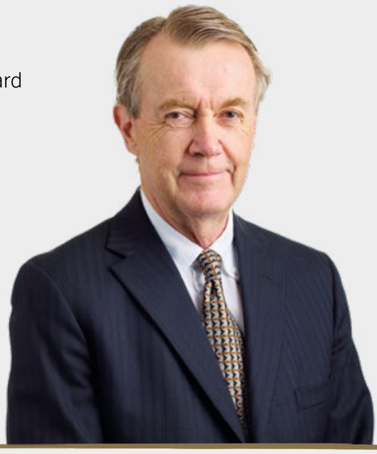
Governance and leadership



Ian Meakins
Chair of the Board

Matters reserved for the Board

The Board has a formal schedule of matters reserved for its decision as follows:

- purpose, strategy and management
- values, culture and stakeholders
- Board membership and other appointments
- financial and other reporting and controls
- audit, risk and internal controls
- contracts and capital structure
- communication
- remuneration
- delegation of authority
- corporate governance and other matters

The matters reserved for the Board are reviewed annually to ensure that they remain relevant and fit for purpose.

Full details can be found on our website:

www.compass-group.com.

Dear Shareholder

On behalf of the Board, I am pleased to present Compass Group PLC's annual Corporate Governance and Directors' Report for the financial year ended 30 September 2024. Throughout this and other parts of the Annual Report, we have sought to provide shareholders and other stakeholders with an insight into how our governance framework has supported our performance during the year.

Board changes, succession planning and talent pipeline

Following a comprehensive review of the composition of the Board, and on the recommendation of the Nomination Committee, during the year several changes were made to the Board which are summarised below.

At Compass, where possible, our preference is to make appointments to key roles from our internal talent pool, and on 1 December 2023, Palmer Brown succeeded Gary Green (who retired from the Board at the end of November 2023) as Group Chief Operating Officer (COO), North America. In turn, Palmer was succeeded as Group Chief Financial Officer (CFO) by Petros Parras on the same date. Both Palmer and Petros made a smooth transition and quickly settled into their new roles.

In February 2024, Carol Arrowsmith retired from the Board after completing her nine-year term.

I am also pleased to report that, following search processes undertaken by two external firms of search consultants, Liat Ben-Zur and Juliana Chugg were appointed as non-executive directors on 1 July and 26 September 2024 respectively. Liat is a transformative technology executive with over 27 years of experience in driving digital transformation and product innovation. Juliana is a seasoned non-executive director who previously had a successful executive career in the FMCG and food sectors. Both appointments bring qualities and skills that complement those of our existing directors and further enhance the diversity of the Board. I am confident that their fresh perspectives will help to further strengthen debate and challenge in the boardroom.

Also during the year, Ireena Vittal and Nelson Silva completed their nine-year terms. In line with our established practice, Ireena and Nelson will retire from the Board at the conclusion of the 2025 AGM.

Liat Ben-Zur succeeded Ireena as the Designated Non-Executive Director for Workforce Engagement on 1 October 2024 and Arlene Isaacs-Lowe will succeed Nelson as the Chair of the Corporate Responsibility Committee with effect from the conclusion of the AGM on 6 February 2025.

I would like to convey my deep appreciation and thanks to Carol, Ireena and Nelson for their many contributions and unwavering support, and on behalf of the Board I wish them well for the future.

More details of these changes are in the Nomination Committee Report on pages 82 to 85. The Nomination Committee will continue to focus on succession planning for the Board and Executive Committee, ensuring there is a strong and diverse pipeline of future senior leaders.

Diversity, equity and inclusion

At Board level, the changes we have made in the last few years reflect our aim and ambition for better gender balance and diversity in its broadest sense, and we continue to advance this agenda. At the date of this Report, three members of the Board are from a minority ethnic background; 43% (2023: 38%) of Board membership comprises women; and the Senior Independent Director (SID) is a woman. A table showing the gender balance and ethnicity of the Board and Executive Committee is on page 84.

Across the Group, work continues to make the Compass workforce more diverse and representative of the communities it serves, and we are making good progress. Information on our diversity initiatives is on pages 30 to 33 and on our website: www.compass-group.com.

Environmental, social and governance (ESG) matters

The Board has kept abreast of the progress and effectiveness of the Group's ESG strategy through the work of the Corporate Responsibility Committee, including the developing sustainability disclosure landscape and reporting frameworks and corporate governance reforms. The Corporate Responsibility Committee also considered the Group's efforts to create lifetime career opportunities, and to further improve the experience of employees, including initiatives designed to give back to and create value for the communities in which Compass operates. More detail on these matters can be found on pages 1 to 53 and on our website: www.compass-group.com.

Governance reforms

In January of this year, the Financial Reporting Council (FRC) published the UK Corporate Governance Code 2024 (2024 Code). The main changes in the 2024 Code focus on internal controls and require boards to monitor and review all material controls and to make a declaration on their effectiveness in the annual report. The 2024 Code will apply to Compass for the financial year commencing 1 October 2025 (except for provision 29 in relation to risk management and internal controls, which is effective from 1 October 2026). The Board and its committees are regularly updated on the forthcoming requirements and plans to ensure the Company is compliant with the provisions and principles of the 2024 Code at the appropriate times.

Stakeholders

The Board values engagement with stakeholders. For practical reasons, most stakeholder engagement takes place between the Company's subsidiaries and their stakeholders at an operational level. Direct engagement between members of the Board and stakeholders is principally with employees and investors. However, the Board ensures that there are effective mechanisms in place to support the continuous flow of information between the Board, senior management and the wider organisation, to enable the Board to understand the views of all our stakeholders.

Details of how the Board has oversight of stakeholders' interests, together with examples of how decisions taken by the Board have impacted stakeholders during the year, are on pages 68 to 72.

Board effectiveness

This year, we conducted an internal evaluation of the performance of the Board and its committees. The results of this year's evaluation concluded that the Board and its committees continue to operate effectively. As Chair, I remain confident that we have a diverse Board with the right balance of capabilities, skills and experience to continue to do so.

The year ahead

We are committed to doing things in the right way, and will continue to strengthen our governance processes over the coming year to ensure that we are prepared for the introduction of the 2024 Code and aligned with best practice, and that our approach to disclosure remains understandable and transparent.

We look forward to meeting with you at our 2025 AGM, which will be held at the Allianz Stadium (formerly Twickenham Stadium) in Twickenham, south-west London at 12 noon on Thursday, 6 February 2025.

IK Meakins

Ian Meakins
Chair of the Board

26 November 2024

Compliance with the UK Corporate Governance Code 2018

Compliance statement

It is the Board's view that for the financial year ended 30 September 2024, the Company was compliant with all the principles and provisions set out in the UK Corporate Governance Code 2018 (the Code).

The Company's auditor, KPMG LLP, is required to review whether the above statement reflects the Company's compliance with the provisions of the Code specified for its review by the Financial Conduct Authority's (FCA) UK Listing Rules and to report if it does not reflect such compliance. No such report has been made.

Our commitment to corporate governance

The Board is committed to the high standards of corporate governance set out in the Code. This Corporate Governance Report, together with the Directors' Remuneration Report set out on pages 86 to 118, describes how the Board has applied the principles and complied with the provisions set out in the Code for the year under review. The Directors' Report also contains information required to be disclosed under the FCA's Listing Rules and Disclosure Guidance and Transparency Rules. To the extent necessary, certain information is incorporated into this Report by reference.

This Corporate Governance Report on pages 54 to 118 and the Other Statutory Disclosures section on pages 119 to 122, together with the Directors' Responsibilities Statement on page 123 and the Strategic Report on pages 1 to 53, which make up the Directors' Report, have been incorporated by reference.

Board leadership and company purpose

Compass is led by an effective and balanced Board dedicated to promoting the long-term sustainable success of the Company, generating value for shareholders, and contributing to wider society. The Board has established the Company's purpose, values and strategy, which are aligned with its culture.

Further information is available on pages 54 to 72.

Division of responsibilities

The roles of the Chair of the Board and the Group Chief Executive Officer (CEO) are separate, and there is an appropriate combination of executive and independent non-executive directors. The responsibilities of the Chair, Group CEO and SID are set out in writing.

See pages 62 to 64 for further information.

Composition, succession and evaluation

Appointments are subject to a formal, rigorous and transparent procedure. Succession plans, designed to promote diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths, are in place for the Board and senior management. The Board and its committees are evaluated annually, in accordance with the Code.

Read more on pages 82 to 85.

Audit, risk management and internal control

Formal, transparent policies and procedures are in place to ensure the independence and effectiveness of the internal and external audit functions, the integrity of financial and narrative statements, and to manage and mitigate risks.

Read more on pages 73 to 78.

Remuneration

Compass will be putting forward its Remuneration Policy for shareholders to vote on at its AGM on 6 February 2025. This Policy has been designed to support the Company's strategy and to promote long-term sustainable success. Executive remuneration is aligned to the Company's purpose and values and is clearly linked to the delivery of long-term strategy.

Further information is available on pages 86 to 118 in the Directors' Remuneration Report.

The Code can be found on the FRC's website: www.frc.org.uk.

Board of Directors

Ian Meakins
Chair of the Board

C N

Appointed: September 2020. Appointed Chair of the Board in December 2020.

Key skills and competencies: An experienced chair and former CEO with a strong background in B2B and B2C businesses across a variety of sectors in global organisations.

Other appointments: Chair and a non-executive director of Unilever PLC*.

Past appointments: Served as non-executive chair of Rexel SA and as chief executive of Wolseley plc (now Ferguson plc), Travelex Holdings Ltd and Alliance Unichem plc (until its merger with Boots). Before that held positions at Diageo plc, Bain & Company and Procter & Gamble, and was a founding partner at Kalchas Group management consultants. Also served as a non-executive director of O2 plc, as SID at Centrica plc, and as non-executive chair of The Learning Network B.V.

Dominic Blakemore
Group Chief Executive Officer (CEO)

C E G

Appointed: February 2012. Previously Group CFO, Group Chief Operating Officer (COO), Europe, and Deputy Group CEO. Appointed Group CEO in January 2018.

Key skills and competencies: Extensive financial management experience in a number of international businesses, together with general operational management experience. Qualified chartered accountant.

Other appointments: Non-executive director of London Stock Exchange Group plc*. Vice-chair of the Council of University College London, and deputy chair of the board of trustees of FareShare.

Past appointments: Served as a non-executive director of Shire plc, CFO of Iglo Foods Group Limited, and European finance & strategy director at Cadbury Plc, having previously held senior finance roles at that company. Before that, was a director at PwC.

Petros Parras
Group Chief Financial Officer (CFO)

C D E G T

Appointed: December 2023. Joined the Group in January 2020.

Key skills and competencies: Extensive financial, operational and portfolio transformation experience in large multinational businesses. Holds a BSc in Physics from Ioannina University and a PhD in Chemistry from Reading University.

Other appointments: None.

Past appointments: Served as regional finance director for Europe and the Middle East from January 2020 to November 2023. Prior to that worked in fast-moving consumer goods businesses (FMCG) including Procter & Gamble, Reckitt Benckiser and Coty in Europe and North America in senior finance, operational and strategic roles.

Palmer Brown
Group Chief Operating Officer (COO), North America

C E G

Appointed: October 2021. Joined the Group in 2001. Appointed Group COO, North America in December 2023.

Key skills and competencies: Held a variety of senior finance, strategy and legal positions and played a central role as a member of the executive team in North America. Has also coordinated many of the acquisitions and disposals for the Group. Holds degrees in business and law and is a certified public accountant.

Other appointments: None.

Past appointments: Served as Group CFO from November 2021 to November 2023. Prior to that was the former group commercial director, and chief strategy officer for Compass Group North America. Also held the roles of general counsel and executive vice president of corporate & legal affairs for the Group's US business.

* Listed Company

Committee membership key

- A Audit Committee
- C Corporate Responsibility Committee
- D Disclosure Committee
- E Executive Committee
- G General Business Committee
- N Nomination Committee
- R Remuneration Committee
- T Treasury Management Committee
- Chair
- Senior Independent Director
- Designated Non-Executive Director for Workforce Engagement
- Secretary

Anne-Françoise Nesmes
Senior Independent Director (SID)

A C N R

Appointed: July 2018. Appointed Chair of the Audit Committee in February 2021. Appointed SID in July 2023.

Key skills and competencies: Has a wealth of experience in finance and accounting in international organisations with a strong focus on strategy, M&A and governance. Qualified chartered management accountant.

Other appointments: Non-executive director of Sanofi*.

Past appointments: Served as CFO of Smith+Nephew plc, Merlin Entertainments PLC and Dechra Pharmaceuticals PLC. Prior to that held a number of senior finance roles during her 16-year tenure at GlaxoSmithKline.

Liat Ben-Zur
Designated Non-Executive Director for Workforce Engagement (DNED)

A C N R

Appointed: July 2024. Appointed Designated Non-Executive Director for Workforce Engagement in October 2024.

Key skills and competencies: Transformative technology executive who brings over 27 years of experience in driving digital transformation and product innovation. Known for her strategic insights in disruptive technologies and product-led growth.

Other appointments: Independent director of Talkspace, Inc.* and Splashtop Inc. Also advises start-ups through her own consultancy firm, LBZ Advisory.

Past appointments: Served as an independent member of the supervisory board of Umicore, a listed Belgian company. During her career she has also held senior roles in Microsoft, Philips and Qualcomm.

Stefan Bomhard
Non-Executive Director

A C N R

Appointed: May 2016.

Key skills and competencies: Extensive experience of working in international environments, particularly in the operation, sales and marketing of well-known consumer food and drink brands.

Other appointments: CEO of Imperial Brands PLC*.

Past appointments: Served as CEO of Inchcape plc. Prior to that, was president of Bacardi Limited's European region. During his career, he has also held a number of worldwide senior positions at Cadbury Plc, Unilever PLC, Diageo plc, Burger King and Procter & Gamble.

John Bryant
Non-Executive Director

A C N R

Appointed: September 2018. Appointed Chair of the Remuneration Committee in February 2023.

Key skills and competencies: A seasoned executive of over 30 years, with a particular focus on finance, operations, M&A, strategy and portfolio transformation.

Other appointments: Non-executive director and chair of Flutter Entertainment plc*, and non-executive director of Coca-Cola Europacific Partners plc* and Ball Corporation*.

Past appointments: Served as executive chair and CEO of global consumer goods company Kellogg. Prior to joining Kellogg in 1998, held strategic and operational roles in several companies, worldwide. Also a former non-executive director of Macy's Inc.

Juliana Chugg
Non-Executive Director

A C N R

Appointed: September 2024.

Key skills and competencies: A seasoned non-executive director with a successful international executive career as a transformative leader in the FMCG and food sectors, Juliana brings a strong international perspective with a passion for the food and food services industries, together with general management and marketing insights, and extensive US and board governance experience.

Other appointments: Non-executive director of V.F. Corporation*, Darden Restaurants, Inc.*, and Masterbrand, Inc.*.

Past appointments: Served as a non-executive director of Caesars Entertainment, Inc. until July 2020. Juliana is also the former executive vice president and chief brand officer of Mattel and held several senior roles in Australia and the USA at General Mills, the global food manufacturer.

Arlene Isaacs-Lowe
Non-Executive Director

A C N R

Appointed: November 2021. Will succeed Nelson Silva as Chair of the Corporate Responsibility Committee at the conclusion of the 2025 AGM.

Key skills and competencies: Over 20 years' executive experience in corporate social responsibility (CSR), finance, strategy and sales across the US, Europe, the Middle East and Africa.

Other appointments: Non-executive director of Equitable Holdings, Inc.* and Xenia Hotels & Resorts, Inc.*. Financial secretary of The Links Foundation, Incorporated, and a member of the advisory board of Howard University School of Business.

Past appointments: Served as global head of CSR at Moody's Corporation, where she developed and implemented their global CSR strategy. Joined Moody's Corporation in 1998, where she held various senior leadership, analytical, commercial and relationship management roles. Prior to joining Moody's, served as CFO of Equinox Realty Advisors LLC, and before that was a portfolio manager with MetLife Realty Group, Inc. A former member of the advisory board of Agbanga Karite LLC.

Sundar Raman
Non-Executive Director

A C N R

Appointed: January 2022.

Key skills and competencies: Over 20 years' experience as an executive in the US, operating in highly competitive markets and successfully growing global consumer brands.

Other appointments: Global CEO of Procter & Gamble's Fabric and Home Care business.

Past appointments: President, Home Care and P&G Professional with Procter & Gamble (P&G). Since starting his career with P&G in 1998 as a market analyst, he has held a number of senior leadership roles in business intelligence, marketing and innovation across a variety of product lines and market segments. Also served as chair of the American Cleaning Institute, and as a member of the board of the National Underground Railroad Freedom Center.

Nelson Silva
Non-Executive Director

A C N R

Appointed: July 2015. Appointed Chair of the Corporate Responsibility Committee in February 2017. Will retire from the Board at the conclusion of the 2025 AGM.

Key skills and competencies: Possesses considerable executive management experience in a variety of senior leadership roles within major international companies, with a particular focus on Brazil.

Other appointments: Non-executive director of Nutrien Ltd*, and Altera Infrastructure L.P., and an adviser to Appian Capital Advisory LLP and HSB Solomon Associates LLC.

Past appointments: Served as an executive director of Petróleo Brasileiro S.A., CEO of BG Group in South America, non-executive director of Cosan Limited, managing director of Embraer for Europe and Africa, CEO of All Logistica in Argentina and president of BHP Billiton's Aluminium business unit. Prior to joining BHP Billiton, he held a number of senior positions at Vale S.A., including sales and marketing director.

* Listed Company

Committee membership key

- A Audit Committee
- C Corporate Responsibility Committee
- D Disclosure Committee
- E Executive Committee
- G General Business Committee
- N Nomination Committee
- R Remuneration Committee
- T Treasury Management Committee
- Chair
- Senior Independent Director
- Designated Non-Executive Director for Workforce Engagement
- Secretary

Ireena Vittal
Non-Executive Director

A C N R

Appointed: July 2015. Appointed Designated Non-Executive Director (DNED) for Workforce Engagement in October 2019. Stepped down from this role in October 2024. Will retire from the Board at the conclusion of the 2025 AGM.

Key skills and competencies: Has strong advisory, business and operational experience across a variety of retail businesses, with a particular focus on India.

Other appointments: Independent director of Asian Paints Limited*, Maruti Suzuki India Limited*, and UrbanClap Technologies India Private Limited. Non-executive director of Diageo plc*, and a member of the advisory board of Russell Reynolds Associates.

Past appointments: Served as a non-executive director of Godrej Consumer Products Limited, WIPRO Limited, Housing Development Finance Corporation Limited, Titan Company Ltd, The Indian Hotels Company Limited, Cipla Limited, Tata Global Beverages Limited, Tata Industries, Zomato Media Private Limited, GlaxoSmithKline Consumer Healthcare, and Axis Bank Limited; and also as head of marketing and sales at Hutchinson Max Telecom, and a partner at McKinsey & Company.

Leanne Wood
Non-Executive Director

A C N R

Appointed: May 2023.

Key skills and competencies: Has a wealth of experience in people and organisational strategy and also has wider strategic and operational experience in global organisations, including in the food and beverage, retail and technology sectors.

Other appointments: Chief Human Resources Officer of Vodafone Group Plc*, and lead Vodafone non-executive director for Vodacom Group Limited*.

Past appointments: Served as non-executive director and chair of the Remuneration Committee of The Go-Ahead Group Plc. Prior to joining Vodafone, served as the chief people, strategy and corporate affairs officer for Burberry Plc, and worked for Diageo plc for 15 years in a variety of roles, latterly as its group HR director. During her career she has also worked in strategy and finance roles for Allied Domecq Plc, LEK Consulting and United Distillers.

Alison Yapp
Group General Counsel and Company Secretary

A C N R D E G

Appointed: October 2018.

Key skills and competencies: A solicitor with more than 30 years' international experience in FTSE and NYSE listed companies across the services, industrial and engineering sectors, with significant experience in strategic M&A, crisis and change management.

Other appointments: None.

Past appointments: Served as chief general counsel and company secretary of Amec Foster Wheeler plc, company secretary and general legal counsel of Hays plc and company secretary and group legal adviser of Charter plc. Prior to joining Charter, she held a number of senior legal roles at Johnson Matthey plc and was a corporate and commercial lawyer at Turner Kenneth Brown.

Scheduled Board and committee meeting attendance table*

	Board	Audit Committee	Corporate Responsibility Committee	Nomination Committee	Remuneration Committee
Ian Meakins	6/6	–	3/3	4/4	–
Dominic Blakemore	6/6	–	3/3	–	–
Petros Parras[1]	5/5	–	2/2	–	–
Palmer Brown	6/6	–	3/3	–	–
Gary Green[2]	1/1	–	–	–	–
Carol Arrowsmith[3]	2/2	1/1	1/1	1/1	1/1
Anne-Françoise Nesmes	6/6	3/3	3/3	4/4	5/5
Liat Ben-Zur[4]	2/2	1/1	1/1	2/2	2/2
Stefan Bomhard	6/6	3/3	3/3	4/4	5/5
John Bryant	6/6	3/3	3/3	4/4	5/5
Juliana Chugg[5]	–	–	–	–	–
Arlene Isaacs-Lowe	6/6	3/3	3/3	4/4	5/5
Sundar Raman	6/6	3/3	3/3	4/4	5/5
Nelson Silva	6/6	3/3	3/3	4/4	5/5
Ireena Vittal	6/6	3/3	3/3	4/4	5/5
Leanne Wood	6/6	3/3	3/3	4/4	5/5

* In addition to the above, a number of unscheduled Board and committee meetings were held to deal with important out-of-schedule business.

1. Appointed to the Board on 1 December 2023.
2. Retired from the Board on 30 November 2023.
3. Retired from the Board on 8 February 2024.
4. Appointed to the Board on 1 July 2024.
5. Appointed to the Board on 26 September 2024.

Directors' diversity of skills and experience

	CEO experience	Finance	Strategy and M&A	Remuneration	Health and safety	HR/people	Operations	Sales and marketing	Consumer goods and retail	Food and beverage	Art, culture and charity	Sustainability	Technology/cyber-security
Ian Meakins	●		●		●		●	●	●	●			
Dominic Blakemore	●	●	●		●		●	●	●	●	●		
Petros Parras		●	●		●		●	●	●	●		●	●
Palmer Brown		●	●		●		●	●	●	●		●	
Anne-Françoise Nesmes		●	●		●				●	●			
Liat Ben-Zur	●		●			●	●	●					●
Stefan Bomhard	●		●		●		●	●	●	●			
John Bryant	●	●	●	●	●		●	●	●	●			●
Juliana Chugg			●	●	●	●		●	●	●			
Arlene Isaacs-Lowe		●	●			●		●				●	
Sundar Raman	●		●				●	●	●				
Nelson Silva	●		●		●		●	●			●	●	
Ireena Vittal			●	●		●			●	●	●		●
Leanne Wood			●	●	●	●	●		●	●	●		

Board tenure

Board balance

Executive Committee

Full biographies of the members of the Executive Committee are on our website: www.compass-group.com.

Biographies of Dominic Blakemore, Petros Parras, Palmer Brown and Alison Yapp, who are also members of the Executive Committee, are on pages 56 and 59.

Deborah Lee
Group Chief People Officer (CPO)

Appointed: September 2021. Joined the Group in 2019.

Key skills and competencies:
Highly experienced in strategic leadership, stakeholder engagement and people management in multinational environments.

Shelley Roberts
Group Chief Commercial Officer (CCO)

Appointed: January 2022. Joined the Group in 2017.

Key skills and competencies:
Extensive strategic, operational and commercial management experience, including M&A, gained in leadership positions within Australian and FTSE-listed organisations in highly complex operating environments.

Robin Mills
Chief Executive Officer,
UK & Ireland

Appointed: November 2015. Joined the Group in 2008.

Key skills and competencies:
A respected innovator with significant experience in people management and business operations.

Kathinka Friis-Møller
Chief Executive Officer,
Europe and the Middle East

Appointed: February 2022. Joined the Group in 2012.

Key skills and competencies:
Extensive commercial and operational experience and significant experience in change management.

Gaétan de L'Hermite
Chief Executive Officer,
Asia Pacific

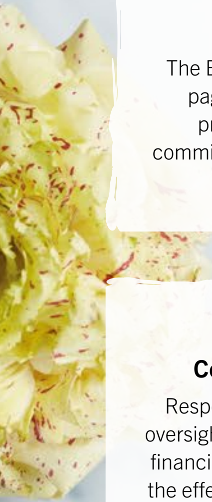
Appointed: October 2022. Joined the Group in 2002.

Key skills and competencies:
Strong business development and operational leadership acumen with significant experience in market innovation and change management.

Governance framework

Board

The Board comprises the Chair, executive directors and independent non-executive directors, and their biographies can be found on pages 56 to 59. The Board is responsible for establishing the Group's purpose, values, strategies and objectives to generate and preserve value over the long term for shareholders and to contribute to wider society. The Board is supported by four principal committees (Audit, Corporate Responsibility, Nomination and Remuneration), each of which is responsible for the matters delegated by the Board and set out in its own terms of reference which are on our website: www.compass-group.com.



Audit Committee

Responsible for the oversight of the Group's financial reporting and the effectiveness of the internal and external audit functions.

See pages 73 to 78

Corporate Responsibility Committee

Responsible for the oversight of the Group's corporate responsibility, health, safety and sustainability, ethics and integrity and people and other stakeholder engagement strategies.

See pages 79 to 81

Nomination Committee

Ensures the Board and the Executive Committee have the necessary balance of skills, experience and diversity to oversee and deliver the Group's strategy.

See pages 82 to 85

Remuneration Committee

Determines the reward strategy for executive directors and senior management in the context of the wider workforce and ensures reward is aligned with shareholders' interests.

See pages 86 to 118

A number of executive management committees have also been established: Executive, General Business, Treasury Management and Disclosure. These consider various matters for recommendation to the Board and its principal committees, or deal with day-to-day matters within the authority delegated by the Board.

The Executive Committee, led by the Group CEO, is responsible for day-to-day operational management and implementation of strategy.

The General Business Committee deals with general administrative matters on behalf of the Company within clearly defined limits delegated by the Board.

The Treasury Management Committee oversees the implementation of the treasury policies approved by the Board, while the Disclosure Committee oversees the disclosure of market-sensitive information and other public announcements (as necessary).

Responsibilities of the Board

Leadership

The Board leads the Group's governance structure. It provides stewardship of the Company to safeguard its long-term sustainable success, creating value for shareholders and enabling the Company and its subsidiaries to contribute to the communities and wider societies in which they operate. The Board is responsible for setting the tone from the top by demonstrating leadership.

Purpose, values and culture

The Group's caring, winning culture is integral to its success. It defines Compass, what the Company stands for, and how it does business. Compass' reputation has been built on a firm foundation of ethical values, underpinned by a clear and effective governance system. This culture has helped protect and deliver the long-term value of the Company and supports its strategy to deliver sustainable growth.

The Board defines the purpose of the Company and the values that guide it. A common set of expected behaviours based on Compass' corporate values, and an effective system of governance, are described in the Code of Business Conduct (CBC). These have shaped and embedded a strong ethical and governance mindset across the Group.

The Group CEO and other members of the executive management team actively promote ethical standards to ensure they are maintained, and good governance is put into practice.

Key functions such as Legal, Finance, People, Ethics and Integrity and Internal Audit also promote and embed high standards of ethical behaviour and corporate governance across the Group.

The Board, supported by its committees, monitors the alignment of the Group's caring, winning culture with its purpose, values and strategy through a variety of mechanisms, cultural indicators and reporting lines, including those summarised below.

Cultural indicators

Health and safety

- Total Recordable Injury Frequency Rate (TRIFR)
- Food Safety Incident Rate (FSIR)
- safety walks and outcomes

People

- results of the global employee engagement survey and pulse surveys
- gender pay gap disclosures
- diversity, equity and inclusion (DE&I) statistics
- retention rates

Ethics and integrity

- adherence to the Code of Business Conduct and the Business Integrity Policy
- annual confirmation of compliance and pledge in respect of compliance with the CBC by senior managers
- SpeakUp, We're Listening statistics and trends

Clients and suppliers

- client retention rates
- adherence to the Global Supply Chain Integrity Standards
- adherence to Supplier Code of Business Conduct
- supplier audits

Sustainability

- greenhouse gas emissions
- food waste reduction
- number of sites deploying food waste technology/frequency of use
- sustainable sourcing

Workforce engagement

The Designated Non-Executive Director for Workforce Engagement (DNED) provides a communication channel between the Group's workforce and the Board to ensure that the employee voice is represented in the boardroom. As part of a structured programme of engagement, the DNED holds roundtable meetings with a diverse set of employees representing different sectors, countries and cultures. For more details see page 66.

Governance and risk

It is the Board's responsibility to have oversight of risk management and to set risk appetite. A robust governance and risk management framework ensures that each business is being operated and managed appropriately, and that prudent and effective controls are in place to identify emerging risks and to mitigate and manage the principal risks. For further information on risk management refer to pages 23 to 28.

Group strategy

The Board's approval, effective oversight and monitoring of the implementation of strategy are imperative to the long-term sustainable success of the Group. The Board considers and approves the Group's strategic aims over the short, medium and long term. The implementation of strategy is monitored and assessed on an ongoing basis. Food service remains at the core of Compass' strategy and the global food service market continues to provide significant growth opportunities. To ensure Compass continues to be in a position to capture future market opportunities, the business creates innovative, bespoke offerings tailored to the needs of clients and consumers. More details of Compass' business model and strategy are on pages 1 to 53.

Engagement with stakeholders

The Board ensures that the Company continues to operate in the best interests of its shareholders as a whole. In exercising its duty to promote the success of the Company, the Board also has regard to other stakeholders, the environment, the reputation of the Company and the need to act fairly between its members. How the Company engages with its stakeholders and how the Board has oversight of stakeholder engagement is on pages 68 to 71. The Company's section 172 statement is on page 68.

Management delegation and oversight

The Board delegates the delivery of strategy and day-to-day operational management of the Group to the Executive Committee, which is led by the Group CEO.

Roles in the boardroom

The Board comprises executive and non-executive directors, which ensures that no individual or small group of individuals dominates the Board's decision-making. All non-executive directors, except the Chair of the Board, are considered independent. The Chair was considered to be independent on appointment. The roles and responsibilities of Board members are detailed below and demonstrate a clear division between the roles and responsibilities of the Board and executive management. The role descriptions of the Chair of the Board, Group CEO and SID are reviewed annually by the Board and are updated as necessary to reflect changes in legislation or best practice. These role descriptions were last reviewed in September 2024. It was concluded that the role descriptions in their current form continue to be fit for purpose and no changes were made. Copies of the documents can be found on our website: www.compass-group.com.

