

## **Statement of Compliance with the 2018 QCA Corporate Governance Code (the “QCA Code”)**

### **Chair’s Introduction**

Restore provides specialist solutions to enable organisations to work faster, reducing cost, work more securely and more sustainably.

Restore is the UK’s leading provider of integrated information and data management, business digitisation, secure recycling of paper and technology assets and commercial relocation services. Restore’s mission is to be the most trusted and environmentally responsible provider to the private and public sector.

We have a strong track record of success and a clear strategy to grow through organic momentum, acquisition and synergy from scale and cost efficiency.

The Board ensures that the Group is managed for the long-term benefit of all shareholders with corporate governance being an essential part of this.

**Jamie Hopkins**  
**Chair**

### **Principles of the QCA Code**

The Board adopted the QCA Code in line with the London Stock Exchange AIM Rules requiring all AIM-listed companies to adopt and comply with a recognised corporate governance code in 2018. We recognise the recently published 2023 update to the QCA Code and will carry out a gap analysis against any additional requirements during 2024, in preparation for the 2024 reporting season.

This report sets out in broad terms how we comply at this point in time. We provide annual reviews on our compliance with the QCA Code.

#### **Principle 1: Establish a strategy and business model which promote long-term value for shareholders**

Restore is the UK’s leading provider of integrated information and data management, business digitisation, secure recycling of paper and technology assets and commercial relocation services.

Our services are critical to customer operations, reduce their costs and enhance their organisation. With national operations and integrated complementary businesses, we lead the sectors in which we operate.

Restore’s strategic focus is on generating organic growth from long-term contracted, recurring and profitable revenue streams with blue-chip customers in both the private and public sectors. Allied to this is the drive for high operating margins through rigorous cost control, synergies and consolidation.

The Group’s latest Annual Report provides further details on the Group’s strategy and business model in Digital and Information Management and Secure Lifecycle Services, as well as the key challenges faced by the Group in achieving its goals.

#### **Principle 2: Seek to understand and meet shareholder needs and expectations**

The CEO and CFO are the Company’s principal contact for investors, fund managers, the press and all other interested parties. In addition, the Chair and the Senior Independent

Directors are available if required, as are the Committee Chairs for discussions on specific topics such as ESG and remuneration.

The Company meets regularly with its large investors and institutional shareholders who along with analysts are invited to meetings by the Company after the announcement of the Company's results. The Company conducts bi-annual investor roadshows in the UK and periodically holds a Capital Markets Event and site visits for interested parties.

At the Annual General Meeting, all investors are given the opportunity to question and discuss matters with the Board. Corporate information (including all Company announcements) is available to shareholders, investors and the public on the Company's website [www.restoreplc.com](http://www.restoreplc.com)

Charles Skinner, our CEO, is primarily responsible for shareholder liaison. To request a meeting please contact [ir@restoreplc.com](mailto:ir@restoreplc.com).

### **Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success**

Connecting with our stakeholders develops our relationships and allows us to develop the Group. Our shareholders, suppliers, customers and employees are our most important stakeholders.

#### **Our suppliers:**

We agree supplier terms of business with all of our authorised suppliers and recognise that they must be able to maintain their businesses for the Group to continue to benefit from their services. Existing supplier relationships are also periodically reviewed.

#### **Our customers:**

Restore provides a range of services. These services are operationally complex and mission critical where high-quality performance is essential. Our business units benefit from being market leaders in sectors where scale generates significant cost effectiveness and enables larger multi-branch customers to be serviced by a single supplier. In a world where data in both a physical and digital form is becoming more valuable and subject to increasing regulation, the services we provide which store, digitise, process, securely destroy and erase data are in increasing demand.

Our customer base covers a broad range of both private and public sector entities.

Examples of our market sector penetration include:

- >90% of top 100 UK legal practices
- >85% of UK National Health Trusts
- >70% of local authorities in England, Wales and Scotland
- >80% of FTSE 100 companies
- >80% of top 50 UK accountancy companies

We seek to establish longstanding customer relationships across the entire Group and customer relationships are critical to future success. All key relationships with customers are maintained by an account manager to ensure that they are maintained and any issues are addressed in a timely manner.

#### **Our employees:**

At Restore we know that to maintain and build upon the great service we offer our customers, we must ensure that we continue to invest in a safe, inclusive and rewarding environment for our employees to work in.

We launched Our People strategy ('A Great Place to Work') in 2021 and whilst there is still more to do, we've delivered against a number of key areas to enable people to perform at their best and generate a positive culture for all employees.

