports and provides for rental a wide range of machinery. Without rigorous safety regimes in place there is a risk of injury or death to employees, customers or members of the public.</p>	<p><b>Environmental hazard</b></p> <p>The provision of such machinery includes handling, transport and dispensing of substances, including fuel, that are hazardous to the environment in the event of spillage.</p>	<p>The Group is recognised for its industry-leading position in promoting enhanced health and safety compliance, together with a commitment to product innovation. This is achieved by the Group's health, safety, and environmental teams measuring and promoting employee understanding of, and compliance with, procedures that affect safety and protection of the environment. All management grade employees are enrolled on safety-related training courses and are expected to champion a safety awareness within the Group's culture.</p> <p>We monitor leading indicators and lagging indicators to mitigate the safety, health and environmental risk across the Group.</p> <p>We maintain systems that enable us to hold appropriate industry recognised accreditations supported by a specialist software platform for managing data and reporting in relation to Health, Safety and Environment.</p> <p>All operatives who handle hazardous substances are trained and provided with appropriate equipment to manage small scale spills. In the case of more serious accidents, we have a contract with a third party specialist who would undertake any clean-up operation as necessary.</p>
<b>SERVICE</b>		
<p><b>Provision of equipment</b></p> <p>Speedy's commitment is to provide well maintained equipment to its customers on a consistent and dependable basis.</p>	<p><b>Back office services</b></p> <p>It is important that Speedy is able to provide timely and accurate management information to its customers, along with accurate invoices and supporting documentation.</p> <p>In both cases, a failure to provide such service could lead to a failure to attract or retain customers, or to diminish the level of business such customers undertake with Speedy.</p>	<p>We operate an industry-leading four-hour service promise which covers a wide range of our assets.</p> <p>Our use of personal digital assistants ('PDAs') are fully embedded into our business and these are used to improve the on-site customer experience.</p> <p>Speedy liaises with its customer base and takes into account feedback where particular issues are noted, to ensure that work on resolving those issues is prioritised accordingly.</p>



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Description and potential impact	Strategy for mitigation
<b>SUSTAINABILITY AND CLIMATE CHANGE</b>	
<p><b>Climate change</b></p> <p>There is a risk that climate change may impact Speedy's operations or ability to trade. Conversely, there is a risk that Speedy will fail to meet internal or external targets designed to reduce the Group's impact on climate change.</p> <p>This could arise from insufficient target setting, inadequate progress of initiatives, or a failure to capture relevant data accurately.</p>	<p><b>Sustainability</b></p> <p>There is a risk that the Group's business model may not be sustainable in the long term, for example if assets reliant on fossil fuels are not replaced or if the distribution network continues to be similarly reliant on fossil fuels.</p> <p>The result from either of the above may include loss of customer confidence impacting revenue, or investor and bank confidence leading to difficulty in obtaining future funding.</p>
<b>REVENUE AND TRADING PERFORMANCE</b>	
<p><b>Competitive pressure</b></p> <p>The hire market is fragmented and highly competitive. There is a risk that customers can readily change provider, with minimal disruption to their own business activity.</p> <p>There is a risk that the Group does not have an effective route to market for consumer rentals and this could lead to a missed opportunity that is capitalised upon by our competition.</p> <p>There is a risk that cost inflation may reduce margins if customers resist price increases. This risk is higher in a small number of cases where larger customers may be on fixed term agreements with no inflation clause.</p>	<p><b>Reliance on high value customers</b></p> <p>There is a risk to future revenues should preferred supplier status with larger customers be lost when such agreements may individually represent a material element of our revenues.</p> <p><b>Bids and Tenders</b></p> <p>There is a risk to future revenue growth if the Group is unsuccessful in its ambition to win new contracts using innovative solutions, including eco products, that appropriately balance the available reward with potential increases in risk.</p>

  
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**Principal risks and uncertainties** *continued*

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Description and potential impact		Strategy for mitigation
<b>PROJECT AND CHANGE MANAGEMENT</b>		
<p><b>Acquisitions</b></p> <p>Our strategy includes value enhancing acquisitions that complement or extend our existing business in specialised markets. There is a risk that suitable targets are not identified, that acquired businesses do not perform to expectations or they are not effectively integrated into the existing Group.</p>	<p><b>Transformation</b></p> <p>The Velocity strategy represents an ambition to transform the Group. There are risks that this might be unsuccessful and fail to deliver the required change in respect of new initiatives or that the transformation activity may distract from or harm our established businesses.</p>	<p>The Group has a defined process for monitoring and filtering potential targets, with input from advisors and other third parties.</p> <p>All potential business combinations are presented to the Board, with an associated business case, for approval.</p> <p>Once a decision in principle is made, a detailed due diligence process covering a range of criteria is undertaken. This will include the use of specialists to supplement the Group's capabilities. The results of due diligence are presented to the Board prior to formal approval being granted.</p> <p>The Transformation Office operates with clearly defined governance structures, led by the Transformation Director and sponsored by the Executive Team.</p>
<b>PEOPLE</b>		
<p><b>Colleague excellence</b></p> <p>In order to achieve our strategic objectives, it is imperative that we are able to recruit, retain, develop and motivate colleagues who possess the right skills for the Group, whilst also demonstrating our commitment to diversity, equity and inclusivity.</p>	<p><b>Labour availability</b></p> <p>There is a risk that with increased numbers of people leaving the labour market, or salary inflation leading to increased staff turnover, there will be shortages of available colleagues for the Group, with greater requirements for training.</p>	<p>The Group regularly reviews remuneration packages and aims to offer competitive reward and benefit packages, including appropriate short- and long-term incentive schemes. We have reviewed the reward packages for colleagues with skills in disciplines with particularly high turnover such as drivers and engineers. We have a medium-term forecast to offer market competitive rewards to all colleagues as we strive to become recognised as an employer of choice.</p> <p>We have set targets to improve our diversity, equity and inclusivity which are designed to attract individuals with the right talent from across the population.</p> <p>Skill and resource requirements for meeting the Group's objectives are actively monitored and action is taken to address identified gaps. Succession planning aims to identify talent within the Group and is formally reviewed on an annual basis by the Nomination Committee, focusing on both short and long-term successors for the key roles within the Group. We actively consider promotion opportunities in preference to external hiring where possible.</p> <p>Programmes are in place for employee induction, retention and career development, which are tailored to the requirements of the various business units within the Group.</p> <p>We also have a number of wellbeing initiatives to provide appropriate support to colleagues.</p>



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**Principal risks and uncertainties** *continued*

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Description and potential impact	Strategy for mitigation
<b>PARTNER AND SUPPLIER SERVICE LEVELS</b>	
<p><b>Supply chain</b></p> <p>Speedy procures assets and services from a wide range of sources, both UK and internationally based. Within the supply chain there are risks of non-fulfilment.</p> <p>In recent years, BREXIT, the COVID-19 pandemic and the war in Ukraine all resulted in some supply chain challenges that may now be considered permanent.</p>	<p><b>Partner reputation</b></p> <p>Significant revenues are generated from our rehire business, where the delivery or performance is affected through a third party partner.</p> <p>Speedy's ability to supply assets with the expected customer service is therefore reliant on the performance of others with the risk that if this is not effectively managed, the reputation of Speedy, and hence future revenues, may be adversely impacted.</p>
<b>OPERATING COSTS</b>	
<p><b>Fixed cost base</b></p> <p>Speedy has a fixed cost base including people, transport and property. When revenues fluctuate this can have a disproportionate effect on the Group's financial results.</p>	<p><b>Fuel management</b></p> <p>As a result of changes in the worldwide fuel supply chain, the Group faces risks around the fluctuations in the price of fuel.</p> <p>This may impact both our own cost base and on fuel prices charged to our customers.</p>
<b>FUNDING</b>	
<p><b>Sufficient capital</b></p> <p>Should the Group not be able to obtain sufficient capital in the future, it might not be able to take advantage of strategic opportunities or it might be required to reduce or delay expenditure, resulting in the ageing of the fleet and/or non-availability.</p> <p>This could disadvantage the Group relative to its competitors and might adversely impact its ability to command acceptable levels of pricing.</p>	<p>The Board has established a treasury policy regarding the nature, amount and maturity of committed funding facilities that should be in place to support the Group's activities.</p> <p>The £180m asset based finance facility, along with an additional uncommitted accordion of £220m, is available through to July 2026.</p> <p>We have a defined capital allocation policy. This ensures that the Group's capital requirements, forecast and actual financial performance and potential sources of finance are reviewed at Board level on a regular basis in order that its requirements can be managed with appropriate levels of spare capacity.</p>



## Principal risks and uncertainties *continued*

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Description and potential impact	Strategy for mitigation
<h3>CYBER SECURITY AND DATA INTEGRITY</h3>	
<p><b>IT system availability</b></p> <p>Speedy is increasingly reliant on IT systems to support our business activities. Interruption in availability or a failure to innovate will reduce current and future trading opportunities respectively.</p> <p><b>Data accuracy</b></p> <p>The quality of data held has a direct impact on how both strategic and operational decisions are made. If decisions are made based on erroneous or incomplete data there could be a negative effect on the performance of the Group.</p>	<p><b>Data security</b></p> <p>Speedy, as with any organisation, holds data that is commercially sensitive and in some cases personal in nature. There is a risk that disclosure or loss of such data is detrimental to the business, either as a reduction in competitive advantage or as a breach of law or regulation.</p> <p>Annual and medium-term planning provides visibility as to the level and type of IT infrastructure and services required to support the business strategy. Business cases are prepared for any new/upgraded systems, and require formal approval.</p> <p>Management information is provided in all key areas from dashboards that are based on real time data drawn from central systems. We have a dedicated data management team which is responsible for putting in place procedures to maintain accuracy of the information provided by data owners across the business.</p> <p>Mitigations for IT data recovery are described below under business continuity as these risks are linked.</p> <p>We have an established Cyber Security Governance Committee which meets regularly to monitor our control framework and reports on a routine basis to the Audit &amp; Risk Committee.</p> <p>Speedy's IT systems are protected against external unauthorised access. These protections are tested regularly by an independent provider. All mobile devices have access restrictions and, where appropriate, data encryption is applied.</p>
<h3>ECONOMIC VULNERABILITY</h3>	
<p><b>Economy</b></p> <p>Any changes in construction/industrial market conditions could affect activity levels and consequently the Group's revenue.</p> <p>As markets change and evolve, there is a risk that the Group strategy will need to be aligned accordingly.</p> <p>There is a risk of recession in the UK which could affect the Group's revenue.</p> <p><b>Inflation</b></p> <p>There is a risk of continued inflationary pressure on both material and employee costs impacting margins that the Group is able to generate if customers resist price rises or are in existing framework agreements for fixed terms.</p>	<p><b>Geopolitical uncertainty</b></p> <p>There is a risk that a prolonged war in Ukraine or an increase in hostilities in the Middle East, or elsewhere, may have a further impact on the global economy. This may result in a range of impacts for the Group, including cost inflation, labour availability and disruption to the supply chain.</p> <p>The Group assesses changes in both Government and private sector spending as part of its wider market analysis. The impact on the Group of any such change is assessed as part of the ongoing financial and operational budgeting and forecasting process.</p> <p>Our strategy is to develop a differentiated proposition in our chosen markets and to ensure that we are well positioned with clients and contractors. The Board oversees the importance of strategic clarity and alignment, which is seen as essential for the setting and execution of priorities, including resource allocation.</p> <p>Our close relationships with our customers, coupled with the differentiation allows us to adopt a partnership approach to responding to cost inflation.</p> <p>We consistently monitor our share in each market segment and seek to balance our risk between cyclical areas and those which are more predictable.</p>

## Principal risks and uncertainties *continued*

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Description and potential impact		Strategy for mitigation
<b>BUSINESS CONTINUITY</b>		
<p><b>Business interruption</b></p> <p>Any significant interruption to Speedy's operational capability, whether IT systems, physical restrictions or personnel, could adversely impact current and future trading as customers could readily migrate to competitors.</p> <p>This could range from short-term impact in processing of invoices that would affect cash flows to the loss of a major site.</p>	<p><b>Joint venture</b></p> <p>The Group's joint venture in Kazakhstan, Speedy Zholdas, may be impacted by a prolonged war in Ukraine. This may be a direct result of military activity in the wider region, or there may be politically motivated impacts as Kazakhstan has historically maintained strong links with Russia. The main impact that the Group has faced to date has been the impact of fluctuations in exchange rates.</p>	<p>Preventative controls, back-up and recovery procedures are in place for key IT systems. Changes to Group systems are considered as part of wider change management programmes and implemented in phases wherever possible. The Group has critical incident plans in place for all its sites. Insurance cover is reviewed at regular intervals to ensure appropriate coverage in the event of a business continuity issue.</p> <p>Speedy has a documented plan to establish a crisis management team when events occur that interrupt business. This includes detailed plans for all critical trading sites and head office support. These plans are regularly tested by both management and third-party advisors. They have proven to be effective in both the significant event of a global pandemic and more localised events such as extreme weather closing a number of our trading locations.</p> <p>We continue to monitor the situation in Kazakhstan through regular contact with the expat management team and will take action as may be necessary to ensure the safety of our colleagues.</p>
<b>ASSET HOLDING AND INTEGRITY</b>		
<p><b>Asset range and availability</b></p> <p>Speedy's business model relies on providing assets for hire to customers, when they want to hire them. In order to maximise profitability and returns on deployed capital, demand is balanced with the requirement to hold a range of assets that is optimally utilised.</p> <p>A proportion of Speedy's assets that are hired to customers do not have unique identifiers, and therefore there is a risk of loss and/or misappropriation. This could impact the Group's ability to meet customer demands.</p>		<p>We regularly monitor the status of our assets and use this information to optimise our asset holdings.</p> <p>This is based on our knowledge of customer expectations of delivery timescales, which vary by asset class. By structuring our service centre network accordingly, we can centralise low volumes of holdings of specialist assets.</p> <p>We constantly review our range of assets and introduce innovative solutions, including eco products, to our customers as new products come to market.</p> <p>A comprehensive control framework is in place for all assets across the three lines of defence of operational management (including delivery/collection processes and perpetual inventory counts), financial control (including routine asset register reconciliations) and internal audit assurance (including standalone asset counts).</p>



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## Viability Statement

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The Group operates an annual planning process which includes a five year strategic plan and a one year financial budget.

These plans, and risks to their achievement, are reviewed by the Board as part of its strategy review and budget approval processes. The Board has considered the impact of the principal risks to the Group's business model, performance, solvency and liquidity as set out above.

The Directors have determined that three years is an appropriate period over which to assess the Viability Statement. The strategic plan is based on detailed action plans developed by the Group with specific initiatives and accountabilities. There is inherently less certainty in the projections for years four and five. The Group has a £180m asset-based finance facility which runs through to July 2026. The strategic plan assumes financing facilities will be available on an appropriate basis to meet the Group's capital investment and acquisition strategies for the entire viability period.

In making this statement, the Directors have considered the resilience of the Group, its current position, the principal risks facing the business in distressed but reasonable scenarios and the effectiveness of any mitigating actions. These scenarios include lower than anticipated levels of revenue across the Group, while maintaining a broadly consistent cost base. Mitigations applied in these downturn scenarios include a reduction in planned capital expenditure and discretionary spend.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to March 2027.

The going concern statement and further information can be found in note 1 of the financial statements.

## Board of Directors

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1. David Shearer  
5. Rob Barclay

2. Dan Evans  
6. Rhian Bartlett

3. Paul Rayner  
7. Shatish Dasani

4. David Garman  
8. Carol Kavanagh



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**N**

#### 1. David Shearer

Non-Executive Chairman

##### Appointment to the Board and Committee memberships

Appointed to the Board as Non-Executive Chairman on 1 October 2018. Prior to this appointment David was a Non-Executive Director of Speedy Hire from 9 September 2016. David is also Chairman of the Nomination Committee and has previously been a member of each of Speedy Hire's Audit & Risk, Nomination and Remuneration Committees.

##### Skills and experience

David is an experienced chairman, corporate financier and turnaround specialist. He is Non-Executive Chairman of Amber River Group Limited and recently was Executive Chairman of Esken Limited until it was placed in administration as part of the restructuring of that business. He remains a Director of that company and a number of its subsidiaries as the administration progresses. David was previously senior partner for Scotland & Northern Ireland and a UK Executive Board member of Deloitte LLP, and has subsequently led a number of successful turnaround and restructuring projects in both the public and private areas in addition to pro bono roles.

**S**

#### 2. Dan Evans

Chief Executive

##### Appointment to the Board and Committee memberships

Appointed to the Board as Chief Executive on 1 October 2022. Dan is also a member of the Sustainability Committee.

##### Skills and experience

Dan joined Speedy Hire in December 2008 and has developed through the business undertaking a variety of roles including Regional Director, Contracts Director and Managing Director UK and Ireland, before his appointment as Chief Operating Officer in November 2019. Dan is also a Board member of the Supply Chain Sustainability School.

#### 3. Paul Rayner

Chief Financial Officer

##### Appointment to the Board

Appointed to the Board as Chief Financial Officer on 1 July 2023.

##### Skills and experience

On 1 July 2023, Paul was appointed to the Plc Board as Chief Financial Officer having previously been the Interim from November 2022. Paul is a Fellow of The Institute of Chartered Accountants and Fellow of the Institute of Directors. He has over 25 years' experience in senior financial roles, including interim and permanent roles respectively on the main boards of FTSE-listed companies, Avon Protection Plc and Chemring Group Plc.

**N R**

#### 4. David Garman

Senior Independent Director

##### Appointment to the Board and Committee memberships

Appointed to the Board in June 2017 as Non-Executive Director. David is the Senior Independent Director and a member of the Nomination and Remuneration Committees. David has previously been a member of the Audit & Risk Committee.

##### Skills and experience

David is a Director of several private companies. David has a broad range of industrial experience and was previously Chief Executive of TDG Plc (now TDG Limited), a European contract logistics and supply chain management business, an Executive Director of Associated British Foods Plc and held a variety of management roles at United Biscuits. He was also the Senior Independent Director at John Menzies Plc, St Modwen Properties Plc and Phoenix IT Plc, and a Non-Executive Director at Kewill Plc, Victoria Plc and Troy Income & Growth Trust Plc.

**A** Audit & Risk Committee

**N** Nomination Committee

**R** Remuneration Committee

**S** Sustainability Committee

**■** Chair

## Board of Directors *continued*

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**A R S**

#### 5. Rob Barclay

Independent Non-Executive Director

##### Appointment to the Board and Committee memberships

Appointed to the Board in April 2016 as Non-Executive Director. Rob is Chairman of the Sustainability Committee and a member of the Audit & Risk and Remuneration Committees. Rob was previously a member of the Nomination Committee.

##### Skills and experience

Until recently, Rob was the CEO for the National Timber Group ('NTG'), the UK's leading Independent value added timber processor, convertor and distributor. NTG is made up of a number of market leading brands providing specialist timber-related solutions to the construction industry. He was formerly the Managing Director UK, Ireland and Middle East of SIG Plc, the market leading supplier of specialist insulation-related and roofing products to the building and construction industry between January 2013 and March 2018. Rob joined SIG in 1997 and held various senior management roles within the business including Managing Director of SIG Distribution, having led its creation by bringing together the Group's UK insulations, interiors, construction accessories and fixings businesses. Prior to joining SIG, Rob was a Regional Manager for a global wood products company based in New Zealand, from where he originates.

**A N S**

#### 6. Rhian Bartlett

Independent Non-Executive Director

##### Appointment to the Board and Committee memberships

Appointed to the Board on 1 June 2019 as Non-Executive Director. Rhian is a member of the Audit & Risk, Nomination and Sustainability Committees and has previously been a member of the Remuneration Committee. Rhian is also the designated Non-Executive Director for employee engagement.

##### Skills and experience

Rhian is currently Chief Food Commercial Officer at J Sainsbury Plc, having previously held the position of Director of Fresh Foods. Prior to joining Sainsbury's she worked at Screwfix Direct, a Kingfisher Plc Group company, as Customer and Digital Director having previously held the position of Commercial Director. Prior to Screwfix, Rhian was Director UK Trading at eBay, held various positions with J Sainsbury Plc (including Business Unit Director and Head of Online Merchandising) and was a Category Manager and Head of Online Marketing at Homebase.

**A N**

#### 7. Shatish Dasani

Independent Non-Executive Director

##### Appointment to the Board and Committee memberships

Appointed to the Board on 1 February 2021 as Non-Executive Director. Shatish is Chairman of the Audit & Risk Committee and a member of the Nomination Committee.

##### Skills and experience

Shatish is currently Senior Independent Director and Audit Committee Chairman of Renew Holdings Plc and a Non-Executive Director and Audit Committee Chairman of SIG plc and Genuit Group Plc. He is also a Trustee and Chairman of UNICEF UK, the children's charity. Shatish has over 25 years' experience in senior public company finance roles across various sectors, including building materials, general industrial and business services. He was Chief Financial Officer of Forterra Plc from 2015 to 2019, during which the company successfully listed on the Main Market in London. Prior to this, he was CFO at TT Electronics Plc and has also been alternate Non-Executive Director of Camelot Group Plc and Public Member at Network Rail Plc. Shatish is a Fellow of the Institute of Chartered Accountants in England and Wales, and has extensive international experience including as regional CFO based in South America.

**R**

#### 8. Carol Kavanagh

Independent Non-Executive Director

##### Appointment to the Board and Committee memberships

Appointed to the Board on 1 June 2021 as Non-Executive Director. Carol is Chair of the Remuneration Committee.

##### Skills and experience

Carol is an independent remuneration committee member for British Swimming. Carol has over 20 years' of experience working in senior public company human resource roles across construction and retail sectors, including as Group HR Director for Travis Perkins Plc from 2007 to 2020. Carol has also held senior positions at Home Retail Group and Safeway Food Stores (now Morrisons). At Travis Perkins, Carol's responsibilities extended across all of the Group's businesses at that time, which in addition to the recognised merchanting businesses such as Travis Perkins and Toolhire, also included the Wickes and Toolstation brands. She was Executive Chair for the Tile Giant business unit from 2018. Her Non-Executive Director experience began in the Financial Services sector with Leeds Building Society where she was a member of the remuneration committee. Whilst at Travis Perkins, Carol served as a Non-Executive Director with Verona Stone, a tile procurement and supply business, which at the time was part owned by the TP Group. Carol recently resigned as a Non-Executive Director of ScS Group Plc in January 2024 as a result of the ScS business being delisted following its approved sale.

**A** Audit & Risk Committee

**N** Nomination Committee

**R** Remuneration Committee

**S** Sustainability Committee

**■** Chair

## Chairman's letter to shareholders

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#### Dear shareholder,

On behalf of the Board, I am pleased to present the Governance Report for FY2024. This section of the Annual Report highlights the Company's corporate governance processes (alongside the work of the Board and Board Committees).

During the year we have made good progress in the execution of the Company's Velocity growth strategy. The Board and its Committees have continued to support the management in creating the right environment to enable the targeted growth and key objectives of the strategy to be achieved. The more recently established Sustainability Committee has been overseeing and supporting the Company's ESG strategy, providing a core foundation for the targeted sustainable growth. The Remuneration Committee has considered the right incentive structure to incentivise and reward management in delivering these growth targets, which I was pleased to see had the broad support of material shareholders in the recent consultation.

I was pleased to welcome Paul Rayner to the Board as Chief Financial Officer on 1 July 2023, following conclusion of the recruitment process which commenced on 1 November 2022. Paul having served as Interim Chief Financial Officer during that period.

This year the Board and Board Committees' evaluations were again undertaken internally led by our Senior Independent Director, David Garman. With a relatively new Executive Team, I was pleased that the findings indicated that the Board and Committees were working well together and generally effective. The process followed and outcomes are reported on page 82.

The evaluation process acknowledged the required focus on Board succession in the coming years with several Directors coming towards the end of their usual tenures. The Nomination Committee will lead the recruitment processes and as with all Board succession, will have regard to the need to strengthen the skills and increase diversity on the Board and to the Company's objective to comply with the Listing Rules in the area of gender diversity.

In accordance with the Corporate Governance Code and the Company's Articles of Association, all Directors serving at the time of the Annual General Meeting will be submitting themselves for re-election.

The Annual General Meeting ('AGM') will be held at the offices of Liberum, Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY on 5 September 2024 at 11:00am and I would like to invite our shareholders to attend.

**DAVID SHEARER**  
Chairman

## Corporate governance

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### Governance progress

During the year the Company continued to build upon its governance practices in light of the UK Corporate Governance Code 2018 to ensure they remain in line with developing best practice and are suitable for a company of its size. These key actions and their status following review during the year and the outcome of this year's internal evaluation are reported on page 82.

Speedy Hire has long been committed to sustainable growth and recognises the increasing stakeholder focus on climate change and the related environmental, social and governance considerations within its business. The Sustainability Committee has continued to assist the Board in its oversight of the Company's ESG strategy and support the Board on all sustainability matters. This includes supporting the Board's ongoing evaluation of environmental risks and reporting under the Taskforce for Climate-Related Financial Disclosures.

### UK Corporate Governance Code compliance

The Board is committed to maintaining high standards of corporate governance. The Board first reported its compliance with the Combined Code in 2004. Since then, other than as explained in previous annual reports and accounts, it has complied in full with the Combined Code (now the UK Corporate Governance Code 2018 ('the Code')) and continued to develop its approach to corporate governance and the effective management of risk in the context of an evolving business. This year the Company is reporting against the Code. A copy of the Code is available to view on the website of the Financial Reporting Council at [www.frc.org.uk](http://www.frc.org.uk). Throughout the year ended 31 March 2024, the Company has been in full compliance with the provisions set out in the Code. The Board is aware that the Code will be replaced by the UK Corporate Governance Code 2024, which comes into force for accounting periods commencing on or after 1 January 2025, and will be implementing any changes necessary to ensure the Company continues to fully comply with the updated code.

### Directors

#### The Board

The Board comprises a Non-Executive Chairman, two Executive Directors and five independent Non-Executive Directors.

In the year ended 31 March 2024, the Board met eight times across the annual scheduled programme. The Board also meets as required on an ad hoc basis to deal with urgent business, including the consideration and approval of matters that are reserved to the Board. The table below lists the Directors' attendance at the scheduled Board meetings and Committee meetings during the year ended 31 March 2024.

During the year Paul Rayner was appointed as Chief Financial Officer and a member of the Board on 1 July 2023, having undertaken the role on an interim basis below Board level from 1 November 2022.

Directors who are not a member of a Board Committee may attend meetings at the invitation of the relevant Committee Chair.

### Board and Committee attendance at scheduled meetings

	Board (8)	Audit & Risk Committee (4)	Nomination Committee (2)	Remuneration Committee (5)	Sustainability Committee (3)
<b>Executive Directors</b>					
Dan Evans	8/8	0/0	0/0	0/0	3/3
Paul Rayner <sup>1</sup>	7/7	0/0	0/0	0/0	0/0
<b>Non-Executive Directors</b>					
David Shearer	8/8	0/0	2/2	0/0	0/0
David Garman	8/8	0/0	2/2	5/5	0/0
Rob Barclay	8/8	4/4	0/0	5/5	3/3
Rhian Bartlett	8/8	4/4	2/2	0/0	3/3
Shatish Dasani	8/8	4/4	2/2	0/0	0/0
Carol Kavanagh	8/8	0/0	0/0	5/5	0/0

<sup>1</sup> Paul Rayner was appointed as Chief Financial Officer and member of the Board on 1 July 2023.

The Board has approved a schedule of matters reserved for decision by it. That schedule is available for inspection at the Company's registered office and on the Company's website. The matters reserved for decision by the Board can be subdivided into a number of key areas including, but not limited to:

- financial reporting (including the approval of interim and final Financial Statements, interim management statements and dividends);
- approving the form and content of the Group's Annual Report and Financial Statements (following appropriate recommendations from the Audit & Risk Committee) to ensure that it is fair, balanced and understandable overall and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- the Group's finance, banking and capital structure arrangements;
- Group strategy and key transactions (including major acquisitions and disposals);
- Stock Exchange/Listing Authority matters (including the issue of shares, the approval of circulars and communications to the market);
- approval of the policies and framework in relation to remuneration across the Group (following appropriate recommendations from the Remuneration Committee);
- oversight of the Group's risk appetite, risk acceptance and programmes for risk mitigation;
- approval of the Group's risk management and internal control processes (following appropriate recommendations from the Audit & Risk Committee);
- approving the Company's annual Viability Statement;
- the constitution of the Board itself, including its various Committees, and succession planning (following appropriate recommendations from the Nomination Committee); and
- approving the Group's policies in relation to, inter alia, the Group's Code of Conduct and whistleblowing, the Bribery Act, the environment, health and safety and corporate responsibility.



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Matters requiring Board or Committee approval are generally the subject of a proposal by the Executive Directors, which is formally submitted to the Board, together with supporting information, as part of the Board or Committee papers made available prior to the relevant meeting. Where practicable, papers are generally made available via an electronic platform at least five days in advance of such meetings, to allow proper time for review and ensure the best use of the Directors' time. The implementation of matters approved by the Board, particularly in relation to matters such as significant acquisitions or other material projects, sometimes includes the establishment of a sub-committee including at least one Non-Executive Director, where relevant.

#### Chairman and Chief Executive

The posts of Chairman and Chief Executive are held by David Shearer and Dan Evans, respectively.

A statement as to the division of the responsibilities between the Chairman and Chief Executive is available on the Company's website. The Board considered that the Chairman, on his appointment, met the independence criteria set out in Provision 10 of the Code. The Board has an established policy that the Chief Executive should not go on to become Chair.

#### Board balance and independence

The Board currently comprises the Chairman, two Executive Directors and five independent Non-Executive Directors: David Garman, Rob Barclay, Rhian Bartlett, Shatish Dasani and Carol Kavanagh. The five Non-Executive Directors bring a strong and independent non-executive element to the Board. The Senior Independent Director is David Garman. The number and respective experience of the independent Non-Executive Directors, details of which are set out on pages 76 and 77, clearly indicates that their views carry appropriate weight in the Board's decisions. The Board considers that each of David Garman, Rob Barclay, Rhian Bartlett, Shatish Dasani and Carol Kavanagh are independent on the basis of the criteria specified in Provision 10 of the Code and are free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

#### Board Committees

The Audit & Risk Committee is chaired by Shatish Dasani. Its other members are Rob Barclay and Rhian Bartlett. Details of its activities during the year are detailed in the Audit & Risk Committee Report on pages 85 to 89.

The Remuneration Committee is chaired by Carol Kavanagh. The other members are David Garman and Rob Barclay. The Committee Chair's Statement, Directors' Remuneration Policy and Directors' Remuneration Report are on pages 92 to 108.

The Nomination Committee is chaired by David Shearer. The other members are David Garman, Rhian Bartlett and Shatish Dasani. The Committee therefore satisfies the requirement of Provision 17 of the Code that a majority of its members are to be independent Non-Executive Directors. The report on the activities of the Committee is contained on pages 90 to 91.

The Sustainability Committee is chaired by Rob Barclay. The other members are Rhian Bartlett and Dan Evans. A report of the Committee's activities is contained on page 109.

The Chairman and other Non-Executive Directors meet at least twice a year without the Executive Directors present. In addition, the Chairman regularly briefs the other Non-Executive Directors on relevant developments regarding the Company as necessary. The Senior Independent Director and the other Non-Executive Directors meet at least twice a year without the Chairman present, and also undertake an annual appraisal of the Chairman's performance as part of the Board annual appraisal process.

The minutes of all meetings of the Board and each Committee are taken by the Company Secretary or Assistant Company Secretary. In addition to constituting a record of decisions taken, the minutes reflect questions raised by the Directors relating to the Company's businesses and, in particular, issues raised from the reports included in the Board or Committee papers circulated prior to the relevant meeting. Any unresolved concerns are recorded in the minutes.

On resignation, written concerns (if any) provided by an outgoing Non-Executive Director are circulated by the Chairman to the remaining members of the Board.

Appropriate Directors' and Officers' insurance cover is arranged and maintained via the Company's insurance brokers, Marsh Ltd, and is reviewed annually.

The Companies Act 2006 allows non-conflicted directors of public companies to authorise a situation in which a director has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company, where the Articles of Association contain a provision to that effect. The Company's Articles of Association give the Board authority to authorise matters which may otherwise result in the Directors breaching their duty to avoid a conflict of interest. Directors who have an interest in matters under discussion at a Board meeting must declare that interest and abstain from voting. Only Directors who have no interest in the matter being considered are able to approve a conflict of interest and, in taking that decision, the Directors must act in a way they consider, in good faith, would be most likely to promote the success of the Company. The Directors are able to impose limits or conditions when giving authorisation if they feel this is appropriate. Any conflicts considered by the Board and any authorisations given are recorded in the Board minutes and in the register of conflicts which is reviewed annually by the Board. The Board considers that its procedures to approve conflicts of interest and potential conflicts of interest are operating effectively.

The Board is both balanced and diverse in respect of its experience and skills. The Board remains committed to maintaining and building on matters relating to diversity, equity and inclusion and encouraging that within senior management levels as recruitment opportunities arise. Any succession planning for the Board recognises this and matters relating to diversity, equity and inclusion in all its aspects is considered in the shortlisting of candidates.

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#### Appointments to the Board

The Board has established a Nomination Committee. The terms of reference of the Nomination Committee are published on the Company's website. The Committee meets formally as necessary, but at least twice a year. Its activities are set out in more detail in the Nomination Committee Report on pages 90 and 91. The principal functions of the Nomination Committee are to consider and review the structure and composition of the Board and membership of Board Committees. It also considers candidates for Board nomination including job description, election and re-election to the Board for those candidates standing for election or annual re-election at the Annual General Meeting and succession planning generally, plus ensuring a diverse pipeline.

A specification for the role of Chairman, including anticipated time commitment, is included as part of the written statement of division of responsibilities between the Chairman and Chief Executive. Details of the Chairman's other material commitments are set out on page 76 having been disclosed to the Board in advance and included in a register of the same maintained by the Company Secretary.

The terms and conditions of appointment of all the Non-Executive Directors, and those of the Chairman, are available for inspection at the Company's registered office during normal business hours. Each letter of appointment specifies the anticipated level of time commitment including, where relevant, additional responsibilities derived from involvement with the Audit & Risk, Remuneration, Nomination or Sustainability Committees. Details of other material commitments are disclosed to the Board and a register of the same is maintained by the Company Secretary.

During the year, Paul Rayner was appointed to the Board as Chief Financial Officer. The appointment of Paul Rayner was supported by external recruitment consultants Russell Reynolds Associates who have no other connection with the Company or any of its Directors.

No Director is a Non-Executive Director or Chair of a FTSE 100 company.

#### Diversity, equity, and inclusion

The value of diversity, equity and inclusion ('DEI') in the way we operate is strongly recognised and encouraged in the composition and culture of the Board, Board Committees, senior management as well as the wider workforce.

Underpinning the importance of DEI, we are pleased to report that as at 31 March 2024 our eight-member Board includes two women and a Board member from a minority ethnic background, the latter complying with the Listing Rules and Parker Review recommendation; all are standing for re-election at the AGM.

In line with the objective to increase gender diversity across all areas of our business, including the Board, senior management levels, and the appointment of a female Board member into a senior board position<sup>1</sup>, this will be considered as future recruitment opportunities arise as detailed below.

The Board is working hard to seek to overcome any challenges resulting from the under-representation of women, as well as those from a minority ethnic background, within the construction industry and remains committed to reaching the Listing Rules target of not less than 40% female composition on the Board.

<sup>1</sup> Chair, CEO, Senior Independent Director ('SID') or CFO.

When recruitment opportunities arise on the Board and its Committees, the recruitment process and Recruitment, Selection and Equal Opportunities Policy will be followed, additional details of which can be found in the Including everyone section of the Strategic Report reported on pages 39 to 41. The Board will always prioritise appointing the best candidate, ensuring that the Board and its Committees have a sufficient range of experience and expertise, to maximise Board effectiveness, whilst at all times considering the targets detailed within the Listing Rules and Disclosure Guidance and Transparency Rules regarding gender/gender identity and minority ethnic background representation. The Board also recognises that diversity can take many forms, including gender, ethnic and social background as well as personal, behavioural, and cognitive strengths; accordingly, the Board understand and appreciate that diversity at Board and Committee level and throughout the Company is a valuable strength.

#### Numerical data disclosure obligations as at 31 March 2024:

##### Gender identity/sex

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management <sup>1</sup>	Percentage of executive management <sup>2</sup>
Men	6	75.0%	4	7	77.8%
Women	2	25.0%	0	2	22.2
Not specified	-	-	-	-	-

##### Ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management <sup>1</sup>	Percentage of executive management <sup>2</sup>
White British or other White (including minority-white groups)	7	87.5%	4	8	88.9%
Mixed/Multiple Ethnic Groups	-	-	-	-	-
Asian/Asian British	1	12.5%	-	1	11.1%
Black/African/Caribbean/Black British	-	-	-	-	-
Other ethnic group, including Arab	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

<sup>2</sup> Reference to 'executive management' is to the Company's Executive Team.