Chair of the Board

Leading the Board and ensuring its overall effectiveness in discharging its duties:

- shaping the culture in the boardroom and promoting openness, challenge and debate
- setting the agenda for Board meetings, focusing on strategy, performance, value creation, risk management, culture, stakeholders and accountability
- chairing meetings and ensuring there is timely information flow before meetings and adequate time for discussion and debate
- fostering relationships based on trust, mutual respect and open communication inside and outside the boardroom
- leading relations with major shareholders to understand their views on governance and performance against strategy

Senior Independent Director

Providing a sounding board for the Chair of the Board and serving as an intermediary for other directors and shareholders:

- providing the Chair of the Board with support in the delivery of objectives, where necessary
- working closely with the Nomination Committee, leading the process for the evaluation of the Chair of the Board and ensuring orderly succession to the Chair role
- acting as an alternative contact for shareholders, providing a means of raising concerns other than with the Chair of the Board or senior management

Independent Non-Executive Directors

Independent non-executive directors meeting the independence criteria as set out in the UK Corporate Governance Code comprise more than half of Board membership:

- providing constructive challenge, giving strategic guidance, offering specialist advice and holding executive management to account
- ensuring that no individual or small group of individuals can dominate the Board's decision-making

Designated Non-Executive Director for Workforce Engagement

Providing an effective engagement mechanism for the Board to understand the views of the workforce:

- bringing the views and experiences of the workforce into the boardroom
- enabling the Board to consider the views of the workforce in its discussions and decision-making

Group CEO and other executive directors

Leading the implementation of the Group's strategy set by the Board:

- Group CEO: leading the Executive Committee and ensuring its effectiveness in managing the overall operations and resources of the Group; also leading the implementation of the Group's strategy
- Executive Directors: providing information and presentations to the Board and participating in Board discussions regarding Group management, financial performance and operational matters

Group General Counsel and Company Secretary

Supporting the Chair of the Board and ensuring directors have access to the information they need to carry out their roles:

- providing a channel for Board and committee communications and a link between the Board and management
- advising the Board on legal and corporate governance matters and supporting the Board in applying the Code and complying with UK listing obligations, and other statutory and regulatory requirements

Board activities

Board agenda for 2023-2024

	November	February	March	May	July	September
Purpose, strategy and implementation						
Group CEO's review, including a business update covering financial performance, health and safety performance, ESG, people and cultural indicators, initiatives and performance	●	●	●	●	●	●
Group CFO's report, including Group financial performance, results and outlook, finance, treasury, tax, cyber-security arrangements and technology developments	●	●	●	●	●	●
Group COO, North America's report, including an update on the North America business covering financial performance, health and safety performance, ESG, people and cultural indicators, initiatives and performance	●	●	●	●	●	●
M&A and disposals, contract approvals and other capital expenditure	●	●	●	●	●	●
Strategy review including Group, regional and sector/forum updates, post-investment reviews, and budget and three-year plan	●	●	●	●	●	●
Stakeholder engagement and shareholder analysis		●	●	●		●
Risks						
Formal biannual Major Risk Assessment process				●		●
Governance						
Review of full-year results including going concern, viability statement, final dividend and share buyback	●					
Review of half-year results and interim dividend				●		
Trading update		●			●	
Review of 2024 AGM Notice of Meeting	●					
Approval of corporate governance documentation	●			●		●
Approval of Board appointments/changes to directors' roles and responsibilities				●		●
Review and approval of Board and Committee minutes	●	●	●	●	●	●
Effectiveness						
Annual Board evaluation process and outturn				●	●	
Annual and ad-hoc review of directors' conflicts of interest	●	●			●	

At every meeting, the Board is briefed on aspects of the Group's strategic pillars: People, Performance and Purpose.

People

People are Compass' greatest asset. During the year, the Board and the Nomination Committee continued their focus on developing the Board's blend of skills and experience. The Board also continued its employee engagement efforts through a variety of means including roundtable meetings and site visits.

Site visits

In March, the Board visited the Group's business in Spain. During its programme of activities, the Board visited two client sites in Madrid where it met with the clients to hear about their experience of working with Compass.

The Board also met with members of the regional leadership team from Europe and the Middle East (EME) and the Iberia leadership team. The EME team provided an update on the region, the second largest in the Group, part of which included a safety moment described by management and the year-to-date health and safety performance metrics against the KPIs established at the start of the financial year. The agenda also covered the strategic priorities and growth ambitions for the region together with a deep dive on the Group's businesses in Spain, Germany and France led by the country managing directors. The visit to Madrid also provided an opportunity for the Board to meet with local management and country teams on a more informal basis.

The May Board meeting was held in New York. The first day of the Board's visit was dedicated to a strategy review of the North America business which included: growth at scale, talent recruitment, retention and development, and an overview of its HSE and financial performance, future ambitions, and strategic priorities and plans. This was followed by individual strategy sessions on each of the Healthcare & Senior Living, Business & Industry, Education and Sports & Leisure sectors, as well as the business' procurement company, Foodbuy, and the use of technology and innovation to drive growth.

As part of the Board's activities, directors visited client sites and met with members of the North America leadership team from across all sectors. Additionally, the Board joined a Compass Community Council meeting which was attended by almost 2,000 Compass colleagues to hear from the North America leadership on current performance and recent developments and to celebrate employee long-service achievements. This event provided the Board with an opportunity to meet a wide range of Compass employees.

Townhalls

During the year, the Group CEO, Group CPO, and other senior executives held townhalls and made presentations to update employees on the Group's strategy and performance, and on key initiatives such as the Group's climate net zero commitment. The format of the townhalls included Q&A sessions for employees to ask questions and a proportion of the time was also allocated to celebrating the achievements of front-line and other colleagues, who shared their experiences of working at Compass.

Designated Non-Executive Director for Workforce Engagement (DNED)

The role of the DNED is to provide an effective communication channel between the Group's workforce and the Board to ensure that the employee voice is represented in the boardroom.

During the year under review, DNED Ireena Vittal held four roundtable meetings with employees from a variety of sectors, businesses and geographies across the Group as part of a structured programme of engagement designed and supported by the Group CPO. These roundtables provided the DNED with opportunities to hear directly from employees in an open environment, which in turn enabled the Board to better understand the differing views of our people. Participating colleagues valued the opportunity to share experiences and learn from each other. They particularly appreciated the open, intimate structure of the sessions and the freedom to explore a variety of topics that are important to them. The feedback from these roundtables was combined with the output from the Group's wider engagement activities and reported to the Corporate Responsibility Committee. The main themes discussed in the roundtables included: colleagues' support for and interest in the development programmes and other initiatives to grow and develop internal talent; the positive caring, winning culture within Compass; the benefits of moving talent around the Group; and the deployment of technology to support unit managers.

DNED roundtables in 2024

14 March 2024 Group 1:
UK, Australia, India

14 March 2024 Group 2:
USA, Northern Europe, UK

21 August 2024 Group 1:
USA, UK

21 August 2024 Group 2:
Hong Kong, Australia, Germany

The flags above indicate the countries represented by employee attendees.

Two further employee roundtables were held in the year hosted by Non-Executive Director and incoming DNED Liat Ben-Zur. These sessions were held with employees from seven countries across the Group (Australia, Denmark, Germany, India, Sweden, UK and the US) and focused on people matters including: diversity, inclusion and development; training and reward; digital technologies and artificial intelligence; and culture.

Feedback from employee roundtables, and output from the wider engagement activities, enable the Board to understand what matters to employees, and the ongoing engagement activities have provided invaluable employee insight and helped inform the Board's discussions and decision-making during the year. More information on our people initiatives can be found on pages 30 to 33.

Performance

Throughout the year, the Board monitored the Group's performance against the strategic framework and priorities, including M&A, global trends, and risks and opportunities. To assist it, the Board received regular reports from the Group CEO, Group CFO, Group COO, North America, and presentations from each of the Group's regional CEOs on regional performance. It also received updates from key functional heads, e.g. Legal, Tax, Treasury, Information Systems and Technology, and People on matters that could have an impact on the Group's financial or operational performance.

At every meeting, the Board receives a report from the Group CEO on progress against the Group's strategy, and from the Group CFO, setting out the financial performance of the regions and the Group in the latest period and for the year to date.

The Board considers the key financial performance metrics, including revenue, organic revenue growth, operating profit and margin, operating cash flow and cash flow conversion. It also regularly reviews the financial outlook of the Group.

The Group CFO's report also provides the Board with updates on tax and treasury matters, cyber-security arrangements and technology developments.

In addition, the Group COO, North America regularly updates the Board on performance and recent developments in North America, Compass' largest market.

The Board also receives annual business updates from the regional management teams as part of the regional strategy reviews.

Twice a year, the Board reviews the major financial and non-financial risks facing the Group's businesses, including any new and emerging risks, and agrees the Group's principal risks at the half and full year. It also considers the identification of risks and opportunities, the development of action plans to manage risks and maximise opportunities, and the continual monitoring of progress against agreed Key Performance Indicators. The Board has also established processes for identifying emerging risks and horizon scanning for risks that may arise over the medium to long term. The Group's emerging and principal risks, and how these are managed, are set out on pages 23 to 28.

In September, the Board reviewed the Group's preliminary budget for the financial year ending 2025 and the three-year plan for 2025-2027. The budget and the three-year plan were both approved in September 2024.

During the year, the Board evaluated the strategic rationale for the acquisitions of CH&CO and HOFMANN[s] by the Group's UK and German businesses respectively.

The Board approved both transactions, concluding that they were in line with the Group's strategy and capital allocation model and would further strengthen the Group's capabilities.

More details can be found on page 72.

Purpose

At every meeting, the Board is briefed by the Group CEO on Purpose matters including up-to-date performance data on the Group's workplace health and safety and food safety metrics against the established limits set at the beginning of the year. It is also briefed on the progress being made on the Group's sustainability agenda, including climate change and social initiatives.

During the year, the Corporate Responsibility Committee continued to monitor the food waste tracking technology which has been rolled out to operations across the Group. Reduction of food waste is one of the key environmental challenges in our sector and one where we have the greatest potential to make a significant impact. Further information about our food waste reduction initiatives can be found on page 38.

In February, the Chair of the Board, together with the Group CEO, Group CFO, SID and Committee Chairs attended the 2024 AGM with the other non-executive directors participating online. The AGM is an important annual event in the Board's calendar where the directors hear directly from shareholders, answer their questions and meet with them on a more informal basis after the meeting. At the 2024 AGM, shareholders asked questions about a wide range of topics, including Compass' plans to achieve climate net zero by 2050, how we intend to continue to attract, retain and grow talent, our M&A and disposal strategy, and the potential impact of the UK and US elections on the Group. In addition to the AGM, the Group CEO, Group CFO, other directors and senior managers also met regularly with investors as part of the Group's investor engagement programme. The Remuneration Committee Chair also engaged extensively with investors, with a focus on the new Remuneration Policy that will be put to shareholders for approval at the 2025 AGM. Details of that engagement process can be found in the Directors' Remuneration Report on pages 86 to 118.

During the year, the Board considered and approved the Company's Modern Slavery Act (MSA) statement which provides an update on the progress made in the last year to further develop Compass' approach to mitigating the risks of modern slavery in the Group's businesses and their supply chains.

The 2023 MSA statement can be found on our website: www.compass-group.com. The 2024 MSA statement will be published on our website in December 2024.

For further information on the above, see the Purpose section on pages 34 to 40.

Section 172 and stakeholder engagement

Section 172 of the Companies Act 2006 requires the directors to promote the success of the Company for the benefit of the members as a whole, having regard to the interests of stakeholders in their decision-making. In making decisions, the directors consider what is most likely to promote the success of the Company for its shareholders in the long term, while having regard to the interests of the Group's other stakeholders. The directors understand the importance of taking into account the views of stakeholders and the impact of the Company's activities on local communities, the environment, including climate change, and the Group's reputation.

The table below sets out the areas of this Report which demonstrate how the directors have had regard to their section 172 responsibilities.

Section 172 disclosure	**Page**
(a) the likely consequences of any decision in the long term	
Strategic Report	1 to 53
Consideration of stakeholder interests	72
(b) the interests of the company's employees	
Chief Executive's review	10
Strategic framework and our business model	3 to 6
Stakeholder engagement	68 to 71
People	30 to 33
Consideration of stakeholder interests	72
Remuneration Committee Report	86 to 118
Ethics and integrity	13 and 14
(c) the need to foster the company's business relationships with suppliers, customers and others	
Strategic Report	1 to 53
Stakeholder engagement	68 to 71
Consideration of stakeholder interests	72
(d) the impact of the company's operations on the community and the environment	
Strategic Report	1 to 53
Stakeholder engagement	68 to 71
TCFD disclosures	41 to 52
Consideration of stakeholder interests	72
Purpose	34 to 40
(e) the desirability of the company maintaining a reputation for high standards of business conduct	
Risk management	23 to 28
Consideration of stakeholder interests	72
Audit Committee Report	73 to 78
Ethics and integrity	13 and 14
Safety	12
(f) the need to act fairly as between members of the company	
Strategic Report	1 to 53
Stakeholder engagement	68 to 71, 89, 95 and 99
Consideration of stakeholder interests	72
Remuneration Committee Report	86 to 118

The above statement on section 172 of the Companies Act 2006 is incorporated by reference into the Strategic Report on pages 1 to 53.

Compass is a geographically and culturally diverse business with operations in around 30 countries. As a result, it has a global and diverse community of stakeholders, each with their own interests in, and expectations of, the Company.

As set out in the Strategic Report, we have a decentralised structure enabling the development of strategies on a country-by-country and sector-by-sector basis for which country management are responsible and accountable. The Board's role is therefore to provide a framework that gives the Group's businesses the freedom and flexibility to make decisions, pursue opportunities, and manage risks.

Responsibility for the day-to-day operational management and implementation of Group strategy has been delegated to the Group Executive Committee, led by the Group CEO.

To enable the effective day-to-day running of the Group's businesses, the country managing directors and local leadership teams are responsible for local strategy, execution and compliance, in alignment with Group values, governance and standards. Depending on the region, an additional layer of regional and functional leadership may be present. As a result, stakeholder engagement primarily takes place at a local operational level, and the Board relies on local management to keep it informed of the impact of the Group's operations on its stakeholders.

During the year, the Board and the Corporate Responsibility Committee considered information from across the Group's businesses and received presentations from management. This enabled the Board to consider the likely consequences of decisions over the long term and, where relevant, the impact on stakeholders and the environment. Examples of decisions made during the year, and the stakeholders impacted, are on page 72.

A summary and examples of how Compass engages with its stakeholders, and how the Board is involved and kept informed of stakeholder engagement, follow.

Clients

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
We engage with our clients so we can better understand what is important to them, and where appropriate create tailored solutions to meet their needs. We do this through quarterly business reviews, analysing their external messaging and engagement with surveys.	– clean and safe environments – technology solutions – DE&I – sustainability – cost-effective, quality food solutions – client employee engagement	– conducted external research to influence engagement – created bespoke strategies – hosted global events (e.g. Chef Appreciation Week and Stop Food Waste Day)	The Board is informed of performance through our regional CEOs who provide an overview of their operations. From these reports and those of the Group CEO and Group CCO, the Board is able to form a view of clients' experience of Compass and to adjust strategy accordingly.	Our ability to understand and anticipate what clients want and to tailor our solutions for both existing and new clients means that we are better able to win bids and maintain high client retention rates.

People

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
Our people are at the heart of our growth strategy. Understanding their needs and motivations helps drive performance and enables us to make Compass a fair and inclusive place to work for all, regardless of background.	– attraction and retention of talent – career opportunities and development – health and wellbeing – supporting diverse talent – building a caring, winning culture – executive remuneration	– engagement surveys – roundtables – sector/functional forums – Group executive, regional and local management townhall meetings/ presentations – engagement between investors and the Chair of the Remuneration Committee – SpeakUp, We're Listening reports – internal social media channels – consultative bodies – Be the Difference conference in the US	The Board receives regular updates through the Corporate Responsibility Committee on people matters and initiatives. The Designated Non-Executive Director for Workforce Engagement (DNED) engages directly with colleagues from across the Group to understand their views and to hear directly from employees about the issues most relevant to them. The DNED reports feedback from these sessions to the Board.	Engagement with colleagues highlighted the need for continued focus on talent recruitment and retention, including more efficient onboarding and improved visibility of development opportunities. The UK&I business launched Xcelerate, a state-of-the-art regional skills and learning centre for hospitality and community engagement. Colleague wellbeing is important, and functional and sector forums help identify focus areas and share best practices, such as the launch of a maternity uniform through the Women in Food network.

Suppliers

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
We work with our suppliers to ensure a cooperative, resilient and sustainable supply chain.	– supply chain integrity – health and safety – environmental impact – inflation – allergens/nutrition – ethics and human rights	– consistent dialogue – surveys – annual meetings/ conferences – collaboration to achieve sustainability commitments – roundtable participation with ethical suppliers – supply chain integrity – third-party audits	The Board is kept informed of supply chain initiatives through the Corporate Responsibility Committee, which receives reports from the Group CCO, the Sustainability team, the Group CPO and the Group Head of E&I, including work to identify and mitigate modern slavery in the Group's businesses and their supply chains.	By collaborating consistently and closely with suppliers, our businesses build longstanding and trusting partnerships which can improve product quality, reduce costs, enhance reliability, drive innovation and mitigate risks.

Shareholders

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
Our philosophy is to engage in regular, open and transparent dialogue with existing and prospective shareholders. Their views and opinions are shared with and valued by the Board, which reviews the feedback and, where appropriate, takes action to address any concerns.	– financial performance – competitive positioning – strategy and outlook – ethical business practices and sound governance – leadership and succession planning – debt and liquidity – sustainability and ESG – executive remuneration and the 2025 Remuneration Policy	– the Group CEO, Group CFO and IR team meet regularly with institutional investors – one-to-one and group meetings, webcasts, presentations and conference calls – half- and full-year meetings with representatives from institutional investors – meetings/ communications with major institutional investors on the 2025 Remuneration Policy – virtual investor procurement deep dive – 2023 Annual Report – 2024 AGM – regulatory announcements	The Chair of the Board ensures dialogue is maintained and Committee Chairs are available to engage on their areas of responsibility. Non-executive directors also develop a view of investor sentiment through updates from IR, the Group Director of Reward, and the Group General Counsel and Company Secretary, who acts as a focal point for shareholders throughout the year. Our AGM also provides a valuable opportunity for directors to engage directly with shareholders.	The Board considered investor views on shareholder returns when approving the dividends and share buybacks during the year. In addition, the Remuneration Committee Chair led an extensive consultation exercise with shareholders, which has informed the development of the 2025 Remuneration Policy to be put to shareholders for approval at the 2025 AGM.

Governments and regulators

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
Ongoing engagement with governments and regulators is carried out with those who have responsibility for implementing policy, and laws and regulations relevant to our business.	– consumer health and public health policies – food safety – workplace health and safety – human rights – climate change – legal and regulatory compliance – public sector procurement – government buying standards for food and catering services – school meals – social value – net zero	– the UK&I business engaged with multiple UK government departments, including the Cabinet Office and DEFRA. Topics included food-waste reporting and nutritional standards in the public sector – UK&I CEO’s membership of the UK Government’s Food and Drink Sector Council	The Group General Counsel and Company Secretary, Head of Group Tax, and other subject matter experts regularly update the Board and its committees on regulatory developments affecting the Group and its businesses. The Board receives updates from the regional CEOs and country managing directors on relevant developments in their businesses.	Ongoing engagement with governments and participation in relevant consultations.

Consumers

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
We engage with our consumers to better understand changes in consumer demand and trends so that we can adjust our offers accordingly. This ensures that our offering continues to excite and engage consumers.	– technology solutions to ensure ease of payment and efficient service – offerings that highlight wellness and sustainability	– hosted global events (Chef Appreciation Week and Stop Food Waste Day) – sustainable menus (climate-friendly, locally-sourced, diverse suppliers) – wellness offerings – external research to influence engagement – interactive cooking demonstrations – front-line engagement	The Board receives updates from sector leaders on developments in consumer food trends.	Our innovative offerings receive high customer satisfaction scores and increase levels of participation. External research helps us to pivot our offer to satisfy consumer trends. Our global events, such as Stop Food Waste Day and Chef Appreciation Week, create excitement throughout the year, which increases footfall at our venues.

Communities

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
We engage with the communities in which we operate to build trust locally and to provide training opportunities, careers and support to local people. We do this through partnering with local organisations such as charities, food recovery networks and employment programmes.	– fair employment and equal opportunities – support for local causes and issues	– The Compass Group Foundation – local farms – women and minorities – veterans	The Board receives updates on community engagement through the Corporate Responsibility Committee, which is updated by the Group CCO and Group Sustainability team, and through presentations given to the Board by country and regional teams.	The Compass Group Foundation supports multiple charities around the world. During the year, the Foundation provided grants to several organisations that support the Charity's aims. For example, in the US this included Cakeable, Hot Bread Kitchen and Emma's Torch, all of which help disadvantaged individuals build careers in the food industry.

Non-governmental organisations

Why we engage	Areas of focus	Engagement in the year	How the Board has oversight	Outcomes and actions
We engage with non-governmental organisations (NGOs) to help us to develop action plans that have positive impacts on social, environmental and economic issues.	– environmental issues (e.g. food waste, climate, deforestation) – human rights – animal rights – social justice	– regular engagement including meetings, conferences and communications – partnerships with NGOs to tackle food and set plastic waste reduction goals – engagement in thought leadership workstreams and roundtables – ongoing dialogue with NGOs on animal welfare goals	The Board receives updates on engagement with NGOs through the Corporate Responsibility Committee. The CRC receives reports from the Group CCO, the Group Sustainability team and the Group Director for Employment, Equity and Social Impact on key areas of focus.	Working closely with NGOs provides insights that help us to develop action plans that have positive impacts on social, environmental and economic issues.

Consideration of stakeholder interests during the year

The examples below give an insight into how the Board had regard for the interests of stakeholders in its decision-making processes during the year.

Key decisions

Shareholder returns

The Board recognises the importance of shareholder returns and, during the year, rewarded shareholders by recommending an increased final dividend of 28.1 pence per share for the financial year ended 30 September 2023, and approving an increased interim dividend of 20.7 cents (16.2 pence) per share for the financial year ended 30 September 2024. The Board also approved a share buyback of up to $500 million in the year under review.

In its deliberations, the Board considered the Group's growth prospects and its strong financial performance in the 2023 financial year and in the first six months of the 2024 financial year, including its cash position and distributable reserves, together with its stated dividend policy and capital allocation model, as set out on pages 5 and 19. The Board also considered shareholders' views and the impact of the dividend payments and share buybacks on the Group's UK defined benefit pension scheme. The Board concluded that approval of the dividends and the share buybacks were in the best interests of the Company and its shareholders as a whole and that there was no material impact on the UK defined benefit pension scheme considering its current surplus.

The Board also considered and approved the proposed resolutions to be put to shareholders at the 2024 AGM, which included the payment of the final dividend for the year ended 30 September 2023 together with the approval of the Company's authority to purchase its own shares. Each of the proposed resolutions was approved by shareholders at the 2024 AGM.

Stakeholders impacted:

Shareholders **People**

Bond issuance

During the year, approval was sought from the Board to issue term debt to finance M&A activity and maintain the Group's liquidity headroom.

In its deliberations, the Board considered the maturity profiles of existing term debt issues together with the status of M&A activity, including timing considerations and pricing options.

The Board approved in principle the recommendation to issue term debt and delegated authority to a committee of the Board to finalise all aspects of the proposed debt issuance.

Ultimately, this resulted in the issuance of a fixed-rate sustainable bond of €750 million ($806 million) maturing in 2031 and a fixed-rate sustainable bond of €500 million ($557 million) maturing in 2033, pursuant to the Company's Sustainable Financing Framework.

The proceeds of the bond issue will be used in line with the Group's Sustainable Financing Framework on projects that will enhance responsible sourcing, products purchased from local and diverse suppliers, and other sustainable expenditure which supports decarbonisation within the Group's value chain.

Stakeholders impacted:

Clients **Suppliers** **Shareholders**

Acquisitions

CH&CO

The Board considered a proposal to acquire CH&CO, a leading catering group offering premium contract and hospitality services across the UK and Ireland.

The Board evaluated the strategic rationale for the acquisition, including potential synergies and expected financial returns, and determined that the acquisition would add further capabilities and scale to the UK&I's existing business. This would enhance Compass Group's footprint in the UK and Ireland and provide a platform for potential accelerated growth and margin progression.

HOFMANN^s

The Board also considered a proposal to acquire HOFMANN^s, a German producer of high-quality cook-and-freeze meals.

The Board evaluated the strategic rationale for the acquisition, and noted the potential synergies and financial returns, key risks and mitigations, together with integration considerations.

The acquisition would add new capabilities and distribution channels to the Group's German business, and the Board noted the potential for accelerated growth and margin progression. The acquisition would also differentiate Compass from its competitors by bringing further capabilities and scale to the German business. The Board also reviewed the key transaction and integration risks together with the mitigations designed to ensure a successful execution of the acquisition.

The Board approved both transactions, concluding that they were in line with the Group's strategy and capital allocation model and would further accelerate growth and enhance shareholder returns.

Stakeholders impacted:

Shareholders **Suppliers** **Clients**

Consumers **People**

Audit Committee Report

Anne-Françoise Nesmes
Chair of the Audit Committee

Committee responsibilities

The Audit Committee is responsible for monitoring the integrity of the Group and Company's published financial statements and related disclosures; and for assessing formal announcements concerning the Group's financial reporting matters, as well as key accounting and audit judgements related to the preparation of the Group and Company's financial statements. Other responsibilities include:

- reviewing the adequacy and effectiveness of the risk management and internal control systems, including the Group's key internal controls over financial reporting and the IT controls framework, and providing assurance to the Board
- reviewing the going concern and viability statements
- monitoring and reviewing the role, mandate and effectiveness of the Group's Internal Audit function
- managing the selection, appointment, independence, effectiveness and remuneration of the Group's external auditor, including compliance with the Non-Audit Services Policy
- reviewing arrangements for the Group's workforce and other stakeholders to raise concerns in confidence about possible improprieties in financial reporting or other matters (via SpeakUp, We're Listening), and ensuring that they are investigated
- advising the Board on how it has discharged its responsibilities and considering whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and providing assurance to the Board

The Committee's full terms of reference are on our website:

www.compass-group.com.

Governance

Anne-Françoise Nesmes was appointed Chair of the Audit Committee in February 2021. She is a chartered management accountant and is considered by the Board to have recent and relevant financial experience and to be competent in auditing and accounting.

Committee membership comprises the Chair of the Committee and all the non-executive directors (other than the Chair of the Board). Committee members have appropriate financial and commercial experience in multinational and/or complex organisations, combined with a sound understanding of the Company's business, and are therefore considered by the Board to be competent in the Company's sector. The expertise and experience of the Committee members' can be found in the biographies on pages 57 to 59. The Board considers each Committee member to be independent in accordance with the UK Corporate Governance Code 2018 (the Code) and capable of assessing the work of management, the assurances provided by the Internal Audit function and the external auditor, and the effectiveness of the risk management and internal control systems.

The Committee held three meetings during the year. The attendance table is on page 60. The Committee Chair engages regularly with key individuals involved with the Company's governance. The Chair also has regular contact with the external Senior Statutory Audit Partner and attends the AGM virtually or in person to respond to questions on the Committee's activities.

Only members of the Committee have the right to attend its meetings. However, typically the Chair of the Board, Group CEO, Group CFO, Group Financial Controller, Head of Group Tax and Director of Risk and Internal Audit together with the external auditors attend Committee meetings. The Group General Counsel and Company Secretary, who acts as Secretary to the Committee, attends all meetings. Other members of senior management are invited to present reports that are needed for the Committee to discharge its duties. The Committee holds regular private discussions with Committee members and also meets separately with the external auditor and the Group Director of Risk and Internal Audit without executive management and other invitees present. The Committee Chair also meets separately with the Head of Group Tax and the Head of Group Treasury.

The Committee is authorised to seek external legal and independent professional advice as it sees fit.

The Committee has an annual agenda aligned to its terms of reference and key events in the Company's financial calendar. It provides flexibility to include additional topics of particular importance so as to allow the Committee to respond to emerging issues.

During the year, the Committee reviewed the interim and annual financial statements and considered the following:

Financial reporting and accounting matters
Fair, balanced and understandable Whether the description of the performance of the Group in the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.
Risk management and internal controls The adequacy and effectiveness of risk management and internal control systems (including financial controls, cyber-security risk and the implementation of ERP systems).
Clarity of disclosures and compliance The clarity of disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements and guidelines, including in relation to Alternative Performance Measures.
Accounting policies The accounting policies adopted in the Group's financial statements, any proposed changes to them and the adequacy of their disclosure.
Significant transactions, accounting matters, and key judgements and estimates The significant transactions, accounting matters, and key judgements and estimates used in preparing the 2024 Annual Report and Accounts and the interim financial statements, and in particular management's assumptions underpinning the going concern and viability statements.
TCFD disclosures The Company's disclosure in the Strategic Report on the Task Force on Climate-related Financial Disclosures (TCFD) reporting requirements, and related disclosures in the financial statements.
Non-financial Key Performance Indicators Non-financial data points which help investors to develop a deeper understanding of Compass' business and to assess the Group's progress and performance against its strategy.
Governance reforms Consideration of the Financial Reporting Council's (FRC) revised UK Corporate Governance Code published in January 2024.

In discharging its responsibilities relating to the financial statements for the financial year ended 30 September 2024, the Committee reviewed the following and concluded that such judgements and estimations were appropriate:

Areas of significant accounting judgement and estimation	Page
Carrying value of goodwill The Group undertakes a formal goodwill impairment exercise for its cash-generating units (CGUs) at least once a year in accordance with IAS 36 Impairment of Assets, based on the most recent approved budget and financial plan. The Committee received and discussed reports from the Group Financial Controller on the methodology and the basis of the assumptions used. In 2024, the headroom in the UK CGUs was an area of particular focus. The Committee noted that the UK CGU is sensitive to reasonably possible changes in key assumptions. The Committee reviewed the goodwill impairment assessment disclosures and concluded that these were acceptable.	158 to 160
Tax The Group operates in multiple tax jurisdictions and is subject to the rules of their various taxation authorities. Due to the complexity and changing nature of tax rules and transfer pricing across multiple tax jurisdictions, a degree of judgement is required in determining levels of tax recognised in the financial statements. The Committee received briefings and discussed reports from the Head of Group Tax on the potential liabilities identified, levels of provisioning and the basis of the assumptions used.	153 to 156
Acquisition accounting The valuation of assets on acquisition requires judgement. Estimation is required in determining the future cash flows and discount rates used to value these assets. The Committee received and discussed reports from the Group Financial Controller on the methodology and the basis of the assumptions used.	198 to 201
Strategic portfolio review The Group has continued its strategic portfolio review to allow the focus of its resources on its core operations, which in the year resulted in the exit from several countries and the decision to discontinue the implementation and roll out of the Europe cross-market ERP programme. The Committee received reports from management on overall disposal accounting and the timing and de-recognition and impairment of assets (including head office computer software assets).	150 and 201
Post-employment benefits The Group's defined benefit pension schemes are assessed half-yearly in accordance with IAS 19 Employee Benefits. The present value of the defined benefit liabilities is based on assumptions determined following independent actuarial advice. The Committee received reports from the Group Financial Controller on the methodology and the basis of the assumptions used.	185 to 192
Presentation currency From 1 October 2023, the Group's presentation currency changed from sterling to US dollars to provide greater transparency of the Group's performance and to reduce foreign exchange volatility. The Committee noted that at the 2023 financial year end and 2024 half year, all amounts for prior periods had been restated in US dollars.	144
Going concern and viability The Committee received reports from the Group Financial Controller on the methodology and the basis of the assumptions used in assessing going concern and viability. Having reviewed liquidity and compliance with debt covenants through the year, for half-year and full-year reporting, the Committee reviewed the going concern and viability assumptions, including consideration of a range of severe but plausible events that could have an impact on the Group's viability and going concern outlook.	29 and 145

Fair, balanced and understandable Annual Report and Accounts

The Code provides that the Board should provide a fair, balanced and understandable assessment of the Company's position and prospects in its Annual Report and Accounts. At the Board's request, the Committee has reviewed the 2024 Annual Report and Accounts to determine whether it considers the Annual Report and Accounts, taken as a whole, meets this standard and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Committee has concluded that this requirement has been met.