Our People strategy focuses on five key themes:

- Health, safety and wellbeing
- Culture
- Community Impact
- Enriching Careers
- Diversity and Inclusion

Recently we have particularly focused on our DEIB agenda. We have put in place mechanisms for effective diversity tracking across applicants and existing employees and drove a data capture campaign to gather information from almost 60% of our employees. We have also set up three colleague listening networks for under represented groups, with more networks scheduled to launch this year.

We have continued to develop our regular two-way communication channels. All employees are connected and can share on our Company wide Intranet, we partner with a neuro-science based engagement provider for employee survey feedback and we have employee forums across the Group enabling feedback on working life at Restore.

We continue to operate a Speak Up policy across the Group that provides employees with guidance on how to raise concerns about fraud, security, unethical behaviour, health and safety, bullying, discrimination, bribery and corruption, data protection and any other matter they feel should be reported.

We have been reviewing and enhancing our Company people policies also, with a view to ensure that these are supportive and clear for colleagues. As part of this process we have enhanced our maternity, paternity and adoption pay offering for our people.

Occupational Health and Safety is our number one priority and Restore commits to providing a safe and healthy work environment for our colleagues that considers physical and psychological hazards. We have a robust Health and Safety management system in place for identifying, managing, and controlling health and safety risks. We provide our employees with comprehensive ROSPA and IOSH accredited training and accessible information on health and safety matters regularly. We actively encourage colleagues to raise any concerns they may have and have invested in amplifying colleague voice through easy-to-use observation schemes. In order to ensure and reinforce standards Restore works in partnership with the British Standards Institute to align and be certified to globally recognised occupational health and safety management systems (e.g. ISO 45001 and ISO 45003) to evidence the prioritisation of employee health and wellbeing for better organisational resilience.

Wellbeing is also a particular area of focus for us. We have been promoting our Employee Assistance programme, launched an associated wellbeing app, and continue to invest in Mental Health first aiders, along with other communications and support tools for colleagues. As part of our financial wellbeing plans, we have consolidated our 15 pension schemes into one, improving the offering and rates for employees and providing education around saving for retirement.

#### **Our community and charity incentives:**

We care for the communities in which we work and take part in a number of Group-wide initiatives to ensure our presence is a positive one for our neighbours and colleagues.

For many years, teams from across the Group have worked together with Crisis at Christmas, donating many boxes of clothing, toiletries, food, transport and their time to help the charity set up their shelters every December. Each business in the Group supports charities and community groups with whom they have a personal connection.

In addition to our Group initiatives, we encourage employees to support charities and help in our communities, by sponsoring fundraising efforts and by allowing time away from work to participate in events for a range of approved charities.

**Modern Slavery and human trafficking:**

Restore plc has a zero-tolerance approach to slavery and is committed to preventing acts of slavery and human trafficking from occurring within both its business and supply chain, and imposes those same high standards on its contractors, suppliers and other business partners.

Our latest modern slavery and human trafficking statement is available on the plc website: [www.restoreplc.com/sustainability/policies](http://www.restoreplc.com/sustainability/policies).

**Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation**

The Risk Committee consists of Lisa Fretwell, as Chair, the CEO and CFO and the Managing Directors of the five business units with the Company Secretary acting as Secretary. Other senior leaders across the Group, as well as Company Non-Executive Directors, are invited to attend as required to discuss and progress specific areas of risk management. The Risk Committee meets quarterly with updates provided to the Board after each meeting. The terms of reference of the Risk Committee can be found on the Group's website: [www.restoreplc.com/sustainability/policies](http://www.restoreplc.com/sustainability/policies).

The Risk Committee operates a sub-committee structure with sub-committees in place across different functional specialisms including health and safety, property, IT and cyber risk, compliance and quality. These specialist teams support the Risk Committee. In addition, each business unit maintains, and regularly reviews and updates, its own risk register.

The business is led by a highly qualified and experienced Board with sector and functional expertise drawn from working across FTSE 100 and FTSE 250 organisations. Board meetings are held on a regular basis and no significant decision is made other than by the Directors. All Directors participate in the key areas of decision making.

The Board acknowledges its responsibility for establishing and monitoring the Group's systems of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately.

The Group has clearly defined framework for investment appraisal and approval is required by the Board where appropriate.

The Company has established an Audit Committee who are responsible for reviewing the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditor.

The Group's latest Annual Report provides further detail on the key risks faced by the Group.

**Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair**

The Board is led by the Chair and consists of two Executive Directors and two Non-Executive Directors (in addition to the Chair). The Board meets on a regular basis and makes all of the significant decisions in the Group. The Board is satisfied that there is a suitable balance between Company knowledge and independence in order to discharge its duties and responsibilities effectively. All Non-Executives are considered to be independent and are able to commit the required time necessary to fulfil their roles. This includes Jamie Hopkins who, notwithstanding his short spell as Interim CEO, was considered by the Board to be independent on his subsequent appointment as Chair. Sharon Baylay-Bell stepped down as Chair and Director on 5<sup>th</sup> September 2023, having served as a Non-Executive Director of the

Company for nine years.