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The approach to collecting the data used for the purposes of making the disclosures detailed above consisted of each Board and Executive Team member anonymously self-reporting their gender/ gender identity and their ethnic diversity as at 31 March 2024. The results are based on a 100% return rate.

#### Speedy Hire's DEI position

A benchmark review of Speedy Hire's DEI position was undertaken against a recent diversity survey completed by the Supply Chain Sustainability School (the Diversity Survey)<sup>1</sup> which included input from over 537 companies and 526,415 employees within the construction sector.

	Female gender	Diverse ethnicity	Disability	LGBTQIA+	Age 18-25	Age 50-65
Speedy Hire <sup>2</sup>	22.2%	6.5%	3.4%	7.2%	9.1%	35.3%
Diversity Survey <sup>3</sup>	29.1%	13.6%	2.8%	2.04%	7.7%	31.0%
Diversity Survey (Tier 2) <sup>4</sup>	18.9%	8.8%	1.5%	1.0%	-	-

- 1 Supply Chain Sustainability School's survey relating to Equality, Diversity & Inclusion, to which Speedy Hire contributed as a Tier 1 supply chain partner.
- 2 Figures taken from Speedy Hire's internal DEI report as at 31 March 2024.
- 3 Figures taken from the Diversity Survey published in January 2024 by the Supply Chain Sustainability School relating to Equality, Diversity & Inclusion, to which Speedy Hire contributed as a Tier 1 supply chain partner.
- 4 Segregated data from within the Diversity Survey for Tier 2 organisations only. (Data relating to age was not segregated for Tier 2 organisations.)

#### Speedy Hire's DEI strategy

The overriding objective of Speedy Hire's DEI Policy is to ensure that the Board, its Committees and Executive Team comprise outstanding individuals who can lead the business effectively in a manner aligned to Speedy's vision, mission and values. Candidates are recruited regardless of age, gender, ethnicity, sexual orientation, disability, or educational, professional and socioeconomic backgrounds, however the Board will at all times consider on such appointments the targets detailed within the Listing Rules and Disclosure Guidance and Transparency Rules regarding gender/gender identity and minority ethnic background representation.

The Board appreciates and is committed to ensuring that it delivers on Speedy Hire's DEI strategy, including increasing female and ethnic representation where appropriate. Details of the Group's approaches and initiatives to help achieve its DEI strategy can be found within the Including everyone section of the ESG Report from page 39.

The Board regularly review progress under Speedy Hire's DEI strategy and the underlying work and achievement in order to improve its DEI position and provide the basis for further progress.

#### Information and professional development

Before each scheduled Board meeting all Directors receive reports from the Chief Executive and Chief Financial Officer on results, key issues and strategy. Additionally, these reports (and, where relevant, additional reports from senior executives) address key matters concerning the Company's strategy, customers, suppliers, investors, employees, regulators and the environment. During Board meetings,

the Non-Executive Directors regularly make further enquiries of the Executive Directors and seek further information which is provided either at the relevant meeting or subsequently. This information and any related reports (provided either before or after meetings) are considered in the Board's discussions and in its decision-making process when having regard to Section 172 of the Companies Act 2006.

The Board recognises the importance of tailored induction training on joining the Board and ongoing training and education, particularly regarding new laws and regulations which relate to or affect the Group. Such training and education is obtained by the Directors individually through the Company, including briefings from external advisors, through other companies of which they are Directors or through associated professional firms or as members of their professional bodies.

Procedures are in place to enable Directors to take independent professional advice, if necessary, at the Company's expense, in the furtherance of their duties. The procedure to enable such advice to be obtained is available for inspection on the Company's website.

All Directors have access to the advice and services of the Company Secretary, whose role is to ensure that information is received by the Board in a timely manner, all procedures are followed and applicable rules and regulations are complied with. The appointment or removal of the Company Secretary is a matter specifically reserved for decision by the Board.

#### Performance evaluation

This year the Board evaluation was conducted internally and was led by the Senior Independent Director. Each of the Directors completed a confidential evaluation questionnaire and the results were reviewed by the Senior Independent Director in a one-to-one meeting with the relevant Board member. The Senior Independent Director presented his findings to the Board for discussion led by the Chairman. The one-to-one sessions with Directors had been open and constructive. The new Executive Team had settled well into their roles and the Board and Committees were working well together and generally effective. The findings remained positive in several categories, confirming that the Board and Committee meetings were well managed, with an open atmosphere providing good opportunity for discussion, questioning and challenge. Good progress had been made against actions from the previous evaluation in the area of Board reporting on the implementation of the Velocity strategy and the related business development activity. Key actions from the evaluation in year included introducing key metric reporting against the implementation of Velocity; building on the reporting to the Board on market and customer activity with periodic deep dives to further increase Board awareness; a review of the meeting calendar to optimise Directors' time for Board and Committee meetings, as the Sustainability Committee had become well established; and Board succession planning as several Directors move towards the end of their usual periods of office.

The Chairman reviewed the performance and development needs of each of the Executive and Non-Executive Directors. The Non-Executive Directors, led by the Senior Independent Director conducted an evaluation of the Chairman, and the Senior Independent Director discussed the results of that assessment with the Chairman. No actions were considered necessary as a result of these evaluations, and the Board is satisfied with the Chairman's commitment and performance.

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#### Re-election

Pursuant to the Code and under the Company's Articles of Association all Directors must submit to annual re-election (or where they are a new Director appointed to the Board since the last Annual General Meeting they will retire and seek election) at each Annual General Meeting. Biographical details of all the Directors, including respective experience, are included on pages 76 and 77 in order to enable shareholders to take an informed decision on any election/re-election resolution. The letters of appointment of each of the Non-Executive Directors and the Chairman confirm that appointments are for specified terms and that reappointment is not automatic.

#### Directors' remuneration

The performance-related elements of the remuneration of the Executive Directors form a significant proportion of their potential total remuneration packages. The performance-related schemes in which the Executive Directors are entitled to participate are set out in more detail in the Remuneration Report on pages 92 to 108. The Remuneration Committee, with the advice of FIT Remuneration Consultants LLP ('FIT'), reviews the Company's Remuneration Policy on a regular basis including the design of performance-related remuneration schemes. Such performance-related elements have been designed with a view to aligning the interests of the Executive Directors with those of shareholders and to incentivise performance at the highest level.

The Company's current Performance Share Plan ('PSP') is nearing the end of its ten-year life. It is proposed that the PSP be updated to reflect best and market practice and shareholders will be asked to vote on resolutions to approve the new PSP along with the renewal of the Company Sharesave scheme which is also nearing the end of its ten-year life. Further details are provided within the Remuneration Report on page 93.

The service contracts for Dan Evans and Paul Rayner provide for termination by the Company on 12 months' and 9 months' notice respectively. It is the Company's current policy that notice periods on termination of Directors' contracts should not exceed 12 months.

The policy of the Board is that the remuneration of the Non-Executive Directors should be consistent with the levels of remuneration paid by companies of a similar size. The levels of remuneration also reflect the time commitment and responsibilities of each role, including the office of Chair of Board Committees. It is the policy of the Board that remuneration for Non-Executive Directors should not include share options or any other share-based incentives.

The remuneration of the Non-Executive Chairman is dealt with by the Remuneration Committee and details are reported in the Directors' Remuneration Report. The remuneration of other Non-Executive Directors is dealt with by a Committee of the Board specifically established for this purpose, normally comprising the Chief Executive and the Chief Financial Officer, without the presence of the Non-Executive Directors. The remuneration of all Non-Executive Directors is ordinarily reviewed annually. The remuneration of Non-Executive Directors was reviewed at the end of FY2024. The conclusion was that the annual base fee be increased to £48,450. Further details of the remuneration of Non-Executive Directors are set out on page 103.

#### Procedure

The Remuneration Committee met on five scheduled occasions during the year, although additional ad hoc meetings took place during the year. The terms of reference of the Remuneration Committee are published on the Company's website and are fully compatible with Provision 33 of the Code. The Remuneration Committee members are Carol Kavanagh (Chair), David Garman and Rob Barclay who are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. The Company Chairman, Chief Executive, Chief Financial Officer and Chief People Officer attend by invitation but are not present for discussions relating to their own remuneration.

The Remuneration Committee has appointed FIT to advise it in relation to the design of appropriate executive remuneration structures, including the Company's proposed new PSP and Sharesave scheme as described above. FIT has no other connection with the Company or any of its Directors.

The responsibilities of the Remuneration Committee include setting the Remuneration Policy, ensuring that remuneration (including pension rights and compensation payments) and the terms of service of the Executive Directors are appropriate and that Executive Directors are fairly rewarded for the contribution which they make to the Group's overall performance. It is also responsible for the allocation of shares under long-term incentive arrangements approved by shareholders and in accordance with agreed criteria. In addition, it monitors current best practice in remuneration and related issues. The Board's policy is that all new long-term incentive schemes (as defined in the Listing Rules) and significant changes to existing schemes should be specifically approved by shareholders, while recognising that the Remuneration Committee must have appropriate flexibility to alter the operation of these arrangements to reflect changing circumstances. The Company's proposed new PSP as described above, will be the subject of a shareholders' resolution for approval at the 2024 AGM.

A more detailed summary of the work of the Remuneration Committee during the year and the Group's Remuneration Policy, to be considered for adoption at the Annual General Meeting in 2024 is contained on pages 92 to 108.

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### Accountability and audit

#### Financial reporting

The Directors' Report and independent auditor's report appear on pages 110 to 112 and pages 114 to 121 respectively and comply with Provisions 27 and 30 of the Code.

#### Audit & Risk Committee and auditors

The Audit & Risk Committee met on four scheduled occasions during the year. The terms of reference of the Audit & Risk Committee are published on the Company's website. Such terms of reference comply with Provision 25 of the Code. The Committee members are Shatish Dasani, Rob Barclay and Rhian Bartlett who are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. The Chief Executive, Chief Financial Officer, Group Financial Controller, Head of Risk & Assurance and the external auditors attend by invitation. The Board is satisfied that the Chairman of the Audit & Risk Committee, Shatish Dasani, has appropriate recent and relevant financial experience and that the Committee as a whole has competence relevant to the sector in which the Company operates.

In addition to responsibility for the Group's systems of internal control, the Committee is responsible for reviewing the integrity of the Company's accounts, including the half and full-year results, and recommending their approval to the Board.

The Committee meets on a regular basis with the external auditors and internal audit function to review and discuss issues arising from internal and external audits and to agree the scope and planning of future work.

The Audit & Risk Committee has primary responsibility for making a recommendation on the appointment, reappointment and removal of the external auditors. The policy of the Audit & Risk Committee is to ensure auditor objectivity and independence is safeguarded at all times. As further detailed on page 88, the Audit & Risk Committee considers that the Company's auditors are independent.

A more detailed description of the work of the Audit & Risk Committee during the year is contained in the separate report of the Committee on pages 85 to 89.

### Internal control

The Board is responsible for the Company's internal control procedures and processes and for reviewing the effectiveness of such systems.

The Board, via the Audit & Risk Committee, conducts a review, at least annually, of the Group's systems of internal control. Such a review considers all material controls, including financial, operational and compliance controls and risk management systems, and accords with the recommendations contained in the FRC's guidance on Risk Management, Internal Control and Related Financial and Business Reporting (formerly the Turnbull Guidance). A formal report is prepared by the Company's external auditor, highlighting matters identified in the course of its statutory audit work, and is reviewed by the Audit & Risk Committee in the presence of the external auditor and, by invitation, the Chief Executive, the Chief Financial Officer, Group Financial Controller and the Head of Risk and Assurance. The Committee also considers formal reports prepared and presented by the internal audit function. The findings and recommendations of the Committee are then formally reported to the Board for detailed consideration.

### Relations with shareholders

#### Dialogue with institutional shareholders

The Chairman, Chief Executive and Chief Financial Officer give presentations regularly to analysts and investors, which include the Company's half and full-year results. The Chairman, Chief Executive and Chief Financial Officer, with assistance from the Company's brokers, collate feedback from such presentations and report the findings to the next meeting of the Board. The Chairman is also available to discuss matters with major shareholders in relation to, inter alia, results, strategy and corporate governance issues. The Senior Independent Director, David Garman, is available to attend meetings with major shareholders in order to understand their issues and concerns should the normal communication channels with the Chairman, Chief Executive or Chief Financial Officer be considered ineffective or inappropriate.

#### Constructive use of the Annual General Meeting

The Company's Annual General Meeting procedures include, as a matter of course, specifying the level of proxies lodged on each resolution and the balance for and against each resolution and votes withheld after each has been dealt with on a show of hands. It is also the Company's policy to propose a separate resolution at the Annual General Meeting on each substantive separate issue, including in relation to the Annual Report and Accounts and the Directors' Remuneration Report.

All Committee Chairs will be available for shareholders' questions at the Annual General Meeting.

The Company's standard procedure is to ensure that the Notice of Annual General Meeting and related papers are sent to shareholders at least 20 working days before the meeting.

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**Audit & Risk Committee Report**



**The Audit & Risk Committee presents its report for the financial year ended 31 March 2024.**

**SHATISH DASANI**  
Chairman of the Audit & Risk Committee



**Objectives and terms of reference**

The Audit & Risk Committee's key objectives are to provide oversight and governance over the effectiveness of the Group's financial reporting and internal controls, together with the procedures for identification, evaluation and management of key risks. The role of the Audit & Risk Committee in monitoring the integrity of the Group's financial affairs is important to shareholders and other stakeholders, both internal and external. Accordingly, the Committee works closely with management and external and internal auditors to ensure a best practice approach to policies and controls. In addition, a key objective of the Committee is to ensure all financial reporting is fair, balanced and understandable.

The Audit & Risk Committee is satisfied that the Group's internal and external processes are robust and appropriately aligned to deliver good financial reporting and governance. The Directors confirm that the Board has completed a robust assessment of the Company's emerging and principal risks, including those that would threaten its business model, future performance, solvency or liquidity.

The terms of reference of the Audit & Risk Committee, which include all matters referred to in the UK Corporate Governance Code, are reviewed annually by the Committee and changes proposed to the Board. The current terms of reference can be found at [speedyhire.com/investors](https://speedyhire.com/investors) and are also available in hard copy from the Company Secretary.

**Composition of the Audit & Risk Committee**

The Audit & Risk Committee comprises three Non-Executive Directors: Shatish Dasani (Chairman), Rob Barclay and Rhian Bartlett. All members are considered by the Board to be independent. Biographies of each of the members of the Audit & Risk Committee are set out on page 77.

The Audit & Risk Committee is chaired by Shatish Dasani, a chartered accountant with over 25 years' experience in senior public company finance roles across various sectors, including building materials, general industrial and business services. His biography is set out on page 77. The Board is satisfied that Shatish Dasani has recent and relevant financial experience, and that the Committee as a whole has an appropriate balance of skills, experience, qualifications and sector-related knowledge.

**Attendance**

The Audit & Risk Committee's agenda is linked to events in the Group's financial calendar, and the Committee met on four scheduled occasions during the year with additional ad hoc meetings as required. Details of the attendance at Audit & Risk Committee scheduled meetings are set out below.

**Audit & Risk Committee members and meetings attended during the year:**

<b>Shatish Dasani</b> (Chairman) Non-Executive Director	4/4
<b>Rob Barclay</b> Non-Executive Director	4/4
<b>Rhian Bartlett</b> Non-Executive Director	4/4

**Operation and responsibilities of the Audit & Risk Committee**

The Company Chairman, Chief Executive and Chief Financial Officer, together with the external auditors, the Group Financial Controller and the Head of Risk and Assurance, are invited to attend meetings of the Audit & Risk Committee, although the Committee reserves time for discussions without any invitees being present. The external auditors and the Head of Risk and Assurance meet privately with the Audit & Risk Committee to advise the Committee of any matters which they consider should be brought to their attention without the Executive Directors present. The external auditors and the Head of Risk and Assurance may also request a meeting with the Committee if they consider it necessary. The Risk and Assurance department carries out the Group's internal audit work. The Chairman of the Committee also holds private meetings both with the Head of Risk and Assurance and the external auditors on a regular basis.

➤ **SHATISH DASANI**  
Chairman of the Audit & Risk Committee

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The Company Secretary acts as secretary to the Audit & Risk Committee. The members of the Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Committee undertakes its activities in line with an annual programme of business. The Audit & Risk Committee's principal duties are:

#### Internal controls and risk

- monitoring the effectiveness and appropriateness of internal controls;
- evaluating the process for identifying and managing significant risk in the business;
- considering the effectiveness and resourcing of the internal audit function;
- determining and directing the scope of the internal audit programme;
- appointing or replacing the Head of Risk and Assurance;
- reviewing matters reported through the Group's whistleblowing policy; and
- monitoring performance of the Group's senior finance personnel and ensuring their development.

#### External auditors

- monitoring the effectiveness of the external audit process, including recommending the appointment, re-appointment and remuneration of the external auditors;
- overseeing the rotation of the lead audit partner at appropriate junctures;
- considering and, if appropriate, approving the use of the external auditors for non-audit work in line with its policy;

- considering the independence of the external auditors, taking into account: (i) non-audit work undertaken by them; (ii) feedback from various stakeholders; and (iii) the Committee's own assessment; and
- monitoring and considering the provisions and recommendations of the UK Corporate Governance Code in respect of external auditors. This involves a review of the scope of the audit, the auditor's assessment of risk, appropriateness of materiality and the key findings.

#### Financial Statements

- monitoring the integrity of the Group's Financial Statements and formal announcements relating to the Group's performance;
- reviewing the Company's Viability Statement, challenging assumptions made with management and, if thought appropriate, recommending this for approval by the Board and inclusion in the Annual Report and Financial Statements;
- considering liquidity risk and the use of the going concern basis for preparing the Group's Financial Statements; and
- evaluating the content of the Annual Report and Financial Statements, to advise the Board as to whether it may reasonably conclude that the Annual Report and Financial Statements is fair, balanced and understandable overall and provides the information necessary to enable shareholders to assess the performance, business model and strategy of the Group.

As part of its annual programme of business, the Audit & Risk Committee regularly receives updates from the external auditors as to emerging accounting standards and reporting requirements, and members are expected to participate personally in relevant briefing and training sessions during the year.

### Significant areas considered during FY2024

During the year, the Audit & Risk Committee considered and discussed with the external auditors and management the following items:

- the existence and valuation of hire equipment, including control improvements following the deficiency identified in the previous financial year relating to non-itemised assets;
- the going concern basis for the preparation of the Financial Statements;
- acquisition accounting;
- non underlying items;
- provisions for dilapidations; and
- cybersecurity.

The role and response of the Audit & Risk Committee to these, along with any corresponding impact on the Group's Financial Statements, are discussed in more detail in this report.

#### Valuation of hire equipment

The hire fleet comprises over 2 million individual items; represents the largest asset on the balance sheet; and underpins the Group's key revenue streams.

The control environment surrounding the management of the hire fleet is critical to maintaining an up-to-date record of the assets and ensuring that they are correctly valued within the Financial Statements. In order to gain assurance that the control environment is operating in a satisfactory manner, the Committee requires internal audit to review the asset management processes. The summary findings of these reviews are provided to the Committee.

In addition to considering the appropriateness of the Group's depreciation policies, the Committee reviews the valuation of hire equipment taking into consideration the track record of the Group in disposing of hire equipment at close to book value. This also incorporates a thorough review of useful economic lives and residual values.

As reported in the previous financial year, a deficiency in the value of non-itemised assets of c.£20.4m was identified resulting in an adjustment to the balance sheet. This resulted in a limitation of scope in the audit opinion reported by the external auditors for FY2023 which affected the opening balances of FY2024. It was identified that the issue resulted from problems with the Group's controls and accounting procedures for non-itemised assets over a number of years, and in particular the reconciliation of counts to the Group's fixed asset register. The Board also concluded that the issue was not the result of underlying systemic fraud perpetrated on the Group by its staff or third parties.

The Audit & Risk Committee have continued to ensure that all recommendations and control improvements from the investigation conducted in the previous year have been completed. Increased scrutiny has also been put in place by the internal audit function and the Group has carried out full counts in September and March in addition to weekly perpetual inventory counts during the year. The full count performed in March 2024 identified no further adjustments and indicated the newly implemented processes and controls were operating effectively.

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### Going concern basis for the preparation of the Financial Statements

The Group has adopted a going concern basis for the preparation of the Financial Statements. Judgement over the future cash flows of the business (for a period of at least 12 months from signing these accounts) and the available headroom from the Group's borrowing facilities must be applied in concluding whether to adopt a going concern basis of preparation. The Audit & Risk Committee has challenged forecast cash flows, the assumptions applied to derive the cash flows and availability of finance from existing facilities.

The Group's £180m asset-based finance facility was entered into in July 2021 on a three-year tenure. On 26 May 2023 options for a further two one-year extensions were exercised and the facility now terminates in July 2026. There are no prior scheduled repayment requirements. The additional uncommitted accordion of £220m remains in place through to July 2026. The facility includes quarterly leverage and fixed charge cover covenant tests which are only applied if headroom in the facility falls below £18m. No covenant test was required during the year, and the Group maintained significant headroom against these measures.

Based on the expectations of future cash flows (including the consideration of severe but plausible downside modelling) and the continued availability of the banking facilities, the Audit & Risk Committee has concluded that the available borrowing facilities are adequate for both existing and future levels of business activity. The Committee therefore considers that it is appropriate to continue to adopt a going concern basis in the preparation of the Financial Statements.

### Acquisition accounting

Following the acquisition of Green Power Hire Limited, external specialists have been engaged to do a full valuation of the Company and assist in the accounting of the acquisition at the year end. Work performed in this area has been overseen by the Committee and has resulted in Goodwill (£9.9m) and other Intangible assets of £10.9m. Goodwill is inclusive of £0.6m of fair value adjustments, primarily relating to aligning of accounting policies. As a result, the Committee is satisfied that the acquisition has been accounted for appropriately in line with accounting standards.

### Non underlying items

Throughout the year, the Group has incurred significant costs in respect of transformation and restructuring activities which do not form part of the underlying cost base of the business. Work had been completed throughout the year to determine appropriate treatment of such spend and in particular which elements of the transformation costs have been incremental to the Group and which of those costs should be treated as capital. All such costs have been reviewed based on the activity that has taken place with regular updates to the Audit & Risk Committee. Based on the work performed, the Committee is satisfied that this is appropriate in line with accounting standards.

### Provisions for dilapidations

In the previous year, the Group had reviewed its accounting policies in relation to dilapidations, assessing a more comprehensive view of the future liability on all leases in line with accounting standards. Dilapidations are assessed at the earliest point, being the start of the lease or due to an obligating event. External specialists were engaged to perform a full assessment of the property portfolio in

FY2024 to inform the year-end provision. Work has been completed throughout the year in coordination with the Property team to assist with the full assessment of the portfolio and continue to improve the control environment moving forward.

As a result of the work performed, the Committee is satisfied that the provisions held for dilapidations are sufficient and appropriate, in line with accounting standards.

### Cybersecurity

In common with most other businesses, due to changes in the external threat environment, the Group is exposed to increased risk from cyberattack which may cause disruption to its operations. As the Group continues to expand its digital offering online, the likelihood of becoming a target increases.

The Audit & Risk Committee has included in its routine programme of business a review of the cybersecurity risk and the actions that management have already taken and are putting in place to mitigate these risks.

The business has improved its maturity in cybersecurity and continues to assess its maturity against its risk appetite. The business continues to manage with external specialists to provide penetration tests, the last of which was completed in May 2024. In addition, the business maintains an ISO 27001 accreditation and a Cyber Essentials Plus accreditation.

As a result of the work performed, the Committee is satisfied that the cybersecurity risk is being actively managed to an appropriate level.

### Internal control and risk management

The Board is responsible for the Group's system of internal control and risk management and for reviewing its effectiveness. The Board is also responsible for defining the risk appetite of the Group. The detailed review of internal controls has been delegated by the Board to the Audit & Risk Committee.

The Risk and Assurance Department includes the Group's internal audit function. The Head of Risk and Assurance reports to the Board and to the Audit & Risk Committee. The internal audit function is involved in the assessment of the quality of risk management and internal controls. It helps to promote and develop further effective risk management in all areas of the business, including the embedding of risk registers and risk management procedures within individual business areas. The Committee receives detailed reports from the Risk and Assurance Department at each meeting.

The Committee ensured that questionnaires were circulated to senior management requesting they notify the Chief Financial Officer of any significant irregularities in information provided for inclusion in the Financial Statements. None have been reported.

The Audit & Risk Committee has reviewed the effectiveness of internal controls and risk management during the year taking into consideration the framework and risk register maintained by management, in addition to reports from both internal and external auditors. The Committee has concluded that internal controls have operated effectively during FY2024.



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### Review of the work, effectiveness and independence of internal audit

The Audit & Risk Committee reviews the effectiveness of the Group's internal audit function. This review includes the audit plan and the level of resource devoted to internal audit, as well as the degree to which the function can operate free from management restrictions. The Committee considered the results of the audits undertaken by the internal audit function and in particular considered the response of management to issues raised by internal audit, including the time taken to resolve matters reported. Although internal audit has raised recommendations for improvement in the normal course of business, the Audit & Risk Committee is satisfied that none of these constituted significant control failings during FY2024.

In accordance with Attribute Standard 1312 of the Chartered Institute of Internal Auditors ('CIIA') International Professional Practices Framework, an external quality assessment of internal audit was undertaken during FY2022. The review concluded that the internal audit and risk function is effective in providing independent assurance to the organisation and complies with IIA standards. In addition to this, the Head of Risk and Assurance is required to undertake an annual self-assessment of adherence to this framework. This self-assessment is considered by the Audit & Risk Committee during its review of internal audit.

On an annual basis the Audit & Risk Committee circulates a questionnaire to Directors and senior management inviting comments on the Risk and Assurance function. The responses are considered by the Audit & Risk Committee and are used in conjunction with the other review processes described to determine whether internal audit is working effectively.

Section E24 of the CIIA Internal Audit Code of Practice requires the Audit & Risk Committee to explicitly discuss annually the Chairman's assessment of the independence and objectivity of the Head of Risk and Assurance. The Committee is satisfied that the Head of Risk and Assurance is independent and will robustly challenge management appropriately.

Following the review, the Committee concluded that the Group's internal audit function remains effective.

The Internal Audit Charter was reviewed by the Audit & Risk Committee during the financial year, and it was determined that it remained fit for purpose.

During the final months of the financial year, a new Head of Risk and Assurance was appointed to oversee the Group's internal audit function. The new Head of Risk and Assurance will continue to manage the function to the standard the Committee has come to expect and will oversee the implementation of the new Global Internal Audit Standard which will become effective in January 2025.

### Review of the work, effectiveness and independence of the external auditors

The Audit & Risk Committee reviews annually the relationship between the Group and the external auditors and has responsibility for monitoring the external auditors' independence, effectiveness and objectivity. This work includes an assessment of their performance, a review of the scope of their work, as well as their compliance with ethical, professional and regulatory requirements. The Committee also reviews any major issues which arise during the course of the audit and their resolution, key accounting and audit judgements, and any recommendations made to the Board by the auditors and the Board's response.

The Committee is responsible for ensuring that an appropriate relationship is maintained between the Group and the external auditors.

The policy for the use of the external auditors for non-audit related purposes was reviewed by the Committee during the financial year and it was determined that this remained appropriate and no changes were made. The policy is designed to control the provision of non-audit services by the external auditors in order to ensure that their objectivity and independence are safeguarded. The policy states that preference should be given to retaining consultants other than from the external auditors unless strong reasons exist to the contrary, and that non-audit fees paid to the auditor should not exceed 100% of the audit related fees paid in that year, and the three-year average of non-audit fees paid to the auditor should not exceed 50% of the annual audit fees. The policy further requires that the provision of any non-audit services by the external auditors is subject to prior approval by the Audit & Risk Committee. The Committee closely monitors the amount the Company spends with the external auditors on non-audit services.

The only non-audit service provided by the auditors in the year relates to the review of the Company's half-year results which the Committee accepted was work best undertaken by the external auditors. These fees represented 9.2% of the annual audit fees and the three-year average, including former auditor KPMG LLP, was 6.1%. Details of the fees, split between audit and non-audit services, payable to the external auditors are given in note 5 to the Financial Statements.

The Audit & Risk Committee considered the external auditor's performance during the year and reviewed the level of fees charged, which are considered appropriate given the size of the Group.

### Audit & Risk Committee performance evaluation

The Committee carried out a self-evaluation during the year using questionnaires circulated to members of the Committee as well as those who attend regularly including the external auditors, Head of Risk and Assurance and the Executive Directors. The responses received indicated that the Committee was considered to be operating effectively.

The Committee has set the following key objectives for its work as a result:

- Continue to oversee the implementation of agreed actions relating to controls over non-itemised assets so that the auditors are able to give a clean audit opinion for the year to March 2025;
- Oversee the transition to the new external audit partner and, with appropriate support from management, the delivery of the external financial information in line with agreed timetable;
- Support the newly appointed Head of Risk & Assurance in their transition and ongoing improvements in risk management and conduct of internal audits; and
- Continue monitoring the completion on time of agreed management actions to address control weaknesses.

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## Audit & Risk Committee Report *continued*

### Appointment of auditors

PricewaterhouseCoopers LLP were appointed as external auditors following a comprehensive tender process, commencing with the FY2023 audit.

Having considered the results of the Audit & Risk Committee's work, the Board is recommending the re-appointment of PricewaterhouseCoopers LLP as auditors of the Group for FY2025. The lead audit engagement partner is Christopher Hibbs who was appointed during the year. PricewaterhouseCoopers has expressed its willingness to continue as external auditors of the Group. Separate resolutions proposing its reappointment and the determination of its remuneration will be proposed at the Annual General Meeting to be held on 5 September 2024.

### Code of Conduct and Whistleblowing

The Company remains committed to the highest standards of business conduct and expects its Directors, employees, consultants and other stakeholders to act accordingly. The Company has a well-established Code of Conduct which incorporates a whistleblowing policy. These policies are actively promoted within the Group. Code of Conduct training is covered in our induction programme for new employees and, where appropriate, this is reinforced on an annual basis via an online training course for existing employees.

The Audit & Risk Committee receive a report at each of its scheduled meetings, giving an overview of concerns raised under Speedy Hire's Speak Up Whistleblowing Policy in the previous period and any investigations undertaken. The Speak Up Policy allows directors, employees, contractors and other third parties to report concerns directly to named Speedy Hire whistleblowing officers or via a dedicated email or phone line. An annual summary detailing the number and nature of reported cases alongside details of investigations, outcomes and actions is also reviewed as part of the Committee's meeting programme.

### Communicating with shareholders

The Company places considerable importance on communication with its shareholders, including both institutions and private shareholders. The Group's Chief Executive and Chief Financial Officer manage the investor relations programme and meet with major shareholders on a regular basis. The Group's Chairman also meets with investors. The views of the Company's major shareholders are reported to the Board and are regularly discussed at meetings of the Board and at the various committees of the Board, including, where appropriate, the Audit & Risk Committee.

### Approval of Annual Report and Financial Statements

Having reviewed the Annual Report and Financial Statements and made inquiries of management and the external auditors, the Audit & Risk Committee advised the Board that in its opinion the Annual Report and Financial Statements was fair, balanced and understandable overall and provides all the information necessary to enable shareholders to assess the performance, business model and strategy of the Group.

This report was approved by the Board on 18 June 2024.

#### **SHATISH DASANI**

Chairman of the Audit & Risk Committee

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**Nomination Committee Report**



**The Nomination Committee presents its report for the financial year ended 31 March 2024.**

**DAVID SHEARER**  
Chairman of the Nomination Committee



**The key functions of the Nomination Committee are to review the structure and composition of the Board, to identify and propose to the Board suitable candidates to fill Board vacancies, and to undertake succession planning for Board and senior management positions.**

**Composition of the Nomination Committee**

The Nomination Committee comprises the Chairman, David Shearer, and three independent Non-Executive Directors, David Garman, Rhian Bartlett and Shatish Dasani. Appointments and attendance at meetings during the year are set out below. Biographies of the members of the Nomination Committee are set out on pages 76 and 77.

The terms of reference of the Nomination Committee are reviewed annually by the Committee and changes proposed to the Board. The current terms are published on the Company's website at [speedyhire.com/investors](https://speedyhire.com/investors) and are also available in hard copy form on application to the Company Secretary.

**Attendance**

The Nomination Committee met on two scheduled occasions during the year. Additional ad hoc meetings took place dealing with Board changes occurring during the year. Details of the attendance at scheduled Nomination Committee meetings are set out in the table below. At the invitation of the Chairman, the Chief Executive may attend meetings. The Group's Chief People Officer may also be invited to attend, particularly where discussions are taking place around succession planning within the Group.

**Nomination Committee members and scheduled meetings attended during the year:**

<b>David Shearer</b> (Chairman)	
Non-Executive Chairman	2/2
<b>David Garman</b>	
Non-Executive Director	2/2
<b>Rhian Bartlett</b>	
Non-Executive Director	2/2
<b>Shatish Dasani</b>	
Non-Executive Director	2/2

**Operation of the Nomination Committee**

The Company Secretary acts as secretary to the Nomination Committee. The members of the Nomination Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Nomination Committee's duties include, inter alia:

- ensuring that there is a formal and transparent procedure for the appointment of new Executive and Non-Executive Directors to the Board and making recommendations to the Board on such appointments;
- reviewing the size and composition of the Board along with membership of Board Committees;
- evaluating the balance of skills, knowledge and experience on the Board;
- ensuring that succession planning is in place for the Board and senior management;
- ensuring that Non-Executive Directors are able to devote sufficient time to discharge their duties;
- making recommendations to the Board in respect of Directors standing for election or re-election at the AGM; and
- overseeing the development of a diverse pipeline for succession to the Board and senior management roles.



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## Nomination Committee Report *continued*

The Nomination Committee leads the process for all Board appointments, carefully evaluating the skills available on the Board and how these may be best balanced and enhanced by agreeing the person's specification, selecting external recruitment consultants, considering all candidates and making recommendations to the Board for appointment. In selecting candidates, the Nomination Committee gives due consideration to the benefits of diversity, equity and inclusion and the objective of increasing the diversity of the Board. The Company's values and objectives in this area are disclosed on pages 39, 82 and 91. All recommendations made are on merit against objective criteria.

During the year the Nomination Committee undertook all of the duties set out above and additionally reviewed the leadership needs of the organisation, new positions within the Executive Team, and succession planning for key individuals, including Directors and senior management, which followed the completion of an annual review led by the Chief People Officer for the latter. The review included the identification of talented individuals for key management roles and development across the Group and took account of the Company's objectives to increase diversity, equity and inclusion across all levels. In support of succession planning and senior management development, Non-Executive Directors participate in the Group's mentoring scheme.

### Board

During the year the Nomination Committee has overseen the change within the Executive Directors on the Board.

As previously reported, Paul Rayner joined the Board as Chief Financial Officer ('CFO') with effect from 1 July 2023, following serving as interim CFO from 1 November 2022. The appointments followed James Bunn's resignation as CFO to pursue an opportunity in an unrelated sector and his stepping down from the Board on 1 November 2022. The Nomination Committee led the process for the appointment of a permanent successor and external search consultants Russell Reynolds Associates were retained.

The Committee recommended a one-year extension to the term of both David Garman and Rob Barclay to expire at the AGM 2025.

During the year the Committee considered the size and composition of the Board and its Committees and the balance of skills, knowledge and experience across the Directors. The Committee concluded that following the recent appointments of the Executive Directors, the overall size, structure and composition of the Board was well balanced and operating effectively, as were the Board Committees.

The Committee acknowledged the required focus on Board succession in the coming years with several Directors coming towards the end of their usual tenures. The Committee will plan and lead the recruitment processes for the new Board appointments following the approach for all Board appointments as summarised above, including the Company's commitment to increase diversity, equity and inclusion on the Board and its objective to comply with the Listing Rules as detailed below.

### Diversity, Equity and Inclusion

Continuing to develop an increasingly diverse and inclusive workforce is an important factor in supporting the Company's strategy which additionally helps create a sustainable and prosperous business. The Board recognises the value of diversity within the boardroom including across backgrounds, experience, knowledge, skills and gender. The Committee considers the Company's Diversity, Equity and Inclusion Policy and objectives generally in order to increase gender diversity on the Board, its Executive Team and amongst senior management and, in particular, with a view to meeting the gender targets specified in the Listing Rules, in all appointments to the Board and its Committees and any changes in the roles of Directors. More generally the Group's approach to diversity, equity and inclusion can be seen on pages 38, 82 and 91, along with details of the gender balance of those personnel in senior management.

The Nomination Committee has recommended the re-election of all Directors standing at the forthcoming Annual General Meeting.

This report was approved by the Board on 18 June 2024.