Throughout the Annual Report and Accounts, performance during the year is presented against a mix of financial and non-financial KPIs, which the Board and executive management consider best reflect the Company's strategic priorities. The Committee has considered these KPIs and is satisfied that the information that has been selected by the Board and executive management will help to convey an understanding of the performance and the culture of the business, and the drivers which contribute to its success, and will be of interest to stakeholders.

Risk management and internal controls

The Committee is responsible for reviewing the Company's internal financial controls and internal control and risk management systems. During the year, the Committee:

- received and discussed regular reports summarising: the Group's risk management activities; the identification of any changes to the principal risks including the reduced risk exposure in certain areas including political instability, economic volatility, employee welfare (particularly foreign migrant labour risks) and international tax following the Group's exit from a number of countries deemed both higher-risk and non-core to long-term business objectives; emerging risks such as the continued development of generative artificial intelligence (AI), and the actions taken to mitigate these risks
- reviewed the findings from internal audits and status of resultant actions agreed with management
- monitored delivery of the internal audit plan, and reviewed and approved the internal audit plan for 2025-2027
- reviewed the resources, terms of reference and effectiveness of the Internal Audit and Risk Management function
- reviewed and approved the Group Risk Management Policy
- reviewed arrangements for the Group's workforce/stakeholders to raise concerns in confidence about possible improprieties in financial reporting or other matters (via SpeakUp, We're Listening)
- received an update from the Group Head of Ethics and Integrity (E&I) on the business integrity risk profile and the effectiveness of the SpeakUp, We're Listening programme
- received a report from the Group Director of Risk and Internal Audit in relation to theft and fraud
- received regular reports from the Head of Group Tax on tax policies, uncertain tax positions, and tax audits and enquiries
- received reports from the Group Financial Controller on Certificates of Assurance and on compliance with the key internal controls over financial reporting
- received updates on the activities of the Regional Governance Committees
- received updates in relation to cyber-security arrangements
- received updates in relation to the implementation of ERP systems in Europe and North America

The Audit Committee reviews the integrity of any material financial statements made by the Company. It monitors and conducts a robust review of the effectiveness of the Group's internal control systems, accounting policies and practices and certain compliance controls (including key controls over financial reporting), as well as the Company's statements on internal control, before they are agreed by the Board for inclusion in the Annual Report and Accounts.

In accordance with the guidance set out in the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting 2014, and in the Corporate Governance Code, the Group has established a risk management framework. This has been in place for the full financial year and up to the date on which the financial statements were approved. The framework is designed to manage rather than eliminate the risk of failure to achieve the Group's strategic objectives, to safeguard the Group's assets against material loss, to fairly report the Group's performance and position, and to ensure compliance with relevant legislation and regulation including that related to social, environmental and ethical matters. The framework provides reasonable, but not absolute, assurance against material misstatement or loss. Further details of the Group's risk management framework and principal risks are set out on pages 23 to 28.

The Audit Committee is responsible for reviewing the risk management framework. As part of this process, Group companies submit biannual Certificates of Assurance to the Group CFO on internal control and risk management matters. The Group Financial Controller summarises these submissions for the Audit Committee, and the Chair of the Audit Committee reports to the Board on any matters that have arisen from the Committee's review of the way in which risk management and internal control processes have been applied. The Committee annually reviews and considers the effectiveness of Compass' approach to risk management and any changes to the risk policy.

Management have defined a set of key internal controls over financial reporting which must be complied with by all countries. These key internal controls over financial reporting (KFCs) are regularly reviewed by the Group Financial Control team to ensure compliance with best practice, regulations and standards, and the Committee was briefed on the work undertaken to further enhance the Group's KFCs.

Compliance with the KFCs is tested by Group Internal Audit annually for the Group's largest countries and on a rotational basis for other countries, and the results are reported to the Committee. The Committee received details of the testing and assessments that had been undertaken and these did not identify any areas of non-compliance that could have a reasonable possibility of resulting in a material error or misstatement of the Group's consolidated financial statements.

The Committee and the Board remain satisfied that the Company's risk management framework continues to operate effectively and provides the necessary flexibility without compromising the integrity of the risk management and internal control systems.

Whistleblowing, anti-bribery and fraud

The Audit Committee receives updates on any allegations of theft or fraud in the businesses, with individual updates being given to the Committee, as needed, in more serious cases. The Group's Business Integrity Policy (BIP) and Code of Business Conduct (CBC) strictly prohibit any involvement in theft or fraudulent activities whatsoever. The BIP sets out the expectations for risk-assessing, and reporting and documenting any fraud in accordance with local requirements and the Speak and Listen Up Policy. It also sets out how allegations and incidents are to be followed up, such as through investigations conducted by the Internal Audit, E&I or Legal teams. Fraud and theft reports are consolidated at Group level, and feed into the regular updates presented to the Committee.

The Corporate Responsibility Committee oversees the continued development of the Group's overall E&I programme, the training of employees on key business integrity risk areas and the way in which management obtains assurance in this area, including the annual self-certification process via the annual E&I pledge and declaration. More information on the CBC, and the SpeakUp, We're Listening programme, is set out on pages 13 and 14.

The CBC is available on the Company's website: www.compass-group.com/en/who-we-are/ethics-and-integrity.html.

Data privacy

In May 2024, the Committee received an update from the Group Head of E&I on the Group's Data Privacy Policy and Data Privacy Programme Framework, which had been revised to adopt a more principles-based approach to reflect the differing privacy regimes and local laws around the world. The policy, which includes minimum reporting standards, provides a consistent way to track and validate implementation through the use of technology, and to measure and evaluate policy compliance; and as a consequence, it further improves risk management, monitoring, oversight and assurance.

Information systems and cyber-security risk

Information systems and cyber-security risk continues to pose a threat to the Group and remains a principal risk. Throughout the year, the Committee received reports from the Group Chief Information Officer (CIO) on progress made on the implementation of the IT controls framework designed to protect the Group's information assets, including the key IT controls (KITCs), enhanced security operations, threat intelligence, the Group's response to the threat of ransomware, and the continued emphasis on cyber-risk awareness and training across the Group.

In November 2023, the Group CIO provided the Committee with an update on the progress made during 2023 in regard to the maturity levels of the KITCs across the Group, together with the plans for 2024 to further develop the KITCs following the annual external threat assessment.

The Committee was also briefed on Compass' view of developing AI technologies and of the benefits and risks they present to cyber security. Potential benefits included the ability to respond to threats quickly and accurately, to identify patterns and anomalies in systems logs, and to provide insights into potential cyber attacks. The potential risks were also outlined, including sophisticated and automated cyber attacks, and manipulation by threat actors to avoid detection.

In addition, the Committee considered the use of AI by employees and the need for guardrails to ensure it was used appropriately. Measures designed to control the use of AI in Compass were reviewed by the Committee, including: education for colleagues; the development and implementation of appropriate governance arrangements and responsible use guidelines; and updates to the KITC framework to include AI controls. The Committee also received an update from independent cyber-security advisers in relation to cyber-risk reporting and disclosure trends in the US and other jurisdictions.

In September 2024, the Group CIO provided an update on cyber security and the KITCs, including a deeper-dive review of the Group's cyber-security approach and maturity. In addition, he outlined the key focus areas for the KITCs in the 2025 financial year which included a greater emphasis on the use of automation and simplification of the compliance processes.

Throughout the year, the Committee received updates on initiatives to educate colleagues about cyber-security threats, and actions to counter those threats. Initiatives included: the annual cyber awareness week, ongoing weekly advocacy messages from 'cyber champions' across the Group's businesses, and the implementation of regular phishing simulations to reinforce appropriate behaviours.

ERP systems

In November 2023, the Committee was updated on the roll out of the North America ERP system and considered with management the timelines and key milestones that would support delivery of the project. The Committee also reviewed with management the implementation methodology for the programme, the development of the programme plan and the deployment roadmap and challenged the proposed governance and assurance arrangements around the programme, particularly the replacement of legacy systems. In May 2024, the Committee received a further update from the local programme lead on progress made, including the internal and external assurance activities which had been evaluated by an external adviser.

The Committee was also updated on the business transformation programme that commenced a number of years ago in Europe. During the year, as part of the strategic portfolio review to focus on the Group's core markets and considering the country exits, the ongoing advancement of technologies and the increased decentralisation of the Group's businesses, management reviewed the regional business transformation ERP programme. Following this review, management decided to discontinue the implementation and roll out of the Europe cross-market ERP programme. The Committee carefully considered management's proposals including, its roadmap for the ongoing development and support of market ERP systems. The Committee also reviewed management's assessment to record a non-cash impairment of $146 million to write down the related work-in-progress head office (non client-related) computer software assets.

Internal audit

The Internal Audit team is led by the Group Director of Risk and Internal Audit who reports functionally to the Chair of the Audit Committee and operationally to the Group CFO. The purpose, scope and authority of the Internal Audit function are set out in its terms of reference which are approved by the Committee. The Audit Committee is responsible for monitoring and reviewing the effectiveness of the Group's Internal Audit function, including resources, plans and performance as well as the degree to which the function is free from management or other restrictions. To help the Committee gain assurance that the Internal Audit function is independent, the Committee meets with the Group Director of Risk and Internal Audit at least once a year without the presence of management and it met with him twice during the year under review without the presence of management.

During the year, the Committee monitored the performance of Internal Audit and reviewed and approved the Group's annual internal audit plan. The plan is designed with reference to the Group's principal risks, which are described on pages 24 to 28. The Committee receives regular updates on progress against the plan and Internal Audit's findings, together with management actions taken to address recommendations.

The Committee remains satisfied that the Internal Audit function has the necessary resources, objectivity and competency to fulfil its mandate. It has also satisfied itself that the Internal Audit function has adequate standing and is free from management influence or other restrictions.

Corporate governance

In November 2023, the Committee was updated on developments regarding UK corporate governance reforms, including the withdrawal of certain proposed legislative changes and the scaling back of planned changes to the UK Corporate Governance Code. At its meeting in May 2024, the Committee noted that the FRC had published the 2024 UK Corporate Governance Code, which would apply to financial years commencing on or after 1 January 2025, noting that the Code had taken forward only a small number of the original proposals set out in its 2023 consultation. The majority of changes will apply to Compass from 1 October 2025. The significant changes which will take effect from 1 October 2026 relate to the new requirement for the Board to make a declaration on the effectiveness of material internal controls. The Committee considered the development of management's plans to respond to these requirements, including the updates to the Certificates of Assurance and key internal controls over financial reporting. The Committee will continue to monitor progress to ensure that Compass is compliant with the new requirements at the appropriate time. To support it in this, the Committee has appointed a sub-committee comprising two members of the Audit Committee, including the Committee Chair, to oversee and monitor management's proposals for implementing the new requirements in relation to risk management and internal controls.

The Committee also received an update on management's work to prepare the Group for the EU Corporate Sustainability Reporting Directive (CSRD) which will apply to Compass from the financial year commencing 1 October 2025. The CSRD establishes sustainability reporting obligations for a large number of companies both within and outside the EU and forms part of the EU's sustainable finance agenda.

The Committee reviewed the work undertaken to date on the implementation of the CSRD requirements, including the Company's assessment of materiality.

External audit

External auditor

The Audit Committee is responsible for the development, implementation and monitoring of the Company's policy on external audit and has oversight responsibility for monitoring the external auditor's independence, objectivity and compliance with ethical, professional and regulatory requirements. The Audit Committee is responsible for the re-tendering selection process and recommends the appointment, reappointment and removal of the Company's external auditor, and considers the risks associated with its withdrawal from the market in its risk evaluation and planning.

The Audit Committee also reviews and sets the terms, areas of responsibility and scope of the audit as set out in the external auditor's engagement letter, including the overall work plan for the forthcoming year, together with the associated fee proposal, and cost-effectiveness of the audit.

Effectiveness of the external audit process

During the year, the Committee considered the effectiveness of the external audit process, whether the agreed audit plan for the financial year ended 30 September 2023 had been fulfilled, and the reasons for any variation from the plan.

The Committee is committed to ensuring that Compass receives a high-quality and effective external audit. The Committee assessed the effectiveness of the external audit process using several methods, commencing with the identification of appropriate risks by the external auditor. These were reviewed by the Committee in the detailed external audit plan for the financial year ended 30 September 2024 at the start of the audit cycle. The work performed on these risks by the auditor was used to test management's assumptions and estimates. The effectiveness of the audit process in addressing these matters was assessed through the reports presented to the Committee at the half- and full-year.

The Committee also considered how and to what extent the auditor had exercised professional scepticism. During the audit of the Annual Report and Accounts, the auditor challenged management as to whether the disclosures in the financial statements were consistent with the narrative disclosures in the Strategic Report in relation to the impact of certain risks and, specifically, how the potential impact of climate change on the financial statements had been assessed. The auditor also challenged management's approach to goodwill impairment testing, acquisition accounting (including the initial accounting for CH&CO and HOFMANN[s]), and the appropriateness of actuarial assumptions used to estimate post-retirement benefit obligations, as well as other sources of estimation uncertainty, such as uncertain tax positions and accounting consequences of the ongoing strategic portfolio review. Management and the auditors engaged constructively in relation to the challenges raised, and an unmodified opinion was issued by the auditor, which is set out on pages 124 to 137.

The review also included a formal evaluation process covering several aspects of the external audit. A wide range of internal stakeholders including Audit Committee members, regional finance directors and Group functions (including Internal Audit, Legal, Finance and Tax) and local finance directors (excluding countries not in scope for the KPMG audit) completed questionnaires.

In May 2024, a detailed report on KPMG's audit quality and effectiveness was presented to the Committee. The findings were considered and opportunities for improvement were discussed with KPMG. In summary, the Committee concluded that the external audit process continued to be of a high quality and remained effective.

Independence of external auditor

Jonathan Downer was the Senior Statutory Audit Partner for the year under review. To ensure the independence and objectivity of the Company's external auditor and the integrity of the audit process, key members of the external audit team periodically rotate off the Company's audit. Additionally, the recruitment of senior employees from the Company's auditor is not permitted for a period of at least two years after they cease to be involved in the provision of services to the Company.

In assessing the independence and objectivity of the external auditor, the Committee takes into account the assurances and information provided by the external auditor at the planning stage of the audit, including a written disclosure of the relationships (including the provision of non-audit services) that could have an impact on the external auditor's independence and objectivity, and the safeguards put in place to address such concerns. As part of this process, the Committee receives a statement from the external auditor advising that: all partners and staff annually confirm their compliance with KPMG's ethics and independence policies and procedures and that they have no prohibited shareholdings and their ethics and independence policies are fully consistent with the requirements of the FRC Ethical Standard. The Committee has concluded that KPMG was independent of the Group for the year under review.

Non-audit fees

The Company operates a policy on non-audit-related fees which it reviews annually and under which it discloses the ratio of audit to non-audit fees paid in each financial year. The Committee monitors the level of non-audit work which the external auditor can perform, to ensure that any provision of non-audit services falls within the scope of the agreed Non-Audit Work Policy and does not impair the external auditor's objectivity or independence. The Group's policy on non-audit services is aligned with the FRC's 2019 Ethical Standard for auditing practices for what is permissible for public interest entities, and no services outside this are approved by the Committee. Engagements for non-audit services that are not prohibited are subject to formal approval by the Audit Committee, based on the level of fees involved. Non-audit services that are pre-approved are either routine in nature (e.g. the half-year limited review) with a fee which is not significant in the context of the audit, or are other audit-related services. Within the constraints of applicable UK rules, the external auditor can undertake certain non-audit work. The provision of non-audit services within such constraints and the agreed policy is assessed on a case-by-case basis to ensure that the adviser best placed to undertake the work is retained. In accordance with the Group's policies, the Group CFO approves individual non-audit services with fees up to $75,000 and non-audit services with combined fees up to $150,000. Audit Committee approval is sought for non-audit services exceeding these limits.

Fees paid in the year

The total fees paid to KPMG in the year ended 30 September 2024 were $10.6 million, of which $0.9 million related to non-audit work (2023[1]: $9.8 million of which $0.4 million related to non-audit work). Having considered the non-audit work undertaken by KPMG LLP during the year, it was agreed by the Committee that the tasks undertaken represent permitted non-audit services (as set out in Section 5 of the FRC's Revised Ethical Standard 2019). The principal non-audit services provided by KPMG related to the half-year review of the Group's interim financial report; limited assurance over certain climate-related disclosures (including Scope 1, 2 and 3 emissions), responsible sourcing (including in respect of commitments under the Sustainable Financing Framework and other social metrics; and comfort letters in respect of the issue of two bonds. The increase in 2024 primarily relates to the limited assurance testing, which is expected to increase in future years as requirements in this area continue to expand. The Committee believes that KPMG, as external auditor, is best placed to undertake these non-audit services and that the level of fees for these services does not adversely impact its integrity, objectivity or independence. Further disclosure on the non-audit fees paid during the year can be found in note 3 on page 151.

1. The fees paid to KPMG for the year ended 30 September 2023 of £8.0 million and £0.3 million related to non-audit work, have been restated in US dollars.

Statutory audit tender process

In accordance with its terms of reference and regulatory requirements, the Audit Committee ensures that at least once every 10 years the external audit services contract is put out to tender. The Committee is responsible for the selection and appointment of the external auditor. It initiates and conducts any competitive tender process undertaken by the Company for the provision of external audit services and considers and makes recommendations to the Board, to be put to shareholders for approval at the Company's AGM.

The Committee confirms that for the year under review, the Company complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014. Following a competitive tender process in 2023, KPMG LLP was reappointed as the Company's external auditor in February 2024.

KPMG has expressed its willingness to continue as auditor of the Company. Separate resolutions proposing KPMG LLP's reappointment and the determination of its remuneration by the Audit Committee on the behalf of the Board, will be proposed at the 2025 AGM.

Committee evaluation

The priorities set by the Committee following the 2023 external evaluation process were:

- consideration of audit and governance reforms including assurance over non-financial reporting
- ESG and climate net zero disclosures

These themes, together with the Committee's regular programme of work, shaped the Committee's agenda and were included in the principal activities during the year under review.

2024 evaluation

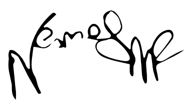
During the year, an internal evaluation of the effectiveness of the Committee was conducted as part of the wider evaluation of the Board and its committees. Details can be found on page 85.

The evaluation concluded that the Committee continued to operate effectively.

The Committee will continue to focus on the following areas:

- ESG and sustainability reporting, including assessing the level of assurance required
- regulation, especially preparation for the UK Corporate Governance Code reforms
- oversight of controls for systems implementation and migration
- cyber-security risk management
- ongoing risk oversight

These matters, together with the regular work of the Committee, will inform the Committee's agenda for the coming year.



Anne-Françoise Nesmes
Chair of the Audit Committee

26 November 2024

Corporate Responsibility Committee Report

Nelson Silva
Chair of the Corporate Responsibility Committee

Committee responsibilities

The Committee is responsible for overseeing, monitoring, and making recommendations to the Board on the development, implementation and effectiveness of the Group's strategies in relation to:

- corporate responsibility
- health and safety
- sustainability (including climate change)
- ethics and integrity
- people and other stakeholder engagement

The Committee's full terms of reference are on our website:

www.compass-group.com.

Governance

Nelson Silva was appointed Chair of the Corporate Responsibility Committee in February 2017. As announced on 27 September 2024, Arlene Isaacs-Lowe will succeed Nelson Silva as Committee Chair following his retirement from the Board at the conclusion of the 2025 AGM. Membership of the Committee comprises the Chair of the Committee and all of the other directors, whose biographies are on pages 56 to 59.

The Chair of the Committee attends the AGM virtually or in person to respond to questions on the Committee's activities.

Only members of the Committee have the right to attend Committee meetings. Other individuals, such as the Group Chief Commercial Officer (CCO), the Group Chief People Officer (CPO), Group Head of Ethics and Integrity (E&I) and external advisers, may be invited to attend all or part of any meeting, as and when appropriate. The Group General Counsel and Company Secretary, who acts as Secretary to the Committee, attends all meetings. Other members of senior management are invited to present such reports as are required for the Committee to discharge its duties.

The Committee is authorised to seek external legal and independent professional advice as it sees fit.

The Committee held three meetings during the year. The attendance table is on page 60.

Health and safety

The health and safety (H&S) of the Group's employees and consumers is a top priority for Compass and the Committee receives regular H&S reports from the Group CCO to enable it to monitor performance.

The Group has two Key Performance Indicators (KPIs) linked to the health and safety of colleagues and consumers: Total Recordable Injury Frequency Rate (TRIFR) and Food Safety Incident Rate (FSIR). The Committee sets limits for these KPIs at the beginning of the year and monitors performance over the course of the year to enable it to assess the effectiveness of the controls in place to mitigate the occurrence of workplace and food safety incidents across the businesses.

Performance outcomes for these two measures are linked to a total of 10% of the outcome of the executive director and senior management annual bonus plan.

Further details on the ESG measures in the annual bonus plan and the results for the financial year ended 2024, which the Committee is pleased to report are within the limits set at the start of the year, can be found on page 108.

At each meeting, the Committee considers a safety moment on topical aspects of H&S, or lessons learned from a recent incident. Each briefing aims to provide the Committee with a fuller understanding of the H&S matters faced by the businesses and how the lessons learned from such incidents are applied to mitigate the risk of a recurrence.

More details of H&S performance, initiatives, and areas of focus during the year are on pages 7 and 12.

Ethics and integrity

The Committee oversees the Group's E&I strategy, programme, policies and activities. To help the Committee in fulfilling its oversight responsibilities, it receives regular presentations and reports from the Group Head of E&I.

At its meeting in November 2023, the Committee received an update from the Group Head of E&I on the matters raised via the Group's SpeakUp, We're Listening platform in the 2023 financial year.

The Committee noted there had been an increase in overall case volumes and business integrity reports in the year as a result of E&I awareness activities and country-led initiatives.

There was also a favourable reduction in the risk profile, evidenced by the year-on-year decrease in the most serious reports, an increase in overall substantiation rates versus the prior year, and improvements in follow-up and case management processes. The Committee noted that the case substantiation rate and overall reporting profile were consistent with external benchmarks.

At its meeting in September 2024, the Committee received an update on the progress made during the year to further embed the E&I programme. Further progress had also been made in the roll out of the Group's Business Integrity Policy (BIP) through online training in all countries in local languages.

The Committee also noted that the E&I policy framework was completed during the year with the launch of the Third-Party Integrity Due Diligence Policy which is linked to other key governance processes such as supply chain risk management, the Major Risk Assessment process, and M&A due diligence; and that work will continue to further embed the policy and related processes into the local control environments in the coming year.

Learn more about our E&I programme and SpeakUp, We're Listening on our website: www.compass-group.com/en/who-we-are/ethics-and-integrity.html

Sustainability

In line with its oversight responsibilities in relation to the Group's sustainability strategy, the Committee continued its focus on sustainability and climate-related matters.

In May 2024, it was updated by the Group CCO on the work being undertaken to implement the evolving ESG regulatory reporting requirements including those of the International Sustainability Standards Board (ISSB) and the Corporate Sustainability Reporting Directive (CSRD), together with the timelines for adoption.

As part of the briefing, several activities were highlighted, including the CSRD scoping exercise that was being conducted by a cross-function working group in conjunction with external advisers to help identify the scope for Compass' first CSRD report for the financial year ending 2026, and the requirements of the ISSB standards expected to apply from the financial year ending 2025.

The Committee also received an update on the wider global ESG regulatory landscape, including developments in North America.

During the year, the Committee received a progress update on the deployment of digital tools to measure food waste. To support the Group's commitment to reduce food waste, at the beginning of the year under review a performance measure relating to reducing food waste was set linked to 5% of the annual bonus of executive directors and senior management. This year's measure relates to a year-on-year increase in the number of sites across the Group's businesses adopting food waste technology and also to the frequency of use of the technology.

The Committee is pleased to report that excellent progress has been made during the year with an increase in the number of sites globally deploying food waste tracking technology to record food waste. The outcome versus the target set at the beginning of the year is on page 108 and 109.

At its meeting in September 2024, the Committee received an update on the review of food safety controls, including the implementation of the Global Safety Standards which set a minimum standard for all operational sites in the Group.

The Committee also received updates on other activities designed to further strengthen the food safety controls environment, including: targeted audits of critical control points; independent audits of central production units; food safety audits undertaken by the Internal Audit function; and the implementation of digital tools to collect insights and impact outcomes.

More details on the Group's sustainability initiatives, including information on the Group's Scope 1, 2 and 3 emissions, are set out on pages 34 to 52.

People

Employee engagement is a powerful enabler for Compass' growth, and in November 2023 the Committee reviewed a presentation by the Group CPO summarising the results of the 2023 global employee engagement survey (comprising Your Voice in the US and pulse surveys in 18 other countries), which focused on wellbeing, opportunities for career progression, and inclusion. A deeper dive was also provided on the pulse surveys and actions taken to manage Compass' employee engagement.

In May 2024, the North America CPO briefed the Committee on the results of the latest US pulse survey, noting that the drivers for engagement included the advancement of positive relationships between managers and their reports, a sense of belonging and an understanding of company goals. The survey sought the views of employees in the Group's US business on motivation, teamwork, safety, and diversity, equity and inclusion.

The Committee reviewed participation and response rates, insights provided, and the areas of opportunity for further improvement that had been identified, together with corresponding action plans to help build better employee experiences.

During the year, the Committee also received summaries of the roundtable meetings which the Designated Non-Executive Director for Workforce Engagement, Ireena Vittal, held with employees from across the Group's businesses. Mrs Vittal shared observations from her meetings, noting that the sessions continued to offer valuable insights and remained popular with participants, who appreciate the Board taking a direct interest in their views.

The data and views of employees gathered from the employee engagement surveys and other engagement mechanisms, together with feedback from the roundtable meetings held by Mrs Vittal help to ensure the Board is aware of the views and concerns of the workforce so that these are considered in the Board's discussions and decision-making processes. More details of the meetings held by Mrs Vittal are on page 66.

The Compass Group Foundation

During the year, the Committee considered the work being done by The Compass Group Foundation (the Foundation), an independent registered charity that provides grants to charitable organisations in countries where Compass operates, to create inclusive job opportunities and support small and medium-sized local suppliers. A copy of the Foundation's first Impact Report, for the financial year ended 30 September 2023 (which can be found on our website), was shared with the Committee. The Committee noted that in its first year, the Foundation had awarded grants to 14 charitable organisations in eight countries, ranging from charities supporting people with disabilities to those helping to improve the livelihoods of small farmers. In the UK, the Foundation also partnered with FoodCycle, a national charity that fights food poverty and loneliness by serving community meals across the country. The Committee noted that, where possible, Compass employees volunteer their skills and expertise to amplify the Foundation's impact. More details of the Foundation's activities are on page 33.

Human rights and modern slavery

The Committee reviews the Group's Human Rights Policy every year to ensure that it remains fit for purpose and is aligned to the Group's people, performance and purpose strategy.

In September 2024, the Committee considered proposed minor changes to the policy to improve its alignment with stakeholder feedback and expectations and with Compass' broader ESG objectives. The Committee considered and subsequently recommended the revised Human Rights Policy to the Board for which the Board gave its approval.

Earlier in the year, the Committee also reviewed the Company's 2023 Modern Slavery Act statement (2023 MSA statement) and concluded that the statement reflected the progress made in the year, and met the requirements of section 54 of the Modern Slavery Act 2015. The Committee recommended the 2023 MSA statement to the Board, which the Board approved.

The 2024 MSA statement which was reviewed by the Committee at its meeting in November 2024, will be published on our website in December 2024: www.compass-group.com

Stakeholder engagement

During the year, the Committee considered the Group's stakeholder engagement activities with people, clients, consumers, suppliers, communities and NGOs, including key areas of focus, noting that sustainability was a common theme among stakeholder groups. In addition to the areas of focus, the Committee reviewed the purpose and methods of engagement with stakeholders.

Information on the approach to stakeholder engagement, including how the Board is apprised of the views of the Company's stakeholders, and how the matters set out in section 172 of the Companies Act 2006 have been considered in Board discussions and decision-making, is set out on pages 68 to 72.

Engagement with the Group's employees is described on page 66 and in more detail in the People section on pages 30 and 33.

Committee evaluation

No specific areas were identified in last year's evaluation process that required significant improvement. However, recognising the increasing importance of ESG to stakeholders, it was agreed that in 2024 the Committee would continue to focus on ESG matters including, in particular:

- sustainability and climate reporting
- health and safety
- diversity, equity and inclusion
- supply chain risk

These themes, together with the Committee's regular programme of work, shaped the Committee's agenda and were included in the principal activities during the year.

2024 evaluation

The outcome of this year's internal evaluation of the Corporate Responsibility Committee confirmed that the Committee continued to function effectively.

It was agreed that in the coming year the Committee would continue to focus on the following priorities:

- preparing for changes in ESG and reporting requirements
- overseeing health and safety performance, particularly in relation to food safety
- monitoring progress on safety performance
- tracking the Group's performance against its ESG commitments
- ensuring the Committee's agenda remains appropriately focused

These matters, together with the regular work of the Committee, will inform the Committee's agenda for the coming year.

Nelson Silva
Chair of the Corporate Responsibility Committee

26 November 2024

Nomination Committee Report

Ian Meakins
Chair of the Nomination Committee

Committee responsibilities

The Nomination Committee is responsible for ensuring that the composition and structure of the Board remain effective, balanced and aligned to the Company's strategic priorities.

The Committee also ensures the Group's governance facilitates the appointment and development of a diverse pipeline of effective talent that can deliver shareholder value over the long term.

In practice, this involves overseeing the:

- nomination
- induction
- evaluation, and
- orderly succession of directors

The Committee's full terms of reference are on our website:

www.compass-group.com.

Governance

Ian Meakins was appointed Chair of the Committee in December 2020. Committee membership comprises the Chair of the Committee and all the non-executive directors, and their biographies are on pages 56 to 59. The Board considers each member of the Committee (except the Chair of the Board, who was independent on appointment) to be independent in accordance with the criteria set out in the UK Corporate Governance Code 2018 (the Code).

The Chair of the Board acts as Chair of the Committee, except when dealing with their own succession when the meeting is usually chaired by the Senior Independent Director (SID). The Chair of the Committee attends the AGM to respond to questions on the Committee's activities.

Only members of the Committee have the right to attend meetings. Other individuals, such as the Group Chief Executive Officer (CEO), the Group Chief People Officer (CPO), other senior management and external advisers may be invited to attend all or part of any meeting, as and when appropriate. The Group General Counsel and Company Secretary, who acts as secretary to the Committee, attends all meetings.

The Committee held four meetings during the year. The Committee attendance table is on page 60.

Board succession planning

Succession planning is a core element of the Committee's work. When assessing succession plans for the Board, the Committee considers and evaluates the skills, knowledge, experience and diversity of its directors to ensure that the Board and its committees are well placed to discharge their duties.

The terms of the independent non-executive directors are also reviewed regularly to facilitate future refreshing of the Board and to maintain an appropriate balance. From these reviews, the Committee determines the skills, experience and attributes for any new appointees to ensure the Board and its committees continue to operate effectively.

During the year, the Committee reviewed Board succession plans over the medium to long term. During this assessment, it considered the structure, size and composition of the Board, taking into account the requirements of the Code and the UK Financial Conduct Authority's Listing Rules. Two new non-executive directors, Liat Ben-Zur and Juliana Chugg, were appointed in July and September 2024 respectively. More detail is on the opposite page.

