

Corporate Governance Arrangements – B&M Retail Limited

The company has applied ‘The Wates Corporate Governance Principles for Large Private Companies, 2018’. A summary of the activities and policies in relation to its six principles are as follows.

Purpose and leadership

The core principle driven by the Board of Directors is to provide excellent best-selling products at the lowest prices, in brilliant shops.

Core to the financial performance and strategy of the company has been the relentless focus from Board level down, on price integrity and high retail standards.

Board composition

The Board of Directors for the B&M Group comprises the Chair, two Executive Directors, being Alex Russo, CEO and Mike Schmidt, CFO, plus six Independent Non-Executive Directors, of which both the Executive Directors of the B&M Group’s Board sit on the B&M Retail Board of Directors.

75% of the B&M Group’s Board of Directors, excluding the Chair, comprises Independent Non-Executive Directors and four of the nine Board members in FY24 were female.

Director responsibilities

The directors are collectively responsible for the strategy and long-term success of the company, and for ensuring there is an effective system of internal controls for the assessment and management of key risks.

The implementation of the Board-approved strategy, policies and decisions is delegated to the Executive Directors of the company, CEO and CFO, to execute them in relation to the day-to-day operational management of the company.

Opportunities and risk

The Board of Directors ensure the company maintains a strong system of internal controls to mitigate risks and assist with decision making for potential opportunities.

The system of internal controls, supported by the Internal Audit function, is designed to identify, manage and evaluate, rather than eliminate, the risk of failing to achieve the company’s objectives. It therefore can provide reasonable but not absolute assurance against material misstatement, loss or failure to meet objectives of the company, due to the inherent limitations of any such system.

The key elements of the system of internal controls are financial reporting, risk management, monitoring of controls and staff policies.

Remuneration

The Remuneration Committee has responsibility for determining the company’s policy on remuneration of the Executive Directors and the Chair and the first level of senior management of the company.

The policy focuses mainly on the long-term performance of the company, which will help to drive the success of the company in the long-term. This is demonstrated the Long-Term Incentive Plans (LTIP) in place.

Stakeholder relationships and engagement

The Board of Directors are committed to the implementation and monitoring of the ESG strategy, which is based around the four pillars of environment, colleagues, communities and supply chain.

The impact of the company’s activities on each of the four pillars above are considered by the Board of Directors as part of all decision-making, whether in relation to financial or non-financial metrics.