#### DAVID SHEARER

Chairman of the Nomination Committee

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## Remuneration Report



### The Remuneration Committee presents its report for the financial year ended 31 March 2024.

**CAROL KAVANAGH**  
Chair of the Remuneration Committee



I am pleased to present, on behalf of the Board, the Directors' Remuneration Report for the year ended 31 March 2024. The report has been divided into the following three sections:

- this **Annual Chair's Statement**, summarising major decisions and any relevant changes to remuneration;
- the **Remuneration Policy Report**, which sets out the Group's proposed policy on the remuneration of the Executive and Non-Executive Directors; and
- the **Annual Report on Remuneration**, outlining how the Group's Remuneration Policy was implemented in FY2024 and how it will be implemented in FY2025.

#### Performance and reward for FY2024

The Group has performed resiliently in the year against a challenging market backdrop and wider macroeconomic uncertainty and made good progress with the implementation of our Velocity strategy.

However, notwithstanding the progress made in respect of delivering our five-year strategy and transformation programme, no annual bonus was awarded in respect of the year ended 31 March 2024 as a result of the threshold PBT target not being met. The Performance Share Plan ('PSP') awards granted on 14 June 2021 will lapse in full in June 2024 as a result of below threshold EPS performance and below median relative Total Shareholder Return.

#### Remuneration Policy Review

Following the launch of our Velocity strategy last year, the Remuneration Committee has carried out a review of our Directors' Remuneration Policy. The main conclusion of this review was that while fixed/annual components of the CEO and CFO's remuneration remain fit for purpose and market aligned, long-term incentive provision for the CEO and CFO (and the below Board senior management team) should be more closely aligned to the delivery of Velocity. As such, the Committee has consulted major shareholders and the main representative bodies in respect of combining the 2024 and 2025 PSP awards into a single grant in 2024 with performance measured over a four-year performance period to reflect the importance of retaining the Executive Directors (and below Board senior management team) for the duration of the Velocity strategy period and to ensure that they are appropriately aligned with, and incentivised to deliver, it.

Given that the award (equating to up to 300% salary for the CEO and CFO) would be in excess of the current 150% of salary limit in our Directors' Remuneration Policy, we are seeking shareholder approval at the 2024 AGM to amend the individual PSP limits in the Remuneration Policy (for 2024 only).

In addition, as the Speedy Hire Plc Performance Share Plan 2014 is nearing the end of its ten-year life, a replacement share plan, with the individual limits updated to accommodate the proposed 2024 PSP awards will also be put forward for shareholder approval.

#### Policy implementation for FY2025

Based on the above, the proposed approach in respect of the year ending 31 March 2025 is as follows:

- **Salary:** The CEO was offered, but declined, a workforce aligned salary increase from the 1 April 2024 normal review date. Given the CFO's recent appointment, his first salary review date will be 1 April 2025. As such, the CEO and CFO salaries were not increased at 1 April 2024 and therefore will remain at £495,000 and £350,200 respectively.
- **Pension:** Executive Directors will continue to receive a workforce aligned pension allowance, currently set at 3% of salary.
- **Annual bonus:** For the financial year ending 31 March 2025, notwithstanding that the maximum annual bonus opportunity in the current (and proposed) Remuneration Policy is set at 125% of salary, potential annual bonus will continue to be limited to 100% of salary in line with past practice. Performance metrics will continue to be based on financial, strategic and ESG targets to reflect Speedy Hire's priorities for the year ahead. Half of any bonus award above 75% of salary in respect of the year ending 31 March 2025 will be deferred into shares for 2 years. Targets are considered by the Board to be commercially sensitive although full retrospective disclosure of the performance metrics, targets and outturns will be provided in the Directors' Remuneration Report for the year ending 31 March 2025.

➤ **CAROL KAVANAGH**  
Chair of the Remuneration Committee



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Remuneration Report *continued*

- 2024 PSP Awards:** Subject to shareholder approval:
  - the CEO and CFO will be granted a PSP award immediately following the 2024 AGM. The award is intended to combine the 2024 and 2025 PSP awards, equating to up to 300% of salary at a share price of 27.57 pence, which is the share price used for recent below Board awards granted on similar terms, and which represents c.1.8% of issued share capital at maximum vesting.
  - PSP awards will vest following the publication of the audited results for FY2028 (i.e. over a c.4-year vesting and performance period). Reflecting the combination of 2024 and 2025 PSP awards, no PSP would be granted to the CEO and CFO in 2025 in the normal course of events, with the normal annual PSP grant cycle resuming in 2026 (vesting in 2029) and annually thereafter.
  - the performance metrics/targets, which are closely linked to our Velocity strategy and are considered to be appropriately challenging in light of the proposed award levels, are as follows:

Metric	Weight	Performance Period	Threshold Target* (25% of this part vests)	Maximum Target* (100% of this part vests)
Earnings Per Share	30%	Financial Year ending 31 March 2028	6p	9p
Free Cash Flow**	30%	1 April 2024 to 31 March 2028	£20m	£30m
Relative TSR***	40%	1 April 2024 to 31 March 2028	Median	Upper Quartile

\* No vesting below threshold performance, pro rata vesting between threshold and maximum.  
 \*\* Free Cash Flow: net cash flow before movement in loan balances, merger and acquisition activity and returns to shareholders.  
 \*\*\* Measured against the FTSE SmallCap (excluding investment trusts). Note, in this regard, whilst past PSP awards have measured TSR against the FTSE 250 (excluding investment trusts), the SmallCap is considered more appropriate going forwards, given Speedy Hire's current FTSE ranking.

- While the shareholders were originally consulted on the three performance metrics detailed above being of equal weighting (i.e. each metric was weighted a third each), following a review of the feedback received from major shareholders, the Committee agreed to skew performance in favour of TSR.
- To the extent that awards vest, a post-vesting holding period will operate up to the fifth anniversary of grant (i.e. shorter than the normal 2 years to reflect the circa 4 rather than 3-year vesting period) and any shares which vest (in each case net of tax) must be held against the prevailing shareholding guidelines (in-employment and post-cessation as relevant).
- Shareholder protections:** Malus and clawback provisions will continue to operate for both the annual bonus, deferred bonus and PSP awards and no changes will be made to the in-employment guidelines (200% of salary) or post-employment guidelines (200% of salary for one year post cessation, reducing to 100% of salary for the second-year post-cessation).

Pay and practices in the wider Group

When considering the Remuneration Policy for the Executive Directors, the Remuneration Committee takes into account pay and employment conditions across the Company.

Previously every employee in Speedy Hire participated in a discretionary bonus scheme relevant to their role. However, in view of the desire to provide a greater level of fixed income to our lower paid colleagues in light of the cost of living crisis, and to simplify incentive arrangements, the number of bonus schemes operated was reduced, and bonus potential was consolidated, into an additional salary increase effective 1 October 2023. This change was received extremely positively throughout Speedy Hire.

In addition, alongside the Company-wide salary review process, investment will continue to be made during the year to ensure that employees are paid at or above the Real Living Wage. Our apprentices are paid well above the relevant apprentice minimum wage during their first year and then at least the relevant national minimum or living wage until they transfer off the apprenticeship scheme, at which point they are paid at least the Real Living Wage.

Shareholder engagement

In addition to the shareholder consultation exercise on the proposed change to the Directors' Remuneration Policy detailed above, the Committee takes an active interest in any shareholder views on the Company's executive remuneration and is mindful of the concerns of shareholders and other stakeholders. We will continue to take into account the views of our shareholders as appropriate.

The Committee was pleased by the strong support received from shareholders for the Directors' Remuneration Policy Report and Remuneration Report at the 2023 AGM. I am grateful for the consideration and constructive feedback from shareholders during the consultation process this year.

Shareholder approvals

At the 2024 Annual General Meeting, the Company will be asking shareholders to vote on four separate remuneration-related resolutions as follows:

- a binding vote on the revised Directors' Remuneration Policy, which will, subject to shareholder approval, become formally effective as at the date of the AGM;
- an advisory vote on the Directors' Remuneration Report (excluding the Policy), which provides details of the remuneration earned by Directors for performance in the year ended 31 March 2024 and how we intend to remunerate Directors in the year ending 31 March 2025;
- the renewal of the Speedy Hire Plc Performance Share Plan 2014 which is nearing the end of its 10-year life (updated to accommodate the proposed 2024 PSP awards be granted to Executive Directors as detailed above). However, while the terms of the PSP will be updated for best and market practice, the Committee does wish to make a change to the current dilution limits. Speedy Hire operates standard 5% in 10 year (discretionary share awards) and 10% in 10-year (all share awards) dilution limits albeit the current 5% inner limit is creating a headroom issue. As such, it is proposed that the PSP rules be amended to remove the 5% in 10-year discretionary plan limit. It is the Committee's intention that the 5% in 10-year discretionary plan limit be re-introduced in time and in this regard, the Committee will consider this annually from 2028 onwards (i.e. after the 2024 awards have vested); and
- the renewal of the Speedy Hire Plc 2014 Sharesave which is nearing the end of its 10-year life.

Conclusion

I hope you find this report clear and helpful in understanding our remuneration policy and practices. I would like to thank those shareholders which have engaged with the Remuneration Committee on the proposed Velocity-based 2024 PSP awards and I look forward to receiving continued shareholder support for the remuneration-related shareholder resolutions at our AGM.

This report was prepared by the Remuneration Committee and approved by the Board on 18 June 2024.

**CAROL KAVANAGH**  
 Chair of the Remuneration Committee



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## Directors' Remuneration Policy Report

This part of the Directors' Remuneration Report sets out the proposed Directors' Remuneration Policy ('Policy') for the Group. This Policy will be put to shareholders for approval in a binding vote at the 2024 AGM and if approved it will be effective from that date. The Remuneration Committee's current intention is that the revised policy will operate for the three-year period to the 2027 AGM.

### Summary of Policy Change

Shareholders approved our current Policy at the 2023 AGM with over 97% of votes cast in favour. However, following the launch of our Velocity strategy last year, the Remuneration Committee has carried out a review of our Directors' Remuneration Policy and the main conclusion was that long-term incentive provision for the CEO and CFO (and the below Board senior management team) should be more closely aligned to the delivery of Velocity.

As such, the Committee has consulted major shareholders and the main representative bodies in respect of the grant of a 300% of salary PSP award to the CEO and CFO in 2024 (i.e. above the normal PSP award level and double the current Directors' Remuneration Policy maximum of 150% of salary). Reflecting the 2024 PSP award level, no PSP award would be granted to the CEO or CFO in 2025 in the normal course of events, with the normal annual PSP grant cycle resuming in 2026.

Given that the award would be in excess of the current 150% of salary limit in our Directors' Remuneration Policy, we are seeking shareholder approval at the 2024 AGM to amend the Remuneration Policy (i.e. increase the PSP limit to 300% of salary for 2024 only).

### Policy overview

The primary objective of the Remuneration Policy is to promote the long-term success of the Group. In working towards the fulfilment of this objective, the Remuneration Committee takes into account a number of factors when setting the Remuneration Policy for the Executive Directors including the following:

- the need to attract, retain and motivate high calibre Executive Directors and senior management;
- internal pay and benefits levels, and practice and employment conditions within the Group as a whole;
- the recommendations set out in the UK Corporate Governance Code and the views of shareholders and their representative bodies; and
- periodic external comparisons to examine current market trends and practices and equivalent roles in similar companies taking into account their size, business complexity, international scope and relative performance.

Our remuneration structure is intended to be simple and transparent, and to contribute to the building of a sustainable performance culture. The main elements of the remuneration package for Executive Directors are a base salary, benefits and pension provision and, subject to stretching performance conditions, an annual bonus plan and shares awarded under a Performance Share Plan ('PSP').

The key principles of the policy are:

- **Clarity** – maintain transparency of our competitive total remuneration structure that is driven by our business strategy and model, focuses on sustained long-term value creation and is aligned with the interests of shareholders;
- **Predictability** – to ensure that targets set each year result in stretching ambitions and that the scale of the reward is proportionate;
- **Simplicity** – ensure the remuneration structure avoids unnecessary complexity, with a reward package that balances short and long-term performance, rewarding Company and personal performance;
- **Risk** – Risk is appropriately managed. The remuneration of Executive Directors provides an appropriate balance between fixed and performance-related pay elements: restraint on fixed pay, with a substantial proportion of total remuneration based on variable pay linked to performance;
- **Alignment to culture** – the remuneration principles encourage behaviour that the Committee expects; and
- **Proportionality** – the link between individual awards, the delivery of strategy and the long-term performance of the Group is clear.

As a result, the Remuneration Committee has determined that the remuneration of Executive Directors will provide an appropriate balance between fixed and performance-related pay elements. The Remuneration Committee will continue to review the Remuneration Policy to ensure it takes due account of remuneration best practice and that it remains aligned with shareholders' interests.

### Directors' Remuneration Policy table

The table below summarises each element of the proposed updated Remuneration Policy for the Directors, explaining how each element operates and the links to the corporate strategy. If approved, the Policy will be effective from the date of the Company's 2024 AGM.

This Policy has been prepared in accordance with the provisions of the Companies Act 2006 ('the Act') and the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 ('the Regulations') as amended, the UK Corporate Governance Code, the Financial Conduct Authority's Listing Rules and the Disclosure and Transparency Rules. It also takes into account the accompanying Directors' Remuneration Reporting Guidance, prevailing shareholder and proxy guidelines and wider best practice.

The overall approach to remuneration remains consistent, with modest adjustments to ensure the policy continues to underpin the performance of the business and deliver a balanced remuneration package to executives that is focused on total remuneration with a significant proportion of the package based on performance-related variable pay. The Remuneration Report will note how the current Remuneration Policy has been implemented over the previous year and how the proposed Policy will be implemented in the following year.

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Purpose and link to strategy	Operation	Maximum	Performance targets
<b>SALARY</b>			
<p><b>Recognises the knowledge, skills and experience, as well as the size and scope of the role.</b></p> <p><b>Provides an appropriate level of basic fixed income avoiding excessive risk arising from over reliance on variable income.</b></p>	<p>Normally reviewed annually with changes typically effective 1 April.</p> <p>Paid in cash on a monthly basis.</p> <p>Pensionable.</p> <p>Comparison against companies with similar characteristics and sector peers are taken into account in review.</p> <p>Internal reference points, the responsibilities of the individual role, progression within the role and individual performance are also taken into account.</p>	<p>There is no prescribed maximum annual basic salary or salary increase.</p> <p>Salary increases are awarded at the discretion of the Committee. Salary increases (in percentage of salary terms) will ordinarily be considered in relation to those applied to the broader employee population.</p> <p>The Committee retains discretion to award a lower or a higher increase to recognise, for example, the performance and contribution of an individual; an increase in the scale, scope or responsibility of the role and/or to take account of relevant market movements.</p> <p>Where an Executive Director's salary is set below market levels at appointment, a series of increases may be given (in addition to the factors listed above) in order to achieve the desired salary positioning, subject to satisfactory individual performance.</p>	<p>None, although the overall performance of the individual is considered as part of the review process alongside the factors described in how we operate the salary policy.</p>
<b>BENEFITS</b>			
<p><b>To provide a competitive benefits package.</b></p> <p><b>To promote recruitment and retention.</b></p>	<p>Benefits may include a car or car allowance, health benefits including permanent incapacity and life insurance.</p> <p>Other benefits including relocation allowances may be offered if considered appropriate and reasonable by the Committee. Executive Directors may be eligible for other benefits which are introduced for the wider workforce on broadly similar terms.</p> <p>Any reasonable business-related expenses can be reimbursed (including the tax thereon if determined to be a taxable benefit).</p> <p>Executive Directors are also eligible to participate in any all-employee share plans operated by the Company, in line with prevailing HMRC guidelines (where relevant), on the same basis as for other eligible employees.</p>	<p>There is no maximum limit, but the Committee reviews the cost of the benefits provision on a regular basis to ensure that it remains appropriate. The value of benefits is based on the cost to the Company and varies according to individual circumstances.</p> <p>The maximum level of participation in respect of any all-employee share plan is subject to the limits imposed by HMRC from time to time (or a lower cap set by the Company).</p>	<p>N/A</p>



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Purpose and link to strategy	Operation	Maximum	Performance targets
<b>PENSION</b>			
<b>To provide market competitive retirement benefits, to reward sustained contribution.</b>	Defined contribution and/or pension allowance.	Workforce aligned.	N/A
<b>BONUS</b>			
<b>To incentivise delivery of specific strategic objectives, including financial performance and personal annual goals. Maximum bonus only payable for achieving demanding targets.</b>	<p>Annual awards based on targets set by the Committee normally at the beginning of each financial year.</p> <p>The extent to which the performance measures have been achieved is determined by the Committee after the end of the performance period. The level of bonus for each measure is determined by reference to the actual performance relative to that measure's performance targets, on a pro rata basis.</p> <p>All bonus payments are at the ultimate discretion of the Committee and the Committee retains an overriding ability to ensure that overall bonus payments reflect its view of corporate performance during the year when determining the final bonus amount to be awarded.</p> <p>Annual bonus awards up to 75% of salary are normally payable in cash (although the Committee reserves the right to deliver some or all of such bonus in shares which may be deferred).</p> <p>50% of any bonus paid in excess of 75% of salary will normally be compulsorily deferred into shares for two years with vesting normally subject to continued employment.</p> <p>Note, should bonus quantum be operated at 125% of salary during the Policy period, it is the intention of the Committee that a minimum of 20% of the entire bonus would be deferred into shares for two years with vesting normally subject to continued employment.</p> <p>Malus and clawback provisions apply to allow recoupment of bonus (including as to any deferred portion) for three years from the bonus payment date in the event of material misstatement of performance, a significant failure of risk management, serious misconduct, corporate failure or reputational damage.</p> <p>Participants may also be entitled to receive dividend equivalents on vested shares.</p> <p>Any dividend equivalents would normally be delivered in shares.</p>	The annual bonus policy maximum is 125% of salary in any financial year.	<p>Performance metrics will be set for each financial year by the Committee aligned to the Company's key strategic objectives.</p> <p>Group financial measures (e.g. profit before tax) will apply.</p> <p>Personal and/or strategic and/or ESG-based KPIs may apply for a minority of the bonus.</p> <p>The performance metrics and targets are reviewed annually to ensure they remain appropriate.</p> <p>The Committee retains the discretion to set alternative metrics as appropriate.</p> <p>Performance measured over one financial year.</p> <p>No more than 25% of the maximum opportunity will be payable for threshold performance and no more than 50% of the maximum opportunity will be payable for on-target performance.</p>

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Purpose and link to strategy	Operation	Maximum	Performance targets
<b>PERFORMANCE SHARE PLAN</b>			
<p><b>To recruit and retain Executive Directors.</b></p> <p><b>Aligned to main strategic objectives of delivering long term value creation.</b></p> <p><b>Align Executive Directors' interests with those of shareholders.</b></p>	<p>Discretionary conditional awards or nil or nominal cost options are normally granted annually. The Committee reviews the quantum of awards annually and monitors the continuing suitability of the performance measures.</p> <p>Awards normally vest over 3 years or more from grant, subject to performance conditions normally measured over three financial years or more.</p> <p>A two-year post vesting holding period requirement, which continues to apply post employment for shares that vest, net of sales to settle tax or other withholding due on the vesting or exercise of awards.</p> <p>Malus and clawback provisions apply to allow recoupment for a period of three years following the vesting of an award, in the event that the value of a vested award is subsequently found to have been overstated as a result of a material misstatement of performance, a significant failure of risk management, serious misconduct, corporate failure, reputational damage, or any other matter which the Committee deems relevant.</p> <p>Participants may also be entitled to receive dividend equivalents on shares which vest.</p> <p>Any dividend equivalents accrued will normally be delivered in shares.</p> <p>All awards are subject to the discretions contained in the relevant plan rules.</p>	<p>150% of salary albeit in 2024 only, the current CEO and CFO may receive PSP awards over a maximum of 5,386,289 and 3,810,664 shares respectively (i.e. a 300% of salary award based on a share price of 27.57 pence being the share price used for recent below Board awards granted on similar terms).</p>	<p>Performance normally measured over at least three years.</p> <p>Performance targets and metrics may be based on financial targets (e.g. Earnings Per Share or Free Cash Flow), share price-based targets (e.g. relative Total Shareholder Return targets) and/or strategic/ESG-based targets as set by the Committee to reflect the prevailing strategic priorities.</p> <p>Performance underpins may also apply.</p> <p>A maximum of 25% vests at threshold increasing to 100% vesting at maximum on a straight line basis.</p> <p>The Committee retains discretion to override formulaic outcomes in deciding the level of vesting to reflect wider Company performance. Any exercise of discretion will be fully disclosed to shareholders.</p>
<b>SHAREHOLDING REQUIREMENTS</b>			
<p><b>To strengthen the alignment between the interests of the Executive Directors and those of shareholders.</b></p>	<p>In accordance with best practice, share ownership requirements apply during and after employment.</p> <p><b>In-employment shareholding requirement</b></p> <p>Executive Directors will normally be required to retain at least 50% of the shares acquired on the vesting of share awards, net of tax, until the required level of shareholding is achieved. Deferred bonus shares, vested PSP shares, shares subject to a holding period and open market purchase shares, including shares held by a spouse or children under 18 count towards this limit, on a net of tax basis.</p> <p>Newly appointed Executive Directors would normally be expected to achieve the required shareholding within five years of the date of appointment.</p> <p>Existing Executive Directors would normally be expected to achieve the increased requirement within a reasonable timeframe of the adoption of the policy.</p> <p><b>Post-employment shareholding requirement</b></p> <p>Executive Directors will normally be required to retain a shareholding until the second anniversary of the date they ceased to be an Executive Director.</p> <p>The post-cessation shareholding requirement will apply to shares acquired (net-of-tax) under awards granted under this policy. Shares acquired under all-employee share plans or purchased from the Executive Directors' own funds would not be included.</p>	<p>Executive Directors are required to build up and maintain an in-employment shareholding worth at least 200% of base salary.</p> <p>Executive Directors will normally be required to retain a shareholding at the level of the in-employment shareholding requirement, or the actual shareholding on cessation if lower, for a period of 12 months post employment; reducing to 50% of the year one holding for the subsequent 12 months.</p>	<p>N/A</p>



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Purpose and link to strategy	Operation	Maximum	Performance targets
<b>NON-EXECUTIVE DIRECTORS</b>			
<b>To attract and retain high calibre Non-Executive Directors.</b>	<p>The Non-Executive Directors' fees are set by the Board on the recommendation of the Executive Directors. No Director takes part in discussions relating to their own remuneration.</p> <p>The fees are set taking into account the time commitment and responsibilities of the role. Additional fees may be payable in relation to extra responsibilities undertaken such as chairing a Board Committee and/or a Senior Independent Director or other designated role or being a member of a committee.</p> <p>If there is a temporary yet material increase in the time commitments for Non-Executive Directors, the Board may pay extra fees on a pro rata basis to recognise the additional workload.</p> <p>Fees are normally paid monthly in cash and are normally reviewed annually.</p> <p>Expectation that individuals build and maintain a shareholding equal to 100% of fees.</p> <p>Non-Executive Directors can be reimbursed for any reasonable business-related expenses (including the tax thereon, if determined to be a taxable benefit).</p> <p>Non-Executive Directors do not participate in incentive or pension plans and are not eligible to receive benefits.</p>	<p>There is no prescribed maximum fee or fee increase.</p> <p>Total fees for the Non-Executive Directors are subject to the overall limit set out in the Company's Articles of Association.</p> <p>Any increase will be guided by changes in market rates, time commitments and responsibility levels.</p>	N/A

**Notes:**

- The choice of the performance metrics applicable to the annual bonus scheme reflect the Remuneration Committee's belief that any incentive compensation should be appropriately challenging and tied to both the delivery of key financial targets and individual and/or strategic and/or ESG performance measures intended to ensure that Executive Directors are incentivised to deliver across a range of objectives for which they are accountable. The Remuneration Committee has retained some flexibility on the specific measures which will be used to ensure that any measures are fully aligned with the strategic imperatives prevailing at the time they are set.
- The performance conditions applicable to the PSP awards are selected by the Remuneration Committee on the belief that a combination of conditions drawn from TSR, key financial objectives and, where relevant, strategic/ESG-based targets provides strong alignment with the delivery of long-term returns to shareholders and incentivises strong Group performance - consistent with the Company's objective of delivering superior sustainable levels of long-term value to shareholders. The Remuneration Committee has retained flexibility on the measures which will be used for future award cycles to ensure that the measures are fully aligned with the strategy prevailing at the time the awards are granted. Notwithstanding this, the Remuneration Committee would seek to consult with major shareholders in advance of any material change to PSP performance measures.
- The Remuneration Committee operates the annual bonus, PSP and all-employee share plans in accordance with the relevant plan rules and, where appropriate, the Listing Rules and HMRC legislation. The Remuneration Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of the plans. These include, for example, selecting the participants, the timing and quantum of awards and setting performance criteria each year, determining 'good leaver' status, determining the extent of vesting based on the assessment of performance, form of payment, discretion to retrospectively amend performance targets in exceptional circumstances (providing the new targets are no less challenging than originally envisaged) and in respect of share awards, to adjust the number of shares subject to an award in the event of a variation in the share capital of the Company.
- Consistent with HMRC legislation, the all-employee Sharesave scheme does not have performance conditions.
- Directors are eligible to receive payment, and any existing award may vest, in accordance with the terms of any such award made prior to the approval of the Remuneration Policy detailed in this report, and in accordance with the provisions of the Remuneration Policy in force at the time such award or right to receive payment was made or granted.

## Directors' Remuneration Policy Report *continued*

### Governance

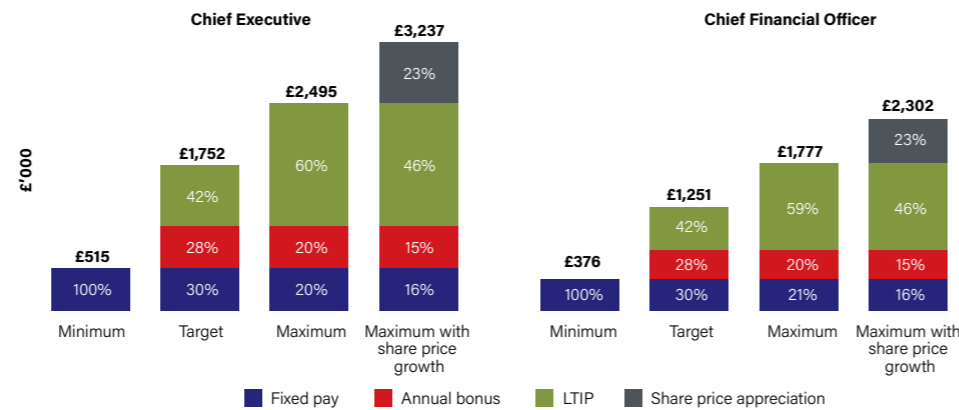
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### Remuneration scenarios for Executive Directors

The remuneration package comprises core fixed pay (base salary, pension and benefits) and performance based variable pay (annual bonus and the PSP). The chart below illustrates the composition of the Chief Executive's remuneration package under the proposed policy for threshold, on-target and stretch performance based on the proposed 300% of salary PSP awards for 2024 (noting that no PSP award would be granted to the CEO or CFO in 2025 in the normal course of events, with the normal annual PSP grant cycle resuming in 2026).



#### Notes:

- Base salaries effective from 1 April 2024;
- an approximated annual value of benefits;
- a workforce aligned annualised pension contribution;
- minimum performance comprises salary, benefits and pension only, with no bonus awarded and no PSP awards vested;
- on-target performance comprises annual bonus, based on 50% of the maximum and PSP awards assuming 50% of the maximum awards vest;
- maximum performance comprises annual bonus awarded at the maximum level of 125% of salary, and 300% of salary 2024 PSP awards (noting that actual award values may be higher or lower given that the share price used to determine the shares under award will be 27.57 pence) assuming that 100% of the performance shares will vest; and
- maximum performance plus 50% share price appreciation illustrates the effect of a 50% growth in the Company's share price on the value of the 2024 PSP awards.

### How employees' pay is taken into account

The designated employee Non-Executive Director attends an annual Colleague Consultative Committee (formerly the employee forum) meeting (the last meeting was held on 18 March 2024) where Directors' remuneration and: (i) how it aligns with the wider pay policy; and (ii) the rationale behind the proposed changes to the Remuneration Policy were discussed.

Pay and conditions across the Group are considered when designing the policy for Executive Directors and continue to be considered in relation to implementation of the policy. The Remuneration Committee regularly interacts with the HR function and senior operational executives and monitors pay trends across the workforce. Salary increases will ordinarily be (in percentage of salary terms) in line with those of the wider workforce. The requirement to consider wider pay and employment conditions elsewhere in the Group is considered by the Remuneration Committee to be a key objective and is embedded in the Remuneration Committee's terms of reference. Speedy Hire discloses the pay ratio for the Chief Executive, compared to that of UK employees at the median, lower and upper quartile and the year-on-year trends will be considered in the wider context of employee pay at Speedy Hire.

### How the Executive Directors' Remuneration Policy relates to the wider Group

The Remuneration Policy described above provides an overview of the structure that operates for the most senior executives in the Group. Employees below executive level have a lower proportion of their total remuneration made up of incentive-based remuneration, with remuneration driven by market comparators and the impact of the role in question. Long-term incentives are reserved for those judged as having the greatest potential to influence the Group's strategic direction, earnings growth and share price performance.

Consistent with the Group's approach of recognising the contribution of its employees at all levels in the business, the Group operates bonus incentives throughout the Group, a long-term service award scheme under which employees serving 10, 20 and 25 years receive a range of additional benefits, including additional days of annual holiday entitlement. These benefits are popular amongst employees and the Group believes that they fulfil a business need by encouraging and rewarding the loyalty and motivation of long serving employees and by rewarding those employees with higher levels of experience.

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### How shareholders' views are taken into account

The Remuneration Committee considers shareholder feedback received in relation to the AGM each year and shareholder views on our executive remuneration policy more generally.

The Committee consulted with our major shareholders and the main shareholder representatives on the proposed changes to the Remuneration Policy in May 2024. Following consideration of the largely very positive feedback received, no changes were being made to the updated Policy (although a change was made to the respective weightings of the performance metrics for the 2024 PSP awards). Consistent with best practice, a shareholder consultation wrap-up exercise was carried out in June 2024 in order to share the feedback received and the Committee's conclusions.

Outside of this, the Remuneration Committee seeks to engage with its major shareholders when any significant changes to the Remuneration Policy are proposed. The Remuneration Committee will consider shareholder feedback received in relation to the Directors' Remuneration Report each year. The Remuneration Committee also has regard to additional feedback received from time to time, and closely monitors developments in institutional investors' best practice expectations.

### Approach to recruitment and promotions

The remuneration package for a new Executive Director would be set in accordance with the terms of the approved Remuneration Policy prevailing at the time of appointment and take into account the skills and experience of the individual, the market rate for a candidate of that experience and the importance of securing the relevant individual.

The overarching principles applied by the Remuneration Committee in developing the remuneration package will be to set an appropriate base salary together with benefits and short and long-term variable pay that takes into account the complexity of the role. Salary would be provided at such a level as required to attract the most appropriate candidate and may be set initially at a below market level on the basis that it may progress towards a competitive market level once expertise and performance have been proven and sustained. Salary will be considered in the context of the total remuneration package.

The maximum level of variable pays which may be awarded to new Executive Directors, excluding the value of any buy-out arrangements, will be in line with the policy set above. In addition, the Remuneration Committee may offer additional cash and/or share-based elements to replace deferred or incentive pay forfeited by an executive leaving a previous employer when it considers these to be in the best interests of the Company and its shareholders. It will, where possible, ensure that these awards are consistent with awards forfeited in terms of the form of award, vesting periods and expected value. Such elements may be made under Section 9.4.2 of the Listing Rules where necessary. Shareholders will be informed of any such arrangements at the time of appointment.

The Remuneration Committee may apply different performance measures, performance periods and/or vesting periods for initial awards made following appointment under the annual bonus and/or long-term incentive arrangements, subject to the rules of the plan, if it determines that the circumstances of the recruitment merit such alteration. A PSP award can be made shortly following an appointment (assuming the Company is not in a closed period).

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its original terms, adjusted, if appropriate to take account of the new appointment. For external and internal appointments, the Remuneration Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

The fee structure and quantum for Non-Executive Director appointments will be based on the prevailing Non-Executive Director fee policy taking into account the experience and calibre of the individual.

The Board evaluation and succession planning processes in place are designed to ensure there is the correct balance of skills, experience and knowledge on the Board. The activities of the Nomination Committee overseeing these matters are disclosed in the Nomination Committee Report.

### Service contracts and approach to leavers

The Company's policy is for Executive Directors to have service contracts which may be terminated with no more than 12 months' notice from either party. The Executive Directors' service contracts are available for inspection by shareholders at the Company's registered office.

The relevant dates of service contracts and notice periods for the current Executive Directors are set out as follows:

Executive Director	Date of contract	Notice period
Dan Evans	29 July 2022	12 months
Paul Rayner	1 July 2023	9 months

No Executive Director has the benefit of provisions in his or her service contract for the payment of pre-determined compensation in the event of termination of employment. It is the Remuneration Committee's policy that the service contracts of Executive Directors will provide for termination of employment by giving notice or by making a payment of an amount equal to the monthly basic salary, benefits and pension contributions in lieu of notice.

The policy also provides that no Executive Director should be entitled to a notice period or payment on termination of employment in excess of the levels set out in his or her service contract and in determining amounts payable on termination, the Remuneration Committee will take into consideration the Executive Director's duty to mitigate his or her loss when determining the amount of compensation.

## Directors' Remuneration Policy Report *continued*

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Annual bonus may be payable for a good leaver with respect to the period of the financial year worked although it will be performance linked, pro-rated for time and paid at the normal pay out date. Different performance targets may be set for the remainder of this bonus period to reflect the individual's specific responsibilities. Any share-based entitlements granted to an Executive Director under the Company's share plans will be determined based on the relevant plan rules. In certain prescribed circumstances, such as retirement, death, ill health, disability or other circumstances at the discretion of the Remuneration Committee, 'good leaver' status may be applied. For good leavers, awards will normally vest at the normal vesting date. PSPs vesting will also be subject to the satisfaction of the relevant performance conditions at that time (including an overall performance underpin attached to the award) and time pro-rating. However, the Remuneration Committee retains discretion to determine that awards vest at cessation of employment and/or to disapply the time pro-rating in full or in part if it considers it appropriate to do so. Where 'good' leaver status is not applied, awards will lapse at the date of termination.

In relation to a termination of employment, the Remuneration Committee may make payments in relation to any statutory entitlements or payments to settle or compromise claims as necessary. The Remuneration Committee also retains the discretion to reimburse reasonable legal expenses incurred in relation to a termination of employment and to meet any transitional or outplacement costs if deemed necessary. Payment may also be made in respect of accrued benefits, including untaken holiday entitlement.

There is no provision for additional compensation on a change of control. In the event of a change of control, the PSP awards will normally vest on (or shortly before) the change of control subject to the satisfaction of the relevant performance conditions at that time and, unless the Remuneration Committee determines otherwise, reduced pro rata to reflect the proportion of the vesting period served. Outstanding awards under any all-employee share plans will vest in accordance with the relevant scheme plan. Bonuses may become payable, subject to performance and, unless the Remuneration Committee determines otherwise, subject to a pro rata reduction to reflect the curtailed performance period.

### External appointments

The Board allows Executive Directors to accept appropriate outside commercial non-executive director appointments provided the aggregate commitment is compatible with their duties as Executive Directors. The Executive Directors concerned may retain fees paid for these services, which will be subject to approval by the Board.

### Non-Executive Directors

The Chairman and Non-Executive Directors do not have contracts of service, but serve under letters of appointment. Appointments are subject to annual re-election by shareholders at the AGM and may be terminated by three months' notice on either side. Therefore, all Directors will submit themselves for re-election at the forthcoming AGM in September 2024. The letters of appointment of the Non-Executive Directors, copies of which are available for inspection at the Company's registered office during normal business hours. The anticipated time commitment of Non-Executive Directors required by the Company is 50 days per annum in relation to David Shearer and 20 days in relation to David Garman, Rob Barclay, Rhian Bartlett, Shatish Dasani and Carol Kavanagh. Appointment dates for the Non-Executive Directors are detailed below:

Non-Executive Director	Role	Appointment date
David Shearer <sup>1</sup>	Non-Executive Chairman	1 October 2018
David Garman	Senior Independent Director	1 June 2017
Rob Barclay	Non-Executive Director	1 April 2016
Rhian Bartlett	Non-Executive Director	1 June 2019
Shatish Dasani	Non-Executive Director	1 February 2021
Carol Kavanagh	Non-Executive Director	1 June 2021

#### Notes:

<sup>1</sup> Details relate to appointment as Non-Executive Chairman, original appointment as Non-Executive Director was 9 September 2016.

## Annual Report on Remuneration

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The sections of the Annual Remuneration Report that have been audited by PwC are indicated in the corresponding titles of those sections.