Board appointment process

Procedures for appointing new directors are set out in the Committee's terms of reference. The appointment process is led by the Chair of the Board, except where the appointment is for their successor, when it is usually led by the SID. When appointing a new Chair of the Board, the process includes an assessment of the time commitment expected, recognising the need for the Chair of the Board to be available in the event of a crisis.

Before appointing a director, the Nomination Committee agrees a candidate specification setting out the role, personal qualities and capabilities required. The Board promotes an environment which is supportive of individuals from diverse backgrounds, and in identifying suitable candidates the Committee:

- uses open advertising or the services of external advisers to facilitate the search
- considers candidates from different genders and a wide range of backgrounds
- considers candidates on merit and against objective criteria, bearing in mind the benefits of diversity on the Board
- ensures that candidates have enough time to devote to the position, considering any other significant commitments

Depending on the strategic and succession plans of the Company, where appropriate the Company will consider individuals who may not have direct PLC experience, but who have experience of leading complex, global-scale organisations. The Committee believes that this approach broadens the talent pool.

The Committee considers the selection and reappointment of directors carefully, before making a recommendation to the Board. Non-executive directors and the Chair of the Board are generally appointed for an initial three-year term, which may be extended for a further two three-year terms. Reappointment is not automatic at the end of each term.

Appointment of new directors

Non-executive directors

During the year, the Committee launched a recruitment process to facilitate the appointment of two additional non-executive directors in support of the Board's succession plans and the Group's strategic aims.

The selection process was led by the Chair of the Board who was assisted by the Group CPO and Group General Counsel and Company Secretary. The Committee used the services of two executive search firms to identify suitable candidates: Egon Zehnder (EZ) and Essenta. EZ is used from time-to-time by the Company for the recruitment of senior executives. Both firms are independent of and have no other links with the Company or its directors.

Position specifications were prepared for both appointments in conjunction with the Committee, setting out the desired attributes, experience and personal style for the successful candidates. To identify a diverse pool of candidates, the searches considered individuals who did not have direct PLC experience, but who possessed experience of leading complex, global-scale organisations. Potential candidates were also required to demonstrate that they had sufficient time available to devote to the role.

In executing the search strategy for two non-executive directors, and to ensure a diverse range of candidates, a wide pool of potential candidates was identified. From this, a long-list was compiled and following further review, a number of individuals were profiled and considered by the Company. A short-list was drawn up and candidates were interviewed by the Chair and Group CPO before progressing to the second stage of interviews with the Group General Counsel and Company Secretary and Group CEO. Candidates who were considered to best match the role requirements were then put forward to meet with the SID and other members of the Board. After detailed discussions and careful consideration, the Nomination Committee concluded and recommended to the Board that Liat Ben-Zur be appointed to the Board with effect from 1 July 2024, which the Board approved. Liat's experience and credentials as a transformative technology executive with over 27 years' experience in driving digital transformation and product innovation, together with her strategic insights in disruptive technologies and product-led growth, were considered to meet the Board's brief favourably.

More recently, the Committee recommended the appointment of Juliana Chugg as a non-executive director with effect from 26 September 2024. Juliana is a seasoned non-executive director, following a successful executive career as a transformative leader in the FMCG and food sectors. She brings a strong international perspective with a passion for the food and food services industries, together with experience of general management, marketing and governance. The Committee concluded that Juliana would be an excellent addition to the Board, as Compass continues to focus on its growth ambitions.

Liat and Juliana will stand for election at the 2025 AGM.

Executive directors

As previously reported, Gary Green retired as Group Chief Operating Officer (COO), North America and as a director of Compass Group PLC on 30 November 2023. Through the Board and Executive Committee succession planning processes, Palmer Brown succeeded Gary as the Group COO, North America on 1 December 2023 and Petros Parras succeeded Palmer as Group Chief Financial Officer (CFO) on the same date.

Induction process

On joining the Company, new non-executive directors receive a formal, comprehensive and tailored induction programme designed to address the individual's needs and role. It includes meetings with senior management, the external auditor and external advisers, together with technical briefings and site visits, which facilitate an effective introduction to the Group's businesses and culture. Since their appointments, both Liat Ben-Zur and Juliana Chugg have commenced personalised induction programmes designed to provide a good understanding of the Group's businesses, the competitive environment and the UK regulatory and governance landscape, to ensure they are effective in their roles.

Petros Parras was appointed Group CFO on 1 December 2023. As he already had a number of years' experience at Compass and was familiar with the Group and its operations, his induction programme was tailored to meet his specific needs, including, amongst other matters, training on directors' duties and UK corporate governance.

Non-executive directors' terms and responsibilities

Nelson Silva and Ireena Vittal were first appointed to the Board in July 2015 and completed their nine-year terms in July 2024. The Committee recommended to the Board that their terms in office be renewed until the conclusion of the Company's 2025 AGM when they will retire from the Board. In making their recommendation, the Committee concluded that Ireena Vittal and Nelson Silva retained the necessary independence of character and judgement and there are no relationships or circumstances that are likely to affect or could appear to affect their judgement. Ireena Vittal and Nelson Silva will not stand for re-election at the 2025 AGM.

The Committee further proposed that Liat Ben-Zur succeed Ireena Vittal as Designated Non-Executive Director for Workforce Engagement on 1 October 2024, and that Arlene Isaacs-Lowe succeed Nelson Silva as Chair of the Corporate Responsibility Committee at the conclusion of the 2025 AGM. The Board approved the Committee's recommendations.

The Board also approved the Committee's recommendations to reappoint Anne-Françoise Nesmes, John Bryant, Arlene Isaacs-Lowe and Sundar Raman who joined the Board in July and September 2018, and November 2021 and January 2022 respectively, for further three-year terms. In making their recommendations, the Committee considered the experience and skills of each director, their exemplary attendance records, and their continued ability to commit sufficient time to their roles at Compass.

Senior management succession planning

The Committee oversees the development of a strong and diverse pipeline of high-calibre individuals capable of discharging executive-level responsibilities. The succession planning process includes a review of talent at senior level. This enables the Committee to monitor and evaluate the strength of the talent pipeline, its composition, its diversity and the training and development needs within the Group's senior leadership.

During the year, the Committee focused on succession planning for the Group's North America business and the Group Executive Committee.

In May 2024, the Committee reviewed the succession plans for the North America business with the Group CPO and the Group COO and CPO, North America. The Committee focused on the talent pipelines and plans in place relating to executive, functional and operational roles, and senior leadership roles in each business sector, designed to ensure business continuity and to support sustainable growth. An update was also provided by the North America CPO on the approach to recruiting, developing and retaining talent, together with an update on diversity, equity and inclusion initiatives designed to ensure that there are diverse talent pipelines in place reflecting the diversity of the consumers and communities served by the North America business. The Committee noted the actions that had already been completed to help the business achieve its aims, including a review of talent identification, retention and development, and of the readiness of individuals to undertake key roles.

In September, the Committee reviewed the succession plans for the Executive Committee with the Group CEO and Group CPO. The pipeline for talent for each role was reviewed, including candidates' readiness for promotion and progress against development plans.

Diversity, equity and inclusion

Board diversity and inclusion

At Board level, the approach to appointing new directors reflects the Committee's objective to ensure there is always an appropriate balance of experience and backgrounds on the Board, while recognising the benefits of diversity in its broadest sense. For this reason, members of the Board are drawn from a wide range of disciplines, industries and cultures.

Financial Conduct Authority diversity disclosure table

Gender identity or sex	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
Men	8	57%	3	5	56%
Women	6	43%	1	4	44%

Ethnic background	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
White British or other white (including minority-white groups)	11	79%	4	8	89%
Mixed/multiple ethnic groups	–	–	–	1	11%
Asian/Asian British	2	14%	–	–	–
Black/African/Caribbean/Black British	1	7%	–	–	–

1. The information above is shown as at 26 November 2024 so as to provide the most up-to-date disclosure. The UK Listing Rules set board diversity targets for listed companies that (i) at least 40% of the board are women, (ii) at least one of the roles of CEO, CFO, Chair and SID is held by a woman, and (iii) at least one director is from a minority ethnic background. Compass has met these targets. Data is collected in the UK for Board members and is compiled for the purposes of the Parker Review and reconfirmed annually and consent is obtained from the relevant directors in accordance with the requirements of the Parker Review. Data for executive management is also collected in the UK for the purposes of this disclosure and to help us progress our DE&I agenda and is disclosed with consent from the individual executive manager.
2. Ireena Vittal and Nelson Silva, who have completed their nine-year tenures, will retire from the Board at the conclusion of the 2025 AGM. Notwithstanding these future changes, the Company will continue to meet the FCA's diversity targets.

Group diversity, equity and inclusion

The Committee reviews the Group's policy on workforce diversity, equity and inclusion, and its objectives and links to strategy.

During the year, the Committee received a presentation from the Group CPO on diversity which provided data insights on diversity at director, executive, senior leader, management and other employee levels within the Group. The Committee was also briefed on the progress being made to improve diversity, equity and inclusion, including work to further strengthen the pipeline of women through managed career paths, improved access to opportunities and the removal of barriers to progression.

The Committee also considered the Parker Review requirements for ` FTSE 100 companies to set and report against voluntary targets to increase ethnic diversity at senior management level, and to disclose their progress against the 2027 deadline for meeting the targets in their annual report. The Committee was advised that the Company had, as required, shared ethnicity data in December 2023 with the Department for Business & Trade.

The Committee considered the proposal to set targets and whether these were in alignment with and supportive of the Group's diversity, equity and inclusion strategies. The Committee agreed that the goal to be representative of the communities served by Compass remained the correct ambition, but felt that a global target would not be appropriate or meaningful due to the legislative environment and other sensitivities in certain regions. It was, however, acknowledged that the target of 14% ethnic minority representation for employees for the Group's UK & Ireland business, set as part of its Social Promise, was appropriate for that population. A progress update will be provided in the 2025 Annual Report.

More details on the Group's diversity, equity and inclusion initiatives can be found on pages 30 to 33. Information on Board and Executive Committee gender and ethnicity is shown above. Gender diversity of Executive Committee direct reports can be found on page 33.

The Board's Diversity and Inclusion Policy together with the Group's Diversity, Equity and Inclusion Policy are on our website: www.compass-group.com.

Time commitment, and training and development

The Committee performed its annual evaluation of the time required from the Chair of the Board, SID and non-executive directors to perform their duties. As part of this process, the Committee reviewed each director's external commitments and reflected on their attendance at meetings and their availability at other times during the year.

During the year, the Board members continued to receive training to enhance their understanding of the business, including an online refresher training module on the Group's Management and Performance (MAP) framework, the common methodology and language used across the Group to understand the five drivers of performance at Compass. More details on MAP are on page 4. The directors also participated in a discussion session hosted by an external expert on the capabilities and uses of artificial intelligence (AI) and its potential impacts for Compass' businesses and for wider society. This was particularly relevant to the Board as Compass continues to focus on its digital strategies.

In addition, the directors continue to receive regular regulatory and governance updates from the Group General Counsel and Company Secretary and other in-house and external subject-matter experts and advisers.

Additional and future training needs are considered and addressed as required.

Board and committee evaluation

Lintstock was retained in 2022 for a period of three years to carry out the 2022 external evaluation and to support the internal evaluations in 2023 and 2024, providing the technology to distribute questionnaires and collate responses. This year was the final year of the three-year cycle. Lintstock, is independent of and has no other ties with the Company or its directors.

2024 evaluation

In May, based on a clear and comprehensive brief by the Chair of the Board and the Group General Counsel and Company Secretary, questionnaires were prepared and distributed by Lintstock which focused on the effectiveness of the Board and its committees. The questionnaires, which considered a wide range of topics including strategic oversight, risk oversight, stakeholder oversight, Board composition and dynamics, management and focus of meetings, and the identification of priorities for the coming year, were completed by Board members and the Group General Counsel and Company Secretary. Members of the Executive Committee completed a separate questionnaire which sought their views on Board dynamics across five themes: exposure to the Board, relationships and communications, support and challenge, supporting growth, and suggestions for improving Board and Executive Committee dynamics.

The outcome of the evaluation process (except the performance evaluation of the Chair of the Board, which was reviewed by the SID) was initially shared with the Chair of the Board and the Group General Counsel and Company Secretary, followed by the other directors. All reports were subsequently presented to the Committee at its meeting in July.

The evaluation concluded that the Board and its committees continue to be effective and that each of the directors continues to contribute effectively to Board and committee meetings.

A number of priorities were agreed for the Board for the year ahead:

- continuing to focus on succession planning and talent management as a strategic priority
- continuing to assess growth opportunities across all regions and exploring adjacencies
- leveraging technological capabilities, including digital, data and AI, to achieve a competitive advantage

Together with the regular work of the Board, these topics will inform the Board's agenda for the coming year.

Priorities identified from this year's evaluation of the Audit, Corporate Responsibility and Remuneration Committees can be found on pages 78, 81 and 118 respectively.

Nomination Committee evaluation

The priorities identified by the Committee following last year's external evaluation process were:

- as part of Executive Committee succession planning, review individuals' progress against their development plans
- review the talent strategy and how this supports the Group's growth ambitions

Together with the Committee's regular programme of work, these themes shaped the Committee's agenda and were included in the principal activities during the year under review.

This year's internal evaluation of the Nomination Committee confirmed that the Committee continued to be effective and identified the following priorities for the year ahead:

- continuing to focus on executive succession, including for leaders below Executive Committee level
- non-executive succession, including committee leadership
- making further progress on diversity

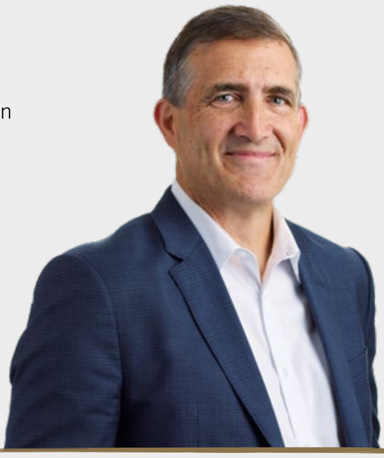
These themes, together with the regular work of the Committee, will inform the Committee's agenda for the coming year.

IK Meakins

Ian Meakins
Chair of the Nomination Committee

26 November 2024

Remuneration Committee Report



John Bryant
Chair of the Remuneration Committee

Committee responsibilities

- the Committee determines the Directors' Remuneration Policy (the Policy) and is responsible for setting the remuneration of the Chair of the Board, executive directors and the other members of the Executive Committee
- the Committee ensures that members of the Executive Committee are appropriately incentivised to drive the Group's performance and are rewarded for their contribution to the long-term sustainable success of the business by designing, monitoring and assessing incentive arrangements, including setting stretching targets and assessing performance and outcomes
- the Committee reviews remuneration arrangements for other senior executives within the Group and has regard to the remuneration philosophy of the organisation when developing policy and considering executives' packages, monitoring the relationship between executive remuneration arrangements and those of the wider workforce
- the Committee maintains an active dialogue with major shareholders and ensures their views and those of the proxy advisers are sought and considered when determining the Remuneration Policy

The Committee's full terms of reference are on our website:

www.compass-group.com.

Dear Shareholder

I am delighted to present to you our Directors' Remuneration Report (DRR) for the financial year ended 30 September 2024. It has been a very busy time for the Committee. Alongside our usual activities, we undertook a thorough review of our Remuneration Policy. This Report sets out the Committee's deliberations and rationale, and the data-driven decisions that we have made during the year in connection with the new Remuneration Policy (the 2025 Policy) and other remuneration-related matters.

Introduction

Ahead of drafting the proposed 2025 Policy, we were committed to gaining a clear understanding of shareholders' views, and with this in mind we commenced engagement a year in advance of our 2025 AGM. Over the following six months, we engaged with over 100 shareholders representing over three-quarters of our issued share capital (ISC), and received strong endorsement for our proposals on the quantum of opportunity. The overall view on the appropriateness of our pay for performance approach was unanimous. It was therefore in this context that we focused our review on ensuring that the Policy contains an appropriate pay mix, with a market-aligned level of opportunity consisting largely of performance-related 'at-risk' pay, with the right metrics in place to support the growth of our business. All of this is underpinned by the need to attract, motivate, and retain the best talent to ensure that Compass remains a world leader in food service and a world-class investment proposition. As part of the consultation, we heard a range of divergent views on our incentive plan performance measures which we considered and have reflected in our final proposals.

We believe that our proposed 2025 Policy reflects the feedback we received from shareholders and will stand the test of time, supporting the Group's future growth ambitions.

We have also aligned our Long-term Incentive Plan (LTIP) rules to the proposed 2025 Policy. The amended LTIP rules will be presented to shareholders for approval at the AGM. Our Restricted Share Award (RSA) Plan, which is limited to employees below Board level, will also be submitted to shareholders for approval at the AGM. Executive directors will not be eligible for awards under the RSA Plan.

Details of the proposed 2025 Policy are summarised later in this letter, and the proposed 2025 Policy is set out on pages 97 to 106.

During the year, the Committee continued its rigorous approach to assessing performance, receiving and reviewing regular updates on performance against the incentive plan targets, and ensuring stringent controls on how activity such as mergers and acquisitions (M&A) is treated, so as to ensure that management continues to be rewarded for making the right decisions which are in the long-term interests of the Company.

Executive director changes

As previously announced, Palmer Brown succeeded Gary Green as Group COO, North America, on 1 December 2023, following the announcement of Gary's retirement. Petros Parras was appointed Group CFO on the same date. The departure terms for Gary Green, and the remuneration terms for Palmer Brown and Petros Parras, were disclosed in the 2023 DRR, and further details are set out later in this Report.

Business context

Compass is a global business, with around 580,000 employees operating in around 30 countries. Over two-thirds of our revenues are generated in North America, where approximately half of the Group's employees are based. We continue to grow, both in size and complexity, with acquisitions helping us expand deeper into our core markets.

Our strategic acquisitions of CH&CO in the UK and Ireland and HOFMANN's in Germany, Austria and Switzerland provide further accelerated growth and strengthen our capabilities. Subsequent to the year-end, the Group also completed the acquisition of Dupont Restauration, a food services business in France, and agreed to acquire 4Service AS, a catering and facility management services business in Norway. We have exited, or agreed to exit, nine non-core countries, further improving the quality of our portfolio.

Our strong performance is evident in our year-end results, where we have delivered organic revenue growth of 10.6%, including net new business growth of 4.2%.

Looking ahead, industry outsourcing trends remain favourable, providing Compass with an exciting pipeline of new business growth opportunities.

2024 performance outcomes

Bonus outcome

The exceptional financial results and operational performance are reflected in bonus outcomes for the year. We have delivered profit growth of 16.4%, with continued strong cash generation providing flexibility to invest in growth and reward our shareholders, and made strong progress against our ESG targets, achieving the rollout and regular usage of food waste recording technology in almost 10,000 units. This has resulted in an outcome of 100% of maximum under the annual bonus plan for the Group CEO, Group CFO and Group COO, North America.

When determining the outcome for the annual bonus plan, the Committee considered the business performance and operating environment and the wider stakeholder experience on a holistic basis, in addition to the formulaic outcomes.

One-third of the bonus earned by each executive director will be deferred into shares for a period of three years. The remainder of the bonus will be paid in cash. The cash payment and deferred bonus shares will be subject to malus and clawback provisions for a period of three years following payment/award. No discretion has been exercised in respect of bonus payments for 2023-2024. Full details of the targets and outcomes are set out on pages 108 to 109.

LTIP outcome

The 2021-2022 LTIP award was based on a three-year performance period which ended on 30 September 2024. Performance measures and their associated weightings under this award were: 40% on Return on Capital Employed (ROCE), 40% on Adjusted Free Cash Flow (AFCF) and 20% on relative Total Shareholder Return (TSR).

The business delivered ROCE of 19% and AFCF of $4,756 million over the three-year performance period ended 30 September 2024. Compass' TSR performance was in the upper quartile of the comparator group (FTSE 100 excluding financial services), with Compass outperforming the index by 9.9%, ranking 9th out of the 73 constituents remaining in the comparator group at the end of the performance period.

All three of the performance conditions under the 2021-2022 award were met, resulting in the award vesting in full. The Committee considered it important to undertake a comprehensive and holistic review of performance, on both an absolute and relative basis, to determine whether the payout level was consistent with the performance achieved and, in so doing, to make a judgement as to whether any adjustment should be made to the vesting decision beyond the formulaic outcome. Given the strength of delivery, degree of outperformance versus peers, top-quartile TSR performance, and the progress made on multiple strategic priorities, the Committee is satisfied that the vesting outcome is a fair reflection of performance over the period.

2025 Remuneration Policy review

Context

Since the appointment of Dominic Blakemore as Group CEO on 1 January 2018, Compass has generated total shareholder returns of 41.1% (as measured to 30 September 2024), compared to a FTSE 100 index return of 25.4% and returns of no more than 4% at our closest peers (3.2% at Aramark, 0.3% at Sodexo and -88.3% at Elior). This has resulted in the creation of £14.7 billion in shareholder value over this period for Compass shareholders.

This performance demonstrates the ability of our management team to deliver sustained, long-term growth for the business and our shareholders relative to our peers. This performance has also been reflected in our results: for example, the delivery of significant operating profit growth, building momentum across all regions, delivering double-digit organic revenue growth, and an underlying operating margin of 7.1%.

Our strategy for growth has been supported by our shareholders and it has been successful in delivering significant returns compared to a number of our peers.

As we strive for transformative growth and progress in our core markets, it is imperative that we have a Policy that retains, attracts and motivates the high-calibre talent that we need to execute our ambitious strategy. As it stands, we continue to face challenges in respect of the incentivisation and retention of our senior management in a highly competitive talent market. This is pertinent across the wider executive population, including roles immediately below the Executive Committee, where we are experiencing pay compression.

Over the past few years, there has been a growing debate around how truly global companies such as Compass, with significant exposure to international markets, and in particular the US, can compete on pay for talent at a senior level, whilst operating within the UK corporate governance framework. We have experienced this first hand, with the attrition of some senior individuals. These individuals were offered remuneration packages significantly above what we would be able to offer them without compromising the internal relativity of remuneration at Compass.

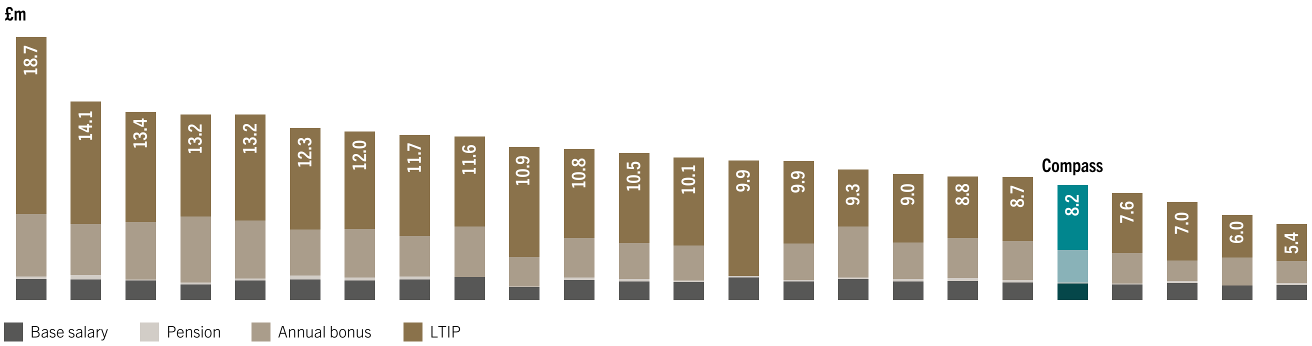
Nonetheless, as a UK-listed company, we are subject to and are mindful of UK governance expectations. We have not sought to replicate US pay practices for our executive directors, but we remain acutely aware of the need to remunerate fairly in local markets and of the wider impacts across the senior team of being a global player. We are committed to taking a measured approach, maintaining our internal pay differentials whilst still enabling Compass to compete for talent in relevant markets.

Current remuneration competitiveness and peer group selection

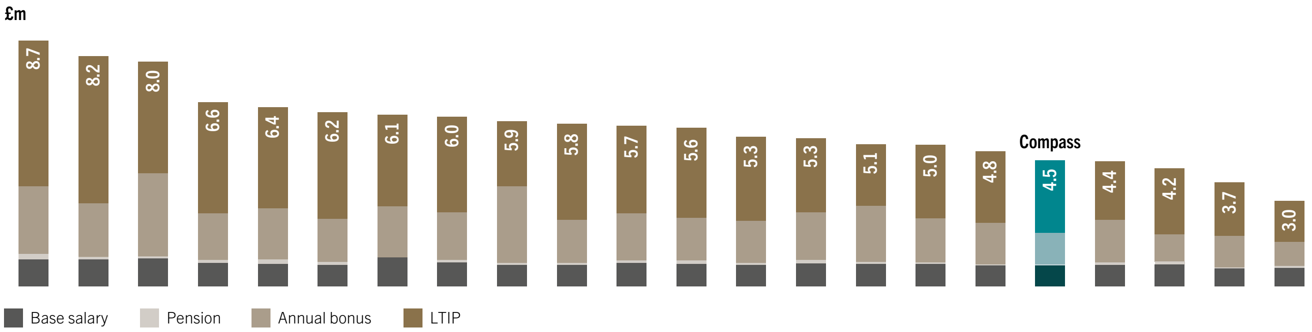
As part of this review, we have considered the competitive positioning of our senior management remuneration. We have chosen the FTSE 30 (excluding financial services (FS) companies) as our peer group for remuneration purposes for the Group CEO and Group CFO as Compass has consistently been in this group. In addition, this group is amongst the most international of UK companies and therefore represents a selection of peers that are closest to the size and scale of Compass. A peer group consisting of other food services companies was considered, however our main competitors are significantly smaller than Compass, some with remuneration arrangements materially above the current and proposed levels at Compass.

Even amongst UK peers, we remunerate relatively conservatively. Over the current Policy cycle, we have consistently been positioned around the middle of the FTSE 30 by market capitalisation, yet maximum total remuneration is the 5th lowest for the Group CEO and 5th lowest for the Group CFO (FTSE 30 ex. FS) as shown in the following charts.

Chief Executive Officer: current maximum Policy remuneration vs FTSE 30 ex. FS



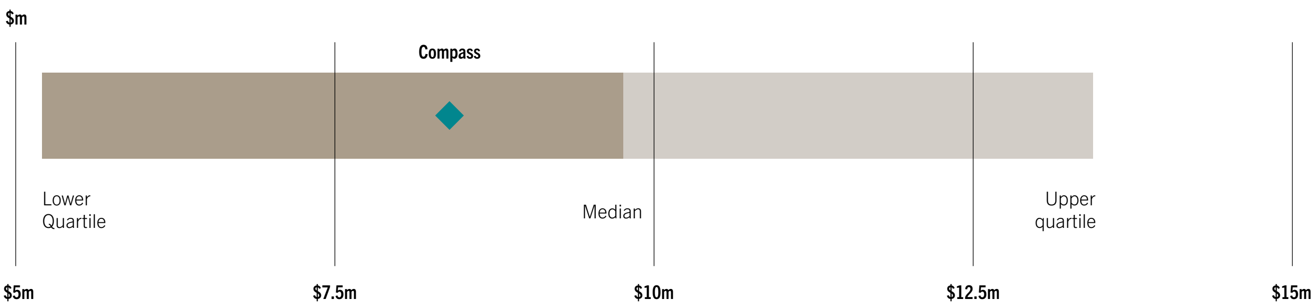
Chief Financial Officer: current maximum Policy remuneration vs FTSE 30 ex. FS



Chief Operating Officer, North America: current maximum Policy remuneration vs North America peer group

Given Palmer Brown's role as Group COO, North America, a FTSE 30 ex. FS peer group as a single lens is not appropriate as the scope and location of this role requires consideration of the US market. The Committee therefore primarily considered US market data in determining the appropriate remuneration for this role. This data is based on a range of companies of a similar size and complexity to Compass. The Group COO, North America benchmark uses independently collated proprietary data, some of which is not in the public domain. As such, the data presented in this Report shows the total remuneration benchmarking quartiles for these roles, and the current remuneration level relative to these benchmarking quartiles.

The Committee is satisfied that this peer group is the most appropriate as it directly reflects the positioning of the role within Compass, the geographic location of the role, and the size of the North America business. On a maximum total direct compensation basis (including salary, bonus and long-term incentives), the Group COO, North America sits between the lower quartile and median of the bespoke peer group (i.e. broadly consistent positioning with the Group CEO and Group CFO roles versus the FTSE 30 ex. FS group). This positioning is driven principally by the significantly higher long-term incentive opportunities typically offered in the US market.



Compass is one of the more complex businesses within the FTSE 30 ex. FS comparator group relative to our size and whilst we are currently ranked 14th by market capitalisation, we rank 9th by revenue, and are by far the largest employer.

Median ranked by market capitalisation…

Market capitalisation scale rank	Company	Market capitalisation (£m)
1	AstraZeneca	179,648
2	Shell	150,896
3	Unilever	120,352
4	Rio Tinto	91,173
5	RELX	65,409
6	BP	63,701
7	GSK	62,860
8	BAT	60,330
9	Diageo	57,919
10	London Stock Exchange	56,404
11	Glencore	52,182
12	National Grid	50,326
13	Rolls Royce	44,838
14	**Compass**	**40,636**
15	BAE	37,418
16	Experian	36,138
17	Haleon	35,808
18	Anglo American	32,490
19	Reckitt	31,704
20	Ashtead	25,302
21	Tesco	24,584
22	SSE	20,816
23	Antofagasta	19,845
24	Vodafone	19,622

…but top 10 by revenues…

Revenue scale rank	Company	Annual revenue (£m)
1	Shell	253,958
2	Glencore	174,718
3	BP	168,543
4	Tesco	68,187
5	Unilever	51,719
6	Rio Tinto	43,346
7	AstraZeneca	36,745
8	Vodafone	31,623
9	**Compass**	**31,028**
10	GSK	30,328
11	BAT	27,283
12	Anglo American	24,589
13	BAE	23,078
14	National Grid	19,850
15	Rolls Royce	16,486
16	Diageo	16,105
17	Reckitt	14,607
18	Haleon	11,302
19	SSE	10,457
20	RELX	9,161
21	Ashtead	8,641
22	London Stock Exchange	8,359
23	Experian	5,644
24	Antofagasta	5,073

…and with the most employees

Employee scale rank	Company	Number of employees
1	**Compass**	**579,126**
2	Tesco	225,659
3	Unilever	128,000
4	Shell	103,000
5	BAE	99,800
6	AstraZeneca	89,900
7	BP	87,800
8	Vodafone	85,887
9	Glencore	83,426
10	GSK	70,212
11	Anglo American	58,000
12	Rio Tinto	57,000
13	BAT	46,725
14	Rolls Royce	41,400
15	Reckitt	40,000
16	RELX	36,500
17	National Grid	31,425
18	Diageo	30,092
19	Antofagasta	29,000
20	Ashtead	25,935
21	London Stock Exchange	25,608
22	Haleon	24,000
23	Experian	22,813
24	SSE	14,980

Data as at 30 September 2024.

Engagement with shareholders on the 2025 Policy review

As described in depth in our 2023 DRR, the Committee has a well-established relationship with its major shareholders, conducting robust engagement processes during periods of change, and continuing engagement outside these times. During 2023, the Committee sought the views of many shareholders in respect of our 2022 Policy and its implementation, and consequently had a good understanding of where to focus in respect of the 2025 Policy.