### Remuneration Committee role and membership

The Remuneration Committee comprises three members: Carol Kavanagh (Chair), David Garman and Rob Barclay. All members are considered by the Board to be independent Non-Executive Directors. Biographies of the members of the Remuneration Committee are set out on pages 76 and 77. Details of the attendance at Remuneration Committee meetings are set out below.

#### Remuneration Committee members and scheduled meetings attended:

<b>Carol Kavanagh</b> (Chair) Non-Executive Director	5/5
<b>David Garman</b> Senior Independent Director	5/5
<b>Rob Barclay</b> Non-Executive Director	5/5

At the invitation of the Remuneration Committee Chair, other members of the Board and senior management may attend meetings of the Remuneration Committee, except when their own remuneration is under consideration. No Directors are involved in determining their own remuneration. The Company Secretary acts as the secretary to the Remuneration Committee. The members of the Remuneration Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Group's expense.

The Remuneration Committee's duties include:

- making recommendations to the Board on the Group's framework and policy for the remuneration of the Company Chair, Executive Directors, Company Secretary and senior executives;
- reviewing and determining, on behalf of the Board, executive remuneration and incentive packages to ensure such packages are fair and reasonable;
- reviewing Directors' expenses;
- reviewing Executive and Non-Executive Directors against the shareholding guidelines;
- determining the basis on which the employment of executives is terminated;
- designing the Group's share incentive schemes and other performance-related pay schemes, and to operate and administer such schemes;
- determining whether awards made under performance-related and share incentive schemes should be made, the overall amount of the awards, the individual awards to executives and the performance targets to be used;
- ensuring that no Director is involved in any decisions as to his/her own remuneration; and
- reviewing regularly the ongoing appropriateness and effectiveness of all remuneration policies.

During FY2024, the Remuneration Committee reviewed the following matters at its meetings:

- determination of FY2023 bonuses for the Executive Directors and senior managers;
- feedback on Directors' Remuneration Report and final outcome of 2023 AGM voting for the report;
- consideration of the revised Directors' Remuneration Policy to apply from 2024 AGM and significant shareholder consultation exercise;
- determination of vesting of PSP awards maturing in FY2024 and proposed grant of awards in FY2025;
- determination of executive remuneration structure and application of the policy for FY2025;
- proposed FY2025 bonus scheme for Executive Directors and Executive Team members and bonus arrangements for employees generally;
- interim and final progress of employee share plan performance measures against targets and consequent approval of any vesting of awards;
- progress of bonus achievement for FY2024 executive bonuses;
- approval of 25-year long service awards for eligible employees and consideration of other awards based on long-service;
- terms of reference for, and effectiveness of, the Remuneration Committee;
- ongoing appropriateness and effectiveness of remuneration and benefits policies for Executive Directors and employees generally and alignment to Company culture;
- performance of external remuneration advisors;
- use of equity for employee share plans in relation to dilution headroom limits;

- review of the Non-Executive Chairman's fee; and
- determining remuneration arrangements for senior management joiners and leavers.

The Remuneration Committee's terms of reference are published on the Company's website at [speedyhire.com/investors](https://speedyhire.com/investors) and are also available in hard copy on application to the Company Secretary.

### Advisors

During the year, the Remuneration Committee received independent advice from FIT Remuneration Consultants LLP ('FIT'), in connection with remuneration matters including the provision of general guidance on market and best practice and the production of this report. FIT was appointed by the Committee in 2020 following a competitive tender and has no other connection or relationship with the Group or individual Directors and provided no other services to the Group during FY2024. FIT is a member of the Remuneration Consultants Group and is a signatory to its Code of Conduct. Fees paid to FIT for FY2024 totalled £61,052.50 (excluding VAT) in respect of advice provided to the Remuneration Committee and for related matters based on a standing retainer (with any additional time based on time and materials). Following the Committee's annual review of its advisor and the advice received, the Committee concluded that FIT's advice continues to be objective and independent.

The Remuneration Committee also sought advice from the Group's legal advisers, Pinsent Masons LLP ('Pinsents'), in connection with the production of this report, the 2014 Performance Share Plan and the all-employee share scheme ('SAYE'). Fees paid to Pinsents for FY2024 totalled £8,142.14 (excluding VAT).

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### Implementation of the Remuneration Policy for FY2025

Details of how the Remuneration Committee intends to operate the Remuneration Policy in respect of the year ending 31 March 2025 are set out in the Annual Chair's Statement.

### Non-Executive Directors

Current annual fee levels for Non-Executive Directors are as follows:

Non-Executive Director	Role	Committee Chair role	1 April 2024 <sup>1</sup>	1 April 2023
David Shearer	Non-Executive Chairman	Nomination	<b>£153,000</b>	£150,000
David Garman	Senior Independent Director	-	<b>£55,450</b>	£54,500
Rob Barclay	Non-Executive Director	Sustainability	<b>£55,450</b>	£54,500
Rhian Bartlett	Non-Executive Director	-	<b>£53,450</b>	£52,500
Shatish Dasani	Non-Executive Director	Audit & Risk	<b>£55,450</b>	£54,500
Carol Kavanagh	Non-Executive Director	Remuneration	<b>£55,450</b>	£54,500

1 The policy reflects a base Board fee of £48,450 (FY2024: £47,500); additional fees for the Chairman of the Audit & Risk, Remuneration and Sustainability Committees of £7,000 (FY2024: £7,000), an additional fee for the Senior Independent Director (David Garman) of £7,000 (FY2024: £7,000) and for the designated employee Non-Executive Director £5,000 (FY2024: £5,000).

### Directors' remuneration for FY2024 (Audited)

The emoluments of the Directors of the Company for the year under review were as follows:

	Financial year	Fees/basic salary £'000	Benefits £'000 <sup>5</sup>	Pension £'000 <sup>6</sup>	Total fixed remuneration £'000	Annual bonus £'000 <sup>7</sup>	Value of long-term incentives £'000 <sup>8</sup>	Total variable remuneration £'000	Total remuneration £'000
<b>Executive Directors</b>									
Dan Evans <sup>1</sup>	2024	473	5	14	492	0	0	0	492
	2023	225	4	7	236	0	0	0	236
Paul Rayner <sup>2</sup>	2024	263	13	0	276	0	0	0	276
<b>Non-Executive Directors</b>									
David Shearer	2024	150	-	-	150	-	-	-	150
	2023	140	-	-	140	-	-	-	140
David Garman	2024	55	-	-	55	-	-	-	55
	2023	52	-	-	52	-	-	-	52
Rob Barclay	2024	55	-	-	55	-	-	-	55
	2023	52	-	-	52	-	-	-	52
Rhian Bartlett	2024	53	-	-	53	-	-	-	53
	2023	45	-	-	45	-	-	-	45
Shatish Dasani	2024	55	-	-	55	-	-	-	55
	2023	52	-	-	52	-	-	-	52
Carol Kavanagh	2024	55	-	-	55	-	-	-	55
	2023	49	-	-	49	-	-	-	49
<b>Former Directors</b>									
Russell Down <sup>3</sup>	2023	223	7	27	257	0	0	0	257
James Bunn <sup>4</sup>	2023	198	0	6	204	0	-	0	204
<b>Totals</b>	2024	<b>1,159</b>	<b>18</b>	<b>14</b>	<b>1,191</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,191</b>
	2023	1,036	11	40	1,087	0	0	0	1,087

1 Dan Evans was appointed to the Board on 1 October 2022.

2 Paul Rayner was appointed to the Board on 1 July 2023.

3 Russell Down retired from the Board on 30 September 2022.

4 James Bunn resigned from the Board on 1 November 2022.

5 Taxable benefits comprise a car or cash alternative, health insurance and life insurance.

6 Dan Evans received £14,000 in lieu of pension contributions which are included in the Pension column above together with any actual pension contributions made.

7 For FY2024 the maximum bonus opportunity for the Executive Directors was 100% of salary, based on Group adjusted profit before tax (50%), Free Cash Flow (20%), strategic targets (15%) and ESG targets (15%). Details of actual performance against targets is set out below.

8 For FY2024, this reflects that the 2021 PSP awards (granted to Dan Evans prior to his appointment to the Board) failed to hit both the threshold EPS and TSR performance targets, resulting in nil vesting. In respect of FY2023, this reflects the 2020 PSP awards (granted on 27 November 2020 to Dan Evans prior to his appointment to the Board) which were estimated in the single figure of remuneration for FY2023 in last year's Annual Report on Remuneration at 0% and which lapsed in full on 27 November 2023 as a result of absolute TSR being below threshold.



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## Annual Report on Remuneration *continued*

### Annual bonus assessment in respect of FY2024 performance (Audited)

Dan Evans and Paul Rayner (pro-rated from appointment on 1 July 2023) were eligible to receive annual bonuses in respect of financial and operational performance in FY2024. Details of the performance targets and resulting bonus outcome are set out in the table below:

Measure	Weighting (% of salary)	Threshold	Max	Actual	Result (% of salary)
Adjusted PBT <sup>1</sup>	50%	£34.0m	£38.9m	£14.7m	0%
Free Cash Flow <sup>2</sup>	20%	£11.5m	£14.4m	£23.5m	0% <sup>3</sup>
Strategic (Customers, Stock, Training)	15%	15%	-	-	0% <sup>4</sup>
ESG (CO <sub>2</sub> per employee, Diversity, Safety)	15%	15%	-	-	0% <sup>4</sup>
<b>Total</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>

- 1 Group adjusted profit before tax ('adjusted PBT').
- 2 Free Cash Flow: net cash flow before movement in loan balances, merger and acquisition activity and returns to shareholders.
- 3 On the basis that the threshold PBT target was not met, no award was made against the Free Cash Flow metric.
- 4 Despite progress made against strategy delivery and ESG targets, on the basis that the threshold PBT target was not met, no assessment was made against the strategic targets (focused on pricing in the context of cost inflation, assurance around stock values and accelerating the recruitment of apprentices and graduate trainees) or ESG targets (delivering a year on year reduction in CO<sub>2</sub> per employee, making progress on diversity and proactively managing and minimising safety incidents).

### PSP awards vesting in 2024 (Audited)

PSP awards were granted in July 2021 with vesting based on EPS and relative TSR performance targets measured over the three years to 31 March 2024 as follows:

Performance Measure	Weighting	Performance period end	Threshold (25% vesting)	Maximum (100% vesting)	Actual	% vesting for this part of the award
Adjusted earnings per share	50%	31 March 2024	5.33p	5.89p	2.35p	0%
Total shareholder return*	50%	31 March 2024	Median	Upper Quartile	Below Median	0%

\* Versus constituents of the FTSE 250 (excluding investment trusts).

### Long-term incentive plan awards granted to Executive Directors in the year (Audited)

The Executive Directors were granted the following awards under the 2014 Performance Share Plan on 21 July 2023, which were structured as nil cost options, as set out below:

Executive Director	Date of grant	Basis of award	Maximum shares under award	Face value of awards <sup>1</sup>	Performance period <sup>2</sup>	Vesting period	% vesting at threshold
Dan Evans	21/07/2023	100% of salary	1,212,284	£450,000	Three years ending 31 March 2026	Three years from grant	25% of an award
Paul Rayner	21/07/2023	100% of salary	943,426	£350,200	Three years ending 31 March 2026	Three years from grant	25% of an award

- 1 Determined using the average mid-market closing share price of the Company for the five days preceding the date of grant (37.12p).
- 2 50% of the award is subject to an EPS condition. 25% of this part of the award vests for EPS (before amortisation and exceptional costs) of 6.25 pence with full vesting of this part of the award for EPS of 8.00 pence for the financial year ending 31 March 2026. A sliding scale operates between these points. 50% of the award is subject to a TSR condition based on the Company's performance against FTSE 250 companies (excluding investment trusts) measured over three financial years ending 31 March 2026. 25% of this part of the award vests if the Company's TSR is at a median of the ranking of the TSRs of the comparator group, with full vesting of this part of the award for upper quartile performance or better. A sliding scale operates between these points. Regardless of the preceding performance conditions, the number of shares which may vest under an award may be reduced (including to zero) where the Remuneration Committee determines that exceptional circumstances exist which mean that the vesting would be inappropriate taking into account such factors as it considers relevant (including, but not limited to, the overall performance of the Company, any Group member or the relevant Executive Director).

## Annual Report on Remuneration *continued*

Details of the Executive Directors' interests in share-based awards<sup>1</sup> are as follows:

Executive Director	Interest at 1 April 2023	Options/ awards granted during the year	Options/ awards exercised during the year	Options/ awards lapsed during the year	Interest at 31 March 2024	Exercise price (pence)	Normal date from which exercisable/ vested to expiry date (if appropriate)
<b>Dan Evans</b>							
PSP 2017 <sup>2,3</sup>	23,883	-	-	-	23,883	nil	Jun 2020 – Jun 2027
PSP 2018 <sup>2,3</sup>	60,148	-	-	-	60,148	nil	May 2021 – May 2028
PSP 2020 <sup>2,4</sup>	342,765	-	-	342,765	-	nil	Nov 2023 – Nov 2030
PSP 2021 <sup>2,5</sup>	338,120	-	-	-	338,120	nil	Jun 2024 – Jun 2031
PSP 2022 <sup>2,6</sup>	604,528	-	-	-	604,528	nil	Jun 2025 – Jun 2032
PSP 2023 <sup>7</sup>	-	1,212,284	-	-	1,212,284	nil	Jul 2026 – Jul 2033
<b>Total</b>	<b>1,369,444</b>	<b>1,212,284</b>	<b>-</b>	<b>342,765</b>	<b>2,238,963</b>		
<b>Paul Rayner</b>							
PSP 2023	-	943,426	-	-	943,426	nil	Jul 2026 – Jul 2033
<b>Total</b>	<b>-</b>	<b>943,426</b>	<b>-</b>	<b>-</b>	<b>943,426</b>		

- All PSP awards above were granted as nil-cost options. No consideration was paid for the grant of these options.
- Granted to Dan Evans prior to his appointment to the Board on 1 October 2022.
- Vested awards.
- The performance conditions for the 2020 PSP awards are set out at on page 124 of the Annual Report and Accounts 2023.
- The performance conditions for the 2021 PSP awards are set out at on page 104.
- 50% of the 2022 PSP award is subject to an EPS condition. 25% of this part of the award vests for EPS (before amortisation and exceptional costs) of 6.17 pence increasing pro rata to full vesting of this part for EPS of 7.72 pence. 50% of the 2022 PSP award is subject to a relative TSR condition measured against FTSE 250 companies (excluding investment trusts) over three financial years ending 31 March 2025. 25% of this part of the award vests if the Company's TSR is median increasing pro rata to full vesting of this part for upper quartile performance or better.
- The performance conditions for the 2023 PSP awards are set out at 'Long-term incentive plan awards granted to Executive Directors in the year' on page 104.

The mid-market closing price of Speedy Hire Plc ordinary shares at 31 March 2024 was 25.4 pence and the range during the year was 23.4 pence to 37.8 pence per share.

### Dilution

The Performance Share Plan and SAYE share option schemes provide that overall dilution through the issuance of new shares for employee share schemes should not exceed an amount equivalent to 10% of the Company's issued share capital over a rolling ten-year period. Within this 10% limit, dilution through the Performance Share Plan is limited to an amount equivalent to 5% of the Company's issued share capital over a ten year period. Both limits are in line with The Investment Association Principles of Remuneration.

The Committee monitors the position prior to making awards under these schemes to ensure that the Company remains within these limits. As at 10 June 2024, the latest practicable date before the publication of this Annual Report and Accounts, 4.28% of the 5% limit and 7.74% of the 10% limit have been used.

### Shareholder voting at AGM

The most recent resolutions in respect of the Directors' Remuneration Policy (2023 AGM) and Directors' Remuneration Report (2023 AGM) received the following votes from shareholders:

	2023 AGM – Remuneration Policy		2023 AGM – Remuneration Report	
	Total number of votes	% of votes cast	Total number of votes	% of votes cast
For	328,333,433	97.02	334,750,118	98.92
Against	10,084,023	2.98	3,658,028	1.08
Total votes cast (for and against)	338,417,456	100	338,408,146	100
Votes withheld <sup>1</sup>	91,282	n/a	100,592	n/a
<b>Total votes cast (including withheld votes)</b>	<b>338,508,738</b>		<b>338,508,738</b>	

- A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast 'For' and 'Against' a resolution.

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### Directors' interests in the share capital of the Company (Audited)

The interests of the Directors, including their connected persons, (all of which were beneficial) who held office during FY2024, are set out in the table below:

Director	Legally owned		PSP Awards		Sharesave Unvested	Total 31 March 2024	Share- holding require- ment %	% of salary/fee of require- ment met %	Average share purchase price <sup>2</sup> (pence)
	31 March 2023	31 March 2024	Unvested	Vested					
Dan Evans	-	-	2,154,932	84,031	-	84,031	200	1	-
Paul Rayner <sup>1</sup>	90,000	400,000	943,426	-	-	400,000	200	16	0.35
David Shearer	750,000	1,106,111	-	-	-	1,106,111	100	>100	0.44
David Garman	500,000	500,000	-	-	-	500,000	100	>100	0.49
Rob Barclay	48,000	48,000	-	-	-	48,000	100	25	0.54
Rhian Bartlett	74,744	74,744	-	-	-	74,744	100	41	0.57
Shatish Dasani	151,500	151,500	-	-	-	151,500	100	80	0.60
Carol Kavanagh	65,075	65,075	-	-	-	65,075	100	34	0.53

- Paul Rayner was appointed to the Board on 1 July 2023, his 16% achievement is calculated on the basis of an annualised salary.
- Averages of all share purchases made up to 31 March 2024.

Note that only legally owned shares and vested but unexercised PSP awards (on a net of tax basis) count towards the shareholding requirement. Shareholdings are valued on the basis of the average daily closing share price (of the three months prior to the 31 March 2024 (being 28.7p) and tested against the Directors' base salary/fee at 31 March 2024).

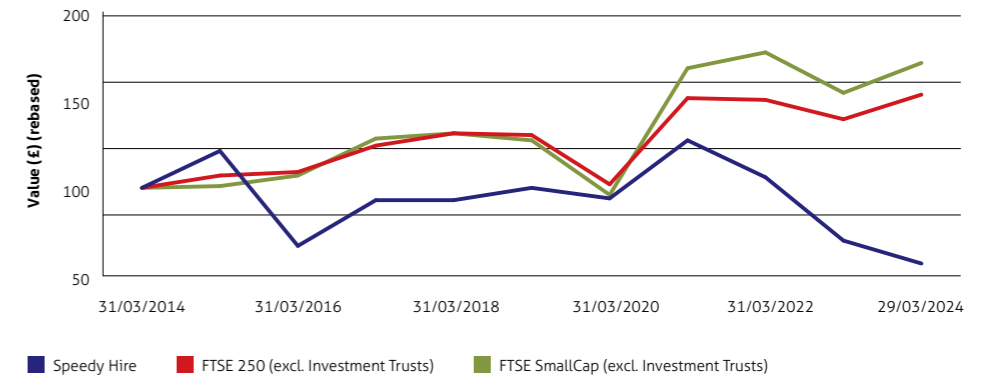
Between 1 April 2024 and the date of this report, the following transactions in the share capital of the Company were made by current Directors (including their connected persons):

Director	Nature of transaction	Date of transaction	Share price	Volume
Paul Rayner	Purchase of shares	10 April 2024	£0.250721	100,000
David Shearer	Purchase of shares	10 April 2024	£0.24661	100,000
Shatish Dasani	Purchase of shares	10 April 2024	£0.24661	80,000

### Comparison of overall performance and pay

The chart below presents the total shareholder return for Speedy Hire Plc compared to that of the FTSE 250 and FTSE SmallCap (both excluding investment trusts). The values indicated in the graph show the share price growth plus reinvested dividends over a ten-year period from a £100 hypothetical holding of ordinary shares in Speedy Hire Plc and in the index.

### Total shareholder return



This graph shows the value, by 31 March 2024, of £100 investment in Speedy Hire on 31 March 2014, compared with the value of £100 invested in the FTSE 250 (excl. Investment Trusts) and FTSE SmallCap (excl. Investment Trusts) indices on the same day. The other points plotted are the values at intervening financial year-ends. The FTSE 250 and SmallCap indexes have been chosen as appropriate comparators given that the former is used for the PSP TSR comparator group and Speedy is a constituent of the latter.

The total remuneration figures for the Chief Executive during each of the last ten financial years are shown in the table below. The total remuneration figure includes the annual bonus based on that year's performance (FY2015 to FY2024) and PSP awards based on three-year performance periods ending just after the relevant year end. The annual bonus pay-out and PSP vesting level, as a percentage of the maximum opportunity, are also shown for each of these years.

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	Mark Rogerson		Russell Down								Dan Evans	
	FY2015	FY2016	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
Single Total Figure of remuneration (£'000s)	593	107	409	757	667 <sup>1</sup>	1,278 <sup>1</sup>	683	790	735	257	236	492
Annual bonus (% of max)	60.0%	-	-	97.4%	54.8%	54.9%	-	70.54% <sup>3</sup>	66.9%	0%	0%	0%
PSP vesting (% of max)	-	-	-	-	33.0%	96.4% <sup>2</sup>	50.0%	48.51%	0%	0%	0%	0%

Mark Rogerson stepped down and Russell Down was appointed as Chief Executive during FY2016.

Russell Down stepped down and Dan Evans was appointed as Chief Executive during FY2023.

- Total remuneration for 2018 includes the EPS element of the 2015 PSP grant (of which 15% of the maximum vested). Total remuneration for 2019 includes the TSR element of 2015 PSP grant (of which 18.51% of the maximum vested) and both the EPS and TSR element of the 2016 PSP grant (of which 96.41% vested).
- The vesting percentage for 2018 shows the vesting of the 2015 PSP grant (EPS and TSR elements). The vesting percentage for 2019 shows the vesting of the 2016 PSP grant only.
- The annual bonus potential was limited to 50% of salary over the second half of FY2021.

### Percentage change in each Director's total remuneration

The table below shows the percentage change in each Director's total remuneration (excluding the value of any long-term incentives and pension benefits receivable in the year) between FY2020 and FY2021, FY2021 and FY2022, FY2022 and FY2023, and FY2023 and FY2024 compared to that of the average for all UK and Ireland based employees of the Group, there being no employees of the Company.

	% change from FY2020 to FY2021			% change from FY2021 to FY2022			% change from FY2022 to FY2023			% change from FY2023 to FY2024		
	Salary/Fee	Benefits	Bonus	Salary/Fee	Benefits	Bonus	Salary/Fee	Benefits	Bonus	Salary/Fee	Benefits	Bonus
Dan Evans <sup>1</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	30%	(24%)	n/a
Paul Rayner <sup>2</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3%	n/a	n/a
David Shearer	(6%)	n/a	n/a	6%	n/a	n/a	5%	n/a	n/a	7%	n/a	n/a
David Garman	4%	n/a	n/a	8%	n/a	n/a	8%	n/a	n/a	5%	n/a	n/a
Rob Barclay	(5%)	n/a	n/a	5%	n/a	n/a	4%	n/a	n/a	5%	n/a	n/a
Rhian Bartlett <sup>3</sup>	4%	n/a	n/a	4%	n/a	n/a	5%	n/a	n/a	17%	n/a	n/a
Shatish Dasani <sup>4</sup>	n/a	n/a	n/a	3%	n/a	n/a	4%	n/a	n/a	5%	n/a	n/a
Carol Kavanagh <sup>5</sup>	n/a	n/a	n/a	n/a	n/a	n/a	39%	n/a	n/a	12%	n/a	n/a
<b>Average employees</b>	<b>(0%)</b>	<b>(0%)</b>	<b>n/a</b>	<b>12%</b>	<b>0%</b>	<b>11%</b>	<b>6%</b>	<b>0%</b>	<b>75%</b>	<b>5%</b>	<b>0%</b>	<b>(96%)</b>

1 Dan Evans was appointed to the Board on 1 October 2022.

2 Paul Rayner was appointed to the Board on 1 July 2023.

3 Rhian Bartlett was appointed to the Board on 1 June 2019. Her 2020 numbers have been pro-rated up to enable a full year on year comparison.

4 Shatish Dasani was appointed to the Board on 1 February 2021. As such, there was no prior year remuneration for 2020. His 2021 numbers have been pro-rated up, to enable a full year on year comparison.

5 Carol Kavanagh was appointed to the Board on 1 June 2021. As such, there was no prior year remuneration for 2021. Her 2022 numbers have been pro-rated up, to enable a full year on year comparison.

Note: Details of former Directors can be found on page 128 of the Annual Report and Accounts 2023.

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**Annual Report on Remuneration** *continued*

**Pay ratio of the Chief Executive to average employee**

The table below compares the ratio of Chief Executive's pay to the pay of employees at the 25th, median and 75th percentile as at 31 March 2024 (and for the prior year).

Year	Method of calculation adopted	25th percentile pay ratio (Chief Executive: UK employees)	Median pay ratio (Chief Executive: UK employees)	75th percentile pay ratio (Chief Executive: UK employees)
2024	Option A	18:1	16:1	13:1
2023*	Option A	20:1	17:1	13:1
2022	Option A	31:1	26:1	21:1
2021	Option A	37:1	32:1	25:1
2020	Option B	30:1	29:1	22:1

\* Given the change in Chief Executive during the FY2023, the Chief Executive's pay for FY2023 was based on £491,766, being the total remuneration for both Russell Down and Dan Evans in respect of their qualifying services as Chief Executive from the single figure table above.

The median, 25th percentile and 75th percentile figures used to determine the above ratios were calculated by reference to option 'A' methodology prescribed under the UK Companies (Miscellaneous Reporting) Regulations 2018 albeit the total remuneration figures for employees are based on a cash, rather than accrual basis, in respect of the various annual bonus schemes operated. The Committee selected this approach as it was felt to produce the most statistically accurate result based on the available data and to be comparable from year-to-year.

The Committee considers that the median pay ratio disclosed above is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole.

Pay details for the individuals whose 2023/2024 remuneration is at the median, 25th percentile and 75th percentile amongst UK based employees (and for the prior year) are as follows:

	Chief Executive	UK Employees			
		25th percentile	Median	75th percentile	
2024	Salary	£472,500	£26,057	£28,834	£36,750
	(Total pay and benefits)	(£492,022)	(£26,844)	(£30,023)	(£37,853)

**Relative importance of spend on pay**

The following table shows the Company's actual spend on pay (for all employees) relative to distributions to shareholders by way of dividends and share buybacks.

	2023	2024	% change
Staff costs (£'m)	129.5	129.1	0%
Dividends (£'m)	10.9	11.8	8%
Share Buyback (£'m)	24.0	0	-100%

£0.9m of the staff costs figures relate to pay for the Executive Directors. This is different from the aggregate of the single figures for the year under review due to the way in which the share-based awards are accounted for. The dividend figures relate to amounts paid in the relevant financial year and the share buyback figure for committed transactions in the relevant financial year.

This report was approved by the Board on 18 June 2024.

**CAROL KAVANAGH**  
Chair of the Remuneration Committee

## Sustainability Committee Report

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## The Sustainability Committee presents its report for the financial year ended 31 March 2024.

**ROB BARCLAY**  
Chairman of the Sustainability Committee



**The key function of the Sustainability Committee is to assist the Board in its oversight of Speedy Hire's Environmental, Social and Governance (ESG) strategy and to provide input to the Board and other Board Committees on ESG-related matters as required.**

### Composition of the Sustainability Committee

The Sustainability Committee comprises the Chairman, Rob Barclay, Rhian Bartlett and Dan Evans. Appointments and attendance at meetings during the year are set out below. Biographies of the members of the Sustainability Committee are set out on pages 76 and 77.

The terms of reference of the Sustainability Committee are reviewed annually by the Committee and changes proposed to the Board. The current terms are published on the Company's website at [speedyhire.com/investors](https://speedyhire.com/investors) and are also available in hard copy form on application to the Company Secretary.

### Attendance

The Sustainability Committee met on three scheduled occasions during the year. Details of the attendance are set out in the table below.

At the invitation of the Chairman, Speedy Hire's ESG Director, Amelia Woodley is invited to attend Committee meetings.

### Sustainability Committee meetings and member attendance during the year:

<b>Rob Barclay</b> (Chairman) Non-Executive Director	3/3
<b>Rhian Bartlett</b> Non-Executive Director	3/3
<b>Dan Evans</b> Chief Executive	3/3

### Operation of the Sustainability Committee

The Company Secretary or Assistant Company Secretary acts as secretary to the Sustainability Committee. The members of the Sustainability Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Sustainability Committee's duties include inter alia:

- reviewing Speedy Hire's ESG strategy and execution for the Board;
- engaging with and supporting the other Board Committees (Audit & Risk, Remuneration and Nomination Committees) in respect of ESG matters;
- overseeing Speedy Hire's sustainability disclosures on behalf of the Board, including approval of the ESG Report, Task Force on Climate-Related Financial Disclosures and greenhouse gas emissions; and
- monitoring developments and emerging best practice in approaches to ESG matters.

During the year the Sustainability Committee fulfilled all of the duties set out above. In particular, the Sustainability Committee undertook a detailed review of Speedy Hire's ESG strategy, execution and progress against ESG-related targets, including its aim to achieve net zero by 2040, as reported within the Strategic Report from page 30. The Committee reviewed and approved the proposed ESG strategy, and execution against its 'Decade to Deliver' objectives and targets for FY2024. The Committee was pleased to note the improved performance against our social value pillars, our enhanced ESG performance against disclosures such as CDP A, ISS Prime and EcoVadis Gold, and that we are on track to deliver the 2030 carbon reduction target of 50% reduction in Scope 1 and Scope 2 emissions.

This report was approved by the Board on 18 June 2024.

**ROB BARCLAY**  
Chairman of the Sustainability Committee

**ROB BARCLAY**  
Chairman of the Sustainability Committee

## Directors' report

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This section contains additional information which the Directors are required by law and regulation to include within the Annual Report and Accounts. This section, along with the Chairman's statement on pages 9 and 10, the Strategic Report on pages 1 to 74, the Corporate Governance review on pages 79 to 84 and the reports of the Audit & Risk, Nomination, Remuneration and Sustainability Committees on pages 85 to 109, which are incorporated by reference into this report and are deemed to form part of this report, constitutes the Directors' Report in accordance with the Companies Act 2006.

### Results and dividends

The consolidated profit after taxation for the year was £2.7m (2023: £1.2m). Profit is stated after a taxation charge of £2.4m (2023: £0.6m) representing an effective rate of 47.1% (2023: 33.3%). An interim dividend of 0.80 pence per share was paid during the year. The Directors propose that a final dividend of 1.80 pence per share be paid, which, if approved at the forthcoming Annual General Meeting, would make a total dividend distribution in respect of the year of 2.60 pence per share (2023: 2.60 pence). The final dividend, if approved, will be paid on 20 September 2024 to all shareholders on the register at 9 August 2024.

### Post-balance sheet events

There are no post-balance sheet events not already disclosed.

### Related party transactions

Except for Directors' service contracts, the Company did not have any material transactions or transactions of an unusual nature with, and did not make loans to, related parties in the period in which any Director is or was materially interested.

### Buy-back of shares

At the Annual General Meeting held on 7 September 2023, a special resolution was passed to authorise the Company to make purchases on the London Stock Exchange of up to 10% of its ordinary shares. As at 18 June 2024, no shares had been purchased under this authority.

Shareholders will be requested to renew this authority at the forthcoming Annual General Meeting on 5 September 2024.

### Financial instruments

The Group holds and uses financial instruments to finance its operations and manage its interest rate and liquidity risks. Full details of the Group's arrangements are contained in note 20 to the Financial Statements.

### Going concern

The Directors consider it appropriate to adopt the going concern basis for the preparation of the Financial Statements and that the Group has adequate financial resources and has access to sufficient borrowing facilities to continue operating for a period of at least 12 months from the date of signing these accounts as detailed in the 'Going concern basis for the preparation of the Financial Statements' section on page 87.

The Directors believe that contingency plans against known risks, and strong progress against strategic goals, will allow the Company to continue to maximise growth opportunities. Accordingly, as detailed in note 1 to the Financial Statements (Accounting policies), the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

### Substantial shareholders

The Company had received notifications from the following holders of shares with 3% or more of the total voting rights in the issued share capital of the Company (excluding treasury shares) which confirmed the following holdings as at 31 March 2024:

Shareholder name	Percentage of voting rights <sup>1</sup>
Schroders Plc	10.89
Aberforth Partners LLP	10.31
Jupiter Fund Management Plc	8.06
FIL Limited	5.59
Martin Currie Investment Management Limited	4.93
Abrdn Plc	4.78
Lombard Odier Asset Management (Europe) Limited	4.43

Between 1 April 2024 and 18 June 2024 the Company had been notified of changes in the following interests under the Disclosure Guidance and Transparency Rules:

Shareholder name	Percentage of voting rights <sup>1</sup>
Schroders Plc	9.89
Lombard Odier Asset Management (Europe) Limited	3.70

<sup>1</sup> Percentage of total voting rights at the date of notification to the Company.

### Directors

The Directors who served during the year and the interests of Directors in the share capital of the Company are set out on page 106.

In accordance with the Company's Articles of Association and in compliance with the UK Corporate Governance Code, all new Directors submit for election at the first Annual General Meeting following their appointment and all other Directors submit for re-election at each Annual General Meeting.

No Director had any interest, either during or at the end of the year, in any disclosable contracts or arrangements, other than a contract of service, with the Company or any subsidiary company. No Director had any interest in the shares of any subsidiary company during the year.

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## Directors' report *continued*

### Equal opportunities

The Group employed 3,287 people in the UK and Ireland as at 31 March 2024.

The Group has a clear policy that employees are recruited and promoted solely based on aptitude and ability. The Group does not discriminate in any way in respect of race, sex, marital status, age, religion, disability or any other characteristic of a similar nature. In the case of disability, bearing in mind the aptitude of the applicant concerned, all reasonable adjustments are considered, and training provided, to enable employment or continued employment as well as to ensure that any disabled employees receive equal treatment in matters such as career development, promotion and training. Managers at all levels are trained and developed to adhere to and promote this goal, including receiving training specifically on diversity, equity and inclusion matters. Further information on equal opportunities within the Group is set out on page 40 of the Strategic Report, along with details of the gender balance of those personnel in senior management and their reports.

### Employee involvement

The Group actively promotes employee involvement in order to achieve a shared commitment from all employees to the success of the businesses in which they are employed. To support this, updates on the Group's performance (including factors affecting performance) are provided to employees through Chief Executive 'Up to Speed' and 'The Hub' communications, which are available on all company devices. The Group has also established a Colleague Consultative Committee in which representatives from different business areas meet on a six monthly basis with the Chief Executive and the Chief People Officer. Rhian Bartlett in her capacity

as the designated Non-Executive Director for employee engagement annually attends this meeting. Her attendance helps ensure the employee voice is heard in the boardroom. This enables a greater understanding of workforce concerns and their consideration in Board decisions. Further illustrations are on pages 39 to 41 along with other methods of engagement with the workforce.

The Board believes in the effectiveness of financial incentives. It is the Group's policy that employees should generally be eligible to participate either in Company incentive schemes or local tactical campaigns as soon as practicable after joining the Group, following the conclusion of any relevant probationary period. Details of annual incentive arrangements for Executive Directors are summarised in the Remuneration Committee's Report on pages 92 to 108.

The Group has a people strategy in place aimed at being an employer of choice, as can be seen on pages 39 to 41 of the Strategic Report. The Group makes a number of commitments to its employees, including pay, engagement and development.

The Board sees employee engagement as a key part of its success. Further details of how the Board engages with employees and how it has regard for their interests and views can be seen on pages 39 to 41 of the Strategic Report.

### Exercise of Board powers

In performing its duty to promote the success of the Company and the wider Group, the Board is committed to effective engagement and the fostering of relationships with all relevant stakeholders which is illustrated on pages 65 to 67. To help facilitate this, monthly management reporting to the Board addresses key matters concerning relevant customers, suppliers, investors, employees, regulators

and the environment. These reports are considered in the Board's discussions and influence its decision-making process allowing regard to the matters within Section 172 of the Companies Act 2006. Further information and a statement on how the Directors have had regard to the matters set out in Section 172 when discharging their duties is provided on page 65 of the Strategic Report.

### Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself 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 Section 418 of the Companies Act 2006.

### Auditors

PricewaterhouseCoopers LLP ('PwC') was reappointed at the Annual General Meeting of the Company held on 7 September 2023 and its appointment expires at the conclusion of this year's Annual General Meeting. PwC has expressed its willingness to continue as external auditors of the Group. Separate resolutions proposing the re-appointment of PwC and to authorise the Directors to determine the auditors' remuneration will be put to the forthcoming Annual General Meeting on 5 September 2024.

### Capital structure

As at 31 March 2024, the Company's share capital comprised a single class of ordinary shares of 5 pence each. As at 31 March 2024 the issued share capital was 516,983,637 comprising ordinary shares of 5 pence each, of which 55,146,281 were held in treasury. There are no special rights or obligations attaching to the ordinary shares.