Formal consultation with shareholders commenced early in 2024. During the process, we engaged with over 100 of our largest shareholders. We also engaged with the three main proxy agencies. Our major shareholders have been overwhelmingly supportive of the proposals on remuneration quantum and recognise the rationale behind the changes we are proposing. The key themes emerging from the consultation process were:

- understanding of the size, scale and complexity of Compass and the need for this to be reflected in how we remunerate our executive directors
- recognition of the US dimension and its necessary impact on the 2025 Policy
- acceptance of the retention challenge and need for competitiveness in a global talent market
- welcoming of the Company's reassurance and commitment to ensure suitably robust and stretching targets to reflect the new increased opportunities
- divergent views on the proposal to change the LTIP performance metrics and weightings, with more support for the preservation of the current focus on cash and return metrics
- overall support for the philosophy underpinning our proposed 2025 Policy

Proposed changes for 2025

Given the performance of the Company and the macro environment in which it operates, and taking into consideration the feedback received as part of the shareholder consultation, we are proposing to make the following changes to the 2025 Policy.

Maximum incentive opportunity under the 2025 Policy

In reviewing our remuneration arrangements, our underlying motivation is to provide the capacity and flexibility to both attract and retain executive directors over the full life of our Remuneration Policy whilst ensuring that we are managing the relativities between all executives fairly in the process. In addition, we have sought to ensure that a significant proportion of total remuneration continues to be focused on the delivery of long-term performance.

As highlighted above, the Committee is not seeking to increase quantum to be aligned to our US peers, nor are we seeking to be aligned with US pay models, despite our significant exposure to the US from a talent and commercial perspective.

Nonetheless, we have considered the US pay context whilst using the comparison with our UK peers in the FTSE 30 ex. FS as our main reference point, in order to support our determination of an appropriate total remuneration package for our executive directors going forward. We have chosen the FTSE 30 ex. FS as our principal peer group. Over the past two financial years, Compass has consistently been positioned around the middle of this group, having progressed from around 20th position during the first year of operation of the 2022 Remuneration Policy, as the Company continued its recovery from the impact of restrictions imposed during the COVID-19 pandemic.

To that end, we are proposing to increase the incentive opportunity available under the Remuneration Policy for our executives as set out in the table below. It is our intention to move our executives to these levels at an appropriate point in time, reflective of various factors, including incumbent performance and experience, Company performance and shareholder value created, and the general talent landscape.

Shareholding requirement changes

We are conscious of the importance of long-term shareholding for our executives in order that their interests are linked with those of shareholders. As such, for any increase in LTIP opportunity that we implement, we propose to increase the shareholding requirements for executives by a commensurate amount, as shown in the table below.

Implementation of the 2025 Policy

The Committee is confident that the changes proposed will continue to enable Compass to motivate and retain our executive directors, and to align with the delivery of our growth strategy, rewarding the creation of sustainable long-term shareholder value.

A significant part of the Policy review was to assess the remuneration package of the executive directors on a holistic basis, assessing the market positioning of the overall remuneration package, and considering each remuneration element individually. Dominic's base salary is currently positioned just below the lower quartile of the FTSE 30 ex. FS, despite him having served as Group CEO for almost seven years, almost twice the median tenure of those within the peer group.

Within the context of Dominic's sustained strong performance in role, the success of the business over the period and his proven track record of delivery, and the critical need to retain Dominic, the Committee took the view that his base salary should be recalibrated. The proposed salary of £1,400,000 (an increase of 20.7%) will be effective 1 January 2025, bringing this broadly in line with the median of the FTSE 30 ex. FS. The Committee considered whether to phase the implementation of the 2025 Policy increase for the Group CEO. Dominic will be entering his eighth year as Group CEO at the time of the proposed increase. Given this tenure and sustained exceptional performance since his appointment, the Committee took the view that an immediate recalibration was appropriate in these specific circumstances. The Committee is very mindful that this increase is significantly larger than the expected average increase of the wider UK population, and how this may be perceived. However, this approach is in line with that taken throughout the wider organisation, that where an individual's base salary is deemed to be significantly below the market, the appropriate recalibration will take place.

The Committee determined base salary increases of 2.03% for the Group CFO and 2.07% for the Group COO, North America, effective 1 January 2025. These are below the average increase for employees across the wider UK population, which is expected to be around 5% during 2025, inclusive of the impact of national minimum wage and The Living Wage increases in the UK.

The Committee proposes to phase the increase in LTIP opportunity for the Group CFO and Group COO, North America, such that the LTIP award for the Group CFO will increase from 350% to 375% of salary for the 2024-2025 award, with a second-stage increase from 375% to 400% of salary from 2025-2026 and beyond. Similarly, the LTIP award for the Group COO, North America will increase from 350% to 400% of salary for the 2024-2025 award, with a second-stage increase from 400% to 450% of salary from 2025-2026 and beyond. To recognise tenure and performance in the role, the LTIP award for the Group CEO will increase from 400% to 500% of salary for the 2024-2025 award.

The Committee intends to grant LTIP awards to executive directors at the maximum levels permitted under the current Policy, shortly after the 2024 full year results announcement.

Subject to shareholder approval of the 2025 Policy, the Committee intends to make top-up LTIP awards to executive directors as soon as practicable following the 2025 AGM, to bring the in-year awards for 2024-2025 to the percentage highlighted in the table below, based on their prevailing salary at the date of the top-up award.

A summary of the proposed changes to the Policy and how the Committee intends to implement the 2025 Policy for the financial year 2024-2025 is set out in the table below, and on the pages that follow.

	Maximum opportunity (% of salary)						
	Annual bonus			Long-term Incentive Plan (LTIP)			
Executive Director	Current Policy	Proposed Policy	**2024-2025 award**	Current Policy	Proposed Policy	**2024-2025 award**	Shareholding requirement (% of salary)
Dominic Blakemore Group CEO	200%	250%	**250%**	400%	500%	**500%**	Aligned to 2024-2025 LTIP award
Petros Parras Group CFO	150%	200%	**200%**	350%	400%	**375%**	Aligned to 2024-2025 LTIP award
Palmer Brown Group COO, North America	150%	200%	**200%**	350%	450%	**400%**	Aligned to 2024-2025 LTIP award

Pay positioning following implementation

The resulting positioning highlights that we are not making proposals to simply chase a certain benchmarking position. Instead we have been considerate of each individual's experience in their role and for 2024-2025 chose to exhibit restraint in not utilising the full headroom within the proposed 2025 Policy for both the Group CFO and Group COO, North America. We will continue to keep the opportunities under review over the life of the 2025 Policy to ensure that they continue to appropriately reflect the experience and responsibilities of each of our Executive Directors.

Incentive performance measures

The Committee recognises the importance of the alignment between remuneration, the business, and our key strategic aims, and ensuring that executives are rewarded only for delivering against our strategy. As a result, the Committee has sought the views of major shareholders, and having carefully considered the incentive performance measures that will apply on an ongoing basis. Changes to the bonus measures for the Group CEO and Group CFO were made for 2023-2024 to reflect our ongoing strategy and these bonus measures will now also apply to Palmer Brown in his capacity as Group COO, North America, for 2024-2025.

The feedback from shareholders highlighted divergent views on the most appropriate LTIP performance measures. Whilst there was some support for the adoption of earnings per share as a key measure in the LTIP, the most significant shareholder feedback supported the retention of cash flow and ROCE measures. Having reflected on this feedback, the Committee resolved to retain the existing cash flow, ROCE and relative TSR measures in the LTIP. The Committee reviewed the appropriateness of the peer group within the TSR measure and whether to adopt a bespoke peer group. There are relatively few companies of significant scale in our sector; Compass has three to four times the market capitalisation of our main competitors, and having a very small comparator group can mean that relatively small differences in performance outcomes can lead to materially large and undesirable movements in payout levels. As such, the Committee resolved to retain a broader index-based comparator group to mitigate these effects.

We will keep the performance measures under review to ensure that the LTIP remains appropriately aligned to the prevailing business strategy and objectives.

The 2024-2025 targets within the annual bonus plan and for the LTIP award have been reviewed to ensure that these are appropriately robust and stretching in the context of the increased incentive opportunity. The ranges and proposed targets were debated by the Committee during the target-setting process to ensure that the increased incentive opportunity is earned only in the case of additive performance. If maximum performance is achieved under the targets that have been set, this will result in the creation of significant shareholder value for the benefit of our shareholders, clients and colleagues.

Concluding remarks

I would like to take this opportunity to thank our major shareholders, key institutional investor bodies, proxy agencies and other stakeholders for the time taken to engage with us on the Remuneration Policy during the year.

We welcome your feedback on all aspects of our approach to executive pay and I look forward to continuing our open dialogue.

I hope that you will join the Board in supporting the resolution to approve the 2024 Directors' Remuneration Report and the 2025 Policy at the upcoming AGM. I remain available for any shareholders who wish to discuss any of the content set out in this Report ahead of the AGM.

John Bryant
Chair of the Remuneration Committee

26 November 2024

Committee summary

Activities during the year

The key activities of the Committee during 2024 are set out below. The Committee also monitors performance and regularly reviews discretionary matters relating to individuals below executive director level in connection with the Company's share plans. It also agrees the terms of appointment and exit arrangements for executive directors and other members of the Executive Committee. The Committee held five scheduled meetings during the year, details of which are set out below:

November 2023

- reviewed salaries for the Executive Committee and executive directors effective 1 January 2024, taking into consideration the budgets for salary reviews across the Group
- determined performance outcomes for the 2020-2021 LTIP awards and 2022-2023 annual bonus plan
- set targets for the 2023-2024 annual bonus plan
- approved the structure and proposed quantum of the 2023-2024 LTIP awards
- considered the vesting of the Senior Manager Incentive Plan Plus (SMIPP) for US participants
- approved the 2023 draft DRR
- assessed the share ownership compliance of directors against the share ownership guidelines

March 2024

- held an initial discussion on the proposed 2025 Policy

May 2024

- approved the appointment of the Committee's new adviser
- received a performance update on the 2023-2024 annual bonus plan
- received a performance update on the extant LTIP awards
- considered the wider employee perspective including an employee landscape dashboard and remuneration of the highest earning individuals in the Group
- received an update on external remuneration trends from external advisers
- considered proposals in respect of the 2025 Policy and approved shareholder engagement materials

July 2024

- considered shareholder feedback in respect of the proposed 2025 Policy and discussed and approved the approach going forward

September 2024

- considered additional feedback from engagement with shareholders in respect of the proposed 2025 Policy
- received an update on progress against 2023-2024 annual bonus targets and in-flight LTIP awards
- reviewed the broader Company remuneration philosophy
- determined the structure and measures for the 2024-2025 LTIP awards and 2024-2025 annual bonus plan
- reviewed the draft DRR for 2024
- reviewed the fee for the Chair of the Board
- undertook the annual review of the Committee's terms of reference

Governance

John Bryant was appointed Chair of the Remuneration Committee in February 2023. Membership of the Committee comprises the Chair of the Committee and all the other independent non-executive directors. Members are appointed by the Board following recommendation by the Nomination Committee. Biographies of Committee members are on pages 57 to 59.

The Committee meets at least twice a year. The quorum necessary for a meeting is two. The Committee held five scheduled meetings during the year, two of which were held specifically to discuss the proposed 2025 Policy. The Committee attendance table is on page 60. The Chair of the Committee attends the AGM, either virtually or in person, to respond to shareholder questions on the Committee's activities.

Only members of the Committee have the right to attend its meetings. The Group General Counsel and Company Secretary acts as Secretary to the Committee and attends all meetings. The Group Chief People Officer and the Group Reward Director are invited to attend meetings to advise on remuneration matters. The Chair of the Board, Group CEO and Group CFO may also attend by invitation. No individual attends meetings where their own remuneration is discussed or in circumstances where their attendance would not be appropriate. The Committee is authorised to seek external legal and independent professional advice as it sees fit. Details of the advisers to the Committee can be found on page 118.

Structure and content of the Report

This DRR has been prepared on behalf of the Board by the Committee in accordance with the requirements of the Companies Act, The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, The Companies (Miscellaneous Reporting) Regulations 2018 and The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019. The sections include:

- the Committee's key activities in the year, followed by an 'at a glance' summary of the 2023-2024 performance and remuneration outcomes, a summary of the proposed 2025 Policy and remuneration in the wider employee context
- the proposed 2025 Policy effective 6 February 2025, subject to shareholder approval, and details of the consultation undertaken with shareholders on the proposed changes
- how the 2022 Policy was implemented during 2024 and how the proposed 2025 Policy will be implemented in 2025

Auditable disclosures are the:

- executive directors' single total figure of remuneration (page 107)
- non-executive directors' remuneration (page 111)
- long-term incentive awards (page 109 to 111, and 113)
- extant equity incentive awards held by executive directors (page 114)
- directors' interests (pages 114 to 115)
- payments to past directors (page 115)
- payments for loss of office (page 115)

Remuneration at a glance

Linking pay to performance

Bonus | LTIP

Organic revenue growth
- Organic revenue growth (Bonus)

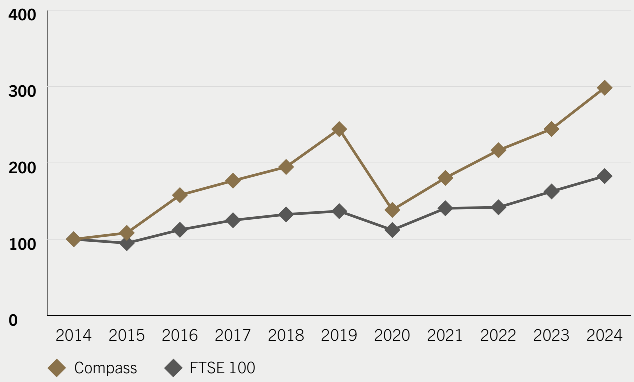
Operating efficiencies
- PBIT growth (Bonus)
- Operating margin (Bonus)
- Cash conversion (Bonus)
- Return on capital employed (LTIP)
- Adjusted free cash flow (LTIP)

Competitive advantage
- Workplace safety (Bonus)
- Food safety (Bonus)
- Food waste (Bonus)

Shareholder returns
- Relative TSR (LTIP)

2024 performance highlights

Total shareholder return (TSR) – Compass vs FTSE 100 (£)



Total shareholder return

The performance graph shows the Company's TSR performance against the performance of the FTSE 100 over the 10-year period to 30 September 2024. The FTSE 100 Index has been chosen as a broad equity market index of which the Company has been a constituent member throughout the period.

KPIs

11% Organic revenue growth

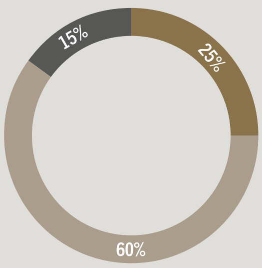
7.1% Underlying operating margin

16.4% PBIT growth

Remuneration outcomes in 2024

2023-2024 annual bonus plan

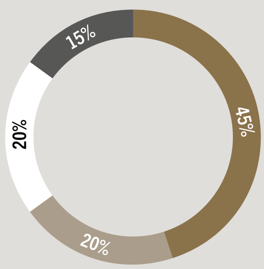
Dominic Blakemore
Petros Parras



Measure	Outcome
PBIT growth	100%
Cash conversion	100%
ESG	100%

100% for the Group CEO and Group CFO

Palmer Brown

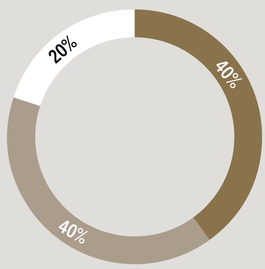


Measure	Outcome
Operating margin	100%
Cash conversion	100%
Organic revenue growth	100%
ESG	100%

100% for the Group COO, North America

2021-2022 LTIP award

Dominic Blakemore
Palmer Brown



Measure	Outcome
ROCE	100%
AFCF	100%
Relative TSR	100%

100% for the Group CEO and Group COO, North America

The 2021-2022 LTIP award granted to Petros Parras pre-dates his appointment as an executive director.

2023-2024 single total figure of remuneration

Dominic Blakemore

24	£9,499k
23	£7,498k

Petros Parras

24	£1,645k
23	N/A

Palmer Brown

24	£6,441k
23	£2,271k

The remuneration levels in 2024 reflect the Group's exceptional performance, where record levels of performance have been achieved in many areas, and strong shareholder returns delivered.

The Group COO, North America's 2023 remuneration excludes LTIP awards which predate his appointment as an executive director.

Remuneration Policy summary

The below table sets out a summary of our current and proposed Remuneration Policy for executive and non-executive directors, as well as its proposed implementation for 2025.

<table>
<tr><th>Element and summary of 2022 Policy</th><th>Summary of proposed 2025 Policy changes</th><th>Implementation of 2025 Policy for 2024-2025</th></tr>
<tr><td>Base salary
Base salaries are reviewed annually with any increases normally taking effect on 1 January of each year.</td><td>No change.</td><td>2025 base salary levels effective 1 January 2025:<table><tr><th>Director</th><th>Salary</th></tr><tr><td>Dominic Blakemore</td><td>£1,400,000 (20.7% increase)</td></tr><tr><td>Petros Parras</td><td>£755,000 (2.03% increase)</td></tr><tr><td>Palmer Brown</td><td>$1,429,000 (2.07% increase)</td></tr></table>The average increase for employees across the wider UK workforce is expected to be around 5% during 2025.</td></tr>
<tr><td>Benefits and pension
Benefits include, but are not limited to, healthcare for executive directors and their dependants, limited financial advice, life assurance and car benefit.
Pension cash allowances are aligned to the maximum rate available to the majority of the wider UK workforce (currently 6% of base salary).</td><td>No change.</td><td>No change in benefits or pension arrangements for 2025.</td></tr>
<tr><td>Annual bonus plan
The maximum award for the Group CEO is 200% of base salary and for the other executive directors is 150% of base salary.
One-third of the bonus for executive directors is subject to mandatory deferral into shares, for a period of three years.
Awards are subject to malus and clawback.</td><td>The maximum award for the Group CEO is 250% of base salary and for the other executive directors is 200% of base salary.
No change to structure of the plan including deferral and malus and claw-back provisions.</td><td>The measures and weightings for the 2025 bonus will be as follows:<table><tr><th>Measure</th><th>Weighting</th></tr><tr><td>PBIT growth</td><td>60%</td></tr><tr><td>Cash conversion</td><td>25%</td></tr><tr><td>ESG</td><td>15%</td></tr></table>Measures are based on Group performance for the Group CEO and Group CFO, and North America performance for the Group COO, North America</td></tr>
<tr><td>Long-term Incentive Plan
Maximum opportunity of 400% of salary for the Group CEO and 350% of salary for other executive directors.
A two-year holding period applies following the three-year performance period. Awards are subject to malus and clawback.</td><td>Maximum opportunity of 500% of salary for the Group CEO, 450% for Group COO, North America and 400% for the Group CFO.
No change to structure of the plan including holding period and malus and clawback provisions.</td><td>The LTIP award levels for 2025 will be as follows:<table><tr><th>Director</th><th>LTIP award</th></tr><tr><td>Group CEO</td><td>500%</td></tr><tr><td>Group CFO</td><td>375%</td></tr><tr><td>Group COO, North America</td><td>400%</td></tr></table>Performance measures for the 2024-2025 award are ROCE, AFCF and relative TSR, weighted 40%, 40% and 20% respectively</td></tr>
<tr><td>Shareholding requirements
4x base salary minimum shareholding requirement for the Group CEO and 3.5x base salary for other executive directors, normally expected to be achieved within five years.
Executive directors are required to hold the lower of: (i) their shareholding at the date of termination of employment; or (ii) shares equivalent to their share ownership guideline at that date, for a period of two years post-employment.</td><td>An increase in the shareholding requirement, aligned to the LTIP award granted in the relevant financial year.</td><td>Shareholding requirement to align with the 2024-2025 LTIP award:<table><tr><th>Director</th><th>Shareholding requirement</th></tr><tr><td>Group CEO</td><td>5x</td></tr><tr><td>Group CFO</td><td>3.75x</td></tr><tr><td>Group COO, North America</td><td>4x</td></tr></table></td></tr>
<tr><td>Chair of the Board and non-executive director fees
The fees for the non-executive directors are reviewed and determined by the Board each year to reflect appropriate market conditions, and may be increased if considered appropriate.</td><td>No change.</td><td>Fees for non-executive directors for 2024-2025:<table><tr><td>Chair of the Board fee</td><td>£620,000 (4.0% increase)</td></tr><tr><td>Non-executive director base fee</td><td>£103,500 (3.9% increase)</td></tr><tr><td>Senior Independent Director fee</td><td>£30,000 (no increase)</td></tr><tr><td>Committee Chair fee</td><td>£30,000 (no increase)</td></tr></table></td></tr>
</table>

Remuneration in the wider context

Engaging with our employees

Our people are at the heart of our business, and we want our employees to thrive in a fair and inclusive work environment. Understanding their needs and motivations helps us to provide a great place to work and to drive business performance.

Engagement with our employees takes many forms, including surveys, roundtables, townhall meetings, SpeakUp, We're Listening reports, and initiatives taken in conjunction with trade unions and other employee consultative bodies. Our Designated Non-Executive Director for Workforce Engagement (DNED) also held roundtable discussions with employees from around the Group during the year, gathering colleagues' views and sharing feedback with the Board.

Pages 68 to 71 provide an overview of how we engaged with employees and other stakeholders in 2024.

Details of the roundtable sessions are set out on page 66.

Our employee dashboard

When considering executive remuneration and setting the Remuneration Policy, the Committee takes into consideration the wider workforce. A detailed employee landscape dashboard was presented to the Committee at its May 2024 meeting. The dashboard covered the following areas:

Employee landscape dashboard

Inflationary pressures	Throughout the year, we continued to monitor the inflationary pressures faced by many employees in the Group, and where appropriate made tactical changes to help mitigate the impact of inflation and improve employee retention. Below are some examples of our actions. Our UK&I business: – is a Living Wage Recognised Service Provider – continued to provide colleagues with free meals, a practice which was first introduced during the pandemic – provided enhanced access to loans from external providers for individuals who would not ordinarily meet the eligibility criteria of high-street lenders, and access to early pay-days – provided access to a Helping Hands fund to support with emergency and unexpected payments – provided financial education seminars covering money management, Compass' benefits, share plans, savings and investments and retirement planning – extended access to medical plans Other businesses: – in markets with high inflation such as Türkiye, India and Poland, in keeping with local market practice our local businesses operated additional salary reviews during the year to mitigate the impact of inflation – for colleagues in North America, 50% of earned wages can be accessed in advance of pay-day, helping them to manage their finances more effectively – continued to provide colleagues with free meals across a number of markets
Minimum and Living Wage	The UK business has made significant progress tackling low pay across the UK, with 67% of employees receiving the Real Living Wage or above, at 30 September 2024, compared to 37% of employees in 2020, when the UK business first became a Real Living Wage Recognised Service Provider.
Gender and ethnicity pay gap	The Compass UK gender pay gap, reported in 2024, reduced further from 12.6% to 8.2%, which is below the national average of 14.3%. Female representation at senior management level, including chef roles, is a focus for the business. 37% of chefs in our businesses are female, above the industry average of 20%. The Compass UK ethnicity pay gap was published for the first time in 2022. Our UK&I business reported in 2024 that there was no ethnic minority pay gap, i.e. a median of 0%. To continue progress in this area, our UK business is now breaking down the data of its ethnic minority colleagues further, to provide greater insights to establish if specific groups need extra support or a different approach to progression.
CEO pay ratio	The Committee reviews the CEO pay ratio and the reasons for any movement in the ratio each year. Further detail can be found on page 116.
Pay across the organisation	The Committee continues to review the structure of the Group's long-term share plans and to ensure eligibility and participation remain appropriate. In 2023-2024 a total of 450 colleagues below the Executive Committee were granted long-term share awards. We have a broadly consistent annual bonus plan across our leadership team, with outcomes in the 2023-2024 financial year based on local, regional and Group performance. Further detail on our approach to remuneration below Board level is set out on the following page.

Alignment of executive and workforce remuneration

Component	Executive directors	Below Board level
Base pay	Salary increases as a percentage of salary are normally aligned with, or lower than, the average percentage increase for the wider UK population.	The average salary increase for employees across the wider UK population is expected to be around 5% during 2025, inclusive of the impact of national minimum wage and The Living Wage increases in the UK.
Benefits	Benefits are aligned to market practice.	Core employee benefits are competitive and reflect local market practice.
Pension	Pension allowance of 6% of base salary, which is aligned with the maximum rate available to the majority of the wider UK workforce.	Pension arrangements reflect local market practices and requirements. The maximum rate available to the majority of the wider UK workforce is currently 6% of salary.
Annual bonus	Maximum annual bonus opportunity of 250% of base salary for the Group CEO and 200% of base salary for other executive directors. Annual bonus is subject to performance against financial and ESG measures. One-third of any bonus earned by executive directors is deferred into shares for three years.	Annual bonus opportunities vary by role. For the global leadership team, the principles of the annual bonus plans are consistent with those for executive directors. They include financial performance targets based on the agreed budget, where target bonus is normally calibrated for the delivery of budget. ESG measures also apply. Alternative annual bonus structures may be used below the global leadership team to meet local requirements and regulations, such as profit-sharing or role-focused arrangements (e.g. sales or procurement targets).
Long-term incentives	Maximum Long-term Incentive Plan opportunity of 500% of base salary for the Group CEO, and 450% and 400% of base salary for the Group COO, North America and Group CFO respectively (on a phased basis) as detailed on page 90). Long-term Incentive Plan awards are subject to performance against financial targets measured over a three-year period, followed by a two-year holding period.	The Long-Term Incentive Plan (LTIP) is in place across the Executive Committee and the global leadership team. Eligibility is determined by role and individual contribution. We also operate a Restricted Share Award (RSA) Plan below executive director level, which supports recruitment, retention and M&A activity. Awards are typically made four times a year. During 2023-2024, a total of 450 colleagues below the Executive Committee received an award under the LTIP and/or RSA Plan.

Remuneration Policy

This section of the Report sets out our new Directors' Remuneration Policy (the 2025 Policy).

Our current Policy was approved at the AGM held on 3 February 2022. The full version of the current 2022 Policy approved by shareholders can be found in the 2023 Annual Report on the Company's website.

The proposed 2025 Policy, which will be presented to shareholders for approval at the AGM on 6 February 2025, is detailed in full in the following section. If approved, the 2025 Policy will take effect from the date of the AGM. Until then, the Policy approved on 3 February 2022 will continue to apply.

A full description of, and rationale for, the proposed changes to the Remuneration Policy are set out in the Remuneration Committee Chair's statement; and as set out in the statement, we were pleased that across our shareholder base there was a broad understanding of the rationale for the updates we are proposing, and support for the proposals themselves.

The 2025 Policy has been designed to incentivise executives to deliver the Company's strategic objectives. A significant proportion of remuneration is performance-related, based on a selection of targets linked to key business drivers which can be measured and understood by both executives and shareholders.

The Committee may make minor amendments to the Policy (for example for tax, exchange control, regulatory or administrative purposes) without obtaining shareholder approval.

The Committee reserves the right to make any remuneration payments, and payments for loss of office (including using any discretion available to it in connection with such payments), notwithstanding that they are not in line with the Policy set out below where the terms of the payment were agreed: (i) before 3 February 2022 when the 2022 Policy came into effect, or before 6 February 2025 when the 2025 Policy is intended to come into effect, provided that the terms of the payment were consistent with the Directors' Remuneration Policy in force at the time they were agreed; or (ii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Committee, the payment was not in consideration of the individual becoming a director of the Company. For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to share awards, the terms of the payment are 'agreed' at the time the award is granted.

The Committee considers the general pay and employment conditions of employees across the Group and is sensitive to these, to prevailing market and economic conditions and to governance trends when assessing the level of salaries and remuneration packages of executive directors and other members of the Executive Committee. Executive directors have a greater proportion of their total remuneration package at risk than other employees; however, the structure and principles of incentives are broadly consistent. The wider employee population of the Group will receive remuneration that is considered to be appropriate in relation to their geographic location, level of responsibility and performance.

Remuneration Policy and practices in the context of the UK Corporate Governance Code 2018 (the Code)

The Committee has considered the Remuneration Policy and its practices in the context of the principles of the Code, as follows:

Clarity – the Committee endorses a transparent approach to pay, by engaging regularly with executives, shareholders and their representative bodies to explain the approach to executive pay and how it links to Compass' strategy. We are also committed to clear and transparent disclosure on all aspects of executive remuneration.

Simplicity – the purpose, structure and strategic alignment of each element of pay have been clearly laid out in the Remuneration Policy. The incentive arrangements are well understood by both participants and shareholders. The Committee monitors the structure of both the annual bonus and long-term incentive plans to ensure they are easy to understand and avoid unnecessary complexity. Additionally, the Committee ensures there is sufficient flexibility to exercise discretion and override formulaic outcomes where necessary.

Risk – the Committee ensures a careful balance between competitive pay and performance-driven incentives, to mitigate any risk of excessive rewards or encouraging the wrong type of behaviours. There is an appropriate blend of fixed and variable pay elements which, alongside the Committee's ability to exercise overarching discretion on Compass' performance within the year, allows for a holistic assessment of performance in the year. There are robust measures in place to ensure alignment with long-term shareholder interests, including the post-vesting holding period, shareholding requirement, malus and clawback provisions and mandatory deferral of a proportion of bonus into shares.

Predictability – our Directors' Remuneration Policy contains both target and maximum opportunity details for our incentives, with actual performance outcomes dependent upon performance achieved against the targets for the period. Additionally, potential remuneration opportunities under different performance scenarios are set out on page 104 of this Report.

Proportionality – executives are incentivised to achieve stretching, business-linked targets over annual and three-year performance periods, ensuring strong alignment with the business' objectives and the creation of long-term sustainable value for shareholders. The Committee assesses performance holistically at the end of each period, taking into account underlying business performance as well as the internal and external market context. The Committee may exercise discretion to ensure that payouts appropriately reflect the experience of the Group during the year.

Alignment with culture – to ensure alignment across the organisation, executive director pension cash allowances are aligned to the maximum rate available to the majority of the wider UK workforce. Additionally, the health and safety of our employees, clients and consumers is a priority for Compass, with 15% of the annual bonus plan measures focused on ESG metrics. Our measures are meaningful to our business and aligned to our ESG strategy, reflecting the importance of health and safety and the impact of reducing food waste on the environment.