### Restrictions on share transfers

The Company's Articles of Association provide that the Company may refuse to transfer shares in the following customary circumstances:

- where the share is not a fully paid share;
- where the share transfer has not been duly stamped with the correct amount of stamp duty;
- where the transfer is in favour of more than four joint transferees;
- where the share is a certificated share and is not accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to prove the title of the transferor; or
- in certain circumstances where the shareholder in question has been issued with a notice under Section 793 of the Companies Act 2006.

These restrictions are in addition to any which are applicable to all UK listed companies imposed by law or regulation.

### Shares with special rights

There are no shares in the Company with special rights with regard to control of the Company.



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## Directors' report *continued*

### Restrictions on voting rights

The Notice of Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the Annual General Meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the Annual General Meeting and published on the Company's website after the meeting.

### Agreements which may result in restrictions on share transfers

The Company is not aware of any agreements between shareholders which may result in restrictions on the transfer of securities and/or on voting rights.

### Appointment and replacement of Directors

The Company's Articles of Association provide that all Directors must stand for election at the first Annual General Meeting after having been appointed by the Board. Thereafter a Director will retire from office at each annual general meeting and submit to re-election.

### Articles of Association

The Company's Articles of Association may be amended by special resolution of the Company's shareholders.

### Directors' powers

At the Annual General Meeting to be held on 5 September 2024, shareholders will be asked to renew the Directors' power to allot shares and buy back shares in the Company and to renew the disapplication of pre-emption rights, in each case capped in line with the requirements of current best practice.

### Change of control – significant agreements

There are no significant agreements to which the Company is a party that may take effect, alter or terminate upon a change of control following a takeover bid other than in relation to: (i) employee share schemes; and (ii) the Company's borrowings, which would become repayable on a takeover being completed. Shares in the Company are held in the Speedy Hire Employee Benefits Trust ('Trust') for the purpose of satisfying awards made under the Company's Performance Share Plan. Unless otherwise directed by the Company, the Trustees of the Trust abstain from voting on any shares held in the Trust in respect of which the beneficial interest has not vested in any beneficiary. In relation to shares held in the Trust where the beneficial interest has vested in a beneficiary, the beneficiary can direct the Trustees how to vote. As at 18 June 2024 the Trust held 4,081,444 shares in the Company (0.79% of the issued share capital).

### Compensation for loss of office

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs in the event of a bid for the Company or takeover.

### Directors' indemnities

Throughout the financial year and at the date of approval of the Financial Statements, the Company has purchased and maintained Directors' and Officers' liability insurance in respect of itself and its Directors.

As permitted by the Companies Act 2006 and the Company's articles of association, it is the Company's policy to indemnify its Directors. Qualifying deeds of indemnity are put in place for all Directors on appointment.

### Political contributions

No political donations were made during the year (2023: nil).

### Research and Development

The Company continued to undertake research and development activities in order to develop its information technology, including its enterprise resource planning ('ERP') system and digital platforms.

### Carbon and Energy Reporting

All disclosures concerning the Group's carbon and energy consumption (as required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018) are included in the ESG section of the Strategic Report on pages 30 to 63.

### Annual General Meeting

The Company's Annual General Meeting will be held at Liberum, Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY on 5 September 2024 at 11:00am. A formal Notice of Meeting, an explanatory circular and a form of proxy will be sent separately to shareholders.

This report was approved by the Board on 18 June 2024 and signed on its behalf by:

**DAN EVANS**  
Chief Executive

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**Statement of Directors' Responsibilities**

in respect of the Annual Report and Accounts

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and the Parent Company financial statements in accordance with UK-adopted international accounting standards.

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Directors' confirmations**

The Directors consider that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's and Parent Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in Board of Directors, confirm that, to the best of their knowledge:

- the Group and Parent Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the Group and Parent Company, and of the profit of the Group; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Parent Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Parent Company's auditors are unaware; and
- 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's and Parent Company's auditors are aware of that information.

Approved by the Board on 18 June 2024 and signed on its behalf by:

**DAVID SHEARER**  
Chairman

**DAN EVANS**  
Chief Executive



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## Independent auditor's report

to the members of Speedy Hire Plc

### Report on the audit of the financial statements

#### Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph below, Speedy Hire Plc's group financial statements and parent company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of the group's profit and the group's and parent company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2024 (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 31 March 2024; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, and the Consolidated and Company Cash Flow Statements for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

#### Basis for qualified opinion

As at 31 March 2023, the Group had Property, plant and equipment of £237.7m recorded on the balance sheet and recorded an exceptional asset write-down of £20.4m. In our prior year audit, as a result of weaknesses in the Group's historical record-keeping in respect of property, plant and equipment, we were unable satisfactorily to complete our testing of assets between physical asset counts and the Group's asset registers. Consequently, we were unable to obtain sufficient appropriate audit evidence in respect of these assets, and we were therefore unable to determine whether any further adjustments were necessary to Property, plant and equipment as at 31 March 2023, and the related asset write-down, depreciation charges and any associated tax impact recorded in that year. Since opening Property, plant and equipment enter into the determination of the financial performance and cash flows, we are unable to determine whether adjustments might have been necessary in respect of the profit for the financial year reported in the Consolidated Income Statement and the net cash flows from operating activities reported in the Consolidated Cash Flow Statement in the current year.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5, we have provided no non-audit services to the parent company or its controlled undertakings in the period under audit.

#### Our audit approach

##### Context

Speedy Hire is a listed provider of tools, plant and specialist hire equipment, predominantly operating in the UK. The Group's consolidated financial statements are primarily an aggregation of legal entities within the UK and Ireland with joint ventures operating in Kazakhstan and the UK.

##### Overview

##### Audit scope

- Our work incorporated full scope audits of the legal entity, Speedy Asset Services Limited, with specified procedures being performed over the following legal entities: Speedy Transport Limited, Speedy Support Services Limited, Speedy Hire (Ireland) Limited and Green Power Hire Limited. A full scope audit was performed over the company balances included within the parent company financial statements.
- We also engaged a component team in Kazakhstan to perform a full scope audit of Speedy Zholdas LLP, one of the joint ventures disclosed within the financial statements as at 31 December 2023 (the company's year end).

##### Key audit matters

- Basis for qualified opinion in relation to opening property, plant and equipment
- Existence of Hire Equipment (group)
- Completeness and valuation of dilapidation provision (group)
- Presentation and disclosure of non-underlying items (group)
- Valuation of investments in subsidiaries and recoverability of amounts owed by subsidiaries (parent)

##### Materiality

- Overall group materiality: £4.2m (FY23: £4.4m) based on 1% of revenue.
- Overall parent company materiality: £3.8m (FY23: £2.8m) based on 1% of total assets.
- Performance materiality: £2.1m (FY23: £2.2m) (group) and £1.9m (FY23: £1.4m) (parent company).



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## Independent auditor's report *continued* to the members of Speedy Hire Plc

### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other than the matter described in the Basis for qualified opinion paragraph above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

The Basis for qualified opinion in relation to opening Property, plant and equipment and presentation and disclosure of non-underlying items are new key audit matters this year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p><b>Existence of hire equipment (Group)</b> Refer to Consolidated financial statements note 1 – Summary of material accounting policy information and the Consolidated financial statements note 15 – Property, plant and equipment.</p> <p>As noted in the 'basis of qualification' section of the audit report, there was a limitation of scope in the prior year in relation to the existence of Property, Plant and Equipment, however no such limitation of scope has been included for the closing balances as at 31 March 2024.</p> <p>Hire equipment of £210.6m (2023: £207.9m) is material to the Group financial statements of which £28.1m (2023: 32.1m) relates to non-itemised assets. Given the volume of assets and the frequency of movement (through purchases, hires and sales) there is the potential for assets to go missing. This results in complexity in maintaining an accurate fixed asset register. Management have identified a write off of £2.1m in relation to its hire fleet.</p>	<p>We carried out a risk assessment based on the findings of our audit last year and the process improvements put in place by management. We performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Considered the design and implementation of count controls by understanding and observing the count procedures;</li> <li>• Counted a sample of assets at multiple locations and traced these to both management's count and the fixed asset register; and</li> <li>• Tested the movements of these assets between the count date and year end in order to confirm their existence as at 31 March 2024.</li> </ul> <p>For the existence of assets on hire as at 31 March 2024 which were not subject to counts, we obtained supporting documentation such as proof of delivery and customer payments where available.</p> <p>We have obtained and tested the reconciliation performed by management of the quantities counted per the depot fixed asset register to the financial fixed asset register.</p> <p>We have reviewed the appropriateness of management's calculation of the write-off in the year.</p> <p>We have reviewed the associated disclosures in the financial statements.</p> <p>As a result of these procedures we have obtained sufficient evidence in relation to the existence of itemised and non itemised hire equipment and are satisfied that adequate disclosure has been included in the annual report.</p>

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**Independent auditor's report** *continued*  
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Key audit matter

**Completeness and valuation of dilapidation provision (Group)**

Refer to the Consolidated financial statements note 23 – Provisions and the Consolidated financial statements note 31 – Prior year adjustment.

Dilapidation provisions are recognised by the Group, representing management's best estimate of the contractual cost to restore leased premises to their original condition upon the Group's exit of a lease. The total liability of £16.4m is material to the Group financial statements.

Management utilised an independent expert to form the basis of the dilapidations provision which was adjusted using internal expertise and based on historic experience. These adjustments were reviewed by the independent expert and deemed reasonable.

A prior year adjustment has been made to reclassify £5.7m of the dilapidation provision from non-current liabilities to current.

The valuation of the liability involves significant judgement. In arriving at the estimate of the liability, management is required to make a number of assumptions. As a result, this remains a judgemental area with a significant value involved.

**Presentation and disclosure of non-underlying items (Group)**

Refer to the Consolidated financial statements note 1 – Summary of material accounting policy information and the Consolidated financial statements note 4 – Non-underlying items.

Non-underlying items of £9.0m (2023: £28.5m) are material to the Group financial statements.

Non-underlying items require judgement by the Directors when identifying and justifying their separate disclosure. Consistency in identifying and disclosing items as non-underlying is also important to maintain comparability of the overall results.

How our audit addressed the key audit matter

We have performed the following audit procedures in relation to the dilapidations provision:

- We have reviewed the summary of reports and the review of management's adjustments performed by management's expert;
- We have agreed the underlying inputs into the calculations to supporting documentation;
- We performed a mathematical and accuracy check over the calculation;
- We reviewed management's paper on the assumptions and corroborated these to supporting evidence;
- We engaged our valuations experts to review a sample of management's expert reports to ensure the methodology used is appropriate and to review management's paper detailing management's adjustments made to estimate the provision; and
- We developed an independent estimated range of the potential provision based on historic landlord claims and settlement amounts compared with management's expert's estimate. We note management's adjusted provision sits materially within this range.

We have considered the sensitivity disclosures recorded in the financial statements in respect of management's judgement.

As a result of these procedures, the amounts recorded, and disclosures made in the financial statements were consistent with the supporting evidence obtained.

We agree with management's conclusion that the prior year should be restated and we have reviewed the corresponding disclosures.

We have performed the following audit procedures in relation to non-underlying items, focusing primarily on presentation and disclosure:

- We have performed substantive testing over non-underlying costs to supporting evidence on a sample basis;
- We have assessed the rationale for management's classification of non-underlying items, understanding each material category and considering whether the treatment is consistent with the Group's accounting policy; and
- We have ensured that adequate disclosures are made within the financial statements around the non-underlying cost.

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#### Key audit matter

##### Valuation of investments in subsidiaries and recoverability of amounts owed by subsidiaries (Parent Company)

Refer to the Company financial statements note 33 – Investments and the Company financial statements note 34 – Trade and other receivables, to notes 33 and 34 the Company financial statements.

Investments in related undertakings of £93.5m (2022: £93.5m) is material to the Company financial statements. Due to the decline in performance versus budget, impairment indicators exist in respect of the investment in related undertakings in the current year and management has assessed these balances for impairment.

The amounts owed by Group undertakings of £275.6m (2023: £183.3m) are stated after an expected credit loss impairment of £44.0m recognised of which there was a charge of £0.1m in the year. These balances are material to the Company financial statements.

#### How our audit addressed the key audit matter

##### Investments in subsidiaries

We have performed the following audit procedures in relation to the carrying value of investments:

- We evaluated and assessed the Company's investments in related undertakings with reference to the Group's future cash flow forecasts;
- We checked the allocation of the cash flows by legal entity and the process by which they were drawn up and performed a mathematical and accuracy check over the model;
- We tested the underlying value in use calculations by comparing the Group's forecasts to the latest Board approved budget and found them to be consistent;
- We discussed the cash flow forecasts with management and compared these to external market research in order to identify any inconsistencies;
- We assessed the appropriateness of the discount rates and long term growth rates by using valuations experts to assess the cost of capital calculations for the Group and comparing against comparable organisations and market data;
- We compared the current period's actual results with previous forecasts to assess historical accuracy of the forecasts and incorporated the variances identified into the sensitivity analysis performed; and
- We have reviewed the disclosures and are satisfied that these are appropriate.

As a result of these procedures, we were satisfied with the Directors' conclusion that no impairment was required against the carrying value of the investments in related undertakings.

##### Amounts owed by Group undertakings

We have performed the following audit procedures in relation to the recoverability of intercompany balances:

- We have obtained management's intercompany recoverability model and assessed whether the expected credit loss 'general approach' methods applied were consistent with IFRS 9;
- We checked the calculations within the model and agreed the figures included to the relevant financial information included in the Group consolidation schedules;
- We have obtained evidence that supports the extent to which the counterparty could repay amounts in full, if demanded; and
- We assessed the adequacy of the disclosure provided in the Company financial statements in relation to the relevant accounting standards.

As a result of these procedures, we were satisfied with the Directors' conclusion that an expected credit loss allowance of £44.0m is appropriate.

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### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the parent company, the accounting processes and controls, and the industry in which they operate.

The group is a provider of tools, plant and specialist hire equipment, predominantly operating in the UK and Ireland. The group is structured in two operating segments: Hire and Services. The group financial statements are a consolidation of the subsidiaries in UK and Ireland, in addition to there being a joint venture accounted for using the equity method based in Kazakhstan and a new joint venture entered into in the year based in the UK. In establishing the overall approach to the group audit, we determined the type of work that needed to be performed at each subsidiary and joint venture, as the group engagement team, or component auditors operating under our instruction. Where work was performed by component auditors, we determined the level of involvement we needed to have in this work to be able to conclude that sufficient appropriate audit evidence had been obtained. Our work incorporated full scope audits of the legal entity Speedy Asset Services Limited, with specified procedures performed over Speedy Support Services Limited, Speedy Transport Limited, Speedy Hire (Ireland) Limited and Green Power Hire Limited. A full scope audit was performed over the company balances included within the parent company financial statements. We also engaged a component team in Kazakhstan to perform a full scope audit of Speedy Zholdas, the joint venture disclosed within the financial statements. This scope detailed above accounted for approximately 98% of the group's revenue.

### The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the Group's financial statements and support the disclosures made within the financial statements.

We challenged the completeness of management's climate risk assessment by: reading external reporting made by management; challenging the consistency of management's climate impact assessment with internal climate plans and board minutes; and reading the entity's website / communications for details of climate related impacts.

Management has made commitments to become net zero by 2040. This commitment does not directly impact financial reporting, as management has not yet developed a detailed pathway on how exactly they will deliver this commitment and will only be able to model the impact further into the journey to net zero.

Management considers the impact of climate risk does not give rise to a potential material financial statement impact.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – parent company
Overall materiality	£4.2m (FY23: £4.4m).	£3.8m (FY23: £2.8m).
How we determined it	1% of revenue	1% of total assets
Rationale for benchmark applied	We considered materiality in a number of different ways, and used our professional judgement having applied 'rule of thumb' percentages to a number of potential benchmarks. On the basis of this, we concluded that 1% of revenue is an appropriate level of materiality considering the overall scale of the business.	We believe that calculating statutory materiality based on 1% of total assets is a typical primary measure for users of the financial statements of holding companies, and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £0.1m and £3.8m. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 50% (FY23: 50%) of overall materiality, amounting to £2.1m (FY23: £2.2m) for the group financial statements and £1.9m (FY23: £1.4m) for the parent company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the lower end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £0.2m (group audit) (FY23: £0.2m) and £0.2m (parent company audit) (FY23: £0.1m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

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## Independent auditor's report *continued* to the members of Speedy Hire Plc

### Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- We obtained management's assessment that supports the Board's conclusions with respect to the disclosures provided around going concern and evaluated the mathematical accuracy of the cash flow model used for this assessment;
- We corroborated the key assumptions to third party evidence and/or our knowledge of the business;
- We have obtained management's severe but plausible downside and we compared the current period's actual results with previous forecasts to assess historical accuracy of the forecasts and incorporated the variances identified into the sensitivity analysis performed, in addition to performing "stress tests" of the model;
- We checked the banking agreement for the terms of the financing facilities including the post-year end extension agreement;
- We assessed the availability of liquid resources under different scenarios modelled by management, and the impact to any associated covenant test required; and
- We obtained the most recent management accounts and assessed the liquidity position post-year end.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

#### Directors' Remuneration

In our opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.



## Independent auditor's report *continued* to the members of Speedy Hire Plc

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### Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and parent company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the parent company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and parent company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and parent company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and parent company's position, performance, business model and strategy;

- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the parent company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the Annual Report and Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, environmental laws and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation, listing rules and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to improve financial performance, and management bias in accounting estimates and judgements.

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**Independent auditor's report** *continued*  
to the members of Speedy Hire Plc

**Auditors' responsibilities for the audit of the financial statements** *continued*

The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- discussions with the audit committee, management, internal audit and the in-house legal team including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- reviewing minutes of meetings of those charged with governance;
- auditing the tax workings and reviewed the disclosures included in the financial statements in respect of tax;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- challenging assumptions and judgements made by management in their significant accounting estimates (because of the risk of management bias), in particular around the useful economic lives and residual values of hire assets; carrying value of goodwill, intangible assets, and property plant and equipment, customer rebates, dilapidation provisions, carrying value of investments and intercompany receivables (company only); and
- reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other

purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

In respect solely of the limitation on our work relating to the opening balances of Property, plant and equipment, described in the Basis for qualified opinion paragraph above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept by the parent company.

Under the Companies Act 2006 we are also required to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Appointment**

Following the recommendation of the Audit and Risk Committee, we were appointed by the members on 8 February 2022 to audit the financial statements for the year ended 31 March 2023 and subsequent financial periods. The period of total uninterrupted engagement is two years, covering the years ended 31 March 2023 to 31 March 2024.

**Other matter**

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

**CHRISTOPHER HIBBS**  
**(Senior Statutory Auditor)**

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester

18 June 2024



## Consolidated Income Statement

for the year ended 31 March 2024

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	Note	Year ended 31 March 2024			Year ended 31 March 2023		
		Underlying performance £m	Non-underlying items <sup>1</sup> £m	Total £m	Underlying performance £m	Non-underlying items <sup>1</sup> £m	Total £m
<b>Revenue</b>	2	421.5	-	421.5	440.6	-	440.6
Cost of sales		(191.5)	-	(191.5)	(201.2)	(20.4)	(221.6)
<b>Gross profit</b>		230.0	-	230.0	239.4	(20.4)	219.0
Distribution and administrative costs		(202.9)	(9.0)	(211.9)	(203.1)	(8.1)	(211.2)
Impairment losses on trade receivables	18	(3.2)	-	(3.2)	(4.0)	-	(4.0)
<b>Operating profit/(loss)</b>	5	23.9	(9.0)	14.9	32.3	(28.5)	3.8
Share of results of joint venture	14	2.9	-	2.9	6.6	-	6.6
<b>Profit/(loss) from operations</b>		26.8	(9.0)	17.8	38.9	(28.5)	10.4
Net financial expense	8	(12.7)	-	(12.7)	(8.6)	-	(8.6)
<b>Profit/(loss) before taxation</b>		14.1	(9.0)	5.1	30.3	(28.5)	1.8
Taxation	9	(4.3)	1.9	(2.4)	(6.5)	5.9	(0.6)
<b>Profit/(loss) for the financial year</b>		9.8	(7.1)	2.7	23.8	(22.6)	1.2
<b>Earnings per share</b>							
- Basic (pence)	10			0.59			0.25
- Diluted (pence)	10			0.58			0.24
<b>Non-GAAP performance measures</b>							
EBITDA before non-underlying items <sup>2</sup>	12			96.8			103.9
Adjusted profit before tax <sup>2</sup>	12			14.7			30.7
Adjusted earnings per share (pence) <sup>3</sup>	10			2.35			4.96
Adjusted diluted earnings per share (pence) <sup>3</sup>	10			2.33			4.92

All activities in each year presented related to continuing operations.

The accompanying notes form part of the financial statements.

1 Detail on non-underlying items is provided in note 4.

2 See notes 12 and 31.

3 See notes 10 and 31.

## Consolidated Statement of Comprehensive Income

for the year ended 31 March 2024

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	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Profit for the financial year	2.7	1.2
Other comprehensive (expense)/income that may be reclassified subsequently to the Income Statement:		
– Effective portion of change in fair value of cash flow hedges	(0.1)	0.2
– Exchange difference on translation of foreign operations	(0.2)	0.5
Other comprehensive (expense)/income	(0.3)	0.7
<b>Total comprehensive income for the financial year</b>	<b>2.4</b>	<b>1.9</b>

The accompanying notes form part of the financial statements.

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## Consolidated Balance Sheet

as at 31 March 2024

	Note	31 March 2024 £m	31 March 2023 Restated <sup>1</sup> £m
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	13	39.7	25.0
Investment in joint ventures	14	8.8	9.2
Property, plant and equipment			
Land and buildings	15	14.5	13.9
Hire equipment	15	210.6	207.9
Other	15	8.0	15.9
Right of use assets	16	97.3	83.2
		378.9	355.1
<b>Current assets</b>			
Inventories	17	11.8	12.7
Trade and other receivables	18	102.3	106.0
Cash and cash equivalents	21	4.0	1.1
Current tax asset		2.7	0.3
Derivative financial assets	20	0.5	1.2
		121.3	121.3
<b>Total assets</b>		<b>500.2</b>	<b>476.4</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Bank overdraft	21	(1.2)	(1.3)
Lease liabilities	22	(22.1)	(22.1)
Trade and other payables	19	(96.4)	(88.6)
Derivative financial liabilities	20	(0.1)	(0.6)
Provisions <sup>1</sup>	23	(8.8)	(9.3)
		(128.6)	(121.9)

<sup>1</sup> See note 23.

	Note	31 March 2024 £m	31 March 2023 Restated <sup>1</sup> £m
<b>Non-current liabilities</b>			
Borrowings	21	(104.1)	(92.2)
Lease liabilities	22	(75.5)	(64.0)
Provisions <sup>1</sup>	23	(7.6)	(6.3)
Deferred tax liability	24	(8.7)	(7.4)
		(195.9)	(169.9)
<b>Total liabilities</b>		<b>(324.5)</b>	<b>(291.8)</b>
<b>Net assets</b>		<b>175.7</b>	<b>184.6</b>
<b>EQUITY</b>			
Share capital	25	25.8	25.8
Share premium	27	1.9	1.9
Capital redemption reserve	27	0.7	0.7
Merger reserve	27	1.0	1.0
Hedging reserve	27	0.2	0.3
Translation reserve	27	(1.5)	(1.3)
Retained earnings	27	147.6	156.2
<b>Total equity</b>		<b>175.7</b>	<b>184.6</b>

<sup>1</sup> See note 23.

The Consolidated Financial Statements on pages 122 to 156 were approved by the Board of Directors on 18 June 2024 and were signed on its behalf by:

**DAN EVANS**  
 Director

Company registered number: 00927680

## Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

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	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Hedging reserve £m	Translation reserve £m	Retained Earnings £m	Total equity £m
At 1 April 2022		25.9	1.8	0.6	1.0	0.1	(1.8)	188.8	216.4
Profit for the year		-	-	-	-	-	-	1.2	1.2
Other comprehensive expense		-	-	-	-	0.2	0.5	-	0.7
Total comprehensive income		-	-	-	-	0.2	0.5	1.2	1.9
Dividends		-	-	-	-	-	-	(10.9)	(10.9)
Equity-settled share-based payments	26	-	-	-	-	-	-	1.1	1.1
Purchase of own shares for cancellation or placement in treasury	25	(0.1)	-	0.1	-	-	-	(24.0)	(24.0)
Issue of shares under the Sharesave Scheme	26	-	0.1	-	-	-	-	-	0.1
At 31 March 2023		25.8	1.9	0.7	1.0	0.3	(1.3)	156.2	184.6
Profit for the year		-	-	-	-	-	-	2.7	2.7
Other comprehensive income		-	-	-	-	(0.1)	(0.2)	-	(0.3)
Total comprehensive income		-	-	-	-	(0.1)	(0.2)	2.7	2.4
Dividends		-	-	-	-	-	-	(11.8)	(11.8)
Equity-settled share-based payments	26	-	-	-	-	-	-	0.5	0.5
<b>At 31 March 2024</b>		<b>25.8</b>	<b>1.9</b>	<b>0.7</b>	<b>1.0</b>	<b>0.2</b>	<b>(1.5)</b>	<b>147.6</b>	<b>175.7</b>

The accompanying notes form part of the financial statements.


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## Consolidated Cash Flow Statement

for the year ended 31 March 2024

	Note	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Cash generated from operating activities</b>			
Profit before tax		5.1	1.8
Net financial expense	8	12.7	8.6
Amortisation	13	3.6	1.8
Depreciation		66.9	69.6
Share of profit from joint venture	14	(2.9)	(6.6)
Termination of lease contracts		-	(0.4)
Loss on planned disposals of hire equipment	5	2.4	0.2
Loss/(profit) on other disposals of hire equipment	5	0.2	(1.9)
Exceptional write-off	4	-	20.4
Decrease/(increase) in inventories		0.9	(4.6)
Decrease in trade and other receivables		5.6	1.5
Decrease in trade and other payables		(1.6)	(3.5)
Increase in provisions	23	0.8	0.7
Equity-settled share-based payments		0.5	1.1
<b>Cash generated from operations before changes in hire fleet</b>		<b>94.2</b>	<b>88.7</b>
Purchase of hire equipment		(41.3)	(54.2)
Proceeds from planned sale of hire equipment		5.4	6.3
Proceeds from customer loss/damage of hire equipment		10.7	11.1
<b>Cash generated from operations</b>		<b>69.0</b>	<b>51.9</b>
Interest paid		(12.7)	(8.4)
Tax paid		(3.7)	(3.1)
<b>Net cash flow from operating activities</b>		<b>52.6</b>	<b>40.4</b>
<b>Cash flow used in investing activities</b>			
Purchase of non-hire property, plant and equipment		(9.0)	(8.7)
Capital expenditure on IT development		(1.9)	(0.9)
Acquisition of business	3	(20.2)	-
Proceeds from sale of non-hire property, plant and equipment		3.0	0.6
Dividends and loan repayments from joint venture	14	3.9	5.6
<b>Net cash flow used in investing activities</b>		<b>(24.2)</b>	<b>(3.4)</b>
<b>Net cash flow before financing activities</b>		<b>28.4</b>	<b>37.0</b>

	Note	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Cash flow from financing activities</b>			
Payments for the principal element of leases		(26.0)	(26.5)
Drawdown of loans		574.3	595.6
Repayment of loans		(561.9)	(572.3)
Proceeds from the issue of Sharesave Scheme shares		-	0.1
Purchase of own shares for cancellation or placement in treasury		-	(24.0)
Dividends paid	11	(11.8)	(10.9)
<b>Net cash flow used in financing activities</b>		<b>(25.4)</b>	<b>(38.0)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>3.0</b>	<b>(1.0)</b>
Net cash at the start of the financial year	21	(0.2)	0.8
<b>Net cash at the end of the financial year</b>	21	<b>2.8</b>	<b>(0.2)</b>
<b>Analysis of cash and cash equivalents</b>			
Cash	21	4.0	1.1
Bank overdraft	21	(1.2)	(1.3)
		<b>2.8</b>	<b>(0.2)</b>

## Notes to the Financial Statements

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### 1 Summary of material accounting policy information

Speedy Hire Plc is a public limited company listed on the London Stock Exchange, incorporated and domiciled in the United Kingdom (England). The consolidated Financial Statements of the Company for the year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the 'Group').

The Group and Parent Company Financial Statements were approved by the Board of Directors on 18 June 2024.

The material accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Consolidated Financial Statements.

#### Statement of compliance

Both the Group and Parent Company Financial Statements have been prepared and approved by the Board of Directors in accordance with UK-adopted international accounting standards ('UK-adopted IFRS') and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

#### Basis of preparation

These financial statements have been prepared under the historical cost convention, with the exception of derivative financial instruments which are measured at fair value through profit or loss.

The Directors consider the going concern basis of preparation for the Group and Company to be appropriate for the following reasons.

The Group's £180m asset based finance facility terminates in July 2026. There are no prior scheduled repayment requirements. Cash and facility headroom as at 31 March 2024 was £56.7m (2023: £83.5m) based on the Group's eligible hire equipment and trade receivables.

The Group meets its day-to-day working capital requirements through operating cash flows, supplemented as necessary by borrowings. The Directors have prepared a going concern assessment covering at least 12 months from the date on which the financial statements were authorised for issue, which confirms that the Group is capable of continuing to operate within its existing loan facility and can meet the covenant requirements set out within the facility. The key assumptions on which the projections are based include an assessment of the impact of current and future market conditions on projected revenues and an assessment of the net capital investment required to support those expected level of revenues.

The Board has considered severe but plausible downside scenarios to the base case, which result in reduced levels of revenue across the Group, whilst also maintaining a consistent cost base. Mitigations applied in these downturn scenarios include a reduction in planned capital expenditure. Despite the significant impact of the assumptions applied in these scenarios, the Group maintains sufficient headroom against its available facility and covenant requirements.

Whilst the Directors consider that there is a degree of subjectivity involved in their assumptions, on the basis of the above the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Financial Statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

#### Basis of consolidation

##### (a) Subsidiaries

Subsidiaries are entities controlled by the Company and are detailed in note 33. The Group controls an entity when it is exposed to variable returns and has the ability to use its power to alter its returns from its involvement with the entity. The Financial Statements of subsidiaries are included in the consolidated Financial Statements from the date that control commences until the date that control ceases.

Intra-group balances, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated Financial Statements.

##### (b) Joint ventures

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost. Subsequent to initial recognition, the consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

#### New accounting standards and accounting standards not yet effective

The following new standards, amendments to standards and interpretations were issued by the International Accounting Standards Board ('IASB') and became effective during the year:

International Accounting Standards ('IAS')/IFRS		Effective date (periods beginning on or after)
IFRS 17	Insurance Contracts	1 January 2023
Amendments to IAS 1	Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8	Changes in Accounting Estimates	1 January 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 12	Pillar Two Tax Model Rules	1 January 2023

There is no material impact to the Group from these standards.

The following UK-adopted IFRSs have been issued at 31 March 2023 with an effective date of implementation after the date of these Financial Statements but have not been applied by the Group in these consolidated financial statements.



## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

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### 1 Summary of material accounting policy information *continued*

The Group has not yet performed an assessment of their impact of the financial statements.

International Accounting Standards (IAS)/IFRS		Effective date (periods beginning on or after)
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	1 January 2024
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21*	Lack of Exchangeability	1 January 2025
IFRS 18*	Presentation and Disclosure of Financial Statements	1 January 2027

\* Not yet endorsed by the UKEB.

#### Revenue

Revenue is accounted for under IFRS 15 and is measured based on the consideration specified in a contract with a customer or a price list, net of returns, trade discounts and volume rebates. Accumulated experience is used to estimate and provide for the rebates, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No other variable consideration is present.

#### i. Hire and related activities

The Group recognises revenue for hire services, adjusted for rebates, on a straight-line basis as the equipment is available evenly over the period of hire. Revenue is recognised for transport services provided at the point at which delivery or collection is completed. Revenue for repairs to equipment damaged whilst on hire is recognised from the point the damage is identified.

#### ii. Services revenue

The Group recognises revenue for rehire services as principal on a straight-line basis over the period of hire, adjusted for rebates. The Group controls the service to be provided to the customer and has responsibility for fulfilling the associated performance obligations.

The Group recognises revenue for training services at a point in time upon completion of the relevant training as this is when the performance obligation is fulfilled. Revenue for testing is recognised at a point-in-time once certification is provided, evidencing fulfilment of the Group's performance obligation. The Group recognises revenue on the sale of consumables at a point-in-time, upon delivery or collection of the goods when control is transferred to the customer.

Dependent on the agreement in place, fuel revenue is recognised on either an agent or principal basis at the point control is transferred to the customer. The Group acts as principal when fuel is provided to customers directly from Speedy Hire depots and as agent when fuel provided to customers is not directly controlled by the Group before being provided to the customer.

#### iii. Disposals revenue

The Group generates income/proceeds from the disposal of hire equipment either through the planned sale of these assets at the end of their useful economic life or where a customer has lost or damaged the asset beyond repair during the hire contract. These transactions are accounted for differently.

Income earned when a customer has lost or damaged assets beyond repair is presented on a net basis within cost of sales at the point in time the loss or damage is identified. No revenue is recognised on these transactions as they do not meet the requirements of IAS 16 (para 68).

Income from planned disposals meets the definition in IAS 16 and therefore revenue is recognised gross at a point-in-time when control of the asset being disposed is transferred to the customer. The key difference between the two types of income is that for planned disposals, the assets are held for sale and are in saleable condition.

Cash flows from these two types of transaction are presented separately in the Consolidated Cash Flow Statement.

Customer invoicing is performed multiple times a month. Consideration is payable following invoicing, in line with agreed payment terms.

#### Customer rebates

Revenue is recognised net of customer rebates, which are held as a separate liability within trade and other payables (see note 19). The Group reviews its estimate of likely settlements at each reporting date and any revisions to the liability are updated accordingly.

#### Non-underlying items

Non-underlying items are recognised for items or events of a significant nature, where it is determined that separate disclosure aids understanding of the underlying performance of the business. Further detail on such items is provided in note 4.

#### Research and development expenditure

Development costs in relation to the Group's ERP system are capitalised as intangible assets. No significant research and development expenditure is recognised in the Income Statement.

#### Start-up expenses

Legal and start-up expenses incurred in respect of new depots are written off as incurred.

#### Employee benefits

##### • Pension schemes

The Group has automatically enrolled UK employees in a defined contribution pension plan and makes contributions to personal pension schemes for these UK employees and certain other non-UK employees. Obligations for contributions to these defined contribution pension plans are recognised as an expense in the Income Statement as incurred.

## Notes to the Financial Statements *continued*

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### 1 Summary of material accounting policy information *continued*

#### Employee benefits *continued*

##### • Share-based payment transactions

The Group operates a number of schemes that allow certain employees to acquire shares in the Company, including the Performance Share Plan and the all-employee Sharesave Schemes. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured, using an appropriate option-pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest, except where it is related to market based performance conditions. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no adjustment for differences between expected and actual outcomes.

Transactions of the Company-sponsored Employee Benefits Trust are treated as being those of the Company and are therefore reflected in the Company and Group Financial Statements. In particular, the Trust's purchases of shares in the Company are charged directly to equity.

##### Net financial expense

Financing costs comprise interest payable on borrowings and lease liabilities, and gains and losses on financial instruments that are recognised in the Income Statement.

Interest payable on borrowings includes a charge in respect of attributable transaction costs and non-utilisation fees, which are recognised in the Income Statement over the period of the borrowings on an effective interest basis.

##### Taxation

Income tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Income tax comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities not acquired in a business combination affecting neither accounting nor taxable profit and which at the time of the transaction do not give rise to equal taxable and deductible temporary differences, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

IAS 12 'Income Taxes', does not require all temporary differences to be provided for. In particular, the Group does not provide for deferred tax on undistributed earnings of subsidiaries where the Group is able to control the timing of the distribution and the temporary difference created is not expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

##### Intangible assets

##### • Goodwill

All business combinations are accounted for by applying acquisition accounting. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in the Income Statement.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the Income Statement.

Goodwill is stated after any accumulated impairment losses and is included as an intangible asset. It is allocated to cash-generating units and is tested annually for impairment and at each reporting date to the extent that there are any indicators of impairment.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

##### • Customer lists and brands

For a number of its acquisitions, the Group has identified intangible assets in respect of customer lists and brands. The values of these intangibles are recognised as part of the identifiable assets, liabilities and contingent liabilities acquired.

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## Notes to the Financial Statements *continued*

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### 1 Summary of material accounting policy information *continued*

#### Intangible assets *continued*

Intangible assets other than goodwill that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses (note 13).

Expenditure on internally generated goodwill and brands is recognised in the Income Statement as an expense as incurred.