Developing our new Policy for 2025

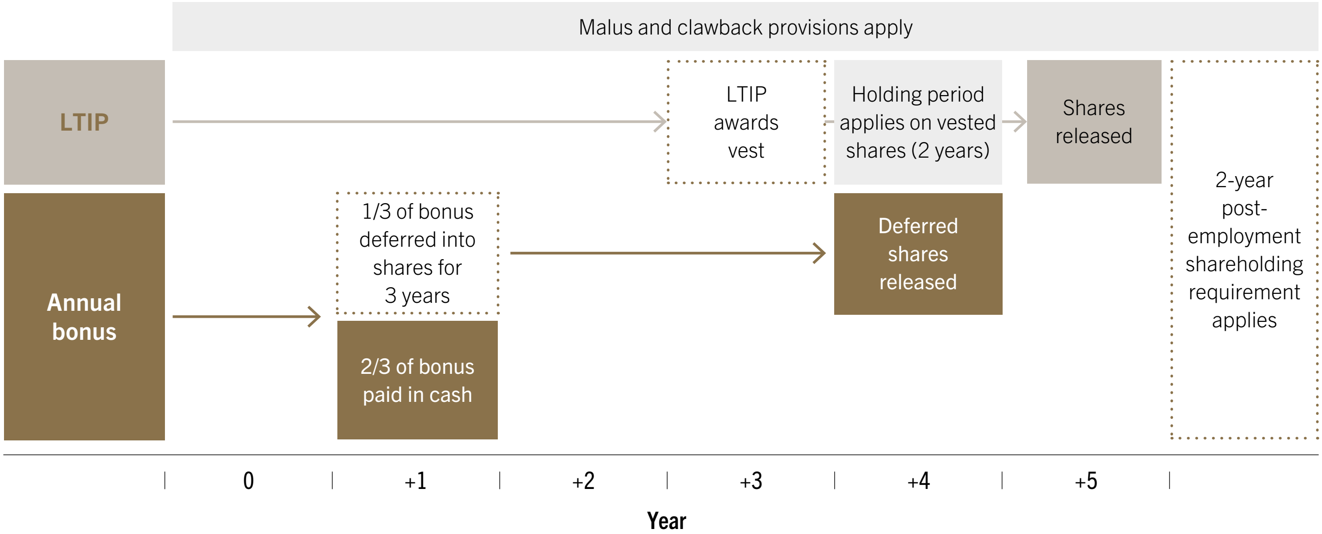
Our review of executive remuneration arrangements at Compass has been underpinned by the key reward principles which drive our approach to pay, all of which we believe support shareholders' best interests:

The principles of our 2025 Policy centre on our ability to retain and recruit top talent over the long term:

Global competitiveness	Long-term sustainable talent development	Pay for performance	Market positioning	Balanced approach
Considering practice when compared to companies of a similar financial and operational size, global footprint and business complexity, as well as the competitive market for talent in our sector.	It is important for us to retain our executives' skills, capabilities and deep sector experience at a key time in our growth trajectory.	Commitment to ensuring incentive outcomes are supported by the underlying performance of the business and aligned with shareholder experience.	Ensuring remuneration packages are aligned appropriately to attract, retain and incentivise key talent.	Balancing any increase in remuneration opportunity with appropriate safeguards, stretching performance targets, and best practice in corporate governance.

Remuneration Policy structure

As set out in the Committee Chair's statement, the structure of the Remuneration Policy remains effective; however, following detailed market analysis undertaken of a relevant peer group, it became apparent that the quantum needed to be reviewed. The current structure is set out below.



Changes from 2022 Policy

Full details of the rationale for our changes to the Remuneration Policy are set out in the Remuneration Committee Chair's statement. A summary of the changes proposed is included below.

Updates to variable remuneration opportunities

Our underlying motivation is to provide the capacity and flexibility to both attract and retain executive directors over the life of our 2025 Policy, whilst ensuring that we are managing the relativities between all executives fairly in the process. To that end, we are proposing to increase the incentive opportunity available under the Remuneration Policy for our executives as set out below, although it should be noted that we are not intending to utilise this full headroom in 2024-2025:

- Group CEO increase in annual bonus opportunity from 200% of salary to 250% of salary, and increase in LTIP opportunity from 400% of salary to 500% of salary
- Group CFO increase in annual bonus opportunity from 150% of salary to 200% of salary, and increase in LTIP opportunity from 350% of salary to 400% of salary
- Group COO, North America increase in annual bonus opportunity from 150% of salary to 200% of salary, and increase in LTIP opportunity from 350% of salary to 450% of salary

Increased shareholding requirements

We are conscious of the importance of long-term shareholding for our executives, in order that their interests are linked with those of shareholders. The shareholding requirements will therefore be increased for each executive director to align with the LTIP opportunity in the year.

Shareholder consultation

The Company is committed to ongoing engagement and seeks major shareholder views in advance of proposing significant changes to its remuneration policies. In formulating the revised 2025 Policy, we consulted extensively with over 100 shareholders, representing over three-quarters of Compass' issued share capital, and the three main proxy agencies. We are grateful for the valuable input received from everyone we engaged with. The majority of shareholders were supportive of our proposals and understood the rationale we put forward in light of our global reach, historical performance, and the need to continue to attract and retain talent to sustain our future growth.

The overall timeline for the consultation is shown below.

2024 AGM

March

March 2024

Initial engagement with shareholders introducing the 2025 Policy review: Engaged with 10 largest shareholders representing one-third of our issued share capital (ISC).

May 2024

Engagement with shareholders as we developed our 2025 Policy: Engaged with c.30 major shareholders representing over half of our ISC, outlining our proposed approach.

May

May and June 2024

Engagement with shareholders as we developed our 2025 Policy: Further discussions with 15 shareholders representing around 40% of our ISC.

July

July 2024

Follow-up letter to top 30 shareholders, with further engagement with an additional 80 other shareholders, providing feedback from first round of consultation and setting out revised proposals which incorporated shareholder feedback.

July to September 2024

Calls with shareholders who requested further discussion following the update letter, along with calls with the three main proxy agencies.

Sept

We will continue to engage with our shareholders in the lead-up to the 2025 AGM.

2025 AGM

February 2025

2025 Policy formally proposed to shareholders at 2025 AGM.

● Remuneration Committee Meeting

The Committee intends to continue with engagement following the 2025 AGM and throughout the year as and when appropriate.

Component parts of the remuneration package

The key components of the 2025 Policy to be put forward to a binding shareholder vote at our 2025 AGM are set out below:

Component and link to strategy	Operation of component	Maximum opportunity	Performance measures
Base salary Reflects the individual's role, experience and contribution. Set at levels to attract and retain individuals of the calibre required to lead the business.	Base salaries are reviewed annually with any increases normally taking effect on 1 January of each year. Salaries are appropriately benchmarked and reflect the role, job size and responsibility as well as the performance and effectiveness of the individual.	Whilst there is no prescribed formulaic maximum, any increases will take into account prevailing market and economic conditions as well as increases for the wider workforce. Increases may be above this for example, when an executive director: progresses in the role; gains substantially in experience; experiences a significant increase in the scale of the role; or was appointed on a salary below the market median. Reasons will be appropriately explained in the relevant year's Annual Report.	None.
Benefits and pension To provide a competitive level of benefits.	Benefits include but are not limited to: healthcare for executive directors and their dependants, limited financial advice, life assurance and car benefit. These are offered to executive directors as part of a competitive remuneration package. The Committee has the discretion to offer additional allowances or benefits to executive directors, if considered appropriate and reasonable in the circumstances. These may include but are not limited to relocation expenses, housing allowance and school fees where appropriate. Executive directors are invited to participate in the Company's defined contribution pension scheme (or local plan) or to take a cash allowance in lieu of pension entitlement.	The cost of providing these benefits can vary in accordance with market conditions, which will, therefore, determine the maximum value. The Company's pension contribution (or pension cash allowance as appropriate) is aligned to the maximum rate available to the majority of the wider UK workforce (currently 6% of base salary).	None.

Component and link to strategy	Operation of component	Maximum opportunity	Performance measures
Annual bonus Incentivises and rewards the achievement of stretching one-year key performance targets set by the Committee at the start of each financial year.	The annual bonus is earned by the achievement of performance over the financial year against targets set by the Committee at the start of each financial year. It is delivered in cash or a combination of cash and deferred bonus shares. The Committee retains discretion to adjust the bonus outcomes to ensure that they reflect underlying business performance. The annual bonus is subject to malus and/or clawback for a period of three years following the date of payment or grant of an award in the event of: discovery of a material misstatement in the accounts or in the assessment of a relevant performance condition; where the action or conduct of a participant amounts to fraud or serious misconduct or has a detrimental impact on the reputation of the Group; a material corporate failure; or the occurrence of any other exceptional event as determined at the discretion of the Committee. One-third of the bonus for executive directors will be subject to mandatory deferral into shares, for a period of three years. Dividend equivalents may be accrued on deferred bonus shares.	Maximum bonus opportunity expressed as a percentage of base salary: – Group CEO: 250% – other executive directors: 200% No bonus is payable for performance below threshold level.	Performance is measured over the financial year. Performance measures and weightings are determined by the Committee each year and may vary to ensure that they promote the Company's business strategy and shareholder value. The performance measures and their percentage weightings may vary, depending upon a director's area of responsibility. Performance measures may include, but are not limited to, profit, revenue, margin and cash flow. Strategic KPIs including ESG measures may also be chosen. However, the overall metrics will normally be weighted to financial measures. Annual bonus targets are set with reference to internal budgets and analyst consensus forecasts, with maximum payout requiring performance well ahead of budget. A bonus underpin may be operated so that the bonus outcome is reduced if the underpin performance is not met. Details of the specific measures applying to the bonus for 2024-2025 are shown in the Annual Remuneration Report on page 112.

Component and link to strategy	Operation of component	Maximum opportunity	Performance measures
Long-Term Incentive Plan (LTIP) Incentivises and rewards executive directors for the delivery of longer-term financial performance and shareholder value. Share-based to provide alignment with shareholder interests.	An annual conditional award of ordinary shares which may be earned after a three-year performance period, based on the achievement of stretching performance conditions. Executive directors normally hold vested LTIP shares (net of any shares sold to meet tax and social security liabilities) for a period of two years post vesting. Calculations of the achievement of the targets are independently assessed and are approved by the Committee. The Committee will consider the Group's underlying performance over the performance period and has discretion to adjust the final vesting level to take this into account. Dividend equivalents may be accrued on the shares earned from LTIP awards. Malus and clawback rules operate in respect of the LTIP. The Committee may decide at any time before an award vests, or for a period of three years after an award vests, that any participant will be subject to malus and/or clawback in the event of: discovery of a material misstatement in the accounts or in the assessment of a relevant performance condition; the action or conduct of a participant amounting to fraud or serious misconduct or having a detrimental impact on the reputation of the Group; a material corporate failure; or any other exceptional event as determined at the discretion of the Committee. Awards are delivered in shares. However, the rules contain provisions to deliver value in cash if necessary (for example, due to securities laws), subject to the discretion of the Committee, determined at any time up to the awards' release. In the event of a change of control, any unvested awards will normally vest immediately, subject to satisfaction of performance conditions and reduction on a time-apportioned basis.	Awards may be made at the following levels of salary: – Group CEO: 500% – Group CFO: 400%[1] – Group COO, North America: 450%[1] For performance measures other than TSR, 0% of the award vests for performance below threshold, increasing to 50% vesting for achievement of on-target performance, increasing further to maximum vesting for achievement of maximum performance. Vesting between points is on a straight-line basis. Any element of an award based on relative TSR will vest in full for top-quartile performance and 25% of that element of the award will vest if performance is at the median relative to the chosen peer group. Awards will vest on a straight-line basis between median and top-quartile performance achievement. No shares will be released for this element of an award if the Company's TSR performance is below the median.	Performance is measured over three financial years. Performance measures and weightings are determined by the Committee each year. They are typically weighted significantly towards financial metrics, and aligned to the prevailing business strategy and objectives. The Committee will consult with major shareholders prior to making material changes to performance measures. Performance measures for the 2024-2025 award are ROCE, AFCF and relative TSR, applying 40%, 40% and 20% respectively. LTIP targets are set with reference to a range of relevant reference points which may include internal budgets and analysts' consensus forecasts, with maximum payment requiring stretching performance. Details of the targets for the LTIP award to be made in 2024-2025 are set out, as required, in the Annual Remuneration Report on page 113.

1. Increases in LTIP opportunities will be implemented on a two-phase basis for the Group CFO and Group COO, North America, with an award of 375% and 400% for the Group CFO and Group COO, North America respectively for the 2024-2025 award, granted in the first year of the 2025 Policy.

Notes to the policy table

Incentive plans

The LTIP described in the table on page 102 (known as The Compass Group PLC Long Term Incentive Plan 2018) is the primary form of equity incentive for executive directors.

Compass Group PLC Long Term Incentive Plan 2018 (LTIP)

Shareholders will be invited to vote on proposed changes to the LTIP rules at the 2025 AGM. It is proposed to amend the LTIP rules (which were last approved by shareholders at the 2018 AGM) to remove the individual limits upon which awards are currently calculated by reference to fixed salary multiples and to specify that awards granted to executive directors will be subject to the individual limits specified in the Policy from time-to-time. In addition, some further amendments are being proposed to ensure the LTIP rules reflect the latest institutional shareholder guidelines on dilution limits, including the Investment Association's Principles of Remuneration published in October 2024, and to introduce some flexibility to accommodate any future changes in institutional shareholder guidelines.

Restricted Share Award Plan (RSA Plan)

Shareholders will also be invited to approve the RSA Plan at the 2025 AGM. The RSA Plan was previously adopted by the Board in March 2019 and amended by resolution of the Committee in November 2020. Participation in the RSA Plan is at the discretion of the Committee and awards may be granted to any employee (other than executive directors) of the Company or any subsidiary. It is now proposed to further amend the RSA Plan and to allow treasury shares and newly-issued shares to be used to satisfy awards, subject to the restrictions contained in the Investment Association's Principles of Remuneration as amended from time-to-time.

Shareholder approval will be sought at the 2025 AGM for the approval of the RSA Plan and the amendments to the LTIP rules. Further details are set out in the 2025 Notice of Annual General Meeting.

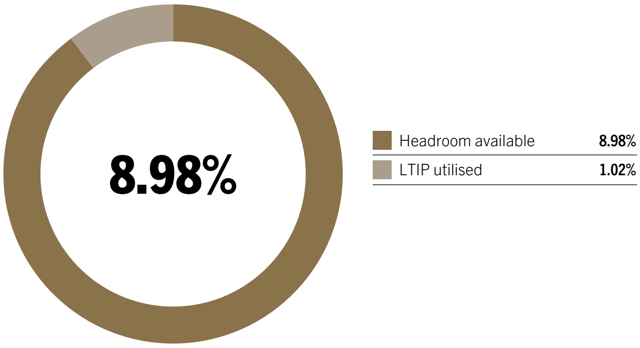
Dilution limits

All of the Company's equity-based incentive plans incorporate the current Investment Association Principles of Remuneration (the Principles) on headroom, which provide that overall dilution under all plans should not exceed 10% over a 10-year period in relation to the Company's issued share capital (or reissue of treasury shares).

As at 30 September 2024, the Company's headroom position, which remains within the current Principles, was as shown in the chart below:

Available headroom as at 30 September 2024

10% in 10 years



The Committee monitors the position regularly and prior to making an award ensures that the Company remains within these limits. Any awards which are required to be satisfied by market-purchased shares are excluded from such calculations. On 30 September 2024, the Company held 87,992,005 treasury shares. During the 2024 financial year, no shares were purchased in the market by the trustees of The Compass Group PLC All Share Schemes Trust. 2,585,610 treasury shares and 274,511 market-purchased shares were used in the year to satisfy the Company's obligations under the Group's employee equity incentive schemes.

Share ownership guidelines

In order that their interests are linked with those of shareholders, directors are expected to build up and maintain a personal shareholding in the Company. Under the 2025 Policy, executive directors will be required to build up, and maintain, a personal shareholding aligned to their respective long-term incentive awards granted in the year as a percentage of base salary.

The shareholding guideline may be achieved by executive directors retaining shares received as a result of participating in the Company's share plans. The guidelines specifically exclude the need to make a personal investment should awards not vest. The required level of executive shareholding is expected to be achieved within a five-year period commencing from the date of appointment or date of increase in shareholding requirement, whichever is the later.

Directors' shareholdings are reviewed annually by the Committee to ensure that directors are on course to achieve their guideline shareholding within the period required. However, if it becomes apparent to the Committee that the guidelines are unlikely to be met within the timeframe, then the Committee will discuss with the director a plan to ensure that they are met over an acceptable timeframe. The Committee reserves the right to make the granting of future LTIP awards to an executive director conditional upon reaching the appropriate threshold in the required timeframe. For annual bonus awards for executive directors, a minimum of one-third of the annual bonus earned is deferred into shares for three years.

A post-employment shareholding requirement was implemented under the Share Ownership Guideline Policy for executive directors and applies to awards acquired after the effective date of the 2021 Policy (4 February 2021). The Policy requires executive directors to hold the lower of (i) their shareholding at the date of termination of employment; or (ii) shares equivalent to their share ownership guideline at that date, for a period of two years post employment.

Non-executive directors are required to build up and retain a personal shareholding equal to the value of their base fee over five years. Non-executive directors are generally expected to purchase shares equating to a minimum value of one-fifth of their fee each year until the guideline is met.

Details of the interests of directors in shares and equity incentives are set out on page 115, together with the extent to which each of the directors has complied with the share ownership guidelines as at 30 September 2024.

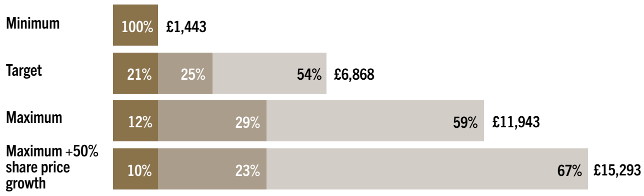
Illustrations of application of the 2025 Remuneration Policy

The graphs opposite show an estimate of the remuneration that could be received by executive directors in office at the date of this DRR under the proposed 2025 Policy. The charts in this section illustrate for each executive director remuneration payable at minimum, target and maximum outcomes, along with maximum outcome incorporating an illustrative share price appreciation of 50% on shares granted under the LTIP. Each of the bars is broken down to show how the total under each scenario is made up of fixed elements of remuneration, the annual bonus, the LTIP, and LTIP including share price appreciation.

Total remuneration

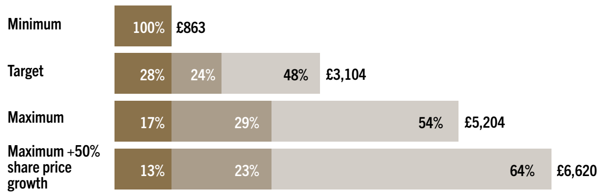
Dominic Blakemore, Group CEO

£'000



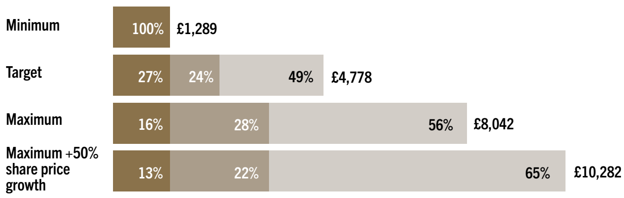
Petros Parras, Group CFO

£'000



Palmer Brown, Group COO, North America[1]

£'000



1. Palmer Brown is paid in US dollars. For reporting purposes, this pay is converted into sterling at an exchange rate of $1.2697/£1.

Fixed pay Annual bonus LTIP

The scenarios in the graphs are as follows:

- fixed pay includes:
  - annual base salary incorporates the current base salaries and base salaries effective 1 January 2025 on a pro-rata basis
  - value of benefits as noted in the single figure table on page 107 for the Group CEO and Group CFO. Costs relating to prior year expatriate benefits for the Group COO, North America, which are included within the single figure table, are not included in the scenario charts
  - pension cash allowance at 6% of base salary
- 2024-2025 annual bonus shown as a maximum percentage of base salary, with minimum, target and maximum performance shown as 0%, 50% and 100% respectively
- 2024-2025 LTIP shown as a maximum of base salary, with minimum, target and maximum performance shown as 0%, 52.5% and 100% respectively. Target payout of 52.5% is based on AFCF and ROCE performance measures vesting at 50% of maximum and the TSR measure vesting at 62.5% of maximum (midway between threshold and maximum payout)
- share price appreciation has been calculated as a 50% increase in the value of the LTIP between the date of grant and vesting
- no dividend accrual has been incorporated in the values relating to the LTIP

Approach to recruitment remuneration

The Committee will apply the 2025 Policy when considering the recruitment of a new executive director in respect of base salary, pension and benefits, and short- and long-term incentives. Executive directors will be provided with a pension cash allowance (or contribution) in line with the maximum level of pension provided to the majority of the wider UK workforce (currently 6% of base salary). It is envisaged that the maximum level of variable remuneration which may be granted to a new executive director would be within plan rules and consistent with the 2025 Policy maximum opportunity for existing executive directors and the Group CEO.

Other arrangements may be established specifically to facilitate recruitment of a particular individual, albeit that any such arrangement would be made within the context of aiming to minimise the cost to the Company. The policy for the recruitment of executive directors includes the facility to provide a level of compensation for forfeited remuneration arrangements from an existing employer if these are required in order to achieve a successful recruitment. Any arrangement established specifically to facilitate the recruitment of a particular individual would be intended to be of comparable form, timing and commercial value to the benefits forfeited, and capped as appropriate. The quantum, form and structure of any buyout arrangement will be determined by the Committee taking into account the terms of the previous arrangement being forfeited. The buyout may be structured as an award of cash or shares. However, the Committee will normally have a preference for replacement awards to be made in the form of shares, deliverable no earlier than the original awards. Where an executive director is appointed from either within the Group or following corporate activity/reorganisation, the normal policy would be to honour any legacy incentive arrangements to run off in line with their original terms and conditions.

In cases where an executive director must be relocated from their home location as part of their appointment, additional benefits in kind and other allowances may be payable at the Committee's discretion, including but not limited to relocation, education, repatriation costs, tax equalisation or other reasonable international assignment support consistent with the relevant policies applicable to the wider workforce.

It is the Board's intention that the policy on the recruitment of new non-executive directors during the 2025 Policy period will apply remuneration elements consistent with those in place for the existing non-executive directors. It is not intended that cash supplements, day rates or benefits in kind be offered, although in exceptional circumstances such remuneration may be required in currently unforeseen circumstances. Non-executive directors are not eligible for pension scheme membership, bonus or other incentive arrangements.

Executive directors' service agreements

It is the Company's policy that executive directors have rolling service contracts.

The executive directors in office at the date of this DRR have served on the Board for the periods shown below and have service agreements dated as follows:

Executive director	Date of contract	Length of Board service as at 30 Sep 2024
Dominic Blakemore	12 Dec 2011 7 Nov 2017[1]	12 years, 7 months
Petros Parras	21 Sept 2023	0 years, 10 months
Palmer Brown	3 Oct 2021 21 Sep 2023[2]	3 years, 0 months

1. Appointment was formally revised from 1 October 2017.
2. Appointment was formally revised with effect from 1 December 2023.

The current executive directors' service contracts contain the key terms shown in the table below:

Service contract key terms by provision

Provision	Detailed terms
Remuneration	– base salary, pension and benefits – car benefit – family private health insurance – life assurance – financial planning advice – minimum of 25 days' paid annual leave – participation in the annual bonus plan, subject to plan rules – participation in the LTIP, subject to plan rules
Change of control	– no special contractual provisions apply in the event of a change of control
Notice period	– 12 months' notice from the Company – 6 months' notice from the director (12 months from the Group CEO)
Termination payment	Payment in lieu of notice equal to 12 months: – base salary – pension supplement – 10% of base salary in respect of benefits All of the above would be paid in monthly instalments, subject to an obligation on the part of the director to mitigate their loss such that payments will either reduce, or cease completely, in the event that the director gains new employment/ remuneration
Restrictive covenants	– during employment and for 12 months after leaving

The Company may pay for reasonable costs in relation to termination of employment, for example tax, legal and outplacement support, where appropriate.

All executive directors' service contracts impose a clear obligation to mitigate their position should a departing executive director take on new employment or receive alternative remuneration.

Whilst unvested share awards will normally lapse, the Committee may in its absolute discretion allow for awards to continue until the normal vesting date, or for vesting to be accelerated (for example on death), subject to achievement of the attendant performance conditions. In such circumstances, awards vesting will normally be prorated on a time-apportioned basis, unless the Committee determines otherwise. Any such discretion in respect of leavers would only be applied by the Committee to 'good leavers' where it considers that continued participation is justified, for example by reference to performance prior to the date of leaving. The malus and clawback provisions would continue to apply in the event that any such discretion was exercised.

Chair of the Board's remuneration

The fee for the Chair of the Board (Chair) is reviewed annually by the Committee with any increase normally taking effect on 1 October. The Chair is not eligible for pension scheme membership, bonus or incentive arrangements. Costs in relation to business travel are reimbursed. The Chair's appointment is terminable without compensation on six months' notice from either side. The fee paid to Ian Meakins for the 2024 financial year is set out on page 111.

Chair of the Board length of service

Non-executive Chair	Original date of appointment	Letter of appointment/ re-appointment[1]	Total length of service as at 30 Sep 2024
Ian Meakins	1 Sep 2020	17 Aug 2020 9 May 2023	4 years, 1 month

1. The Chair has a letter of appointment setting out the Chair's duties and the time commitment expected. The Chair is appointed for an initial period of three years, after which the appointment is renewable at three-year intervals by mutual consent. Re-appointment is not automatic. In accordance with the Code, all directors offer themselves for annual re-election by shareholders.

Non-executive directors' remuneration

The fees for the non-executive directors are reviewed and determined by the Board each year to reflect appropriate market conditions and may be increased if considered appropriate. All non-executive directors receive a base fee. Additional fees are payable for other Board duties and time commitments, including acting as Chair of the Audit, Remuneration or Corporate Responsibility Committee, and undertaking the role of Senior Independent Director (SID). An additional fee may be payable for the role of Designated Non-Executive Director for Workforce Engagement. Non-executive directors are not eligible for pension scheme membership, bonus, incentive arrangements or other benefits, save reimbursement of travel costs and associated tax due if applicable. Fees paid in respect of the 2024 financial year are set out on page 111.

Non-Executive Director length of service

Non-executive director	Original date of appointment	Letter of appointment/ re-appointment[1]	Total length of service as at 30 Sep 2024
Liat Ben-Zur	1 Jul 2024	20 June 2024	0 years, 3 months
Stefan Bomhard	5 May 2016	5 May 2016 13 Mar 2019 17 Mar 2022	8 years, 5 months
John Bryant	1 Sep 2018	17 May 2018 12 May 2021 3 June 2024	6 years, 1 month
Juliana Chugg	26 Sep 2024	26 Sep 2024	0 years, 1 month
Arlene Isaacs-Lowe	1 Nov 2021	22 Oct 2021 26 Sep 2024	2 years, 11 months
Anne-Françoise Nesmes	1 Jul 2018	17 May 2018 12 May 2021 3 June 2024	6 years, 3 months
Sundar Raman	1 Jan 2022	22 Oct 2021 26 Sep 2024	2 years, 9 months
Leanne Wood	4 May 2023	4 May 2023	1 year, 5 months

1. Non-executive directors have letters of appointment setting out their duties and the time commitment expected. They are appointed for an initial period of three years, after which the appointment is renewable at three-year intervals by mutual consent. Re-appointment is not automatic.

Remuneration report

Implementation of the 2022 Policy during the year ended 30 September 2024

Directors' single total figure of remuneration

The table below sets out in a single figure the total amount of remuneration, including each element, received by each of the executive directors in office for the year ended 30 September 2024.

	Dominic Blakemore		Petros Parras[4]		Palmer Brown[4,5]		Gary Green[4,5]	
	2024 £000	2023 £000	**2024 £000**	2023 £000	**2024 £000**	2023 £000	**2024 £000**	2023 £000
Fixed pay								
Base salary	**1,144**	1,083	**617**	–	**1,043**	821	**214**	1,315
Taxable benefits[1]	**23**	28	**66**	–	**110**	153	**6**	75
Pension	**69**	75	**37**	–	**63**	49	**13**	121
Total fixed pay	**1,236**	1,186	**720**	–	**1,216**	1,023	**233**	1,511
Performance-related pay								
Bonus[2]	**2,320**	2,190	**925**	–	**1,654**	1,248	**320**	1,997
LTIP[3]	**5,943**	4,122	–	–	**3,571**	–	**4,764**	3,828
Total variable pay	**8,263**	6,312	**925**	–	**5,225**	1,248	**5,084**	5,825
Single total figure of remuneration	**9,499**	7,498	**1,645**	–	**6,441**	2,271	**5,317**	7,336

1. Taxable benefits comprise healthcare insurance, limited financial advice, life assurance and car benefit. Palmer Brown relocated from the US to the UK prior to his appointment as Group CFO and returned to the US prior to his appointment as Group COO, North America. As a consequence, during 2023 and 2024, Palmer received benefits relating to his assignment which are included in the figures above.
2. The performance measures and outcome of the 2023-2024 bonus can be found on pages 108 to 109. Two-thirds of the 2023-2024 bonus for executive directors will be paid in cash with the remaining one-third being deferred into shares. In order to comply with certain US tax rules, Gary Green's 2023-2024 bonus will be paid entirely in cash without deferral into shares. The bonus earned by Petros Parras for the period 1 October to 30 November 2023 was earned prior to his appointment as a director and is therefore not included in the bonus figure above.
3. The 2021-2022 LTIP award will vest in November 2024. Details of the performance measures and outcome are shown on pages 109 to 110. The amount presented above includes the value of accrued dividend-equivalent shares. The values attributed to share price growth for Dominic Blakemore, Palmer Brown and Gary Green were £1,539k, £925k and £1,234k respectively. Under the 2021-2022 LTIP, Petros Parras was awarded 16,121 shares prior to his appointment as Group CFO. This award will vest in November 2024, together with accrued dividend-equivalent shares. The 2023 LTIP values for Dominic Blakemore and Gary Green have been updated from a provisional value to the actual value to reflect the vesting on 21 November 2023.
4. The base salary, taxable benefits and pension figures for Petros Parras, Palmer Brown and Gary Green for 2024 are pro rated for their time in office/reflect a change in role (as appropriate) during the year.
5. Palmer Brown and Gary Green's base salary and other emoluments for the year are shown in sterling at an exchange rate of $1.2697/£1 (2023: $1.2217/£1).

Base salary

The Committee reviewed base salaries in the context of the Group's strong performance in the year and its relative market positioning when measured against companies of comparable size, scale and complexity. It also took into account the average salary increase in the wider employee population. The base salary increase percentage for the Group CFO and Group COO, North America was lower than the average percentage increase for the wider UK population.

The annual base salary for each executive director for the year ended 30 September 2024 is set out below:

Director	Base salary	Effective date
Dominic Blakemore	£1,160,000	1 January 2024
Petros Parras	£740,000	1 December 2023[1]
Palmer Brown	$1,400,000	1 December 2023[2]

1. Petros Parras was appointed to the Board as Group CFO on 1 December 2023.
2. Palmer Brown was appointed as Group COO, North America on 1 December 2023.

Pensions

At 30 September 2024, there were no executive directors actively participating in any Compass Group defined benefit pension arrangements and none of the executive directors were accruing additional entitlements to benefits under any arrangements that existed prior to their appointment as executive directors.

The Company pension contribution, or pension cash allowance, as appropriate, paid to each executive director was 6% of their base salaries.

Annual bonus plans

2023-2024 bonus

The bonus targets and outcomes for the year ended 30 September 2024 are set out below. The achievement of targets is calculated on a straight-line basis between minimum and target (par) and between target and maximum, and by reference to budgeted exchange rates.

As was the case in previous years, results have been assessed on a holistic basis and adjusted, based on our Quality of Performance principles. For example the measurement of the financial results is based on the underlying outcome achieved in the financial year, with gains/losses attributable to currency movements, charges and the impacts of restructuring and/or acquisitions/disposals usually being excluded. This ensures that outcomes are an appropriate reflection of underlying performance. Outcomes can be adjusted positively or negatively.

Structure

The bonus plan for 2023-2024 was designed to align to the Group's strategy for growth and to establish targets that were achievable, fair and within management's control.