#### IT development

The Group's accounting policy in relation to the configuration and customisation costs incurred in implementing Software-as-a-Service ('SaaS') is as follows:

- Amounts paid to cloud vendors for configuration and customisation that are not distinct from access to the cloud software are expensed over the SaaS contract term.
- Configuration and customisation costs incurred in implementing SaaS arrangements which give rise to an identifiable intangible asset are capitalised and amortised over the life of the asset.
- Other implementation costs are expensed as incurred.

#### Amortisation

Amortisation is charged to the Income Statement on a straight-line basis over the estimated useful economic lives of identified intangible assets. Intangible assets excluding goodwill are amortised from the date that they are available for use. The useful lives of identified intangible assets are estimated as follows:

Customer lists	• over the period of the expected benefit, up to ten years
Brands	• over the period of use in the business, up to ten years
IT development	• over the period of use in the business, up to ten years

Amortisation of intangible assets is included within distribution and administrative costs.

#### Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or the refurbishment of the asset where the refurbishment extends the asset's useful economic life.

Depreciation of property, plant and equipment is charged to the Income Statement so as to write off the cost of the assets over their estimated useful economic lives after taking account of estimated residual values. Residual values and estimated useful economic lives are reassessed at least annually. Land is not depreciated. Hire equipment assets are depreciated so as to write down to their residual value over their normal useful lives, which range from one to fifteen years depending on the category of the asset.

The principal rates and methods of depreciation used are as follows:

#### Hire equipment

Tools and general equipment	• between one and eleven years straight-line
Access equipment	• between two and fifteen years straight-line
Surveying equipment	• between one and nine years straight-line
Power equipment	• between three and ten years straight-line
Lifting equipment	• between one and ten years straight-line
Powered Access	• between five and eleven years straight-line

#### Non-hire assets

Freehold buildings and long leasehold improvements	• over the shorter of the lease period and 50 years straight-line
Short leasehold property improvements	• over the period of the lease
Fixtures and fittings and office equipment (excluding IT)	• 25% per annum straight-line
IT equipment	• between three and fifteen years straight-line
Motor vehicles	• 25% per annum straight-line

Planned disposals of hire equipment are transferred, at net book value, to inventory when they cease to be available for hire and become held for sale, with the sale included in revenue. Profit or loss on other disposals is taken to operating profit as shown in note 5, presented net within cost of sales.

#### Leases

The Group holds leases for a number of properties and vehicles. Rental contracts are typically entered into for fixed periods of one to ten years but may have break options or extension options as set out below. Such leases can contain a wide range of different terms and conditions.

Leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Income Statement over the lease period. The right of use asset is depreciated over the lease term on a straight-line basis.

Lease liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments) and variable lease payments that are based on a specified index or rate. The lease payments are discounted using the Group's incremental borrowing rate (if the interest rate implicit in the lease is not readily determinable). This rate is the interest rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value over a similar term and with similar security to the right of use asset in a similar economic environment.

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### 1 Summary of material accounting policy information *continued*

#### Leases *continued*

Right of use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any initial direct costs, any restoration costs, and any lease payments made at or before the commencement date. Payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in the Income Statement. Short term leases are certain leases with a lease term of 12 months or less. Low value assets comprise certain small items of IT equipment and office furniture where the cash value when new is considered immaterial.

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. In determining the lease term applicable for accounting purposes, consideration is given to all facts and circumstances that create economic incentive to exercise an extension option, or not to exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or significant change in circumstances occurs which affects this assessment and is within the control of the Group. Lease remeasurements comprise extensions and rent reviews not known at lease inception.

#### Inventories

Inventories are measured at the lower of cost and net realisable value. Assets transferred from the hire fleet are measured at the lower of cost less accumulated depreciation and impairment at the date of transfer, or net realisable value. The cost of inventories is based on the first-in, first-out principle. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

#### Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and overnight deposits. Overdraft facilities are presented as current liabilities on the Balance Sheet.

When settling a liability, the Group derecognises the cash and associated liability on the day the payments are made by the Group, as opposed to when the bank itself processes the funds.

#### Impairments

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). If any indication of impairment exists, then the asset's recoverable amount is estimated, being the higher of fair value less costs to sell and value in use, and if there is an impairment loss then this loss is recognised such that the carrying amount is reduced accordingly.

The carrying amounts of the Group's non-financial assets, other than deferred tax, are reviewed at

each reporting date to determine whether there is any impairment. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### Expected credit losses

The Group recognises loss allowances for expected credit losses ('ECLs') on financial assets measured at amortised cost. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses (IFRS 9 simplified approach).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

#### Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities and to variability in cash payments for fuel arising from operating activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes; however derivatives that do not qualify for hedge accounting are accounted for as trading instruments and the movement in fair value is recognised in the Income Statement.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Income Statement when incurred. Subsequent to initial recognition, changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the Income Statement.

If the hedging instrument expires, no longer meets the criteria for hedge accounting, is sold, is terminated or is exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in equity is transferred to the Income Statement in the same period that the hedged item affects the Income Statement.

Regular way purchases and sales of financial assets are recognised at the trade date, being the date on which the Group commits to purchase or sell the asset.

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### 1 Summary of material accounting policy information *continued*

#### Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Company accounts for these under IAS 32, IFRS 7 and IFRS 9. Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of fair value and the expected credit loss.

#### Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the period of the borrowings on an effective interest basis.

#### Provisions and contingent liabilities

A provision is recognised on the Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event, the obligation can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Dilapidations provisions are recognised by the Group, representing the cost to restore leased premises to their original condition upon the Group's exit of a lease. Dilapidations may not be settled for some months following the Group's exit of the lease and are calculated based on estimated expenditure required to settle the landlord's claim at current market rates. The total liability is discounted to current values. Amounts relating to restoration are capitalised as part of the cost of the right of use asset and are amortised over the shorter of the lease term and the useful life of the asset.

Contingent liabilities are disclosed for possible obligations whose existence will be confirmed by uncertain future events, or where settlement values cannot be measured reliably.

#### Translation of foreign currencies

Transactions in foreign currencies are initially recorded at the rate of exchange prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date. Exchange gains and losses arising on settlement or retranslation of monetary assets and liabilities are included in the Income Statement.

Assets and liabilities of overseas subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The results of overseas subsidiary undertakings are translated into sterling at the average rates of exchange during the period. Exchange differences resulting from the translation of the results and balances of overseas subsidiaries are charged or credited directly to the foreign currency translation reserve.

Gains and losses on intercompany foreign currency loans that are long-term in nature, and which the Company does not intend to settle in the foreseeable future, are also recorded in the foreign currency translation reserve.

The consolidated – and parent only – financial statements are presented in pound sterling, which is the presentational currency of the Group.

#### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds. Where the Group purchases its own equity share capital, the consideration paid is deducted from equity attributable to the Group's shareholders. Where such shares are subsequently cancelled, the nominal value of the shares repurchased is deducted from share capital and transferred to a capital redemption reserve. Where the Group purchases its own equity share capital to hold in treasury, the consideration paid for the shares is shown as a reduction in retained earnings.

In respect of the share buyback programme undertaken in the prior year, the Group had the right to terminate the agreement at any time with immediate effect, limiting the liability of the Group from any forward purchase of shares. The share buyback programme was completed on 8 March 2023, with all shares having been repurchased from the brokers by 31 March 2023, meaning no liability existed at the prior year end in respect of these shares.

#### Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved and declared.

#### Consideration of climate change

Following on from the TCFD disclosures on pages 49 to 63, the impact of climate change on the wider financial statements has been considered. No material impact on financial reporting judgements and estimates has been identified. In particular, the impact of climate change has been considered in respect of cash flow forecasts used in the impairment assessments undertaken and the carrying value and useful economic lives of property, plant and equipment (see the Significant judgements and estimates section for more detail). The Directors are aware of the ever-changing risks resulting from climate change and will regularly assess these risks against judgements and estimates made in the preparation of the Group's financial statements.

#### Segment reporting

The Group determines and presents operating segments based on the information that is provided internally to the Board, which is the Group's 'chief operating decision-maker'.

## Notes to the Financial Statements *continued*

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### 1 Summary of material accounting policy information *continued*

#### Segment reporting *continued*

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any other member of the Group and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by the Board to make decisions about resources to be allocated to the segment and to assess its performance.

Segment results that are reported to the Board include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill, inclusive of assets acquired in business combinations.

#### Significant judgements and estimates

The preparation of Financial Statements requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The judgements, estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following accounting policies are limited to those items that would be most likely to produce materially different results were the underlying judgements, estimates and assumptions changed.

The following are significant judgements or sources of estimation uncertainty that management has made in the process of applying the accounting policies and that have a significant risk of resulting in a material adjustment within the next financial year.

#### Key accounting judgements

##### Non-underlying items

In determining the non-underlying restructuring and transformation costs recognised in FY2024, judgement has been applied in respect of certain costs which do not form part of the underlying business. Regarding restructuring costs, the vast majority relate to costs incurred in respect of operating and closing the previous concession model in our partnership with B&Q. These items were judged to be non-underlying on the basis that they were unavoidable while developing the new digital proposition and would not be incurred by the Group under the new model. The costs relating to Transformation were appraised to determine which of those costs were entirely incremental to the programme and would no longer remain in the Group following the conclusion of the overall project, and which costs were expected to remain within the Group. The costs that were judged to be entirely

incremental, and therefore non-underlying, were primarily additional headcount into the Group, to work exclusively on the Transformation programme.

More information on the nature and quantum of these costs is provided in note 4.

As detailed in note 4, an exceptional asset write-off was recognised in FY2023. Whilst the issue identified was not isolated to FY2023, it was not possible to quantify the financial impact on prior periods as data was not collected in prior periods in a way that allowed for retrospective restatement. As such, an exceptional charge was recognised in FY2023 only in respect of this write-off.

#### Dilapidations provision

Dilapidations are assessed at the earliest point, being the start of the lease or due to an obligating event. Uncertainty is present in respect of the timing and amounts of future cash flows related to lease dilapidations. The exercise of judgement to existing facts and circumstances, which may be subject to change, is required in estimating the provision.

The provision recognised is the estimated expenditure required to settle the landlord's claim at current market rates, discounted to net present value. Given the cash outflow in respect of dilapidations can take place many years in the future, the carrying amount of the provision is reviewed regularly and adjusted as needed to take account of changing facts and circumstances.

During the year ended 31 March 2024, the Group engaged an external surveyor to undertake a full review of the property portfolio, to assess the condition of each site and the potential dilapidations costs due on exit. This is the first review of its kind undertaken by the Group. The aim of this review was to aid management's determination of the adequacy of the dilapidation provision held by the Group.

The surveyor's review outlined all potential costs payable on the exit of each property, according to the respective lease agreement. The Group then exercised judgement in determining the appropriateness of these potential costs and the expected amounts payable, based on knowledge of the property portfolio historic settlements and the Group's proactive approach to resolving dilapidations with landlords. The judgement applied resulted in the removal of certain of these costs from the required provision, primarily relating to contractor and other related fees; on the basis that the Group typically does not incur these costs. The provision recognised is based on management's best estimate of likely settlement and sits within a range of potential outcomes. The calculated provision equates to an expected settlement of £7.24 per square foot. If this were to change by £1 per square foot, a £2.1m movement in the provision would result.

Management will continue to monitor and assess the adequacy of the provision recognised and the appropriateness of the judgements made.

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### 1 Summary of material accounting policy information *continued*

#### Key accounting estimates

##### Impairment of goodwill

In assessing any impairment of goodwill, the future cash flows expected to result from the use of the asset, and its eventual disposal, are estimated. Actual outcomes could vary from such estimates of discounted future cash flows. The calculations involved require assumptions to be made in relation to discount rate, long-term growth rate, the rate of inflation and also short-term performance and cash flows, for which reference is made to external information and historical performance. Note 13 provides details of the impairment reviews undertaken, assumptions and sensitivities in relation to goodwill.

##### Hire equipment

In relation to the Group's hire equipment (note 15), useful economic lives and residual values of assets have been established using historical experience of the internal asset team and external market information, taking into consideration the nature of the assets involved.

At 31 March 2024, the carrying value of hire equipment was £210.6m (2023: £207.9m), representing 90.3% (2023: 87.5%) of the total property, plant and equipment. The hire equipment depreciation charge for the year ended 31 March 2024 was £32.6m (2023: £33.9m), which represents 8.4% (2023: 8.5%) of the average original cost of hire equipment. Both useful economic lives and residual values are reviewed on a regular basis.

Given the varied portfolio and range of assumptions relating to both the useful economic lives and residual values of the Group's hire equipment, it is not practical to disclose sensitivity analysis.

The Group has considered increased interest rates, inflation, and implications of climate change in assessing the carrying value of both ECO and non-ECO assets and identified no indicators of impairment. The relatively new age of the current hire fleet within the Group mitigates any potential obsolescence and new capital spend is weighted towards ECO assets. No indicators of impairment have been noted in relation to hire equipment.

##### Valuation of trade receivables

The expected credit loss provision is calculated using the simplified approach under IFRS 9, based upon historical default experience over the lifetime of the debt. This is adjusted for the Directors' assessment of current and forward-looking macroeconomic factors affecting the Group's operating environment, such as inflation and interest rates.

At 31 March 2024, the expected credit loss provision was £2.5m (2023: £3.2m) against a total debtor book of £97.3m (2023: £102.2m). Further detail is provided in note 18, including an ageing analysis of debt. The Group's estimated expected credit losses are 2.6% (2023: 3.1%) of gross trade receivables. A change of 1% in this assumption would result in an increase to the provision of £1.0m (2022: £1.0m).

Whilst this area does not meet the definition under IAS 1 of a critical accounting estimate or significant accounting judgement, the recognition and measurement is based on assumptions and/or subject to longer term uncertainties. No consideration is made regarding expected credit losses across time bands as this would not provide a materially different result given the simplified method is used, whereby assessment of lifetime expected credit losses is made.

### 2 Segmental analysis

The segmental disclosure presented in the Financial Statements reflects the format of reports reviewed by the 'chief operating decision-maker.' UK and Ireland business delivers asset management, with tailored services and a continued commitment to relationship management. Corporate items comprise certain central activities and costs that are not directly related to the activity of the operating segment. The financing of the Group's activities is undertaken at head office level and consequently net financing costs cannot be analysed by segment. The unallocated net assets comprise principally working capital balances held by the support services function that are not directly attributable to the activity of the operating segment, together with net corporate borrowings and taxation.

For the year ended 31 March 2024/As at 31 March 2024:

	Hire excluding disposals £m	Services £m	UK and Ireland <sup>1</sup> £m	Corporate items £m	Total £m
<b>Revenue</b>	<b>253.6</b>	<b>162.5</b>	<b>421.5</b>	-	<b>421.5</b>
Cost of sales	(54.6)	(130.9)	(191.5)	-	(191.5)
<b>Gross Profit</b>	<b>199.0</b>	<b>31.6</b>	<b>230.0</b>	-	<b>230.0</b>
<b>Segment result:</b>					
Adjusted EBITDA <sup>2</sup>			99.5	(2.7)	96.8
Depreciation <sup>3</sup>			(66.5)	(0.4)	(66.9)
Loss on planned disposals of hire equipment			(2.4)	-	(2.4)
<b>Operating profit/(loss) before amortisation and non-underlying items</b>			<b>30.6</b>	<b>(3.1)</b>	<b>27.5</b>
Amortisation <sup>3</sup>			(0.6)	(3.0)	(3.6)
Non-underlying items			(9.0)	-	(9.0)
<b>Operating profit/(loss)</b>			<b>21.0</b>	<b>(6.1)</b>	<b>14.9</b>
Share of results of joint venture			-	2.9	2.9
<b>Profit/(loss) from operations</b>			<b>21.0</b>	<b>(3.2)</b>	<b>17.8</b>
Net financial expense					(12.7)
<b>Profit before tax</b>					<b>5.1</b>
Taxation					(2.4)
<b>Profit for the financial year</b>					<b>2.7</b>

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### 2 Segmental analysis *continued*

	Hire excluding disposals £m	Services £m	UK and Ireland <sup>1</sup> £m	Corporate items £m	Total £m
Intangible assets <sup>3</sup>			29.4	10.3	39.7
Investment in joint venture			0.6	8.2	8.8
Land and buildings			15.1	-	15.1
Hire equipment			210.6	-	210.6
Non-hire equipment			7.4	-	7.4
Right of use assets			97.3	-	97.3
Taxation assets			-	2.7	2.7
Current assets			110.9	3.7	114.6
Cash			-	4.0	4.0
<b>Total assets</b>			<b>471.3</b>	<b>28.9</b>	<b>500.2</b>
Lease liabilities			(97.6)	-	(97.6)
Other liabilities			(109.3)	(4.8)	(114.1)
Borrowings			-	(104.1)	(104.1)
Taxation liabilities			-	(8.7)	(8.7)
<b>Total liabilities</b>			<b>(206.9)</b>	<b>(117.6)</b>	<b>(324.5)</b>

1 UK and Ireland also includes revenue and costs relating to the disposal of hire assets.

2 See note 12.

3 Intangible assets in Corporate items relate to the Group's ERP system, amortisation is charged to the UK and Ireland segment as this is fundamental to the trading operations of the Group. Depreciation in Corporate items relates to computers and is recharged from the UK and Ireland based on proportional usage.

For the year ended 31 March 2023/As at 31 March 2023 revised<sup>2</sup>:

	Hire excluding disposals £m	Services £m	UK and Ireland <sup>1</sup> £m	Corporate item £m	Total £m
<b>Revenue</b>	258.0	176.3	440.6	-	440.6
Cost of sales	(54.8)	(142.9)	(201.2)	-	(201.2)
<b>Gross Profit</b>	203.2	33.4	239.4	-	239.4
<b>Segment result:</b>					
Adjusted EBITDA <sup>2</sup>			105.8	(1.9)	103.9
Depreciation <sup>3</sup>			(69.3)	(0.3)	(69.6)
Loss on planned disposals of hire equipment <sup>2</sup>			(0.2)	-	(0.2)

	Hire excluding disposals £m	Services £m	UK and Ireland <sup>1</sup> £m	Corporate item £m	Total £m
<b>Operating profit/(loss) before amortisation and non-underlying items</b>			36.3	(2.2)	34.1
Amortisation <sup>3</sup>			(1.8)	-	(1.8)
Non-underlying items			(25.6)	(2.9)	(28.5)
<b>Operating profit/(loss)</b>			8.9	(5.1)	3.8
Share of results of joint venture			-	6.6	6.6
<b>Profit from operations</b>			8.9	1.5	10.4
Net financial expense					(8.6)
<b>Profit before tax</b>					1.8
Taxation					(0.6)
<b>Profit for the financial year</b>					1.2
Intangible assets <sup>3</sup>			19.1	5.9	25.0
Investment in joint venture			-	9.2	9.2
Land and buildings			13.9	-	13.9
Hire equipment			207.9	-	207.9
Non-hire equipment			15.9	-	15.9
Right of use assets			83.2	-	83.2
Taxation assets			-	0.3	0.3
Current assets			115.2	4.7	119.9
Cash			-	1.1	1.1
<b>Total assets</b>			<b>455.2</b>	<b>21.2</b>	<b>476.4</b>
Lease liabilities			(86.1)	-	(86.1)
Other liabilities			(98.5)	(7.6)	(106.1)
Borrowings			-	(92.2)	(92.2)
Taxation liabilities			-	(7.4)	(7.4)
<b>Total liabilities</b>			<b>(184.6)</b>	<b>(107.2)</b>	<b>(291.8)</b>

1 UK and Ireland also includes revenue and costs relating to the disposal of hire assets.

2 See note 31.

3 Intangible assets in Corporate items relate to the Group's ERP system, amortisation is charged to the UK and Ireland segment as this is fundamental to the trading operations of the Group. Depreciation in Corporate items relates to computers and is recharged from the UK and Ireland based on proportional usage.



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## Notes to the Financial Statements *continued*

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### 2 Segmental analysis *continued*

#### Geographical information

In presenting geographical information, revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

	Year ended/As at 31 March 2024		Year ended/As at 31 March 2023	
	Revenue £m	Non-current assets <sup>1</sup> £m	Revenue £m	Non-current assets <sup>1</sup> £m
UK	414.2	370.1	431.8	345.3
Ireland	7.3	8.8	8.8	9.8
	421.5	378.9	440.6	355.1

1 Non-current assets excluding financial instruments and deferred tax assets.

#### Revenue by type

Revenue is attributed to the following activities:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Hire and related activities</b>	<b>253.6</b>	258.0
Services	162.5	176.3
Disposals	5.4	6.3
	421.5	440.6

#### Major customers

No one customer represents more than 10% of revenue, reported profit or combined assets of the Group.

### 3 Acquisition of a subsidiary

On 9 October 2023, the Group acquired the entire issued share capital of sustainable power solutions specialist, Green Power Hire Limited ('GPH'), for an enterprise value of £20.2m. The total consideration, which was funded from the Group's existing debt facilities, represented £10m of equity value and assumed debt of £10.2m which was settled at completion. Speedy Hire acquired GPH from its principal shareholder, Russell's (Kirbymoorside) Limited, and four other shareholders. The acquisition enhances the Group's sustainable offering to customers, combining product innovation and sustainability, aligned with the Velocity strategy and the Group's target to be a net zero business by 2040.

The acquisition has been accounted for using the acquisition method of accounting. Fair value adjustments have been made in respect of:

- Right of use assets and lease liabilities – to recognise the lease liability as if it were a new lease in accordance with IFRS 16, determined based on the remaining lease payments, discounted using the relevant incremental borrowing rate. A corresponding right of use asset has then been recognised, with no further fair value adjustments to the asset necessary.
- Customer relationships – valued using the excess earnings method, based on income forecast to be generated over the next 12 years. The valuation assumes the customer attrition rate will be 20.0% per annum, with growth in income from customers of between 56.8% and 2.0% per annum. Contributory asset charges have been applied using a risk-adjusted weighted average cost of capital in respect of fixed assets, working capital and the workforce. A discount rate of 18% (post tax) has then been applied to the resulting earnings. The customer list intangible is being amortised over ten years, considered to be the period over which the majority of the cash flows are expected to arise.
- Trade receivables – review of trade receivables at acquisition revealed £0.1m which is more than 6 months overdue. As GPH's usual terms are 30 days, this amount has been provided for in full.
- Corporation tax receivable – not recognised in the completion balance sheet.
- PAYE liabilities – payable by Green Power Hire Limited on the shares sold by management to Speedy Asset Services.
- Deferred tax – not recognised in the completion balance sheet.

For the period to 31 March 2024, GPH contributed revenue of £1.5m and profit of £0.4m to the Speedy Hire Group results. If the acquisition had been owned for the entire financial year, management estimates that consolidated revenue would have been £1.4m higher and consolidated profit before tax would have increased by £0.5m. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2023 and no adjustment has been made for any possible synergies of the acquisition.

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### 3 Acquisition of a subsidiary

The fair value of the assets and liabilities acquired are as follows:

	Book value at acquisition £m	Fair value adjustment £m	Fair value £m
Hire equipment assets	11.8	-	11.8
Intangible assets – customer relationships	-	1.0	1.0
Trade and other receivables	1.4	(0.1)	1.3
Corporation tax	-	0.1	0.1
Trade and other payables	(2.3)	(1.4)	(3.7)
Borrowings	(10.2)	-	(10.2)
Deferred tax	-	(0.2)	(0.2)
Net assets acquired	0.7	(0.6)	0.1
Goodwill			9.9
<b>Total cash consideration</b>			<b>10.0</b>
Satisfied by:			
- settlement of debt			10.2
- cash consideration			10.0
<b>Total cash outflow – acquisition of business</b>			<b>20.2</b>

Goodwill recognised on the acquisition represents the future earnings potential of the business in supplementing the Group's existing product offering, over and above the value of net assets acquired. There has been no change in the value of goodwill arising from this business combination from the acquisition date to 31 March 2024.

At the acquisition date, the gross contractual amount of trade receivables acquired was £0.8m, of which £0.1m was not expected to be collected, reflected in the fair value adjustments above.

The acquisition costs expensed in the year in relation to the acquisition of GPH, £0.9m, are included in profit before tax brought into the cash flow statement and are discussed in more detail in note 4.

### 4 Non-underlying items

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Asset write-off	-	20.4
Other professional and support costs	1.9	1.4
Restructuring costs	3.9	6.7
Transformation costs	3.2	-
	<b>9.0</b>	<b>28.5</b>

#### Other professional and support costs

In October 2023, the Group acquired Green Power Hire Limited, advancing the Group's sustainable offering to customers and evidencing the Velocity strategy in action. In addition to the acquisition of Green Power Hire Limited, the Group also incurred costs in respect of the formation of Speedy Hydrogen Solutions, the joint venture with AFC Energy Plc. The costs incurred relate primarily to professional and other supporting fees, amounting to £1.4m in total.

An external review of the entire depot network was commissioned in the year, to assess the condition of each site and the dilapidations that may be payable under the respective lease agreements. This is the first review of its kind undertaken by the Group, and it is not expected that a similar exercise of this scale will be required going forwards. Fees in relation to this review total £0.5m.

#### Restructuring costs

The Group incurred further, non-underlying, restructuring costs associated with moving towards its target operating model. At the year end, the Group had exited all B&Q concessions and our products and services are now available for digital hire in-store within every B&Q and Tradepoint as well as on the respective websites. In evolving our partnership with B&Q and moving to a more digitally focused model, the Group incurred £2.7m of losses.

This remainder of the restructuring costs included costs associated with depot optimisation and restructuring projects of £1.2m.

#### Transformation costs

Our Velocity strategy is split into two distinct phases through to 31 March 2028, being 'Enabling Growth' (years 1 to 3) and 'Delivering Growth' (years 1 to 5). The investment in implementing our Velocity strategy and executing our transformation programme represents a significant, cost to the business and will continue to do so throughout the 'Enabling' phase to March 2026. The anticipated cost (including those incurred in FY2024) of this phase is between £19m and £22m, with £13m to £15m expected to be non-underlying, primarily relating to incremental people costs. The remainder of the costs either represent underlying costs to the business or are capital in nature.

Management will continue to monitor and reassess the above based on the phasing and delivery of the transformation programme.

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### 4 Non-underlying items *continued*

#### Transformation costs *continued*

Of the £3.2m non-underlying cost to the business in the year, £2.2m relates primarily to incremental people costs, represented by 48 additional heads at 31 March 2024.

The commencement of the transformation programme also necessitated an assessment of the Group's existing digital capabilities, rendering some previously capitalised intangible assets as either obsolete or no longer viable as part of the Group's Velocity strategy. This has resulted in a £1.0m write-off of intangible assets, representing the remainder of the non-underlying items relating to transformation.

The net cash outflow from activities associated with non-underlying items is £6.0m.

The following non-underlying items occurred in FY2023:

#### Asset write-off

During FY2023, the Group undertook a comprehensive count of all hire equipment. As at 31 March 2022, the reported net book value of the Group's hire equipment assets was £226.9m. The Company categorises hire equipment into two groups: those that are individually identifiable by a unique serial number to the asset register ('itemised assets', representing 78%, or £177.0m, of the total reported net book value), and other equipment such as scaffolding towers, fencing and non-mechanical plant which does not have a unique serial identifier and is not tracked on an individual asset basis ('non-itemised assets', representing 22%, or £49.9m, of the total reported net book value). The comprehensive count covered both itemised and non-itemised assets. Whilst this count validated the previously disclosed net book value of itemised assets, it identified a shortfall in the quantity of non-itemised assets, resulting in a write-off of c.£20.4m in FY2023.

#### Other professional and support costs

The Board commissioned an external investigation into the issue identified with non-itemised assets, including a review of controls and accounting procedures. The Group has strengthened the control environment for managing its non-itemised asset fleet, including additional counts, increased internal audit focus, enhanced control over purchases and disposals, and new procedures for reconciliation to the fixed asset register, which also incorporate recommendations from the investigation. The associated professional and support fees amounted to £1.4m, which are also presented within non-underlying items. These fees include a further £0.3m of auditor remuneration, specifically in relation to increased work over assets, including additional auditor attendance at asset counts across the business.

#### Restructuring

An operational efficiency review resulted in restructuring costs and a net depot reduction at the end of March 2023. The cost of these closures and other restructuring costs across the business was £6.7m.

### 5 Operating profit

Operating profit is stated after charging/(crediting):

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Amortisation of intangible assets <sup>1</sup>		
– acquired	0.6	0.4
– internally generated	3.0	1.4
Depreciation of owned property, plant and equipment	40.5	43.0
Depreciation of right of use assets	26.4	26.6
Loss on planned disposals of hire equipment <sup>2</sup>	2.4	0.2
Loss/(profit) on other disposals of hire equipment <sup>2</sup>	0.2	(1.9)
Exceptional write-off	–	20.4
Auditors' remuneration		
– audit of these Financial Statements	0.6	1.1
– audit of financial statements of subsidiaries	0.2	0.1
Total audit fees	0.8	1.2
Non-audit fees: audit-related services – interim review fee of £75,000 (2023: £40,000)	0.1	–
Total fees	0.9	1.2

1 2023 amortisation of intangible assets restated to split between acquired and internally generated.

2 2023 profit/loss on disposal restated to split between planned disposals and other disposals of hire equipment.

### 6 Employees

The monthly average number of people employed by the Group (including Directors) during the year was as follows:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
UK and Ireland	3,091	3,241
Central	318	283
	3,409	3,524

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### 6 Employees *continued*

The aggregate payroll costs of these employees (including bonuses) were as follows:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Wages and salaries	114.1	113.9
Social security costs	11.1	11.3
Other pension costs	3.3	3.3
Share-based payments	0.6	1.0
	129.1	129.5

### 7 Directors' remuneration

	Year ended 31 March 2024 £'000s	Year ended 31 March 2023 £'000s
<b>Directors' emoluments</b>		
Basic remuneration, including benefits	1,191	1,047
Value of long-term incentives	-	-
Performance-related bonuses	-	-
Gain on exercise of share options	-	-
Company contributions to money purchase pension schemes	-	40
	1,191	1,087
<b>Emolument of the highest paid Director</b>		
Basic remuneration, including benefits	492	230
Performance-related bonuses	-	-
Termination payments	-	-
Gain on exercise of share options	-	-
Company pension contributions	-	27
	492	257

The number of Directors in respect of whose qualifying services shares were received or receivable under long term incentive schemes, and who exercised share options during the year, is disclosed on pages 104 and 105 of the Directors' Remuneration Report respectively.

Further analysis of Directors' remuneration can be found in the Remuneration Report. All the Directors' remuneration is paid by Speedy Support Services Limited, a wholly-owned subsidiary of Speedy Hire Plc.

### 8 Net financial expense

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Interest on bank loans and overdrafts	7.4	4.4
Amortisation of issue costs	0.4	0.7
Total interest on borrowings	7.8	5.1
Interest on lease liabilities	5.0	3.5
Other finance income	(0.1)	-
Financial expense	12.7	8.6

### 9 Taxation

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Tax charged in the Income Statement from continuing operations</b>		
<b>Current tax</b>		
UK corporation tax on profit at 25% (2023: 19%)	1.7	3.8
Adjustment in respect of prior years	(0.4)	(1.0)
Total current tax	1.3	2.8
<b>Deferred tax</b>		
UK deferred tax at 25% (2023: 25%)	1.0	(3.8)
Adjustment in respect of prior years	0.1	1.6
Total deferred tax	1.1	(2.2)
<b>Total tax charge from continuing operations</b>	2.4	0.6
<b>Tax charged in other comprehensive income</b>		
Deferred tax on effective portion of changes in fair value of cash flow hedges	-	-
<b>Tax charged in equity</b>		
Deferred tax	-	-

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## Notes to the Financial Statements *continued*

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### 9 Taxation *continued*

The adjusted effective tax rate of 29.3% (2023: 20.2%) is higher than the standard rate of UK corporation tax of 25%. The tax charge in the Income Statement for the year of 47.1% (2023: 33.3%) is higher than the standard rate of corporation tax in the UK and is explained as follows:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Profit before tax	5.1	1.8
Accounting profit multiplied by the standard rate of corporation tax at 25% (2023: 19%)	1.3	0.3
Expenses not deductible for tax purposes	2.2	0.9
Share-based payments	-	0.1
Share of joint venture income already taxed	(0.8)	(1.3)
Change in tax rates	-	-
Adjustment to tax in respect of prior years	(0.3)	0.6
Tax charge for the year reported in the Income Statement	2.4	0.6

An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 24 May 2021.

### 10 Earnings per share

The calculation of basic earnings per share is based on the profit for the financial year of £2.7m (2023: £1.2m) and the weighted average number of ordinary shares in issue, and is calculated as follows:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Weighted average number of shares in issue (m)</b>		
Number of shares at the beginning of the year	457.7	514.0
Exercise of share options	-	0.2
Vested shares not yet exercised	2.7	2.7
Shares repurchased and subsequently cancelled or placed in treasury	-	(28.9)
Weighted average for the year – basic number of shares	460.4	488.0
Share options	3.9	3.5
Employee share scheme	-	0.2
Weighted average for the year – diluted number of shares	464.3	491.7

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Profit (£m)</b>		
Profit for the year after tax – basic earnings	2.7	1.2
Intangible amortisation charge – acquired intangibles (after tax)	1.0	0.4
Non-underlying items (after tax)	7.1	22.6
Adjusted earnings <sup>1</sup>	10.8	24.2
<b>Earnings per share (pence)</b>		
Basic earnings per share	0.59	0.25
Dilutive shares and options	(0.01)	(0.01)
Diluted earnings per share	0.58	0.24
Adjusted earnings per share <sup>1</sup>	2.35	4.96
Dilutive shares and options	(0.02)	(0.04)
Adjusted diluted earnings per share <sup>1</sup>	2.33	4.92

<sup>1</sup> Prior period revised, see note 31.

More detail on adjusted earnings is provided in note 12.

Total number of shares outstanding at 31 March 2024 amounted to 516,983,637 (2023: 516,983,637), including 4,106,820 (2023: 4,162,452) shares held in the Employee Benefit Trust and 55,146,281 (2023: 55,146,281) shares held in treasury, which are excluded in calculating basic earnings per share.

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### 11 Dividends

The aggregate amount of dividend paid in the year comprises:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
2022 final dividend (1.45 pence on 489.5m ordinary shares)	–	7.1
2023 interim dividend (0.80 pence on 474.7m ordinary shares)	–	3.8
2023 final dividend (1.80 pence on 452.9m ordinary shares)	8.2	–
2024 interim dividend (0.80 pence on 453.5m ordinary shares)	3.6	–
	<b>11.8</b>	10.9

Subsequent to the end of the year, and not included in the results for the year, the Directors recommended a final dividend of 1.80 pence (2023: 1.80 pence) per share, bringing the total amount payable in respect of the year to 31 March 2024 to 2.60 pence (2023: 2.60 pence), to be paid on 20 September 2024 to shareholders on the register on 9 August 2024.

The Employee Benefit Trust, established to hold shares for the Performance Share Plan and other employee benefits, waived its right to the interim dividend. At 31 March 2024, the Trust held 4,106,820 ordinary shares (2023: 4,162,452).

### 12 Non-GAAP performance measures

The Group believes that the measures below provide valuable additional information for users of the Financial Statements in assessing the Group's performance by adjusting for the effect of non-underlying items and significant non-cash depreciation and amortisation. The Group uses these measures for planning, budgeting and reporting purposes and for its internal assessment of the operating performance of the individual divisions within the Group. The measures on a continuing basis are as follows:

	Year ended 31 March 2024 £m	Year ended 31 March 2023 Restated <sup>1,2</sup> £m
Operating profit	14.9	3.8
Add back: amortisation	3.6	1.8
Add back: non-underlying items	9.0	28.5
<b>Adjusted operating profit</b>	<b>27.5</b>	34.1
Add back: depreciation	66.9	69.6
Add back: loss on planned disposals of hire equipment <sup>1</sup>	2.4	0.2
<b>Adjusted EBITDA</b>	<b>96.8</b>	103.9
Profit before tax	5.1	1.8
Add back: amortisation of acquired intangibles <sup>2</sup>	0.6	0.4
Add back: non-underlying items	9.0	28.5
<b>Adjusted profit before tax</b>	<b>14.7</b>	30.7
<b>Return on capital employed (ROCE)</b>		
Adjusted profit before tax	14.7	30.7
Interest	12.7	8.6
<b>Profit before tax, interest, amortisation of acquired intangibles and non-underlying items<sup>3</sup></b>	<b>27.4</b>	39.3
Average gross capital employed <sup>4</sup>	277.0	280.5
<b>ROCE</b>	<b>9.9%</b>	14.0%

1 See note 31. Prior period revised to add back profit or loss on planned disposals of hire equipment in the calculation of adjusted EBITDA.

2 See note 31. Prior period revised to add back only acquired intangible amortisation in the calculation of adjusted profit before tax.

3 Profit before tax, interest, amortisation and exceptional items for the last 12 months.

4 Average gross capital employed (where capital employed equals total equity and net debt) based on a two-point average for the last 12 months.