The bonus structure for 2023-2024 is set out below:

Dominic Blakemore and Petros Parras

	Measure[1]	Description of measure	Weighting
Financial measures	Profit growth (%)	A key measure of our financial performance encompassing revenue and margin performance in one metric, by comparing the underlying operating profit delivered in the current year with that of the prior year, expressed as a percentage and adjusted for exchange rate movements.	60%
	Cash conversion (%)	Demonstrates the Group's ability to convert profit into cash – by setting a target percentage of profit to be converted to cash.	25%
ESG measures	Total Recordable Injury Frequency Rate (TRIFR)	A reduction in injury rates is an important measure of the effectiveness of the Group's safety programmes. It also lowers rates of absenteeism and costs associated with work-related injuries and illnesses.	5%
	Food Safety Incident Rate (FSIR)	Food safety is a measure of the Group's ability to provide food that is safe and of the right quality to its consumers globally.	5%
	Food waste technology deployment and usage	Food waste is a key contributor to carbon emissions. Reducing this also has a high correlation with operating margin improvement. Raising awareness through measurement will help to drive a significant reduction in food waste.	5%
	Total		**100%**

Palmer Brown and Gary Green

	Measure[1]	Description of measure	Weighting
Financial measures	Operating margin (%)	Demonstrates the efficiency of the region's operations in delivering great food and support services.	45%
	Cash conversion (%)	Demonstrates the region's ability to convert profit into cash – by setting a target percentage of profit to be converted to cash.	20%
	Organic revenue growth (%)	Compares the revenue delivered from continuing operations in the current year with that from the prior year, adjusting for the impact of acquisitions, disposals and exchange rate movements.	20%
ESG measures	Total Recordable Injury Frequency Rate (TRIFR)	A reduction in injury rates is an important measure of the effectiveness of the Group's safety programmes. It also lowers rates of absenteeism and costs associated with work-related injuries and illnesses.	5%
	Food Safety Incident Rate (FSIR)	Food safety is a measure of the Group's ability to provide food that is safe and of the right quality to its consumers globally.	5%
	Food waste technology deployment and usage	Food waste is a key contributor to carbon emissions. Reducing this also has a high correlation with operating margin improvement. Raising awareness through measurement will help to drive a significant reduction in food waste.	5%
	Total		**100%**

1. Measures for the Group CEO and Group CFO are assessed at a Group level. Those for the Group COO, North America are assessed at regional North America level.

Performance measures and targets

The outcomes against the annual bonus targets for 2023-2024 are set out below. 0% of the bonus is paid at minimum performance, 50% at par performance, and 100% at maximum performance.

Dominic Blakemore and Petros Parras[1]

Measures[2]	Weighting	Minimum	Par (target)	Maximum	Achieved	% of performance target achieved
Profit growth (%)[3]	60%	4.0%	9.5%	14.0%	16.4%	100%
Cash conversion (%)[4]	25%	78.5%	82.5%	84.5%	88.2%	100%
Total Recordable Injury Frequency Rate	5%	–	Limit	12.1	10.7	100%
Food Safety Incident Rate	5%	–	Limit	0.17	0.13	100%
Food waste (number of sites with regular usage of technology)	5%	7,555	7,780	8,000	9,947†	100%
Total						**100%**

Palmer Brown and Gary Green[1]

Measures[2]	Weighting	Minimum	Par (target)	Maximum	Achieved	% of performance target achieved
Operating margin (%)[5]	45%	7.9%	7.95%	8.05%	8.17%	100%
Cash conversion (%)[4]	20%	81.1%	85.1%	87.1%	87.8%	100%
Organic revenue growth (%)[6]	20%	6.0%	7.5%	9.0%	10.5%	100%
Total Recordable Injury Frequency Rate	5%	–	Limit	16.4	15.9	100%
Food Safety Incident Rate	5%	–	Limit	0.068	0.066	100%
Food waste (number of sites with regular usage of technology)	5%	3,300	3,400	3,500	4,175†	100%
Total						**100%**

	Dominic Blakemore	Petros Parras[8]	Palmer Brown[8]	Gary Green[8]
Value of bonus[7]	**£2,320,000**	**£925,000**	**$2,100,000**	**$406,718**

Notes to bonus outcome tables:

1. Financial targets for 2023-2024 bonus purposes are all set and measured at 2024 foreign exchange budget rates, not actual rates. Where appropriate, results have been adjusted, based on our quality of performance principles, to ensure that outcomes are an appropriate reflection of underlying performance.
2. Measures for the Group CEO and Group CFO are assessed at a Group level. Those for the Group COO, North America are assessed at regional North America level.
3. Profit growth is growth in underlying operating profit on a constant currency basis.
4. Cash conversion is underlying operating cash flow divided by underlying operating profit, expressed as a percentage.
5. Operating margin is underlying operating profit divided by underlying revenue.
6. Organic revenue growth is underlying revenue excluding businesses acquired, sold and closed.
7. One-third of the value of the bonus for each executive director (except Gary Green) will be deferred into shares. In order to comply with certain US tax rules, Gary Green's 2023-2024 bonus will be paid entirely in cash without deferral into shares.
8. The bonus for Petros Parras and Gary Green reflects the period employed as an executive director. The bonus measures applicable to Palmer Brown were based on North America performance for the full year.

† KPMG LLP has issued independent limited assurance over the selected data indicated, using assurance standard ISAE(UK)3000. KPMG's assurance statement and Compass' Reporting Methodology are available at https://www.compass-group.com/en/sustainability/performance-and-reports.html.

Long-term Incentive Plan awards

Scheme interests vesting during the year

2021-2022 LTIP award

Awards made to Dominic Blakemore, Palmer Brown and Gary Green in February 2022 were subject to the achievement of three-year performance targets for the year ended 30 September 2024. Performance conditions were ROCE, AFCF and relative TSR, weighted 40%, 40% and 20% respectively. The definitions are set out in the table below:

Measure	Definition of measure
ROCE	The definition aims to measure the underlying economic performance of the Group. ROCE is calculated at the end of the three-year performance period as net underlying operating profit after tax (NOPAT) divided by 12-month average capital employed. ROCE targets are updated at the end of the performance period to reflect actual acquisition spend, changes in accounting standards and constant currency.
AFCF	The definition aims to measure the cash generation of the Group and is calculated as the three-year cumulative underlying free cash flow, adjusted for constant currency.
TSR	Performance is compared to that of constituent members of the FTSE 100 (excluding the financial services sector). TSR is the aggregate of share price growth and dividends paid (assuming reinvestment of those dividends in the Company's shares during the three-year performance period).

Shareholder experience over the three-year performance period has been extremely positive. The share price at the time of grant in February 2022 was £17.60. The average share price over the last three months of the performance period, upon which the TSR calculations are based, was £23.37. Compass ended the performance period ranked 9th of the 73 companies that remained within the comparator group at the end of the performance period. As this position is within the upper quartile of the comparator group, the proportion of shares subject to the TSR performance condition will vest in full.

The business delivered ROCE of 19.16% and AFCF for the period was $4,756m. Our adjusted free cash flow performance over the three-year period exceeded our target ranges and has far exceeded any reasonable forecast when the targets were originally set. As a result of our strong performance over the three-year performance period, the 2021-2022 LTIP award will vest in full.

Historically, the Committee has taken a disciplined approach and continues to take a robust view in respect of the awards vesting in 2024. In addition to the formulaic outcome, the Committee considered the level of vesting on both an absolute and relative basis. The Committee has reviewed the performance through a number of different lenses and on that basis, following a thorough evaluation, the Committee is satisfied that the performance levels achieved justify the vesting outcome.

The targets and outcomes for the 2021-2022 LTIP award are set out on the following page.

ROCE (40% weighting)

Level of performance	Threshold	Maximum	Achieved[2]
Vesting % of component	0%	100%	100%
As at date of award	17.05%	18.05%	
Reconciled at the end of the performance period[1]	16.93%	17.93%	19.16%

AFCF (40% weighting)

Level of performance	Threshold	Maximum	Achieved[2]
Vesting % of component	0%	100%	100%
AFCF (£)	£2,570m	£2,840m	£3,484m
AFCF ($)	$3,509m	$3,877m	$4,756m

Relative TSR (20% weighting)

Level of performance	Below median	Median	Upper quartile	Achieved[3]
Vesting % of component	0%	25%	100%	100%

1. ROCE targets are updated at the end of the performance period to reflect actual acquisition spend, changes in accounting standards and constant currency.
2. The Committee applied the established framework to deal with items that were unforeseen at the time the targets were set in November 2021 and were in the long-term interests of shareholders. AFCF and ROCE were adjusted to exclude the impact of strategic capital expenditure in the North America business. This adjustment did not have any impact on the level of vesting under the award.
3. TSR ranking was 9th out of the 73 constituents that remained in the comparator group at the end of the performance period, resulting in upper quartile performance.

Details of awards held for each executive director are set out below:

	Performance conditions						
Director	ROCE % vested on maturity	AFCF % vested on maturity	TSR % vested on maturity	Number of shares awarded	Number of shares vested	Number of dividend-equivalent shares	Value of shares on vesting £000[1]
Dominic Blakemore	100%	100%	100%	241,385	241,385	12,914	£5,943
Palmer Brown	100%	100%	100%	145,040	145,040	7,759	£3,571
Gary Green	100%	100%	100%	232,195	193,496	10,362	£4,764

1. The indicative value of the shares on vesting has been calculated by reference to the average market price of Compass Group PLC shares over the three months from 1 July 2024 to 30 September 2024 of £23.37 per share. Dividend-equivalent shares accrued throughout the performance period and are included in the value of shares on vesting.
2. Petros Parras received an award of 16,121 shares in respect of the 2021-2022 LTIP prior to his appointment as an executive director. The award, and 863 dividend-equivalent shares will vest in full.

Scheme interests awarded during the year

2023-2024 LTIP award

On 1 December 2023, executive directors received a conditional award of shares which may vest after a three-year performance period which will end on 30 September 2026, based on the achievement of stretching performance conditions. Performance conditions were ROCE, AFCF and relative TSR, weighted 40%, 40% and 20% respectively. Definitions of each of these measures are set out in the table on page 109.

The maximum levels achievable under these awards are set out in the table below:

Director	Type of award	Value of award (as a % of base salary)[1]	Value of award £000	Number of shares awarded[2]
Dominic Blakemore	LTIP 2018	400%	4,380	215,728
Petros Parras	LTIP 2018	350%	2,590	127,565
Palmer Brown[3]	LTIP 2018	350%	3,872	190,687

1. Value of award calculated by reference to base salary at date of grant.
2. The share price used to calculate the award was £20.30, representing the average closing market price of the three trading days prior to the grant date of 1 December 2023.
3. Face value of award was converted to sterling at the time of award at an exchange rate of $1.2656/£1.

Executive directors are required to hold vested awards for a period of two years following vesting to strengthen the long-term alignment of executives' remuneration packages with shareholders' interests and, if required, to facilitate the implementation of provisions related to clawback. For awards granted after 4 February 2021 a two-year post-employment shareholding requirement also applies.

In setting the performance targets, the Committee considers internal budgets and the Group's strategic plan, market expectations and general economic conditions. The targets under the 2023-2024 award are set out in the table below:

ROCE and AFCF

Level of performance	Vesting % of each component	ROCE	AFCF
Threshold	0%	18.47%	$4,355m
Par (target)	50%	19.07%	$4,633m
Maximum	100%	19.67%	$4,911m

TSR

Level of performance	Vesting % of each component
Below median	0%
Median	25%
Upper quartile	100%

Non-executive directors' remuneration

The fee for the Chair of the Board is reviewed annually by the Committee with any increase taking effect on 1 October. For the year ended 30 September 2024 the fee paid was £595,900 per annum inclusive of any Board committee memberships.

Details of the fees received by Ian Meakins during the year ended 30 September 2024 are set out below:

Chair	Fees £000	Benefits £000	**Total 2024 £000**	Total 2023 £000
Ian Meakins	596	–	**596**	563

The fees for the non-executive directors are reviewed and determined by the Board each year to reflect appropriate market conditions. The base fee paid to non-executive directors for the year ended 30 September 2024 was £99,575 which includes membership of the Audit, Corporate Responsibility, Nomination and Remuneration Committees (as appropriate).

An additional fee of £30,000 per annum is payable where a non-executive director acts as Chair of the Audit, Remuneration or Corporate Responsibility Committee and an additional fee of £30,000 per annum is also payable to the director nominated as Senior Independent Director.

Details of the amounts received by each of the non-executive directors in office for the year ended 30 September 2024 are set out below:

Non-executive director	Fees £000	Benefits[1] £000	**Total 2024 £000**	Total 2023 £000
Carol Arrowsmith[2]	36	18	**54**	117
Liat Ben-Zur[3]	25	–	**25**	–
Stefan Bomhard	100	5	**105**	97
John Bryant[4]	130	26	**156**	156
Juliana Chugg[5]	1	–	**1**	–
Arlene Isaacs-Lowe	100	31	**131**	119
Anne-Françoise Nesmes[4]	160	–	**160**	132
Sundar Raman	100	4	**104**	98
Nelson Silva	130	10	**140**	130
Ireena Vittal	100	13	**113**	107
Leanne Wood[6]	100	7	**107**	39

1. Travel costs relating to attendance at Board meetings held in the UK are treated as a benefit.
2. Carol Arrowsmith stepped down from the Board at the conclusion of the AGM on 8 February 2024.
3. Liat Ben-Zur was appointed to the Board on 1 July 2024 and her fees for 2024 reflect her time in office.
4. John Bryant stepped down as Senior Independent Director on 20 July 2023. He was succeeded by Anne-Françoise Nesmes, and their respective fees for 2023 reflect these changes.
5. Juliana Chugg was appointed to the Board on 26 September 2024 and her fees for 2024 reflect her time in office.
6. Leanne Wood was appointed to the Board on 4 May 2023 and her fees for 2023 reflect her time in office.

Implementation of the 2025 Remuneration Policy for the 2025 financial year

A summary of how the Directors' Remuneration Policy will be applied during the 2025 financial year is set out below.

Base salary

The Committee considered the salary review of the executive directors holistically, taking into account the macroeconomic environment and cost of living and inflationary challenges faced by the business and our employees. The Committee also reviewed the base salary in the context of the Group's strong performance in the year, along with our relative market positioning when measured against companies of appropriate size, scale and complexity. Salary increase budgets for the wider employee population were taken into consideration and the Committee determined that the percentage increase for the Group CFO and Group COO, North America would be lower than the average percentage increase for the wider UK population, which is expected to be around 5% during 2025, inclusive of the impact of national minimum wage and The Living Wage increases in the UK. Further information on the Committee's considerations when setting the base salary for the Group CEO is set out on page 90.

The base salaries for the executive directors as determined by the Committee are set out in the table below:

Director	Base salary	Effective date	Increase
Dominic Blakemore	**£1,400,000**	1 Jan 2025	20.7%
Petros Parras	**£755,000**	1 Jan 2025	2.03%
Palmer Brown	**$1,429,000**	1 Jan 2025	2.07%

Pension

In line with the Remuneration Policy, the pension cash allowance for each executive director is aligned with the maximum rate available to the majority of the wider UK workforce (currently 6% of base salary).

Annual bonus plan

For the 2025 financial year, the maximum bonus opportunity for each executive director will be in line with the maximum available within the 2025 Policy, as shown in the table below:

Director	% salary
Dominic Blakemore	250%
Petros Parras	200%
Palmer Brown	200%

2025 annual bonus plan measures will remain the same as 2024 for each executive director and are shown below. For the first time, the food waste measure will track actual food waste reduction following two years of the recording technology roll out.

The measures and weightings are as follows:

Executive directors

Measure[1]	Description of measure	Weighting
Profit growth (%)	A key measure of our financial performance encompassing revenue and margin performance in one metric, by comparing the underlying operating profit delivered in the current year with that of the prior year, expressed as a percentage and adjusted for exchange rate movements.	60%
Cash conversion (%)	Demonstrates our ability to convert profit into cash – by setting a target percentage of profit to be converted to cash.	25%
ESG[2]	Emphasises our commitment to health and safety, and the impact of reducing food waste on climate change.	15%
Total		100%

1. Measures for the Group CEO and CFO are assessed at Group level, and measures for the Group COO, North America are assessed at regional North America level.
2. The ESG measures are Total Recordable Injury Frequency Rate (TRIFR), Food Safety Incident Rate (FSIR) and food waste reduction, weighted equally.

The Committee has chosen not to disclose the details of the targets in this DRR, as in the opinion of the Committee they are commercially sensitive. However, the specific targets and the extent to which the targets have been met (at both Group and regional levels) will be disclosed in next year's DRR.

Long-term Incentive Plan award

During the 2025 financial year, the Committee intends to grant LTIP awards to the executive directors in two stages. An award will be granted to executive directors in December 2024, in line with the current 2022 Policy. Subject to shareholder approval of the 2025 Policy, a further award will be made immediately after the 2025 AGM in February 2025. Award levels will be in line with the two-stage implementation approach, with awards granted in 2024-2025 not exceeding the first phase of the proposed implementation. The proposed awards are set out in the following table:

	Proposed LTIP award (% of base salary)		
Director	To be granted in December 2024	Total 2024-2025 LTIP award (including top-up award)	2025 Policy level
Group CEO	400%	500%	500%
Group CFO	350%	375%	400%
Group COO, North America	350%	400%	450%

The extent to which these LTIP awards will vest will be dependent on performance assessed over the three financial years 2025-2027, using the following three performance measures, and with targets as shown in the table below.

Measure	Description of measure
ROCE	The definition aims to measure the underlying economic performance of the Group. ROCE is calculated at the end of the three-year performance period as net underlying operating profit after tax (NOPAT) divided by 12-month average capital employed. ROCE targets are updated at the end of the performance period to reflect actual acquisition spend, changes in accounting standards and constant currency.
AFCF	The definition aims to measure the cash generation of the Group and is calculated as the three-year cumulative underlying free cash flow adjusted for constant currency.
Relative TSR	Relative TSR performance is compared to that of constituent members of the FTSE 100 (excluding the financial services sector). TSR is the aggregate of share price growth and dividends paid (assuming reinvestment of those dividends in the Company's shares during the three-year performance period).

Measure	Weighting (% of award)	Threshold	Par (target)	Maximum
ROCE	40%	17.70%	18.45%	19.20%
Vesting (of this component)		0%	50%	100%
AFCF	40%	$4,972m	$5,268m	$5,564m
Vesting (of this component)		0%	50%	100%
Relative TSR	20%	Median	–	Upper quartile
Vesting (of this component)		25%	–	100%

There is no vesting for below-threshold performance, and straight-line vesting between the points shown.

Executive directors are required to hold shares from vested awards for a period of two years following vesting to strengthen the long-term alignment of executives' remuneration packages with shareholders' interests; and, if required, to facilitate the implementation of provisions related to clawback. For awards granted after 4 February 2021 a two-year post-employment shareholding requirement applies.

Non-executive director fees

The fees for non-executive directors for the coming year are set out below. Following a review of the market, the fee for the Chair was increased from £595,900 to £620,000 (4.0%) with effect from 1 October 2024. The base fee for non-executive directors was increased from £99,575 to £103,500 (3.9%) also with effect from 1 October 2024. The additional fees for acting as Chair of a committee or as the Senior Independent Director remain unchanged.

	Fees 2024 £	Fees 2023 £	Increase
Chair	**620,000**	595,900	4.0%
Base fee[1]	**103,500**	99,575	3.9%
Chair of Audit, Remuneration or Corporate Responsibility Committee	**30,000**	30,000	–
Senior Independent Director	**30,000**	30,000	–

1. The non-executive director base fee is inclusive of membership of the Audit, Corporate Responsibility, Nomination and Remuneration Committees (as appropriate).

Extant equity incentive awards held by executive directors

Details of all existing equity incentive awards as at the date of this DRR, including the awards conditionally made under the various long-term incentive plans to the executive directors at any time during the year ended 30 September 2024, are shown in the table below:

LTIP[1]

Director	As at 30 Sep 2023: number of shares	Awarded during the year: number of shares	Released during the year: number of shares	Lapsed during the year: number of shares	**As at 30 Sep 2024: number of shares**	Market price at date of award[5] £	Date of award	Maturity date
Dominic Blakemore	195,907	–	195,907[6]	–	–	13.78	1 Dec 2020	1 Oct 2023
	241,385	–	–	–	**241,385**	17.60	8 Feb 2022	1 Oct 2024
	225,966	–	–	–	**225,966**	18.67	1 Dec 2022	1 Oct 2025
	–	215,728	–	–	**215,728**	20.26	1 Dec 2023	1 Oct 2026
Total	663,258	215,728	195,907	–	**683,079**			
Petros Parras[2]	–	127,565	–	–	**127,565**	20.26	1 Dec 2023	1 Oct 2026
Total	–	127,565	–	–	**127,565**			
Palmer Brown[3]	145,040	–	–	–	**145,040**	17.60	8 Feb 2022	1 Oct 2024
	152,979	–	–	–	**152,979**	18.67	1 Dec 2022	1 Oct 2025
	–	190,687	–	–	**190,687**	20.26	1 Dec 2023	1 Oct 2026
Total	298,019	190,687	–	–	**488,706**			
Gary Green[4]	181,939	–	181,939[6]	–	–	13.78	1 Dec 2020	1 Oct 2023
	232,195	–	–	38,699	**193,496**	17.60	8 Feb 2022	1 Oct 2024
	244,904	–	–	122,452	**122,452**	18.67	1 Dec 2022	1 Oct 2025
Total	659,038	–	181,939	161,151	**315,948**			

Deferred Bonus Plan/deferred annual bonus

Director	As at 30 Sep 2023: number of shares	Awarded during the year: number of shares	Released during the year: number of shares	Lapsed during the year: number of shares	**As at 30 Sep 2024: number of shares**	Market price at date of award[5] £	Date of award	Maturity date
Dominic Blakemore	–	35,954	–	–	**35,954**	20.26	1 Dec 2023	1 Oct 2026
Total	–	35,954	–	–	**35,954**			
Palmer Brown[3]	20,243	–	–	–	**20,243**	15.08	15 Dec 2021	15 Dec 2024
	–	19,779	–	–	**19,779**	20.26	1 Dec 2023	1 Oct 2026
Total	20,243	19,779	–	–	**40,022**			
Gary Green	–	31,656	31,656	–	–	20.26	01 Dec 2023	31 Mar 2024
Total	–	31,656	31,656	–	–			

1. Each LTIP award is based on a three-year performance period. Awards granted from 4 February 2021 onwards are subject to a two-year post-employment holding period.
2. At the date of his appointment, Petros Parras had an interest in 39,096 LTIP awards that were granted to him prior to him becoming a director of the Company. They are due to vest in two tranches (16,121 in November 2024 and 22,975 in November 2025). In addition, Petros was granted 8,472 conditional awards under the Company's Restricted Share Award Plan (RSA) prior to him becoming a director. 2,824 RSA awards vested in accordance with the associated performance conditions on 31 December 2023 and the balance of 5,648 is due to vest on 1 December 2024 subject to meeting the associated performance conditions.
3. At the date of his appointment, Palmer Brown had an interest in 137,026 LTIP awards that were granted to him prior to him becoming a director of the Company. 36,090 and 42,540 of these shares vested in 2021 and 2022 respectively and 57,136 LTIP shares and 1,860 dividend-equivalent shares vested in November 2023. A further 1,260 SMIPP shares and 40 dividend-equivalent shares also vested in December 2023. 20,243 shares were awarded on 15 December 2021 as a deferred annual bonus award under the LTIP 2018.
4. Gary Green's LTIP awards were prorated to his retirement date. The proportion of shares that lapsed as a result, are reflected in the above table.
5. The market price at the date of each award is shown to two decimal places.
6. The performance period of the award granted on 1 December 2020 ended on 30 September 2023. The awards vested in full.
7. Dividend equivalents apply to LTIP and deferred bonus share awards and are not included in the tables above.

Share ownership guidelines and directors' interests in shares

In order that their interests are aligned with those of shareholders, directors are expected to build up and maintain a personal shareholding in the Company as set out in the share ownership guidelines described in the 2025 Policy on page 104.

Executive directors are required to achieve their shareholding guideline within a five-year period commencing on the date of appointment or date of increase in shareholding requirement, whichever is the later. Subject to shareholder approval, under the 2025 Policy the guideline for executive directors will increase on 6 February 2025 to a level commensurate with the latest LTIP award; details can be found on page 90. Compliance with the guideline is assessed annually, on a pro-rata basis.

Non-executive directors are required to achieve their shareholding guideline within a five-year period from the date of appointment.

The Committee reviewed and noted that the guidelines were satisfied by all directors in office during the year. The interests of the directors in office during 2024 in shares (including the interests of persons closely associated) and share incentives are shown in the table below:

		Beneficial		Conditional			
		Shares held as at 30 Sep 2024	Shares held as at 30 Sep 2023	**LTIP holdings as at 30 Sep 2024**	LTIP holdings as at 30 Sep 2023	Share ownership guideline[1]	Compliance with share ownership guidelines
Executive directors	Dominic Blakemore[2]	**383,761**	276,789	**683,079**	663,258	400%	✓
	Petros Parras[3]	**15,057**	–	**127,565**	–	350%	✓
	Palmer Brown[4]	**76,757**	43,265	**488,706**	298,019	350%	✓
	Gary Green[5]	**380,367**	275,560	**315,948**	659,038	350%	✓
Non-executive directors	Carol Arrowsmith[6]	**12,000**	12,000	–	–	100%	✓
	Liat Ben-Zur[7]	**4,300**	–	–	–	100%	✓
	Stefan Bomhard	**10,743**	10,743	–	–	100%	✓
	John Bryant	**15,781**	15,781	–	–	100%	✓
	Juliana Chugg[8]	–	–	–	–	100%	✓
	Arlene Isaacs-Lowe	**5,300**	2,500	–	–	100%	✓
	Ian Meakins	**58,362**	58,362	–	–	100%	✓
	Anne-Françoise Nesmes	**11,907**	11,907	–	–	100%	✓
	Sundar Raman	**5,030**	5,030	–	–	100%	✓
	Nelson Silva	**10,323**	10,323	–	–	100%	✓
	Ireena Vittal	**5,461**	5,461	–	–	100%	✓
	Leanne Wood	**2,777**	1,477	–	–	100%	✓

1. The share ownership guideline is a percentage of base salary or fee.
2. Dominic Blakemore's LTIP holding includes 35,954 deferred bonus plan award shares and 6,378 dividend-equivalent shares.
3. Petros Parras was appointed to the Board on 1 December 2023 and has five years in which to meet the shareholding requirement.
4. Palmer Brown's conditional LTIP holding includes 20,243 deferred annual bonus shares, 19,779 deferred bonus shares and 1,900 dividend-equivalent shares which vested in December 2023. Palmer's current shareholding exceeds his shareholding requirement as measured on a pro rata basis.
5. Gary Green retired as a director of the Company on 30 November 2023. In line with the 2022 Policy, Gary is required to comply with the Group's post-employment shareholding requirement for a period of two years post employment. Gary's holding is shown at 30 November 2023. Gary's LTIP holding includes 5,923 dividend-equivalent shares.
6. Carol Arrowsmith's holding is shown at 8 February 2024.
7. Liat-Ben Zur was appointed to the Board on 1 July 2024 and has met the shareholding requirement. Liat's holding is in American Depositary Receipts.
8. Juliana Chugg was appointed to the Board on 26 September 2024 and has five years in which to meet the shareholding requirement.

There were no changes in directors' interests between 30 September 2024 and 26 November 2024.

Director appointments and role changes during the year

The Nomination Committee recommended the following changes to the Board during the year, which were duly approved by the Board:

- 30 November 2023: Gary Green's retirement as an executive director of Compass Group PLC and as Group COO, North America
- 1 December 2023: Palmer Brown's appointment as Group COO, North America and Petros Parras' appointment as Group CFO on the same date
- 8 February 2024: Carol Arrowsmith's retirement as a non-executive director
- 1 July 2024: Liat Ben-Zur's appointment as a non-executive director
- 26 September 2024: Juliana Chugg's appointment as a non-executive director

Payments for loss of office

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

Payments to past directors

As set out in the 2023 DRR on page 123, Gary Green retired as a director on 30 November 2023, and remained an employee under his existing terms of employment until 31 March 2024 in order to facilitate an orderly handover. Gary retired on 31 March 2024. Gary was treated as a good leaver and his remuneration has been treated in line with the 2022 Policy.

For the period between serving as a director and retiring as an employee of Compass Group, Gary received salary (£461k), pension (£28k), benefits (£68k) and bonus (£641k). The bonus was calculated on the same basis as for the period between 1 October to 30 November as set out on pages 108 to 109.

External non-executive director appointments

Executive directors may accept one non-executive directorship in a FTSE 100 company or other significant appointment outside the Company, subject to the Board's approval and provided that such an appointment is not likely to lead to a conflict of interest. It is recognised that non-executive duties can broaden experience and knowledge which can benefit the Company. Dominic Blakemore received fees of £135,000 in respect of his directorship at London Stock Exchange Group plc for the 2024 financial year. Dominic was unremunerated for his services to the charity FareShare. At the date of this DRR, Petros Parras and Palmer Brown do not hold any external appointments.

Remuneration in detail for the year ended 30 September 2024

Pay for performance

The Committee believes that the Policy provides a clear alignment with the strategic objectives and performance of the Group. To maintain this relationship, the Committee regularly reviews the business priorities of the Group and the environment in which it operates. The table below shows the Group CEO's total remuneration and achievement against the annual bonus plan and long-term incentive plans over the last 10 years, as a percentage of the plan maximum.

	2015	2016	2017	2018[1]	2019	2020	2021	2022	2023	**2024**
Single total figure of remuneration (£000)	5,325	5,822	5,617	4,568	4,659	1,162	3,211	3,299	7,494	**9,499**
Annual bonus plan outcome (% of maximum opportunity)	88.7	85.8	68.9	95.9	78.3	0	99.9	100	100	**100**
LTIP outcome (% of maximum opportunity)	79.0	84.5	74.5	95.0	100	0	0	0	100	**100**

1. Dominic Blakemore became Group CEO from 1 January 2018.

Group CEO pay ratio

The ratio between the Group CEO's remuneration and the lower quartile, median and upper quartile of UK employees is disclosed in the table below. Figures include the Group CEO's total remuneration as set out in the single figure table on page 107, and the remuneration paid to employees at the 25th, 50th and 75th percentiles, over the past five financial years. Methodology A has been chosen to calculate the ratio, as it is considered the most accurate approach. This method includes total full-time equivalent remuneration for UK employees received by an individual in respect of the relevant financial year and is calculated in line with the methodology for the single figure of remuneration for the Group CEO.

The best equivalents for the three UK employees whose hourly rates of pay were at the 25th, median and 75th percentiles were selected, with a small number of employees around each quartile reviewed, to ensure that the employees chosen at the three percentile points were, within reason, representative of the pay of the UK workforce at each quartile. The Committee has considered the pay data of the three employees identified and believes that it fairly reflects pay at the relevant quartiles amongst the UK workforce. The three individuals identified did not receive any remuneration which would otherwise inflate their pay figures.

Executive remuneration, in line with market practice, includes a significant proportion subject to performance and therefore 'at risk'. As a result, remuneration of the Group CEO is weighted more heavily towards variable pay than that of the wider workforce. The ratio will therefore fluctuate each year depending on the performance of the Company. During the financial years 2020, 2021 and 2022, remuneration was notably impacted by the COVID-19 pandemic, which had a significant impact on variable pay elements.

The financial year 2023 included the first LTIP vesting for executive directors in three years, following the Committee electing not to exercise positive discretion despite its strong recovery over the three years. The increase in the Group CEO's remuneration and associated pay ratio reflects the Group's strong performance in 2024, where record levels of performance have been achieved in many areas. The ratio has therefore increased, which reflects the correlation between pay and performance. We believe that the median pay ratio is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole.

Year and component	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024 total remuneration	**A**	**372:1**	**330:1**	**297:1**
2023 total remuneration	A	323:1	303:1	236:1
2022 total remuneration	A	159:1	129:1	115:1
2021 total remuneration	A	172:1	138:1	125:1
2020 total remuneration	A	63:1	54:1	42:1

The salary and total remuneration levels used in the pay ratio calculations are set out in the table below:

Financial year	Component	Group CEO £000	25th percentile £000	Median £000	75th percentile £000
2024	**Salary**	**£1,144**	**£23**	**£26**	**£31**
	Total remuneration	**£9,499**	**£26**	**£29**	**£32**
2023	Salary	£1,083	£21	£24	£24
	Total remuneration	£7,494	£23	£25	£32
2022	Salary	£1,034	£18	£22	£26
	Total remuneration	£3,299	£21	£26	£29
2021	Salary	£1,000	£16	£19	£24
	Total remuneration	£3,211	£19	£23	£26
2020	Salary	£894	£17	£21	£26
	Total remuneration	£1,162	£18	£21	£28

Annual percentage change in remuneration of directors and employees

The following table shows the annual change in each individual director's base salary/fees, benefits and bonuses, compared to the annual change in average UK employee pay for the year ended 30 September 2024. Figures have been annualised to show a like-for-like comparison.

	Change in pay between 2023 and 2024			Change in pay between 2022 and 2023			Change in pay between 2021 and 2022			Change in pay between 2020 and 2021			Change in pay between 2019 and 2020		
	Base salary/ fees % change[1]	**Bonus % change[2]**	**Benefit % change[3]**	Base salary/ fees % change[1]	Bonus % change[2]	Benefit % change[3]	Base salary/ fees % change[1]	Bonus % change[2]	Benefit % change[3]	Base salary/ fees % change[1]	Bonus % change[2]	Benefit % change[3]	Base salary/ fees % change[1]	Bonus % change[2]	Benefit % change[3]
Executive directors															
Dominic Blakemore	**5.7%**	**5.9%**	**(20.3)%**	4.7%	4.8%	(52.0)%	3.4%	4.6%	18.1%	11.9%	N/A[4]	(27.4)%	(6.5)%	(100)%	105.0%
Petros Parras[5]	**N/A[4]**	**N/A[4]**	**N/A[4]**	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]
Palmer Brown[5]	**32.0%**	**37.7%**	**(25.4)%**	4.4%	4.8%	(30.3)%	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]	N/A[4]
Gary Green[5]	**1.3%**	**0.0%**	**(53.0)%**	4.7%	4.8%	6.6%	3.6%	5.3%	(32.4)%	10.5%	N/A[4]	(15.5)%	(6.3)%	(100)%	49.7%
Non-executive directors															
Carol Arrowsmith[5]	**(5.3)%**	**–**	**334.4%**	(12.6)%	–	5,808.8%	1.7%	–	N/A[4]	10.3%	–	(100)%	(7.8)%	–	79.1%
Liat Ben-Zur[5]	**N/A[4]**	**–**	**N/A[4]**	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]
Stefan Bomhard	**5.9%**	**–**	**113.1%**	4.4%	–	203.9%	2.3%	–	N/A[4]	10.3%	–	(100)%	(7.3)%	–	1,012.9%
John Bryant[5]	**(5.7)%**	**–**	**35.5%**	14.5%	–	804.3%	11.5%	–	N/A[4]	35.0%	–	(100)%	(7.3)%	–	162.6%
Juliana Chugg[5]	**N/A[4]**	**–**	**N/A[4]**	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]
Arlene Isaacs-Lowe	**5.9%**	**–**	**25.0%**	4.4%	–	651.0%	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]
Ian Meakins	**5.9%**	**–**	**N/A[4]**	4.7%	–	N/A[4]	18.9%	–	N/A[4]	467.0%	–	(100)%	–	–	–
Anne-Françoise Nesmes[5]	**22.8%**	**–**	**(89.8)%**	8.3%	–	N/A[4]	11.5%	–	N/A[4]	35.0%	–	(100)%	(7.3)%	–	N/A[4]
Sundar Raman	**5.9%**	**–**	**(3.9)%**	4.4%	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]
Nelson Silva	**4.5%**	**–**	**60.4%**	3.3%	–	278.0%	1.7%	–	N/A[4]	10.3%	–	(100)%	(7.8)%	–	23.8%
Ireena Vittal	**5.9%**	**–**	**(1.5)%**	4.4%	–	N/A[4]	2.3%	–	N/A[4]	10.3%	–	(100)%	(7.3)%	–	27.7%
Leanne Wood	**5.9%**	**–**	**N/A[4]**	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]	N/A[4]	–	N/A[4]
Average pay of UK employees[6]	**6.5%**	**50.2%**	**(41.5)%**	11.5%	(23.4)%	(24.8)%	3.8%	191.8%	2.5%	5.2%	113.1%	7.5%	3.4%	(12.3)%	(13.4)%

1. The annual percentage change in salary is calculated by reference to actual salary paid and for directors is calculated on a full-time equivalent basis.
2. The annual percentage change in bonus is calculated by reference to the bonus payable in respect of performance applicable to the financial year for executive directors, and by reference to all bonus payments received during the financial year for UK employees.
3. The annual percentage change in benefits is calculated by reference to the value of benefits received in respect of the financial year. Non-executive directors' travel expenses to/from meetings in the UK are considered a benefit and are disclosed in the DRR. The decrease in benefits value between 2023 and 2024 for the Group CEO and UK employees is due to the continued take-up of electric company vehicles, which have a lower taxable value than a cash for car allowance or a non-electric Company vehicle.
4. N/A refers to a nil value in the previous year, meaning that a year-on-year change cannot be calculated.
5. Fees for 2024 have been pro-rated to reflect time in office and change of role as appropriate.
6. Average employee pay is calculated by reference to the mean average pay of employees within the UK.

Relative importance of spend on pay

The following table sets out the amounts paid in share buybacks, dividends and total employee costs for the 2023 and 2024 financial years.

Disbursements	**2024 $m**	2023 (restated) $m	Change %[1]
Share buybacks[2]	**557**	1,151	(51.6)%
Dividends paid[3]	**963**	796	21.0%
Total employee costs[4]	**19,598**	17,625	11.2%

1. The year-on-year percentage change in disbursements reflects the Company's continued strong performance.
2. At the AGM on 8 February 2024, shareholders approved Resolution 22 to give the directors authority to make limited on-market purchases of up to 10% of the Company's ordinary shares. 20,406,756 shares were repurchased during the financial year ended 30 September 2024 at a cost of $557 million excluding transaction costs. The directors consider it desirable for such general authority to be available to maintain an efficient capital structure whilst at the same time retaining the flexibility to fund any bolt-on acquisitions.
3. The share capital in issue on 30 September 2024 and on the same date in 2023 was 1,785 million ordinary shares of 11$\frac{1}{20}$ pence each, including treasury shares.
4. Total employee costs include wages and salaries, social security costs, share-based payments and pension costs for all employees, including directors.
The average number of employees, including directors and part-time employees in operations, during 2024 was 579,126 (2023: 562,460).

Remuneration of other senior executives and management

A number of senior executives and the executive directors comprise the Executive Committee. These key management roles influence the ability of the Group to meet its strategic targets. The Remuneration Committee sets the remuneration for these individuals and considers the remuneration levels and structure of the wider business. Total remuneration including base salary and other short-term benefits, bonus and the expected value of long-term incentives for this group is summarised in note 4 to the consolidated financial statements on page 151.

Remuneration advice

The Group Chief People Officer and the Group Reward Director are normally invited to attend each Committee meeting to advise on remuneration matters. The Chair of the Board, Group CEO and Group CFO may also attend from time to time by invitation. They are not paid a fee for attending the Committee in addition to their normal remuneration from the Company and none attend when their own remuneration is discussed. Details of the members of the Committee who served during the 2024 financial year are set out on pages 57 to 59.

Under its terms of reference, the Committee obtains the advice of external independent remuneration consultants and is responsible for their selection and appointment. Following an objective selection process, the Committee appointed PricewaterhouseCoopers (PwC) as its independent remuneration adviser. Prior to this, the adviser to the Committee was Deloitte.

PwC advised the Committee from April 2024 and its fees for the period April to September 2024 were £115,650 for advice relating to executive remuneration. Deloitte's fees for the period October 2023 to April 2024 were £60,000. Fees covered attendance at Committee meetings, general advice and updates on remuneration developments with total fees paid to advisers of £175,650 for the year ended 30 September 2024 (2023: £104,400).

PwC provided advice to the Group in relation to tax and accounting, technology and other consulting services during the year. PwC is a member of the Remuneration Consultants Group and complies with its Code of Conduct.

Alithos Limited (Alithos) was appointed by the Company in 2002. During the year, Alithos provided information for the testing of the TSR performance conditions for the Company's LTIP awards, for which it received fixed fees of £24,000 (2023: £24,000). Alithos also provided TSR data to the Committee during the year for which it received fees of £500 (2023: £500).

The Committee is satisfied that the advice it received during the year was objective and independent, based on the experience of its members.

Committee evaluation

The priorities set by the Committee in response to last year's external evaluation process were:

- determining appropriate performance measures and targets, including ESG metrics
- investor engagement

These themes, together with the Committee's regular programme of work, shaped the Committee's agenda and were included in the principal activities during the year.

2024 evaluation

During the year, an internal evaluation of the effectiveness of the Committee was conducted as part of the wider evaluation of the Board and its committees. Details can be found on page 85. The top priorities for the Remuneration Committee over the coming year were identified as:

- finalising the new Remuneration Policy and obtaining broad stakeholder alignment with the new policy
- ensuring remuneration targets are appropriately stretching
- ensuring that reward is sufficiently competitive to attract and retain the best talent

These matters, together with the regular work of the Committee, will inform the Committee's agenda for the coming year.

Shareholder vote at the 2024 and 2022 Annual General Meetings

The table below sets out the voting outcome at the AGM held on 8 February 2024 in respect of the 2023 Annual Remuneration Report resolution:

	Number of votes 'For' and 'Discretionary'	% of votes cast 'For'	Number of votes 'Against'	% of votes cast 'Against'	Total number of votes cast	Number of votes 'Withheld'[1]
Annual Remuneration Report[2]	1,330,707,235	95.69	59,950,926	4.31	1,390,658,161	1,608,559

The table below sets out the voting outcome at the AGM held on 3 February 2022 for the Remuneration Policy which applies until February 2025:

	Number of votes 'For' and 'Discretionary'	% of votes cast 'For'	Number of votes 'Against'	% of votes cast 'Against'	Total number of votes cast	Number of votes 'Withheld'[1]
Remuneration Policy[3]	973,341,831	67.50	468,571,337	32.50	1,441,913,168	34,029,557

1. A vote withheld is not a vote in law.
2. Advisory vote.
3. Binding vote.

The Committee welcomed the endorsement of the 2023 DRR and 2022 Policy by the majority of shareholders and took steps to understand the concerns of shareholders who withheld their support for the Policy, as described in detail on pages 103 to 104 of the 2023 DRR. At the 2025 AGM, shareholders will be invited to vote on the 2024 Annual Remuneration Report (advisory vote) and the 2025 Policy (binding vote).

On behalf of the Board

John Bryant
Chair of the Remuneration Committee

26 November 2024

Other statutory disclosures

The directors present their Annual Report and the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 30 September 2024.

This Directors' Report forms part of the management report as required under the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules (DTR) 4. The Company has chosen, in accordance with section 414C (11) of the Companies Act 2006, to include certain matters in its Strategic Report that would otherwise be required to be disclosed in this Directors' Report. The Strategic Report can be found on pages 1 to 53 and includes an indication of future likely developments in the Company, details of important events and the Company's business model and strategy. The Corporate Governance and Directors' Report on pages 54 to 123, the Other Statutory Disclosures section on pages 119 to 122 and the Directors' Responsibilities Statement on page 123 are incorporated into the Directors' Report by reference.

Specifically, the following disclosures have been included elsewhere within the Annual Report and are incorporated into this Directors' Report by reference:

Disclosure	Page
Financial risk management	17
Future developments in the business	11
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Results and dividends

In the year ended 30 September 2024, the Group delivered an underlying profit before tax of $2,749 million (2023: $2,426 million), an increase of 13.3%; and a statutory profit before tax of $2,056 million (2023: $2,137 million), a decrease of 3.8%.

It is proposed that a final dividend of 39.1 cents per share be paid in respect of the financial year ended 30 September 2024 on 27 February 2025 to shareholders on the register on 17 January 2025. The final dividend of 39.1 cents per share will be paid in sterling unless a shareholder has elected to receive the dividend in US dollars. The last date for receipt of currency elections will be 3 February 2025. A Dividend Reinvestment Plan (DRIP) will be available. The last date for receipt of DRIP elections will be 6 February 2025.

Year	Dividend	Pence per share	Cents per share
2024	Final	N/A^	39.1
2024	Interim	16.2*	20.7
2023	Final	28.1	N/A
2023	Interim	15.0	N/A

^ The exchange rate for the sterling equivalent of the final dividend for the financial year ended 30 September 2024 will be announced on the London Stock Exchange Regulatory News Service on 11 February 2025.

* Based on an exchange rate of US$1 = £0.783 on 9 July 2024.

Generally, the trustee of the employee benefit trust, the Compass Group PLC All Share Schemes Trust (ASST), which operates in connection with the Company's share plans, waives its right to receive dividends on any shares held by it. Details of the ASST can be found on page 120 of this Report. The value of the dividends payable during the year ended 30 September 2024 that were waived by the ASST was $205,341 (£162,059) (2023: $106,615 (£88,042)).

At the date of this Report, there were 90,348,203 ordinary shares of $11\frac{1}{20}$ pence each held in treasury for the purpose of satisfying the Company's obligations under its employee equity incentive schemes. Shares held in treasury are not entitled to receive dividends.

Share capital

The Company has a single share class which is divided into ordinary shares of $11\frac{1}{20}$ pence each. At the date of this Report, 1,785,403,977 ordinary shares of $11\frac{1}{20}$ pence each (of which 90,348,203 are held in treasury) have been issued, are fully paid up and are quoted on the London Stock Exchange. Each share (excluding treasury shares) has one vote. The total number of voting rights attaching to the issued ordinary share capital (excluding treasury shares) at the date of this Report is 1,695,055,774. In addition, the Company sponsors a Level 1 American Depositary Receipts programme with BNY, through which the Company's shares are traded on the over-the-counter market in the form of American Depositary Shares.

During the year ended 30 September 2024, 2,862,514 awards were released pursuant to the Company's long-term incentive plans and other discretionary share schemes. All awards released were satisfied, as appropriate, by the reissue of 2,585,610 treasury shares and the release of 274,511 shares from the ASST. No treasury shares have been reissued since the end of the financial year to the date of this Report. 2,393 shares were released on 1 October 2024 by the ASST to satisfy an award under the Compass Group PLC Restricted Share Award Plan which had vested on 30 September 2024.

There are no restrictions on the transfer of ordinary shares in the capital of the Company other than those restrictions which may from time-to-time be imposed by law. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

The Company is not aware of any significant agreements to which it is party that take effect, alter or terminate upon a change of control of the Company following a takeover.

More detailed information relating to the rights and obligations attaching to the Company's ordinary shares, and those conferred by law, are set out in the Company's articles of association.

Articles of association

The Company's articles of association were adopted by shareholders at the 2021 AGM, and may only be amended by special resolution at a general meeting of shareholders, and are available on the Company's website: www.compass-group.com.

In accordance with the Company's articles of association, directors have been granted an indemnity by the Company to the extent permitted by law in respect of liabilities incurred as a result of their office. The indemnity would not provide any coverage where a director is proved to have acted fraudulently or dishonestly. The Company has also arranged appropriate insurance cover in respect of potential legal action against its directors and officers.

Purchase of own shares

From 4 December 2023 until 8 May 2024, the Company bought back 9,140,246 ordinary shares related to a $500 million share buyback. These purchases were made under the shareholder authority obtained by the Company at its 2023 AGM authorising the Company to purchase up to a maximum of 175,720,000 shares.

As permitted by the articles, the Company obtained shareholder authority at the 2024 AGM to purchase its own shares up to a maximum of 171,140,000 ordinary shares. On 21 June 2024, the Company announced, consistent with its capital allocation framework, the second and final portion of the $500 million share buyback to be completed by 17 December 2024. At the date of this Report 7,265,498 shares have been bought back.

During the financial year ended 30 September 2024, the Company purchased in aggregate 20,406,756 ordinary shares of 11¹⁄₂₀ pence and subsequently transferred these to treasury. The cost of the shares purchased during the financial year ended 30 September 2024 was $557 million excluding transaction costs. A further 2,356,198 shares have been repurchased between 1 October 2024 and the date of this Report at a cost of $77 million excluding transaction costs. As at the date of this Report there are 90,348,203 ordinary shares held in treasury (representing 5.3% of the issued ordinary shares) for the purpose of satisfying the Company's obligations under employee equity incentive schemes. Shares held in treasury are not eligible to participate in dividends and do not carry any voting rights. Further details of treasury shares and the share buybacks are set out on page 193.

At the 2025 AGM, a special resolution will be proposed to renew the directors' limited authority (last granted at the 2024 AGM) to purchase the Company's ordinary shares in the market. The authority will be exercised only if the directors believe that to do so would be likely to promote the success of the Company for the benefit of its shareholders as a whole.

Issue of shares

At the 2025 AGM, the directors will ask shareholders to renew the authority last granted to them at the 2024 AGM to allot equity shares representing approximately one-third of the issued ordinary shares calculated at the latest practicable date prior to the publication of the Notice of AGM (the section 551 authority) and, in accordance with the Investment Association Share Capital Management Guidelines, the directors propose to extend this by a further one-third of the Company's issued ordinary share capital, provided that such amount shall only be used in connection with a rights issue. If approved, the authority will expire no later than 15 months from the date the resolution is passed, or at the conclusion of the Company's 2026 AGM, whichever is the earlier. Changes in the Company's share capital during 2024, including details of purchases and releases by the ASST, and the reissue of treasury shares during the year, together with details of options granted over unissued capital, are set out in notes 25 and 26 to the consolidated financial statements.

Substantial shareholdings

As at 30 September 2024, and up to the date of this Report, the following information has been received, in accordance with DTR 5, from holders of notifiable interests in the Company's issued share capital:

	% of Compass Group PLC's voting rights
Blackrock, Inc.	9.99
Artisan Partners Limited Partnership	4.96
Invesco Limited	4.95
Massachusetts Financial Services Company	4.60

The information provided relating to substantial shareholdings above was correct at the date of notification but may have changed since. However, the holder is not required to make another notification to the Company until the next notifiable threshold (as defined in DTR 5) is crossed.

Employee share trusts

The Compass Group Employee Share Trust (ESOP) was established on 13 January 1992 in connection with the Company's share option plans. The Compass Group Long Term Incentive Plan Trust was established on 5 April 2001 in connection with the Company's long-term incentive plans. In 2019, it was adapted to allow it to source shares for all the Company's share schemes and renamed the Compass Group PLC All Share Schemes Trust (ASST).

Details of employee equity incentive plans are set out in the Directors' Remuneration Report on pages 86 to 118. As at 30 September 2024, the trustees of the ESOP and ASST held nil (2023: nil) and 298,712 (2023: 573,223) ordinary shares of the Company respectively.

Awards under employee share schemes

Details of awards made during the year and held by executive directors as at 30 September 2024 are disclosed in the Directors' Remuneration Report on pages 86 to 118.

Details of employee equity incentive plans and grants made during the year ended 30 September 2024, and extant awards held by employees, are disclosed in the consolidated financial statements on pages 195 and 196.

Employee engagement

Compass places particular importance on engaging with employees, recognising that its people have an important role to play in delivering the Group's commitments and strategy and to living its values. Employee engagement is based on commitments to respect, teamwork, and growth within the workforce.

The Group continues to operate on a decentralised basis. This provides a foundation for an entrepreneurial approach balanced by a strong control framework supported by a small head office team. Local management teams are responsible for maintaining high standards of health and safety and for ensuring that there is appropriate consideration of employees' views in decision-making.

A variety of mechanisms are used to keep employees regularly informed about matters of interest to them as employees, and to promote a common awareness of the financial, economic and environmental factors affecting the performance of the Company.

Employees regularly share feedback about how it feels to work at Compass through engagement surveys. These provide management with useful information that helps the businesses to form a good understanding of how employees feel about their workplace and to understand what more can be done to make Compass a great place to work.

Examples of engagement during the year can be found in other sections of this Report as follows:

People – pages 30 to 33

Meetings with the Designated Non-Executive Director for Workforce Engagement – page 66

Stakeholder engagement – pages 69 to 71

Corporate Responsibility Committee Report – page 79

Certain employees globally are eligible to participate in the Company's share plans, details of which are published on pages 195 and 196, and UK-based employees are eligible to participate in the Company's Share Incentive Plan.

Employee benefits and policies

Employees are offered a range of benefits, such as private medical cover, depending on the local environment. Priority is given to the training of employees and the development of their skills. Employment and promotion of people with disabilities is considered on merit with regard only to the ability of any applicant to carry out the role. Arrangements to enable people with disabilities to carry out the duties required will be made if it is reasonable to do so. An employee who becomes disabled would, where appropriate, be offered retraining.

Prior to 1 January 2024, eligible employees in the UK were invited to join the Company's defined contribution pension arrangement, the Compass Retirement Income Savings Plan (CRISP). On 1 January 2024, CRISP transferred into the Compass Group Pension Plan (the 'Plan') so that the Group could manage all its UK pension arrangements under a single corporate trustee. Eligible employees in the UK are now invited to join the CRISP Section of the Compass Group Pension Plan (the CRISP Section). The Plan has a corporate trustee, Compass Group Pension Trustee Company Limited.

The Company is subject to the Pension Automatic Enrolment Regulations for its workforce in the UK. All new UK employees who meet the statutory eligibility criteria, and who do not join the CRISP Section, are automatically enrolled into the National Employment Savings Trust.

Permanent employees outside the UK are usually offered membership of local pension arrangements, if and where they exist, and where it is appropriate to have Company-sponsored arrangements.

Employee diversity and human rights

Our Code of Business Conduct (CBC) provides principles-based guidance to help our businesses do what's right and sets out clearly the standards of behaviour that we expect. Our values, CBC and Group policies serve as a foundation for how we conduct business and compete fairly, globally. Together, they underpin our environmental, social and governance activities including incorporating the Ten Principles of the UN Global Compact, of which Compass has been a signatory since 2004, into strategies, policies and procedures. This demonstrates Compass' commitment to continue fostering an ethos of integrity and inclusion, whilst playing our part in shaping a sustainable future for our people, the communities in which we operate, and the planet.

Our people have an important role to play in the continued success of the Group. Individuality and diversity are respected and valued, and relationships with employees are based on respect for the dignity of the individual and fair treatment for all. The Company publishes an annual statement in accordance with the requirements of the Modern Slavery Act 2015 and a copy of the statement is available on the Company's website: www.compass-group.com.

As at 30 September 2024, there were 579,126 (2023: 562,460) people employed by the Group (average number of employees including directors and part-time employees), 323,182 of whom were female (2023: 316,474) and 255,944 were male (2023: 245,986). 460 were senior managers, of whom 150 were female and 310 were male (2023: 170 female and 326 male), which includes members of our global leadership team and statutory directors of corporate entities whose financial information is consolidated in the Group's financial statements in this Annual Report.

As at 30 September 2024, there were 14 directors, eight of whom were male and six were female. Prior to any appointment to the Board, the Nomination Committee gives due regard to diversity and gender with a view to recommending the appointment of the most suitable candidate for the role.

Compass seeks to create a positive and open working environment. Employee policies are set locally to comply with local law within an overall Group framework, and employee satisfaction and engagement are monitored through a number of indicators.

Consideration is given to the concerns of the wider communities in which the Group's businesses operate, including national and local interests, and we utilise relevant expertise to help contribute to the wellbeing of communities in ways which are appropriate to the Group's business objectives. Furthermore, the Group supports the rights of all people as set out in the UN Universal Declaration of Human Rights (UN Declaration) and considers carefully before doing any business in countries that do not adhere to the UN Declaration.

Business relationships

The directors regard positive business relationships with suppliers, clients, consumers and others as critical to the Company's long-term success. The Group's culture, values and behaviours support open and honest engagement with its stakeholders. High standards of ethical behaviour and probity are maintained in all Compass' business dealings. For further information on how the Company fosters business relationships and how the directors have had regard to stakeholders' interests in their principal decision-making processes, see pages 68 to 72.

Directors' conflicts of interest

As part of their ongoing development, executive directors are permitted to take on one external non-executive role on a non-competitor listed company board, subject to prior approval by the Board. Fees earned for the appointment may be retained by the director. The Board monitors the extent of directors' other interests and the time commitment required to fulfil those interests to ensure that the effectiveness of the Board is not compromised.

Each director has a duty under the Companies Act 2006 to avoid a situation in which they have, or might have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. This duty is in addition to the obligation owed to the Company to disclose to the Board an interest in any transaction or arrangement being considered by the Company. The Company's articles of association authorise the directors to approve such situations where appropriate and to apply other provisions to allow conflicts of interest to be managed. The Board follows an established procedure when deciding whether to authorise an actual or potential conflict of interest. Only independent directors (i.e. those with no interest in the matter under consideration) can make the relevant decision. In making a decision, the directors must act in good faith and in a way they consider most likely to promote the Company's success. Further, the directors may, if appropriate, impose limits or conditions when granting authorisation.

The Board considered and authorised each director's reported actual and potential conflicts of interest at its meeting in July 2024. It also considered any changes on an ad-hoc basis throughout the year. Any authorised conflicts are reviewed at least every 15 months.

Non-financial reporting

The Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016 (the Regulations) require companies to disclose non-financial information necessary to provide investors and other stakeholders with a better understanding of a company's development, performance and position, and the impact of its activity. The Audit Committee, which advises the Board on such matters, has concluded that the Company is compliant with the Regulations.

Throughout this Annual Report the directors have disclosed a mix of financial and non-financial KPIs that they believe best reflect the Group's strategic priorities and will help convey an understanding of the Group's culture and the drivers contributing to the ongoing success of the Company. The Non-financial and sustainability information statement on page 53 identifies where information relating to non-financial matters can be found.

Post-balance-sheet events

- on 31 October 2024, we agreed the sale of our business in Kazakhstan, subject to regulatory approval
- on 31 October 2024, the Group acquired 100% of the issued share capital of DR Holding (trading as Dupont Restauration), a provider of contract catering services in France, for cash of €296 million ($321 million)
- in the period from 1 October to 26 November 2024, 2,356,198 shares were repurchased for a total price of $77 million (excluding transaction costs)
- on 13 November 2024, the Group entered into an agreement to acquire 4Service AS, a provider of catering and facility management services in Norway, for an enterprise value of approximately NOK5.5 billion ($494 million). The acquisition is subject to regulatory approval, which we expect to receive during the 2025 financial year
- on 26 November 2024, a final dividend in respect of the financial year ended 30 September 2024 of 39.1 cents per share, $664 million (based on issued share capital excluding treasury shares as at 30 September 2024) in aggregate, was proposed

Greenhouse gas emissions reporting

The Company is required to state the annual quantity of emissions in tonnes of carbon dioxide equivalent from activities for which the Group is responsible, including the combustion of fuel and the operation of directly controlled facilities. Details of our emissions during the year ended 30 September 2024 are set out within the Purpose section of the Strategic Report on page 36 and form part of the Directors' Report disclosures and are incorporated by reference. Further details of the Group's actions to reduce emissions can also be found in the Purpose and TCFD sections of this Annual Report on pages 34 to 52. This Annual Report is certified as a CarbonNeutral® publication, supporting an emissions reduction project to offset the emissions arising from the production, printing and delivery of this Report. This year, the Company has supported a community-based project in Malawi, targeting the conservation of forestry whilst working with local households to reduce fuelwood usage, which will help develop sustainable livelihoods, increase community resilience to climate change and promote biodiversity.

Task Force on Climate-related Financial Disclosures (TCFD)

In accordance with provisions of the UK Listing Rules, the Company is required to state whether it has made disclosures consistent with the TCFD's recommendations, or if not, to provide an explanation of why it has not complied and a description of the steps that are being taken or will be taken to enable the Company to make consistent disclosures in the future and the timeframe for compliance. Details of Compass' TCFD progress and compliance are set out in the Strategic Report on pages 41 to 52, and form part of the Directors' Report disclosures and are incorporated by reference.

Donations and political expenditure

Charitable objectives support the Company's sustainability strategy and have primarily focused on the environment, education, health and wellbeing, community engagement, and responsible business practice. Donations have included employee involvement through fundraising and financial support.

Group charitable donations	$m
2024	**9.4**
2023[1]	8.7

1. The figure for the financial year ended 30 September 2023 of £7.1 million has been restated in US dollars at a rate of $1.2217:£1.

Since 2004, shareholders have passed an annual resolution, on a precautionary basis, to approve donations to EU political organisations and to incur political expenditure (as such terms were defined under the then relevant legislation) not exceeding a monetary limit approved by shareholders. The Board has consistently confirmed that it operates a policy of not giving any cash contribution to any political party in the ordinary meaning of those words and that it has no intention of changing that policy.

No material amount of corporate funds or paid employee time has been utilised during the year for political activities and, in accordance with the Company's Code of Business Conduct, employees must not engage in any form of lobbying or have contact with political representatives, government employees or public interest groups unless they are doing so legitimately and adhering to internal control processes. Further information regarding the CBC can be found on pages 13 and 76 of this Annual Report and on the Company's website: www.compass-group.com.

The directors propose to renew the authority last granted at the 2024 AGM for the Group to make political donations and incur political expenditure (as such terms are defined in sections 362 to 365 of the Companies Act 2006) until the Company's next AGM, which they might otherwise be prohibited from making or incurring under the terms of the Companies Act 2006 and which would not amount to 'donations' in the ordinary sense of the word. It is proposed to maintain the limit of such authority at £100,000.

CREST

The Company's ordinary shares and sterling Eurobonds are in CREST, the settlement system for stocks and shares.

Disclosures required under UKLR 6.6.1

There are no disclosures required to be made under the FCA's Listing Rule UKLR 6.6.1 which have not already been disclosed elsewhere in this Report. Details of long-term incentive plans can be found in the Directors' Remuneration Report on pages 86 to 118 and details of dividends waived by shareholders can be found on page 119.

AGM

The Notice of Meeting setting out the resolutions to be proposed at the 2025 AGM, together with explanatory notes, will be sent to shareholders as a separate document and made available on the Company's website: www.compass-group.com and also on the National Storage Mechanism at: https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

The directors consider that each of the resolutions is in the best interests of the Company and the shareholders as a whole, and recommend that shareholders vote in favour of all the resolutions.

On behalf of the Board

A. Yapp

Alison Yapp
Group General Counsel and Company Secretary

26 November 2024

Compass Group PLC
Registered in England and Wales
Company no. 4083914

Directors' responsibilities statement

The Annual Report and Accounts complies with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and the UK Corporate Governance Code 2018 in respect of the requirements to produce an annual financial report.

The Annual Report and Accounts is the responsibility of, and has been approved by, the directors.

We confirm that to the best of our knowledge:

- the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy
- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole
- the Annual Report and Accounts includes a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face

The directors have permitted the auditor to undertake whatever inspections it considers to be appropriate for the purpose of enabling the auditor to give its audit opinion.

On behalf of the Board

Alison Yapp
Group General Counsel and Company Secretary

26 November 2024

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable, relevant, reliable and prudent
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards
- for the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Parent Company financial statements
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company, and enable them to ensure that its financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance statement that comply with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In accordance with Disclosure Guidance and Transparency Rule (DTR) 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

Disclosure of relevant audit information

The directors confirm that, so far as they are each aware, there is no relevant audit information of which the auditor, KPMG, is unaware and each director has taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that KPMG is aware of that information.