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### 13 Intangible assets

	Acquired			Total acquired intangibles £m	Internally generated		Total intangible assets £m
	Goodwill £m	Customer lists £m	Brands £m		IT development £m		
<b>Cost</b>							
At 1 April 2022	29.9	8.3	2.6	40.8	6.9		47.7
Additions	-	-	-	-	0.9		0.9
Disposals	(12.4)	(5.4)	(1.3)	(19.1)	-		(19.1)
At 31 March 2023	17.5	2.9	1.3	21.7	7.8		29.5
Transfer from property, plant and equipment	-	-	-	-	8.3		8.3
Additions	-	-	-	-	1.9		1.9
Acquisitions	9.9	1.0	-	10.9	-		10.9
<b>At 31 March 2024</b>	<b>27.4</b>	<b>3.9</b>	<b>1.3</b>	<b>32.6</b>	<b>18.0</b>		<b>50.6</b>
<b>Accumulated amortisation</b>							
At 1 April 2022	12.4	6.8	2.1	21.3	0.5		21.8
Charged in period	-	0.3	0.1	0.4	1.4		1.8
Disposals	(12.4)	(5.4)	(1.3)	(19.1)	-		(19.1)
At 31 March 2023	-	1.7	0.9	2.6	1.9		4.5
Transfer from property, plant and equipment	-	-	-	-	2.8		2.8
Charged in period	-	0.4	0.2	0.6	3.0		3.6
<b>At 31 March 2024</b>	<b>-</b>	<b>2.1</b>	<b>1.1</b>	<b>3.2</b>	<b>7.7</b>		<b>10.9</b>
<b>Net book value</b>							
At 31 March 2024	27.4	1.8	0.2	29.4	10.3		39.7
At 31 March 2023	17.5	1.2	0.4	19.1	5.9		25.0
At 31 March 2022	17.5	1.5	0.5	19.5	6.4		25.9

The remaining amortisation period of each category of intangible fixed asset is the following; Customer lists three to ten years (2023: one to four years), Brands three years (2023: four years) and IT development four years (2023: five years).

During the year ended 31 March 2022, the Geason business was closed. The associated goodwill and intangible assets were fully impaired in 2021. Geason was put into liquidation in the year ended 31 March 2023, resulting in the disposal of the related goodwill and intangibles, as shown in the table above.

Analysis of goodwill, customer lists, brands and IT development by cash generating unit:

	Goodwill £m	Customer lists £m	Brands £m	IT development £m	Total £m
<b>Allocated to Hire</b>	<b>26.4</b>	<b>1.4</b>	<b>0.1</b>	<b>8.9</b>	<b>36.8</b>
<b>Services</b>	<b>1.0</b>	<b>0.4</b>	<b>0.1</b>	<b>1.4</b>	<b>2.9</b>
<b>At 31 March 2024</b>	<b>27.4</b>	<b>1.8</b>	<b>0.2</b>	<b>10.3</b>	<b>39.7</b>
<b>Allocated to Hire</b>	16.5	0.5	0.3	5.4	22.7
<b>Services</b>	1.0	0.7	0.1	0.5	2.3
<b>At 31 March 2023</b>	<b>17.5</b>	<b>1.2</b>	<b>0.4</b>	<b>5.9</b>	<b>25.0</b>

All goodwill has arisen from business combinations and has been allocated to the cash-generating unit ('CGU') expected to benefit from those business combinations. All intangible assets are held in the UK.

The Group tests goodwill for impairment annually, or more frequently if there are indications that goodwill might be impaired, and considers at each reporting date whether there are indicators that impairment may have occurred. Other assets are assessed at each reporting date for any indicators of impairment and tested if an indicator is identified. The Group's reportable CGUs comprise the UK&I Hire business (Hire) and UK&I Services business (Services), representing the lowest level within the Group at which the associated assets are monitored for management purposes.

The recoverable amounts of the assets allocated to the CGUs are determined by a value-in-use calculation. The value-in-use calculation uses cash flow projections based on five-year financial forecasts approved by management. The key assumptions for these forecasts are those regarding revenue growth and discount rate, which management estimates based on past experience adjusted for current market trends and expectations of future changes in the market. To prepare the value-in-use calculation, the Group uses cash flow projections from the Board approved FY2025 budget, and a subsequent four-year period using the Group's strategic plan, together with a terminal value into perpetuity using long-term growth rates. The resulting forecast cash flows are discounted back to present value, using an estimate of the Group's pre-tax weighted average cost of capital, adjusted for risk factors associated with the CGUs and market-specific risks.

The impairment model is prepared in nominal terms. The future cash flows are based on current price terms inflated into future values, using general inflation and any known cost or sales initiatives. The discount rate is calculated in nominal terms, using market and published rates.

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**13 Intangible assets** *continued*

The pre-tax discount rates and terminal growth rates applied are as follows:

	31 March 2024		31 March 2023	
	Pre-tax discount rate	Terminal value growth rate	Pre-tax discount rate	Terminal value growth rate
UK and Ireland Hire and Services	12.2%	2.0%	12.0%	2.5%

A single discount rate is applied to both CGUs as they operate in the same market, with access to the same shared Group financing facility, with no additional specific risks applicable to either CGU.

At 31 March 2024, the headroom between value in use and carrying value of related assets for the UK and Ireland was £131.0m (2023: £99.2m) – £45.0m for Hire (2023: £50.7m) and £86.0m for Services (2023: £48.5m).

Impairment calculations are sensitive to changes in key assumptions of revenue growth and discount rate. The table below shows the reduction in headroom created by a change in assumptions:

	Reduction in headroom at 31 March 2024 (£m)	
	Revenue growth - 1% decrease per annum	Pre-tax discount rate - 0.5% increase
Hire	30.2	18.3
Services	4.6	3.2

There are no reasonable variations in these assumptions that would be sufficient to result in an impairment of either CGU at 31 March 2024. A 1.5% decline in forecast revenue cash flows for Hire and an 18.5% decline in forecast revenue cash flows for Services would reduce headroom to nil for each CGU respectively, assuming no cost mitigation plans. The position will be reassessed at the next reporting date.

It is noted that the market capitalisation of the Group at 31 March 2024 was below the consolidated net asset position – one indicator that an impairment may exist. Based on the impairment test performed, it is determined that no impairment is required in this regard.

**14 Investment in joint ventures**

Speedy Hire Plc has a 50% interest in the share capital of Turner and Hickman Limited, a joint venture company that controls the operations of Speedy Zholdas LLP via a 90% shareholding, with the other 50% interest being held by J. & J. Denholm Group. The proportion of ownership interest is the same as the proportion of voting rights held. Speedy Zholdas LLP provides asset management and equipment rental services to the oil and gas sector in Kazakhstan. Total cash consideration for the purchase of shares in Turner and Hickman Limited was US\$4.3m in November 2013.

In addition to the investment in share capital, Speedy Hire provided an initial loan of US\$2.5m to the joint venture with an equivalent amount provided by the joint venture partner. A repayment of the full outstanding balance of £0.5m (\$0.7m) was received during FY2023.

At 31 March 2024, the joint venture is considered material to the Group. The country of incorporation or registration is also their principal place of business, with the presentation currency and functional currency being Tenge.

The joint venture has a non-coterminous year end with Speedy Hire, reporting to 31 December each year, aligning with the other joint venture partner J. & J. Denholm Group. As such estimate reporting is used, taking the nine month reported actuals and the further three months of the joint venture's results for the following year, to report twelve months to 31 March.

In addition, on 15 November 2023, Speedy Hire and AFC Energy plc, a leading provider of hydrogen powered generator technologies, announced the launch of Speedy Hydrogen Solutions Limited ('SHS'), a 50:50 joint venture company, being a dedicated hydrogen powered generator plant hire business promoting sustainable, zero emission, temporary power solutions designed specifically for the off-grid generation market. To fund the first contract year's orders, an initial total equity injection into SHS (as a subscription for shares) of £1.25m (£0.625m each) was made upon formation of SHS. There was no trade in SHS in the year ended 31 March 2024. First orders will commence in the year ended 31 March 2025.



## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

### 14 Investment in joint ventures *continued*

Speedy Hire's share of joint ventures is as follows:

	Speedy Hydrogen Solutions Limited	Turner & Hickman Limited	
	Equity investment £m	Equity investment £m	Loan advances £m
At 1 April 2022	-	7.3	0.5
Share of results for the year after tax	-	6.6	-
Share of other comprehensive income	-	0.3	0.1
Dividends received	-	(5.0)	-
Loan repayment	-	-	(0.6)
At 31 March 2023	-	9.2	-
Share of results for the year after tax	-	2.9	-
Share of other comprehensive income	-	-	-
Dividends received	-	(3.9)	-
Purchase of shares in joint venture	0.6	-	-
<b>At 31 March 2024</b>	<b>0.6</b>	<b>8.2</b>	<b>-</b>

Summarised financial information of Speedy Zholdas LLP is presented below. Whilst the figures are presented in Tenge in the accounts of the joint venture, they have been translated into pound sterling below using the rate prevailing at the 31 December 2023 of 0.001716 (31 December 2022: 0.001786) for presentation purposes. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not Speedy Hire Plc's share of those amounts.

	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m
Revenue	22.0	28.3
Cost of sales	(8.2)	(8.1)
Gross profit	13.8	20.2
General and administrative expenses	(2.7)	(2.5)
Operating profit	11.1	17.7
Finance costs	-	(0.1)
Other income	0.2	-
Other expense	(0.1)	-
Foreign exchange loss, net	-	(0.1)
Profit before tax	11.2	17.5
Income tax expense	(1.9)	(3.6)
<b>Profit for the year</b>	<b>9.3</b>	<b>13.9</b>

	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m
<b>ASSETS</b>		
<b>Non-current assets</b>	3.1	3.3
<b>Current assets</b>		
Inventories	0.6	0.6
Trade accounts receivable	6.7	12.1
Cash and cash equivalents	0.5	0.6
Other current assets	1.2	0.8
<b>Total current assets</b>	<b>9.0</b>	<b>14.1</b>
<b>Total assets</b>	<b>12.1</b>	<b>17.4</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade accounts payable	(0.9)	(1.4)
Other current liabilities	(1.1)	(1.5)
<b>Total current liabilities</b>	<b>(2.0)</b>	<b>(2.9)</b>
<b>Total liabilities</b>	<b>(2.0)</b>	<b>(2.9)</b>
<b>Net assets</b>	<b>10.1</b>	<b>14.5</b>

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### 15 Property, plant and equipment

	Land and buildings £m	Hire equipment £m	Other £m	Total £m
<b>Cost</b>				
At 1 April 2022	53.2	422.7	91.7	567.6
Foreign exchange	-	(0.1)	-	(0.1)
Additions	3.3	52.1	5.5	60.9
Disposals <sup>1</sup>	(2.0)	(22.2)	(0.6)	(24.8)
Exceptional write-off <sup>2</sup>	-	(33.0)	-	(33.0)
Transfers to inventory	-	(23.6)	-	(23.6)
At 31 March 2023 restated <sup>1</sup>	54.5	395.9	96.6	547.0
Transfer to Intangible Assets <sup>3</sup>	-	-	(8.3)	(8.3)
Foreign exchange	-	(0.5)	-	(0.5)
Acquisitions	-	11.8	-	11.8
Additions	6.7	42.5	2.3	51.5
Disposals	(3.0)	(35.9)	(62.4)	(101.3)
Transfers to inventory	-	(27.8)	-	(27.8)
At 31 March 2024	58.2	386.0	28.2	472.4
<b>Accumulated depreciation</b>				
At 1 April 2022	37.6	195.8	76.5	309.9
Foreign exchange	-	0.2	-	0.2
Charged in year	4.4	33.9	4.7	43.0
Disposals <sup>1</sup>	(1.4)	(11.9)	(0.5)	(13.8)
Exceptional write-off <sup>2</sup>	-	(12.6)	-	(12.6)
Transfers to inventory	-	(17.4)	-	(17.4)
At 31 March 2023 restated <sup>1</sup>	40.6	188.0	80.7	309.3
Transfer to Intangible Assets <sup>3</sup>	-	-	(2.8)	(2.8)
Foreign exchange	-	(0.2)	-	(0.2)
Charged in year	4.4	32.6	3.5	40.5
Disposals	(1.3)	(24.5)	(61.2)	(87.0)
Transfers to inventory	-	(20.5)	-	(20.5)

	Land and buildings £m	Hire equipment £m	Other £m	Total £m
At 31 March 2024	43.7	175.4	20.2	239.3
<b>Net book value</b>				
At 31 March 2024	14.5	210.6	8.0	233.1
At 31 March 2023	13.9	207.9	15.9	237.7
At 31 March 2022	15.6	226.9	15.2	257.7

1 Disposals in the year to 31 March 2023 incorrectly included an element of the exceptional write-off. This has been restated to correctly present cost and accumulated depreciation of hire equipment, each being £23.0m lower than reported in the prior period, with nil impact on hire equipment net book value reported as at 31 March 2023.

2 See note 4.

3 At 31 March 2023, software with a net book value of £6.7m was included in other property, plant and equipment. This has been transferred to Intangible Assets during the year to correct the classification.

The net book value of land and buildings is made up of improvements to short leasehold properties.

Of the £210.6m (2023: £207.9m) net book value of hire equipment, £28.1m (2023: 32.1m) relates to non-itemised assets.

The net book value of other – non-hire equipment – comprises, fixtures, fittings, office equipment and IT equipment.

At 31 March 2024, no indicators of impairment were identified in relation to property, plant and equipment (2023: none).

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### 16 Right of use assets

	Land and buildings £m	Other £m	Total £m
<b>Cost</b>			
At 1 April 2022	144.4	55.6	200.0
Additions	2.1	28.1	30.2
Remeasurements	4.1	3.5	7.6
Disposals	(5.3)	(22.4)	(27.7)
At 31 March 2023	145.3	64.8	210.1
Additions	9.0	13.0	22.0
Remeasurements	17.9	0.8	18.7
Disposals	(6.7)	(11.7)	(18.4)
At 31 March 2024	165.5	66.9	232.4
<b>Accumulated depreciation</b>			
At 1 April 2022	92.3	33.5	125.8
Charged in year	13.1	13.5	26.6
Disposals	(5.1)	(20.4)	(25.5)
At 31 March 2023	100.3	26.6	126.9
Charged in year	12.6	13.8	26.4
Disposals	(6.6)	(11.6)	(18.2)
At 31 March 2024	106.3	28.8	135.1
<b>Net book value</b>			
At 31 March 2024	59.2	38.1	97.3
At 31 March 2023	45.0	38.2	83.2
At 31 March 2022	52.1	22.1	74.2

Included within disposals for the year ended 31 March 2023 is £0.1m (2023: £1.7m) relating to exceptional disposals following the restructure undertaken (see note 4).

Land and buildings leases comprise depots and associated ancillary leases such as car parks and yards.

Other leases consist of cars, lorries, vans and forklifts.

### 17 Inventories

	31 March 2024 £m	31 March 2023 £m
Work in progress	1.4	1.0
Finished goods and goods for resale	10.4	11.7
	11.8	12.7

The amount of inventory expensed in the year amounted to £65.9m (2023: £76.5m) and is included within cost of sales. A provision of £0.7m (2023: £0.9m) is recorded in respect of inventory held at the year end.

### 18 Trade and other receivables

	31 March 2024 £m	31 March 2023 £m
Trade receivables	93.9	97.9
Other receivables	3.0	1.9
Prepayments	4.1	4.7
Accrued income	1.3	1.5
	102.3	106.0

The Group's credit risk is primarily attributable to trade receivables. The amounts presented in the Consolidated Balance Sheet are net of any loss provision. The ageing of trade receivables (net of impairment provision) at the year end was as follows:

	31 March 2024 £m	31 March 2023 £m
Not past due	65.7	66.8
Past due 0-30 days	17.9	17.9
Past due 31-120 days	5.9	7.8
More than 120 days past due	4.4	5.4
	93.9	97.9

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### 18 Trade and other receivables *continued*

The valuation of trade receivables and calculation of expected credit losses ('ECLs') is explained in the Significant judgements and estimates section within note 1 Summary of material accounting policy information. The related loss allowance can be analysed as follows:

	31 March 2024 £m	31 March 2023 £m
At 1 April	3.2	3.0
Impairment provision charged to the Income Statement	3.2	4.0
Utilised in the year	(3.9)	(3.8)
<b>At 31 March</b>	<b>2.5</b>	<b>3.2</b>

### 19 Trade and other payables

	31 March 2024 £m	31 March 2023 £m
Trade payables	44.9	39.1
Other payables	12.5	11.0
Accruals	27.1	27.5
Customer rebates	11.9	11.0
	<b>96.4</b>	<b>88.6</b>

### 20 Financial instruments

The Group holds and uses financial instruments to finance its operations and to manage its interest rate and liquidity risks. The Group primarily finances its operations using share capital, retained profits and borrowings. The main risks arising from the Group's financial instruments are credit, interest rate, foreign currency and liquidity risk. The Board reviews and agrees the policies for managing each of these risks on an annual basis. A full description of the Group's approach to managing these risks is set out below.

The Group does not engage in trading or speculative activities using derivative financial instruments. A Group offset arrangement exists in order to minimise the interest costs on outstanding debt. Furthermore, there are a number of hedges relating to fuel prices in order to mitigate fuel price increases.

#### Fair value hierarchy

The Group's financial assets and liabilities are principally short-term in nature, with interest payable on borrowings close to market rates, and therefore their fair value is not materially different from their carrying value. The valuation method for the Group's financial assets and liabilities can be defined as follows in accordance with IFRS 13:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

#### Basis for determining fair values

The following summarises the principal methods and assumptions used in estimating the fair value of financial instruments:

- Derivatives – Broker quotes are used for all interest rate swaps and fuel hedges.
- Interest-bearing loans and borrowings – Fair value is calculated based on discounted expected future principal and interest cash flows at a market rate of interest.
- Trade and other receivables and payables – For receivables and payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables and payables are discounted to determine the fair value.
- Lease liabilities – not within the scope of IFRS 13; accounted for in accordance with IFRS 16.

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### 20 Financial instruments *continued*

#### Carrying amount of financial assets and liabilities

The carrying value of the Group's financial assets and financial liabilities are set out below:

	31 March 2024			31 March 2023		
	Amortised cost £m	Fair value through other comprehensive income £m	Total £m	Amortised cost £m	Fair value through other comprehensive income £m	Total £m
<b>Assets per the Balance Sheet</b>						
Trade and other receivables <sup>1</sup>	98.2	-	98.2	101.3	-	101.3
Cash and cash equivalents	4.0	-	4.0	1.1	-	1.1
Derivative financial assets	-	0.5	0.5	-	1.2	1.2
	102.2	0.5	102.7	102.4	1.2	103.6

1 Trade and other receivables excluding prepayments. 2023 trade and other receivables restated to include accrued income.

	31 March 2024			31 March 2023		
	Amortised cost £m	Fair value through other comprehensive income £m	Total £m	Amortised cost £m	Fair value through other comprehensive income £m	Total £m
<b>Liabilities per the Balance Sheet</b>						
Bank overdraft	1.2	-	1.2	1.3	-	1.3
Borrowings	104.1	-	104.1	92.2	-	92.2
Lease liabilities – Current	22.1	-	22.1	22.1	-	22.1
Lease liabilities – Non-current	75.5	-	75.5	64.0	-	64.0
Trade and other payables <sup>2</sup>	57.4	-	57.4	50.1	-	50.1
Accruals	27.1	-	27.1	27.5	-	27.5
Customer rebates	11.9	-	11.9	11.0	-	11.0
Derivative financial liabilities	-	0.1	0.1	-	0.6	0.6
	299.3	0.1	299.4	268.2	0.6	268.8

2 Trade and other payables excluding non-financial liabilities. 2023 restated to included both trade and other payables.

#### Offsetting arrangements

Under the terms of the Group's banking facilities, net indebtedness is permitted up to the net limit of £5m. The Group has both the right to set off and the intention to settle these balances net. Current settlements are made on a net basis. The relevant accounts have therefore been presented net in the Balance Sheet, the effect of which is detailed below.

	31 March 2024			31 March 2023		
	Gross amounts £m	Gross amounts offset in the Balance Sheet £m	Net amounts presented in the Balance Sheet £m	Gross amounts £m	Gross amounts offset in the Balance Sheet £m	Net amounts presented in the Balance Sheet £m
<b>Financial assets</b>						
Cash and cash equivalents	14.6	(10.6)	4.0	5.8	(4.7)	1.1
<b>Financial liabilities</b>						
Bank overdraft	10.8	(9.6)	1.2	4.6	(3.3)	1.3
Borrowings	105.1	(1.0)	104.1	93.6	(1.4)	92.2

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the Balance Sheet. No individual customer accounts for more than 10% of the Group's sales transactions and the Group's exposure to outstanding indebtedness follows this profile. No collateral is held as security in respect of amounts outstanding; however, in a number of instances, deposits are held against the value of hire equipment provided. The extent of deposit taken is assessed on a case-by-case basis and is not considered significant in comparison to the overall amounts receivable from customers.

Transactions involving derivative financial instruments are undertaken with counterparties within the syndicate of banks that provide the Group's asset based finance facility. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The Group establishes an allowance for impairment that is based on historical experience of dealing with customers with the same risk profile along with a consideration of the future expected credit losses.

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### 20 Financial instruments *continued*

#### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses both short and long-term cash forecasts to assist in monitoring cash flow requirements. Typically, the Group uses short-term forecasting to ensure that it has sufficient cash on demand to meet operational expenses and to service financing obligations for a period of 12 weeks. Longer-term forecasts are performed on a regular basis to assess compliance with bank covenants on existing facilities, ensuring that activities can be managed within reason to ensure covenant breaches are avoided.

At 31 March 2024, the Group had a banking facility amounting to £180.0m (2023: £180.0m), as detailed in note 21. The cash and undrawn availability on this facility as at 31 March 2024 was £56.7m (2023: £83.5m) based on the Group's eligible hire equipment and trade receivables. The Group monitors available facilities against forward requirements on a regular basis and, where necessary, obtains additional sources of financing to provide the Group with the appropriate level of headroom against the required borrowing. The Group maintains close contact with its syndicate of banks.

Derivative financial instruments are also used in the form of interest rate swaps and fuel hedges to help manage cash flows.

The following analysis is based on the undiscounted contractual maturities on the Group's financial liabilities, including estimated interest that will accrue, over the following financial years ended 31 March.

	Undiscounted cash flows - 31 March 2024				
	2025 £m	2026 £m	2027 £m	2028 and later £m	Total £m
Asset based finance facility	-	-	104.1	-	104.1
Overdraft	1.2	-	-	-	1.2
Lease liability (principal and interest)	29.6	22.4	19.1	45.1	116.2
Bank interest payments	8.1	7.1	2.3	-	17.5
Trade payables	57.4	-	-	-	57.4
Accruals	27.1	-	-	-	27.1
Customer rebates	11.9	-	-	-	11.9
Derivative financial liabilities	-	0.1	-	-	0.1
	135.3	29.6	125.5	45.1	335.5

#### Undiscounted cash flows - 31 March 2023

	2024	2025	2026	2027	Total
	£m	£m	£m	and later £m	
Asset based finance facility	-	92.9	-	-	92.9
Overdraft	1.3	-	-	-	1.3
Lease liability (principal and interest)	27.9	19.6	15.4	36.0	98.9
Bank interest payments	8.0	2.3	-	-	10.3
Trade payables	39.1	-	-	-	39.1
Accruals	27.5	-	-	-	27.5
Customer rebates	11.0	-	-	-	11.0
Derivative financial liabilities	0.4	0.1	0.1	-	0.6
	115.2	114.9	15.5	36.0	281.6

#### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. Generally, the Group seeks to apply hedge accounting in order to manage volatility in profit.

#### Foreign exchange risk

With 1.7% (2023: 1.3%) of the Group's revenue generated in currencies other than sterling, the Group's Balance Sheet and Income Statement are affected by movements in exchange rates. The revenue and costs of overseas operations normally arise in the same currency and consequently the exposure to exchange differences is not normally significant and consequently not hedged. Overseas operations maintain local currency bank facilities, which provide partial mitigation against balance sheet risk.

At 31 March 2024, if sterling had weakened or strengthened by 10% against the Euro and USD with all other variables held constant, post-tax profit for the year would have been £0.3m (2023: £0.8m) higher or lower respectively.

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## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

### 20 Financial instruments *continued*

#### Interest rate risk

The Group is exposed to a risk of a change in cash flows due to changes in interest rates as a result of its use of variable rate borrowings. The Group's policy is to review regularly the terms of its borrowing facilities, to assess and manage the long-term borrowing commitment accordingly, and to put in place interest rate hedges to reduce the Group's exposure to significant fluctuations in interest rates. The Group adopts a policy of ensuring that between 40% and 80% of its net borrowings are covered by hedging instruments.

The principal derivative financial instruments used by the Group are interest rate swaps. The notional contract amount and the related fair value of the Group's derivative financial instruments can be analysed as follows:

	31 March 2024		31 March 2023	
	Fair value £m	Notional amount <sup>1</sup> £m	Fair value £m	Notional amount £m
<b>Designated as cash flow hedges</b>				
Fixed interest rate swaps	0.4	110.0	1.0	120.0

<sup>1</sup> £25.0m of the notional amount is not yet in force.

Future cash flows associated with the above instruments are dependent upon movements in the Sterling Overnight Index Average Rate ('SONIA') over the contractual period. Interest is paid or received under the instruments on a quarterly basis, depending on the individual instrument, referenced to the relevant prevailing SONIA rates.

The weighted average interest rate on the fixed interest rate swaps is 4.2% (2023: 3.2%) and the instruments are for a weighted average period of 8 months (2023: 13 months). The maximum contractual period is 36 months (2023: 24 months).

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. As all critical terms matched during the year<sup>1</sup>, there is an economic relationship. No hedge ineffectiveness identified for the year ended 31 March 2024 (2023: none). The balance on this hedging reserve relates to continuing hedges.

#### Sensitivity analysis

In managing interest rate and currency risk, the Group aims to reduce the impact of short-term fluctuation on the Group's earnings. Over the longer term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings.

At 31 March 2024 it is estimated that an increase of 1% in interest rates would decrease the Group's profit before tax by approximately £0.1m (2023: £0.7m). Interest rate swaps have been included in this calculation.

#### Capital management

The Group requires capital for purchasing hire equipment to replace the existing asset base when it has reached the end of its useful life, and for growth, by establishing new depot locations, completing acquisitions and refinancing existing debts in the longer term. The Group defines gross capital as net debt (cash less borrowings), as disclosed in note 21, plus total equity as disclosed in the Consolidated Statement of Changes in Equity, and seeks to ensure an acceptable return on gross capital. The Board seeks to maintain a balance between debt and equity funding such that it maintains an efficient capital position relevant for the prevailing economic environment.

	31 March 2024 £m	31 March 2023 £m	31 March 2022 £m
Net debt	101.3	92.4	67.5
Total equity	175.7	184.6	216.4
<b>At 31 March</b>	<b>277.0</b>	277.0	283.9

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors seeks to ensure that the most attractive mix of capital growth and income return for investors.

The Group encourages ownership of Speedy Hire Plc shares by employees at all levels within the Group, and has developed this objective through the introduction of long-term incentive plans and SAYE schemes.

There were no changes in the Group's approach to capital management during the year.

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## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

### 21 Borrowings

	31 March 2024 £m	31 March 2023 £m
<b>Current borrowings</b>		
Bank overdraft	1.2	1.3
Lease liabilities <sup>1</sup>	22.1	22.1
	23.3	23.4
<b>Non-current borrowings</b>		
Maturing between two and five years		
– Asset based finance facility	104.1	92.2
– Lease liabilities <sup>1</sup>	75.5	64.0
Total non-current borrowings	179.6	156.2
Total borrowings	202.9	179.6
Less: cash	(4.0)	(1.1)
Exclude lease liabilities	(97.6)	(86.1)
<b>Net debt<sup>2</sup></b>	<b>101.3</b>	92.4

1 See note 31.

2 Key performance indicator – excluding lease liabilities.

### Reconciliation of financing liabilities and net debt

	1 April 2023 £m	Non-cash movement £m	Cash flow £m	31 March 2024 £m
Bank borrowings	(92.2)	0.5	(12.4)	(104.1)
Lease liabilities	(86.1)	19.5	(31.0)	(97.6)
Liabilities arising from financing activities	(178.3)	20.0	(43.3)	(201.7)
Cash and cash equivalents	1.1	–	2.9	4.0
Bank overdraft	(1.3)	–	0.1	(1.2)
Net debt	(178.5)	20.0	(40.4)	(198.9)

The Group has a £180m asset based finance facility which is sub divided into:

- A secured overdraft facility, which secures by cross guarantees and debentures the bank deposits and overdrafts of the Company and certain subsidiary companies up to a maximum of £5m.
- An asset based finance facility of up to £175m, based on the Group's itemised hire equipment and trade receivables balance. The cash and undrawn availability of this facility as at 31 March 2024 was £56.7m (2023: £83.5m), based on the Group's eligible hire equipment and trade receivables.

The facility is for £180m, reduced to the extent that any ancillary facilities are provided, and is repayable in July 2026, with no prior scheduled repayment requirements. An additional uncommitted accordion of £220m is in place.

Interest on the facility is calculated by reference to SONIA (previously LIBOR) applicable to the period drawn, plus a margin of 155 to 255 basis points, depending on leverage and on the components of the borrowing base. During the year, the effective margin was 1.92% (2023: 1.82%).

The facility is secured by fixed and floating charges over the Group's itemised hire fleet assets and trade receivables.

The facility has a Minimum Excess Availability covenant: At any time, 10 percent of the Total Commitments.

Where availability falls below the Minimum Excess Availability, the financial covenants (below) are required to be tested. Covenants are not required to be tested where availability is above Minimum Excess Availability.

- Leverage in respect of any Relevant Period shall be less than or equal to 3:1;
- Fixed Charge Cover in respect of any Relevant Period shall be greater than or equal to 2.1:1.



## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

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### 22 Lease liabilities

	Land and buildings £m	Other £m	Total £m
At 1 April 2022	53.2	23.5	76.7
Additions	2.1	28.1	30.2
Remeasurements	4.1	3.5	7.6
Repayments	(15.5)	(14.5)	(30.0)
Unwinding of discount rate	1.8	1.7	3.5
Terminations	(0.5)	(1.4)	(1.9)
At 31 March 2023	45.2	40.9	86.1
Additions	9.0	13.0	22.0
Remeasurements	14.8	0.8	15.6
Repayments	(15.5)	(15.5)	(31.0)
Unwinding of discount rate	2.5	2.5	5.0
Terminations	(0.1)	-	(0.1)
<b>At 31 March 2024</b>	<b>55.9</b>	<b>41.7</b>	<b>97.6</b>

Included within terminations for the year ended 31 March 2024 is £0.1m (2023: £0.8m) relating to exceptional terminations of property leases.

Amounts payable for lease liabilities (discounted at the incremental borrowing rate of each lease) fall due as follows:

	31 March 2024 £m	31 March 2023 £m
Payable within one year	22.1	22.1
Payable in more than one year	75.5	64.0
At 31 March	97.6	86.1

### 23 Provisions

	Dilapidations £m	Training provision £m	Total £m
At 1 April 2022	14.2	0.7	14.9
Additional provision recognised	2.9	-	2.9
Provision utilised in the year	(1.6)	(0.7)	(2.3)
Unwinding of the discount	0.1	-	0.1
At 31 March 2023	15.6	-	15.6
Additional provision recognised	2.1	-	2.1
Provision utilised in the year	(1.3)	-	(1.3)
<b>At 31 March 2024</b>	<b>16.4</b>	<b>-</b>	<b>16.4</b>

Of the £16.4m provision at 31 March 2024 (2023: £15.6m), £8.8m (2023: £9.3m<sup>1</sup>) is due within one year and £7.6m (2023: £6.3m<sup>1</sup>) is due after one year.

The dilapidations provision relates to amounts payable to restore leased premises to their original condition upon the Group's exit of the lease for the site and other committed costs. Dilapidations may not be settled for some months following the Group's exit of the lease and are calculated based on estimated expenditure required to settle the landlord's claim at current market rates. The total liability is discounted to current values. The additional provision recognised in the year relates to a change in the method of estimating the provision.

The movement in the prior year on the training provision is settlement of the costs within the provision previously set up relating to the Geason Training business.

<sup>1</sup> Restated: see note 31.

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## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

### 24 Deferred tax

	Property, plant and equipment £m	Intangible assets £m	Share-based payments £m	Other items £m	Total £m
At 1 April 2022	11.0	(0.1)	(0.1)	(1.5)	9.3
Recognised in the year	(3.1)	0.8	0.1	0.3	(1.9)
At 31 March 2023	7.9	0.7	-	(1.2)	7.4
Recognised in the year	0.6	0.3	-	0.4	1.3
<b>At 31 March 2024</b>	<b>8.5</b>	<b>1.0</b>	<b>-</b>	<b>(0.8)</b>	<b>8.7</b>

Approximately £2.0m (2023: £1.7m) of the deferred tax liability relating to property, plant and equipment and nil (2023: £0.3m) of the deferred tax liability relating to intangible fixed asset timing differences is expected to reverse within 12 months as the depreciation and amortisation charged on the underlying assets exceeds tax allowances claimed in the period.

Approximately nil (2023: £0.3m) of the deferred tax asset relating to other items is expected to reverse within 12 months as the tax spreading adjustment in relation to the IFRS 16 transitional adjustment unwinds.

The Group has gross trading losses carried forward at 31 March 2024 amounting to approximately £3.9m (2023: £5.3m). No deferred tax asset has been recognised in respect of these losses. The Group also has gross capital losses carried forward at 31 March 2024 amounting to approximately £1.4m (2023: £1.4m). No deferred tax asset has been recognised in respect of these losses.

### 25 Share capital

	31 March 2024		31 March 2023	
	Number m	Amount £m	Number m	Amount £m
<b>Authorised, allotted, called-up and fully paid</b>				
Opening balance (ordinary shares of 5 pence each)	517.0	25.8	518.2	25.9
Exercise of Sharesave Scheme options	-	-	0.2	-
Purchase and cancellation of own shares	-	-	(1.4)	(0.1)
<b>Total</b>	<b>517.0</b>	<b>25.8</b>	<b>517.0</b>	<b>25.8</b>

In January 2022 the Company commenced a share buyback programme. By resolutions passed at the 9 September 2021 AGM, the Company's shareholders generally authorised the Company to make market purchases of up to 52,831,110 of its ordinary shares. A further resolution was then passed in June 2022, authorising the Company to make further market purchases up to a maximum of 50,613,543 of its ordinary shares.

In the year ended 31 March 2022, a total of 11,114,363 ordinary shares were purchased and cancelled. A further 401,186 shares were acquired immediately prior to the year ended 31 March 2022 and cancelled in April 2022. In the year ended 31 March 2023, a total of 1,051,228 ordinary shares were purchased and subsequently cancelled, with a further 55,146,281 shares repurchased and placed in treasury.

The share buyback programme was completed on 8 March 2023, at which point all shares for which there was an obligation to buyback from the broker had been repurchased by Speedy Hire. In the year ended 31 March 2023, the average price paid was 42p (2022: 54p) with a total consideration (inclusive of all costs) of £24.0m (2022: £6.2m). Related costs incurred totalled £0.2m.

During the year, nil ordinary shares of 5 pence were issued on exercise of options under the Speedy Hire Sharesave Schemes (2023: 0.2m).

An Employee Benefits Trust was established in 2004 ('the Trust'). The Trust holds shares issued by the Company in connection with the Performance Share Plan. No shares were acquired by the Trust during the year and 55,632 (2023: 73,970) shares were transferred to employees during the year. At 31 March 2024, the Trust held 4,106,820 (2023: 4,162,452) shares.

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## Notes to the Financial Statements *continued*

for the year ended 31 March 2024

### 26 Share incentives

The Group operates a number of share-based payment schemes, details of which are provided in the Directors' Remuneration Report.

At 31 March 2024, options and awards over 23,613,896 shares (2023: 20,581,043) were outstanding under employee share schemes. The Group operates two share incentive schemes. During the year no ordinary shares of 5 pence were issued on exercise of options under the Speedy Hire Sharesave Schemes (2023: 184,004).

As at 31 March 2024, options to acquire 12,603,136 (2023: 11,963,956) Speedy Hire Plc shares were outstanding under the Speedy Hire Sharesave Schemes. These options are exercisable by employees of the Group at prices between 27 and 56 pence (2023: 32 and 56 pence) at dates between April 2024 and July 2027 (2023: April 2023 and July 2026). At 31 March 2024, options to acquire 11,010,761 shares (2023: 8,647,854) under the Performance Share Plans were outstanding. These options are exercisable at nil cost between April 2024 and June 2033 (2023: April 2023 and June 2032). The weighted average fair value of the PSP awards granted in the year was 30 pence (2023: 30 pence).

The number and weighted average exercise price ("WAEP") of share options and awards under all the share incentive schemes are as follows:

	31 March 2024		31 March 2023	
	WAEP pence	Number	WAEP pence <sup>1</sup>	Number
Outstanding at 1 April	26	20,581,043	22	16,077,113
Granted	16	12,352,775	22	7,627,615
Exercised	-	-	46	(255,247)
Lapsed	33	(9,319,922)	17	(2,868,438)
Outstanding at 31 March	18	23,613,896	26	20,581,043
Exercisable at 31 March	14	3,697,740	16	4,737,225

1 Weighted average exercise price at 31 March 2023 revised.

Options and awards outstanding at 31 March 2024 have weighted average remaining contractual lives as follows:

	2024 Years	2023 Years
Exercisable at nil pence	1.7	1.4
Exercisable at 27 pence	2.8	-
Exercisable at 32 pence	1.8	2.8
Exercisable at 55 pence	-	0.8
Exercisable at 56 pence	0.8	1.8

The fair value of services received in return for share options granted and shares awarded is measured by reference to the fair value of those instruments. The pricing models used for the schemes are Black Scholes for awards not subject to market-based performance conditions (Sharesave and Performance Share Plan: EPS condition) and Stochastic for awards subject to market-based conditions in order to incorporate a discount factor into the fair value for the probability of achieving the relevant targets (Performance Share Plan: TSR condition).

For awards subject to a market condition, volatility is calculated over the period of time commensurate with the remainder of the performance period immediately prior to the date of grant. Where an award is not subject to market conditions, volatility is usually calculated over the period of time commensurate with the expected award term immediately prior to the date of grant.

The inputs used for the outstanding options (on a weighted average basis where appropriate) are as follows:

#### Speedy Hire Sharesave Schemes

	December 2023	December 2022	December 2021	December 2020
Exercise price	27p	32p	56p	55p
Share price volatility	34.7%	33.5%	31.7%	31.2%
Option life	3.25 years	3.25 years	3.25 years	3.25 years
Expected dividend yield	8.1%	5.6%	3.6%	1.1%
Risk-free interest rate	3.6%	3.3%	0.5%	(0.1%)

#### Performance Share Plan

	July 2023	June 2022	June 2021	November 2020
Exercise price	Nil	Nil	Nil	Nil
Share price volatility	33.7%	32.4%	32.6%	31.8%
Option life	3 years	3 years	3 years	3 years
Expected dividend yield	Nil	Nil	Nil	Nil
Risk-free interest rate	4.7%	2.5%	0.1%	(0.0%)

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### 27 Reserves

#### Share premium

Relates to any premiums received on the issue of share capital.

#### Merger reserve

Used to record the amount arising on the difference between the nominal value of shares issued on acquisition of a subsidiary company and the Company value of the interest in the subsidiary. The merger reserve arises where more than 90% of the shares in a subsidiary are acquired and the consideration includes the issue of new shares by the Company, and therefore the Company adopts merger relief under the Companies Act 2006.

#### Hedging reserve

Used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, including interest rate swaps and fuel price hedges.

#### Capital redemption reserve

Represents the nominal value of shares repurchased and subsequently cancelled, transferred from share capital to the capital redemption reserve.

#### Translation reserve

Comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into pounds sterling.

#### Retained earnings

Includes all current and prior period retained profits.

### 28 Contingent liabilities

There are no contingent liabilities as at the 31 March 2024 (2023: none).

### 29 Commitments

The Group had contracted capital commitments amounting to £9.0m (2023: £5.3m) at the end of the financial year for which no provision has been made. These related to hire fleet equipment on order (2023: hire fleet equipment on order).

The Group is also party to two contractual supply agreements. One agreement covers a period of 4 years, for a minimum order of hire fleet equipment each year at an approximate total cost of £10.0m per annum (2023: nil). The other agreement covers a 3 year period, for a minimum order of hire fleet equipment at an approximate total cost of £6.4m per annum (2023: nil). No provision has been made for the remaining contracted units.

### 30 Related party disclosures

#### Key management remuneration

The Group's key management personnel are the Executive and Non-Executive Directors as identified in the Directors' Remuneration Report, the remuneration of whom is disclosed in note 7.

In the prior year, Paul Rayner was a member of key management personnel but not a statutory Director of Speedy Hire Plc and so was excluded from the Directors' Remuneration Report. This individual was appointed a statutory Director on 1 July 2023 and so is included in the Directors' Remuneration Report from this date for the year ended 31 March 2024. This individual's total salary and benefits paid in the year ended 31 March 2024 total £273,000 (2023: £142,000) and share based payments £nil (2023: £nil).

In addition to salaries, the Group also provides non-cash benefits to Executive Directors and contributes to approved pension schemes on their behalf. Executive Directors also participate in the Group's share option schemes.

Non-Executive Directors receive a fee for their services to Speedy Hire Plc.

Full details of Executive and Non-Executive Director compensation and interests in the share capital of the Company as at 31 March 2024 are given in the Directors' Remuneration Report.

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### 31 Prior period adjustment

The presentation of the dilapidations provision at 31 March 2023, between current and non-current liabilities, has been reassessed. Provisions have been classified as current where the end of the lease term is within 12 months of the balance sheet date. A summary of the affected accounts and the restatements made as at 31 March 2023 is as follows:

	Reported £m	Adjustment £m	Restated £m
<b>Current liabilities:</b>			
Provisions	(3.6)	(5.7)	(9.3)
<b>Non-current liabilities:</b>			
Provisions	(12.0)	5.7	(6.3)
<b>Net assets</b>	184.6	-	184.6

The related adjustment on the beginning of the preceding period, 1 April 2022, has been assessed with no material impact identified.

The definition of adjusted profit has been amended to profit before tax, amortisation of acquired intangible assets and non-underlying items. It is determined to be more appropriate to exclude amortisation on internally generated intangibles as these form part of, and support, the underlying operations of the business. This is a change from all intangible asset amortisation having been previously added back in the calculation of adjusted profit.

The definition of adjusted EBITDA has been amended to operating profit before depreciation, amortisation and non-underlying items, where depreciation includes the net book value of planned hire equipment disposals, less the proceeds on those disposals (profit or loss on planned disposals of hire equipment). Such disposals relate to auction sales which are planned divestment, hence do not form an underlying part of the trading business.

Both these measures have been revised to more accurately reflect the underlying performance of the business.

Prior period comparatives have been revised for the year ended 31 March 2023 for consistency, as follows:

	Reported	Restated
Adjusted profit before tax (£m)	32.1	30.7
Adjusted EBITDA (£m)	103.7	103.9
Adjusted earnings per share (pence)	5.25	4.96
Adjusted diluted earnings per share (pence)	5.21	4.92
Return on capital employed (%)	14.5%	14.0%

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## Company Balance Sheet

as at 31 March 2024

	Note	31 March 2024 £m	31 March 2023 £m
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	33	93.5	93.5
Trade and other receivables	34	195.2	105.9
		<b>288.7</b>	199.4
<b>Current assets</b>			
Trade and other receivables	34	82.8	79.6
Current tax receivable		2.7	2.0
Cash and cash equivalents	37	9.4	1.0
Derivative financial assets	36	0.5	1.2
		<b>95.4</b>	83.8
<b>Total assets</b>		<b>384.1</b>	283.2
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	35	(114.2)	(14.8)
Derivative financial liabilities	36	(0.1)	(0.2)
		<b>(114.3)</b>	(15.0)
<b>Non-current liabilities</b>			
Borrowings	37	(105.1)	(93.6)
Deferred tax liability	38	(0.1)	(0.2)
		<b>(105.2)</b>	(93.8)
<b>Total liabilities</b>		<b>(219.5)</b>	(108.8)
<b>Net assets</b>		<b>164.6</b>	174.4
<b>EQUITY</b>			
Share capital	39	25.8	25.8
Share premium		1.9	1.9
Capital redemption reserve		0.7	0.7
Merger reserve		2.3	2.3
Hedging reserve		0.1	0.6
Retained earnings		133.8	143.1
<b>Total equity</b>		<b>164.6</b>	174.4

The Company profit for the year was £1.9m (2023: £0.1m profit). The Company has taken advantage of the exemption under Section 408 of the Companies Act 2006 from presenting its own profit and loss account.

The accompanying notes form part of the financial statements.

The Company Financial Statements on pages 157 to 164 were approved by the Board of Directors on 18 June 2024 and were signed on its behalf by:

**DAN EVANS**  
Director

Company registered number: 00927680

## Company Statement of Changes in Equity

for the year ended 31 March 2024

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	Share capital £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Hedging reserve £m	Retained Earnings £m	Total equity £m
At 1 April 2022	25.9	1.8	0.6	2.3	0.1	176.8	207.5
Loss for the financial year	-	-	-	-	-	0.1	0.1
Other comprehensive expense	-	-	-	-	0.5	-	0.5
Total comprehensive income	-	-	-	-	0.5	0.1	0.6
Dividends	-	-	-	-	-	(10.9)	(10.9)
Equity-settled share-based payments	-	-	-	-	-	1.1	1.1
Purchase of own shares for cancellation or placement in treasury	(0.1)	-	0.1	-	-	(24.0)	(24.0)
Issue of shares under the Sharesave Scheme	-	0.1	-	-	-	-	0.1
At 31 March 2023	25.8	1.9	0.7	2.3	0.6	143.1	174.4
Loss for the financial year	-	-	-	-	-	1.9	1.9
Other comprehensive income	-	-	-	-	(0.5)	0.1	(0.4)
Total comprehensive income	-	-	-	-	(0.5)	2.0	1.5
Dividends	-	-	-	-	-	(11.8)	(11.8)
Equity-settled share-based payments	-	-	-	-	-	0.5	0.5
At 31 March 2024	25.8	1.9	0.7	2.3	0.1	133.8	164.6

The accompanying notes form part of the financial statements.



For more information, visit:  
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## Company Cash Flow Statement

for the year ended 31 March 2024

	Note	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
<b>Cash generated from operating activities</b>			
Profit before tax		2.6	1.0
Net financial income		(3.2)	(3.0)
(Increase)/decrease in trade and other receivables		(89.5)	199.8
Increase/(decrease) in trade and other payables		99.0	(185.7)
Equity-settled share-based payments		0.5	1.1
<b>Cash generated from operations</b>		<b>9.4</b>	13.2
Interest paid		(0.4)	(5.0)
Interest received		3.0	8.3
Tax paid		(3.6)	(2.6)
<b>Net cash flow from operating activities</b>		<b>8.4</b>	13.9
<b>Cash flow from financing activities</b>			
Drawdown of loans		574.3	595.6
Repayment of loans		(562.5)	(585.5)
Proceeds from the issue of Sharesave Scheme shares		-	0.1
Purchase of own shares for cancellation or placement in treasury	25	-	(24.0)
Dividends paid	11	(11.8)	(10.9)
<b>Net cash flow used in financing activities</b>		<b>-</b>	(24.7)
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>8.4</b>	(10.8)
Cash at the start of the financial year		1.0	11.8
<b>Cash at the end of the financial year</b>		<b>9.4</b>	1.0

The accompanying notes form part of the financial statements.

## Notes to the Company Financial Statements

for the year ended 31 March 2024

### 32 Summary of material accounting policy information

The Company complies with the accounting policies defined in note 1 of the Group Consolidated Financial Statements, except as noted below.

#### Statement of compliance

The Company is taking advantage of the exemption in Section 408 of the Companies Act 2006 not to present its individual Income Statement or Statement of Comprehensive Income and related notes that form part of the approved Financial Statements. The amount of the profit for the financial year dealt with in the Financial Statements of the Company is disclosed in the Company Balance sheet and the Company Statement of Changes in Equity.

#### Dividends

Dividends received and receivable are credited to the Company's Income Statement to the extent that they represent a realised profit for the Company.

#### Finance income

Finance income comprises interest receivable from subsidiary undertakings and is recognised in the Company's Income Statement using the effective interest method.

#### Employees

The Company does not have any employees. Directors are paid by other Group companies, the details of which are disclosed in the Directors' Remuneration Report.

#### Investments in subsidiaries

Investments in subsidiary undertakings are stated at cost less any accumulated impairment.

#### Intercompany receivables

The Company monitors the risk profile of intercompany receivables regularly and provides for amounts that may not be recoverable on the basis of expected portfolio losses.

#### Significant judgements and estimates

The following are significant sources of estimation uncertainty that management has made in the process of applying the accounting policies and that have a significant risk of resulting in a material adjustment within the next financial year.

#### Valuation of intercompany receivables

Intercompany expected credit losses are assessed under IFRS 9, based on the applicable repayment profile and the ability of the borrower to repay the loan. Where the borrower has insufficient liquid assets to repay the loan, and no contractual obligation exists to provide support for the loan, an impairment loss is recognised.

At 31 March 2024, the expected credit loss provision was £44.0m (2023: £43.9m) against a receivable balance of £275.6m (2023: £183.3m). Further detail is provided in note 34. The Company's estimated expected credit losses are 16.0% (2023: 23.9%) of intercompany receivables. A change of 1% in this assumption would result in an increase to the provision of £2.8m (2023: £1.8m).



## Notes to the Company Financial Statements *continued*

for the year ended 31 March 2024

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### 33 Investments

	Investments in related undertakings £m
<b>Cost</b>	
At 1 April 2022 and 31 March 2023 and 31 March 2024	113.3
<b>Provisions</b>	
At 1 April 2022 and 31 March 2023 and 31 March 2024	(19.8)
<b>Net book value</b>	
At 1 April 2022 and 31 March 2023 and 31 March 2024	93.5

An impairment test has been performed on the Company's carrying value of investments in related undertakings and no impairment has been made (2023: £nil). The recoverable amount of the investments has been determined based on a value in use calculation which involves assumptions. These assumptions are disclosed in note 13. No reasonable possible change in these assumptions would result in an impairment.

The Company's related undertakings are as follows:

	Registered Number	Incorporation and operation	Principal activity	Ordinary share capital held
Allen Contracts Limited <sup>1</sup>	01617643	UK	Dormant	100%
Allen Investments Limited <sup>1</sup>	01354530	UK	Dormant	100%
Bucks Access Rentals Limited <sup>1,2</sup>	05249533	UK	Dormant	100%
Chestview (North East) Limited <sup>1</sup>	02935264	UK	Dormant	100%
Crewe Plant Hire Limited <sup>1,2</sup>	08590447	UK	Dormant	100%
Drain Technology (1985) Limited <sup>3</sup>	SC036329	UK	Dormant	100%
Drain Technology Limited <sup>3</sup>	SC090054	UK	Dormant	100%
Green Power Hire Limited <sup>1,2</sup>	13588088	UK	Hire services	100%
Hire-A-Tool Limited <sup>1</sup>	01354100	UK	Dormant	100%
Lifterz Holdings Limited <sup>1,2</sup>	10215607	UK	Holding company	100%
Lifterz Limited <sup>1,2</sup>	05995339	UK	Dormant	100%
Lifterz (Scot) Limited <sup>1,2</sup>	10981353	UK	Dormant	100%
OHP Limited <sup>1,2</sup>	09392490	UK	Holding company	100%
Platform Sales & Hire Limited <sup>1,2</sup>	03845635	UK	Dormant	100%
Prolift Access Limited <sup>1,2</sup>	07067785	UK	Dormant	100%
Rail Hire (UK) Limited <sup>1,2</sup>	06758009	UK	Dormant	100%
SHH 501 Limited <sup>1,2</sup>	08666700	UK	Dormant	100%
Speedy Asset Leasing Limited <sup>1</sup>	04621481	UK	Dormant	100%
Speedy Asset Services Limited <sup>1</sup>	06847930	UK	Hire services	100%
Speedy Engineering Services Limited <sup>1</sup>	06440025	UK	Dormant	100%
Speedy Hire (Ireland) Limited <sup>4,10</sup>	NI048108	UK	Hire services	100%
Speedy Hire (Ireland) Limited <sup>2,5</sup>	409718	Ireland	Hire services	100%
Speedy Hire (UK) Limited <sup>1</sup>	00245380	UK	Dormant	100%
Speedy Hire Centres (Midlands) Limited <sup>1</sup>	01048492	UK	Dormant	100%
Speedy Hire Centres Limited <sup>1</sup>	06207105	UK	Dormant	100%
Speedy Hire Direct Limited <sup>1,2</sup>	00974324	UK	Dormant	100%
Speedy Hydrogen Solutions Limited <sup>1,2</sup>	15264396	UK	Hire services	50%
Speedy Industrial Services Limited <sup>1</sup>	01105942	UK	Dormant	100%
Speedy International Asset Services (Holdings) Limited <sup>1,10</sup>	07174616	UK	Holding company	100%
Speedy International Asset Services LLC (Egypt) <sup>2,6</sup>		Egypt	Dormant	100%
Speedy International Leasing Limited <sup>1,2</sup>	07174944	UK	Dormant	100%
Speedy LCH Generators Limited <sup>3</sup>	SC068997	UK	Dormant	100%
Speedy LGH Limited <sup>1</sup>	05436955	UK	Dormant	100%
Speedy Lifting Limited <sup>1</sup>	04529136	UK	Dormant	100%
Speedy Plant Hire Limited <sup>1</sup>	02036670	UK	Dormant	100%
Speedy Power Limited <sup>1</sup>	03923249	UK	Dormant	100%
Speedy Pumps Limited <sup>1</sup>	04663170	UK	Dormant	100%

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## Notes to the Company Financial Statements *continued*

for the year ended 31 March 2024

### 33 Investments *continued*

	Registered Number	Incorporation and operation	Principal activity	Ordinary share capital held
Speedy Rail Services Limited <sup>1</sup>	04016794	UK	Dormant	100%
Speedy Safemaker Limited <sup>1,2</sup>	05628930	UK	Dormant	100%
Speedy Services Limited <sup>1</sup>	04529126	UK	Dormant	100%
Speedy Space Limited <sup>1</sup>	01157713	UK	Dormant	100%
Speedy Support Services Limited <sup>1,10</sup>	02479218	UK	Provision of group services	100%
Speedy Survey Limited <sup>1</sup>	03845497	UK	Dormant	100%
Speedy Transport Limited <sup>1,10</sup>	04408263	UK	Provision of group services	100%
Speedy Zholdas LLP <sup>7</sup>		Kazakhstan	Hire services	45%
Speedyloo Limited <sup>1</sup>	03244814	UK	Dormant	100%
Stockton Investments (North East) Limited <sup>1</sup>	05064013	UK	Dormant	100%
Tidy Group Limited <sup>1</sup>	01227264	UK	Dormant	100%
Turner & Hickman Limited <sup>2,7,8</sup>	SC318140	UK	Holding company	50%
Waterford Hire Services Limited <sup>1,9</sup>	079898	Ireland	Dormant	100%

- Registered office: Chase House, 16 The Parks, Newton-le-Willows, Merseyside, WA12 0JQ.
- Indirect holding via a 100% subsidiary undertaking.
- Registered office: 13 Queen's Road, Aberdeen, United Kingdom, AB15 4YL.
- Registered office: Unit 2 Duncrue Pass, Duncrue Road, Belfast, Antrim, Northern Ireland, BT3 9DL.
- Registered office: Unit 2, Glen Industrial Estate, Broombridge Road, Glasnevin, Dublin 11, Republic of Ireland.
- Registered office: City Light Tower A3, Third Floor, Office No. 303, 1 Makram Ebeid Street, Nasr City, Cairo, Egypt.
- The Group has a 50% investment in Turner & Hickman Limited, which has a 90% investment in Speedy Zholdas LLP. The registered office of Speedy Zholdas LLP is Building 276, Traffic Atyrau – Dossor, Atyrau City, Kazakhstan.
- Registered office: 19 Woodside Crescent, Glasgow, G3 7UL.
- Registered office: Kingsmeadow Retail Park, Ring Road, Waterford, Republic of Ireland.
- For the year ending 31 March 2024, the company was entitled to exemption from audit under s479A of the Companies Act 2006 relating to subsidiary companies.

All dormant related undertakings noted above take the s480 exemption under the Companies Act 2006 from the requirement to have their accounts for the financial year ended 31 March 2024 audited.

The Company holds voting rights in each related undertaking in the same proportion to its holdings in the ordinary share capital of the respective undertakings.

Amounts owed by other Group undertakings are repayable on demand. Interest is not payable on balances outstanding as a result of routine intercompany trading. Other intercompany loans bear interest on the same basis as external bank borrowings.

### 34 Trade and other receivables

	31 March 2024 £m	31 March 2023 £m
<b>Current</b>		
Amounts owed by Group undertakings	80.4	77.4
Other receivables	2.4	2.2
	<b>82.8</b>	79.6
<b>Non-current</b>		
Amounts owed by Group undertakings	195.2	105.9
	<b>195.2</b>	105.9

Amounts owed by other Group undertakings are repayable on demand. Interest is not payable on balances outstanding as a result of routine intercompany trading. Intercompany loans bear interest on the same basis as external bank borrowings.

The valuation of intercompany receivables and calculation of expected credit losses ('ECLs') is explained in the Significant judgements and estimates section within note 32 Summary of material accounting policy information. The related loss allowance can be analysed as follows:

	31 March 2024 £m	31 March 2023 £m
At 1 April	43.9	43.9
Impairment provision charged to the Income Statement	0.1	-
Utilised in the year	-	-
At 31 March	<b>44.0</b>	43.9

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## Notes to the Company Financial Statements *continued*

for the year ended 31 March 2024

### 35 Trade and other payables

	31 March 2024 £m	31 March 2023 £m
Amounts owed to Group undertakings	113.4	12.7
Accruals	0.8	2.1
	114.2	14.8

Amounts due to other Group undertakings are repayable on demand. Interest is not payable on balances outstanding as a result of routine intercompany trading. Intercompany loans bear interest on the same basis as external bank borrowings.

### 36 Financial instruments

The fair value hierarchy and basis for determination of fair values of financial instruments used by the Company is the same as that stated for the Group in note 20.

#### Carrying amount of financial assets and liabilities

The fair values of financial assets and liabilities held at amortised cost are considered to be approximately equal to the carrying values shown in the Balance Sheet. The carrying value of the Group's financial assets and financial liabilities are set out below:

	31 March 2024			31 March 2023		
	Amortised cost £m	Fair value through other comprehensive income £m	Total £m	Amortised cost £m	Fair value through other comprehensive income £m	Total £m
<b>Assets per the Balance Sheet</b>						
Trade and other receivables <sup>1</sup>	278.0	-	278.0	185.5	-	185.5
Cash and cash equivalents	9.4	-	9.4	1.0	-	1.0
Derivative financial assets	-	0.5	0.5	-	1.2	1.2
	287.4	0.5	287.9	186.5	1.2	187.7

<sup>1</sup> Trade and other receivables excluding prepayments.

Interest income of £10.8m (2023: £8.3m) was received in relation to amounts owed by Group undertakings, accruing at an effective interest rate of 6.0% per annum (2023: 4.5%).

	31 March 2024			31 March 2023		
	Amortised cost £m	Fair value through other comprehensive income £m	Total £m	Amortised cost £m	Fair value through other comprehensive income £m	Total £m
<b>Liabilities per the Balance Sheet</b>						
Borrowings	105.1	-	105.1	93.6	-	93.6
Trade and other payables <sup>1</sup>	113.4	-	113.4	12.7	-	12.7
Accruals	0.8	-	0.8	2.1	-	2.1
Derivative financial liabilities	-	0.1	0.1	-	0.2	0.2
	219.3	0.1	219.4	108.4	0.2	108.6

<sup>1</sup> Trade and other payables excluding non-financial liabilities.

Risks in relation to financial instruments are as discussed for the Group in note 20, except for the following:

#### Credit risk

Credit risk is the risk of financial loss to the Company if a Group undertaking or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from Group undertakings and the intra-group financial guarantee contract in place under the asset based finance facility.

Transactions involving derivative financial instruments are undertaken with counterparties within the syndicate of banks that provide the Company's asset based finance facility. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The Company establishes an allowance for impairment that is based on the ability of Group undertakings to repay amounts owed, following consideration of the liquidity of assets that could be used to settle outstanding amounts.

#### Liquidity risk

The banking facilities of the Group detailed in note 20 are held by the Company.

The following analysis is based on the undiscounted contractual maturities on the Company's financial liabilities, including estimated interest that will accrue, over the following financial years ended 31 March.

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## Notes to the Company Financial Statements *continued*

for the year ended 31 March 2024

### 36 Financial instruments *continued*

	Undiscounted cash flows - 31 March 2024				
	2025 £m	2026 £m	2027 £m	2028 and later £m	Total £m
Asset based finance facility	-	-	105.1	-	105.1
Bank interest payments	8.1	7.1	2.3	-	17.5
Trade and other payables	113.4	-	-	-	113.4
Accruals	0.8	-	-	-	0.8
Derivative financial liabilities	-	0.1	-	-	0.1
	122.3	7.2	7.4	-	236.9

	Undiscounted cash flows - 31 March 2023				
	2024 £m	2025 £m	2026 £m	2027 and later £m	Total £m
Asset based finance facility	-	92.9	-	-	92.9
Bank interest payments	8.0	2.3	-	-	10.3
Trade and other payables	12.7	-	-	-	12.7
Accruals	2.1	-	-	-	2.1
Derivative financial liabilities	-	0.1	0.1	-	0.2
	22.8	95.3	0.1	-	118.2

#### Capital management

The Company requires capital for growth, by completing acquisitions and refinancing existing debts in the longer term. The Company defines gross capital as net debt (cash less borrowings), as disclosed in note 37, plus total equity as disclosed in the Company Statement of Changes in Equity, and seeks to ensure an acceptable return on gross capital. The Board seeks to maintain a balance between debt and equity funding such that it maintains an efficient capital position relevant for the prevailing economic environment.

	31 March 2024 £m	31 March 2023 £m
Net debt	95.7	92.6
Total equity	164.6	174.4
<b>At 31 March</b>	<b>260.3</b>	267.0

### 37 Borrowings

	31 March 2024 £m	31 March 2023 £m
<b>Non-current borrowings</b>		
Maturing between two and five years		
- Asset based finance facility	105.1	93.6
Total borrowings	105.1	93.6
Less: cash	(9.4)	(1.0)
<b>Net debt<sup>1</sup></b>	<b>95.7</b>	92.6

1 Key performance indicator - excluding lease liabilities.

Both the overdraft and asset based finance facility are secured by a fixed and floating charge over all the itemised hire fleet assets and trade receivables of the Group and are rated pari passu.

#### Reconciliation of financing liabilities and net debt

	1 April 2023 £m	Non-cash movement £m	Cash flow £m	31 March 2024 £m
Bank borrowings	(93.6)	0.3	(11.8)	(105.1)
Liabilities arising from financing activities	(93.6)	0.3	(11.8)	(105.1)
Cash and cash equivalents	1.0	-	8.4	9.4
Net debt	(92.6)	0.3	(3.4)	(95.7)

### 38 Deferred tax

	Total £m
Opening at 1 April 2022	(0.1)
Recognised in income	(0.1)
At 31 March 2023	(0.2)
Recognised in income	0.1
<b>At 31 March 2024</b>	<b>(0.1)</b>

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## Notes to the Company Financial Statements *continued*

for the year ended 31 March 2024

### 39 Share capital and share incentives

The Company share capital is stated in accordance with note 25.

### 40 Contingent liabilities and commitments

There are no contingent liabilities nor capital commitments for the Company at the year end date.

### 41 Related party disclosures

#### Intercompany funding and cross guarantees

The amount outstanding from Group undertakings at 31 March 2024 totalled £275.6m (2023: £183.3m). Amounts owed to Group undertakings as at 31 March 2024 totalled £113.4m (2023: £12.7m).

The Company and certain subsidiary undertakings have entered into cross guarantees of bank loans and overdrafts to the Company, as disclosed in note 21.

#### Provision of Group services

The Company paid £0.9m in respect of Group services provided by its wholly owned subsidiary, Speedy Support Services Limited (2023: £0.8m).

Directors' remuneration is borne by Speedy Support Services Limited with no recharge, the remuneration of whom is disclosed in note 7. Full details of Executive and Non-Executive Director compensation and interests in the share capital of the Company as at 31 March 2024 are given in the Directors' Remuneration Report.

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## Five-year summary

	2024 £m	2023 <sup>2</sup> £m	2022 <sup>1</sup> £m	2021 <sup>1</sup> £m	2020 £m
<b>Income Statement</b>					
Revenue	421.5	440.6	386.8	332.3	406.7
Gross profit	230.0	219.0	221.1	184.9	224.2
<b>Operating profit</b>					
Share of results of joint ventures	14.9	3.8	31.6	12.5	14.0
Net financial expense	2.9	6.6	3.2	1.2	2.8
Financial income/(expense) – exceptional	(12.7)	(8.6)	(5.7)	(5.4)	(7.0)
Total net financial (expense)/income	-	-	-	-	10.9
<b>Total net financial (expense)/income</b>					
	(12.7)	(8.6)	(5.7)	(5.4)	3.9
<b>Profit before taxation</b>					
	5.1	1.8	29.1	8.3	20.7
<b>Non-GAAP performance measures</b>					
Adjusted EBITDA <sup>2</sup>	96.8	103.9	100.1	90.6	103.4
Adjusted profit before tax <sup>2</sup>	14.7	30.7	29.6	17.5	40.9
<b>Balance Sheet</b>					
Hire equipment – original cost <sup>3</sup>	386.0	395.9	422.7	386.6	408.1
Hire equipment – net book value	210.6	207.9	226.9	207.2	227.1
Total equity	175.7	184.6	216.4	210.8	211.5
<b>Cash Flow</b>					
Cash generated from operations	69.0	51.9	28.6	72.9	64.5
Net cash flow before financing activities	28.4	37.0	5.5	69.7	45.2
Purchase of hire equipment	(41.3)	(54.2)	(71.5)	(36.4)	(53.6)
(Loss)/profit on disposal of hire equipment	(2.6)	1.7	0.5	(1.0)	0.8
Free cash flow	23.5	10.6	(18.5)	46.6	21.2
<b>In pence</b>					
Dividend per share (interim and final dividend)	2.60	2.60	2.20	1.40	0.70
Adjusted earnings per share <sup>2</sup>	2.35	4.96	4.24	2.68	5.54
Net assets per share	34.0	35.7	41.8	39.9	40.1
<b>In percentages</b>					
Return on capital employed <sup>2</sup>	9.9	14.0	13.1	8.4	12.8
EBITDA margin <sup>2</sup>	23.0	23.2	25.9	27.3	25.4
<b>In ratios</b>					
Net debt/EBITDA (excluding impact of IFRS 16) <sup>2</sup>	1.5	1.3	0.9	0.5	0.9
Net debt/net tangible fixed assets	0.31	0.29	0.20	0.11	0.31
<b>In numbers</b>					
Average employee numbers	3,409	3,524	3,501	3,875	4,071
Depot numbers	147	183	207	180	216

<sup>1</sup> 2021 and 2022 presented for continuing operations only.

<sup>2</sup> 2023 and earlier revised to reflect change in adjusted EBITDA and adjusted profit before tax definitions disclosed in note 31.

<sup>3</sup> 2023 restated, see note 15.

## Shareholder information

### Annual General Meeting

The Annual General Meeting ('AGM') will be held at the offices of Liberum, Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY on 5 September 2024 at 11.00am.

Details of the business of the AGM and the resolutions to be proposed will be sent to those shareholders who have opted to continue receiving paper communications, which are also available to other shareholders and the public on our website at [speedyhire.com/investors](https://speedyhire.com/investors).

Shareholders will be asked to approve the Directors' Remuneration Report and the re-election of all Directors.

Other resolutions will include proposals to renew, for a further year, the Directors' general authority to allot shares in the Company, to allot a limited number of shares for cash on a non-pre-emptive basis and to buy back the Company's own shares.

### Share price information/performance

The latest share price is available at [speedyhire.com/investors](https://speedyhire.com/investors).

By selecting share price information, shareholders can check the value of their shareholding online or review share charts illustrating annual share price performance trends.

Shareholders can download copies of our Annual Report and Accounts and interim accounts from [speedyhire.com/investors](https://speedyhire.com/investors).

### Dividend reinvestment plan ('DRIP')

You can choose to reinvest dividends received to purchase further shares in the Company through a DRIP. A DRIP application form is available from our registrar, whose contact details are +44 (0) 371 384 2769. If calling from outside of the UK, please ensure the country code is used. Lines are open 8.30am to 5.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales). Alternatively you can write to our registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

### Electronic communications

You can elect to receive shareholder communications electronically by signing up to Equiniti's portfolio service at [shareview.co.uk](https://shareview.co.uk). This will save on printing and distribution costs, creating environmental benefits. When you register, you will be sent a notification to say when shareholder communications are available on our website and you will be provided with a link to that information.

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For more information, visit:  
[speedyhire.com/investors](http://speedyhire.com/investors)

## Shareholder information *continued*

### Enquiries on shareholdings

Any administrative enquiries relating to shareholdings in the Company, such as dividend payment instructions or a change of address, should be notified direct to the registrar, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. Your correspondence should state Speedy Hire Plc and the registered name and address of the shareholder. Information on how to manage your shareholdings can be found at [help.shareview.co.uk](http://help.shareview.co.uk).

If your question is not answered by the information provided, you can send your enquiry via secure email from this webpage. You will be asked to complete a structured form and to provide your shareholder reference, name and address. You will also need to provide your email address, if this is how you would like to receive your response.

### Boiler room fraud

Share scams are often run from 'boiler rooms' where fraudsters cold-call investors offering them worthless, overpriced or even non-existent shares. While such scams promise high returns, those who invest usually end up losing their money.

If you are offered unsolicited investment advice, discounted shares, a premium price for shares you own, or free company or research reports, you should take these steps before handing over any money:

- get the name of the person and organisation contacting you;
- search the list of unauthorised firms to avoid at [fca.org.uk/consumers/using-financial-services-register](http://fca.org.uk/consumers/using-financial-services-register) to ensure they are authorised;
- only use the details on the FCA Register to contact the firm; and
- call the Consumer Helpline on 0800 111 6768 if you suspect the caller is fraudulent.

REMEMBER: if it sounds too good to be true, it probably is!

### Forward-looking statements

This Annual Report and Accounts includes statements that are forward-looking in nature. Forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as required by the Listing Rules, the Disclosure Guidance and Transparency Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward-looking statements to reflect events or developments occurring on or after the date of this Annual Report and Accounts.

### Contact details

We are happy to answer queries from current and potential shareholders. Similarly, please let us know if you wish to receive past, present or future copies of the Annual Report and Accounts. Please contact us by telephone, email or via the website.

Speedy Hire Plc  
Chase House, 16 The Parks  
Newton-le-Willows  
Merseyside WA12 0JQ

Telephone  
01942 720 000  
Email: [investor.relations@speedyhire.com](mailto:investor.relations@speedyhire.com)  
Website: [speedyhire.com/investors](http://speedyhire.com/investors)

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## Registered office and advisers

### Registered office

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Chase House  
16 The Parks  
Newton-le-Willows  
Merseyside  
WA12 0JQ

### Telephone

01942 720 000

### Email

[investor.relations@speedyhire.com](mailto:investor.relations@speedyhire.com)

### Website

[speedyhire.com/investors](https://speedyhire.com/investors)

### Registered number

00927680

### Company Secretary

Neil Hunt

### Financial advisers

NM Rothschild & Sons Limited  
New Court  
St. Swithin's Lane  
London  
EC4N 8AL

### Stockbrokers

Liberum Capital Limited  
Ropemaker Place  
Level 12  
25 Ropemaker Street  
London  
EC2Y 9LQ

### Peel Hunt LLP

100 Liverpool Street  
London  
EC2M 2AT

### Legal Advisers

Pinsent Masons LLP  
1 Park Row  
Leeds  
LS1 5AB

### Addleshaw Goddard LLP

One St Peter's Square  
Manchester  
M2 3DE

### Auditors

PricewaterhouseCoopers LLP  
No 1 Spinningfields  
1 Hardman Square  
Manchester  
M3 3EB

### Bankers

ABN AMRO  
Asset Based Finance N.V.,  
UK Branch 5  
Aldermanbury Square  
London  
EC2V 7HR

### Barclays Bank PLC

1st Floor  
3 Hardman Street  
Spinningfields  
Manchester  
M3 3AP

### HSBC Invoice Finance (UK) Ltd

21 Farncombe Road  
Worthing  
West Sussex  
BN11 2BW

### HSBC Bank Plc

8 Canada Square  
Canary Wharf  
London  
E14 5HQ

### RBS Invoice Finance Limited

250 Bishopsgate  
London  
EC2M 4AA

### Wells Fargo Capital Finance (UK) Limited

Bow Bells House  
1 Bread Street  
London  
EC4M 9BE

### Public relations

MHP Communications  
60 Great Portland Street  
London  
W1W 7RT

### Registrars and transfer office

Equiniti Limited  
Aspect House  
Spencer Road  
Lancing  
West Sussex  
BN99 6DA

### Insurance brokers

Marsh Ltd  
Belvedere  
12 Booth Street  
Manchester  
M2 4AW

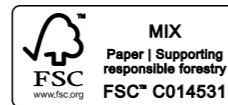


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