During 2023 there were nine scheduled Board meetings which have been attended by all Board members, with three additional Board meetings called on short notice to address specific business.

The key activities have included:

- Health and Safety
- Divisional business unit reviews
- GDPR
- Capex business case reviews
- Enterprise risk management
- Executive remuneration
- People strategy
- ESG
- Governance updates
- Business unit strategy reviews
- Investor feedback
- Approval of external announcements and shareholder distributions

In addition to the Board meetings, there were five Audit Committee meetings, nine Remuneration Committee meetings, six Nominations Committee meetings and two ESG Committee meetings.

All Board Directors commit the necessary time required to fulfil their roles. Further detail on the Directors is set out on the Company's website and in the Company's latest Annual Report.

**Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities**

The Board is satisfied that between the Directors there is an effective balance of skills and experience. All Directors receive regular and timely information on both the Group's operational and financial performance. Information is circulated to the Director's in advance of meetings. The Group reports monthly on its performance against its agreed targets and the Board reviews this at each meeting. Contracts for the Directors are available for inspection at the Group's Head Office and at the Annual General Meeting.

The Board considers and reviews the requirement for continued professional development. The Board undertakes to ensure that their awareness of developments in corporate governance and the regulatory framework is current, as well as remaining knowledgeable of any industry-specific updates. The Nomad and external advisers also support this development, by providing guidance and updates as required. Other external advisers are engaged from time to time in order to provide expert advice to the Board and Committees.

The Senior Independent Director acts as a sounding board for the Chair and is available as a trusted intermediary for other directors. The Company Secretary's responsibilities include providing clear and timely information to the Board and providing advice and support to the Board on legal matters as well as corporate governance and risk.

All Directors submit themselves for election (in the case of new directors) and re-election at each Annual General Meeting.

The biographies of each of the Directors, including their experience and skills, are available on the Company's website and in the Company's latest Annual Report.

**Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

Our Chair continues to ensure that contributions made to the Board are relevant, independent, effective and encourage debate. In November 2022, the Board engaged an independent third party to carry out a formal Board evaluation. The Board subsequently reviewed the findings of the evaluation and have since reviewed progress on the actions taken to address the recommendations. The recent changes to the Board and Executive leadership have afforded an additional opportunity for the Board to consider the composition and expertise at Board and Board Committee level.

In January 2024, an internal questionnaire-based evaluation was carried out to assess the performance of the Board and the principal Committees during 2023. The responses were then collated into a report for review and discussion by the Board and the principal Committees. In addition, the Chair held one-to-one confidential discussions with each director, with the SID holding one-to-one confidential discussions with each director on the performance of the Chair. The findings of the 2024 performance evaluation and an update on the recommendations and progress against those recommendations will be included in the 2023 Annual Report.

The Nominations Committee comprises of Jamie Hopkins as Chair (unless the matter under discussion is his own succession) and the Non-Executive Directors. Other Directors and the Chief People Officer are invited to attend as appropriate. The Committee is also assisted by executive search consultants as and when required. The Committee's principal responsibility is to lead the process for Board appointments and to make recommendations for maintaining an appropriate balance of skills on the Board.

The Board and Nominations Committee undertake regular assessments of management to ensure that they maintain a successful strategy in order that succession plans are in place. The Board aim to maximise development of internal talent and where appropriate involve external recruitment.

### **Principle 8: Promote a culture that is based on ethical values and behaviours**

We seek to recruit and retain the best employees in order to deliver the best service to our customers. We believe that power and responsibility go hand in hand. We aim to ensure our workforce is representative of society and all employees feel respected and able to give their best. In order to guide our employees, the Group maintains appropriate compliance policies which are the subject of regular review. 2023 saw the launch of Restore's new Code of Conduct as well as an update to our whistleblowing policy and procedures.

As our Group increases in scale, we are able to offer our employees greater stability, development and career opportunities. We care for the communities in which we work and have various Group initiatives as outlined in our Annual Report.

Feedback from all stakeholders, as described in relation to Principle 3, allows the Board to monitor its corporate culture and ethical values and behaviours within the business.

### **Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

The Board is responsible for the overall leadership, strategy, development and control of the Group in order to achieve its strategic objectives.

The Board acknowledges its responsibility for establishing and monitoring the Group's systems of internal control, in order to safeguard the assets of the Company and to enable risks to be properly managed.

The Chair is responsible for running the Board and ensuring that there is appropriate focus and strategic direction. The CEO is responsible (in conjunction with the CFO and business unit leaders) for proposing the Group's strategy, and once approved, implementing and

keeping it under regular review with the senior management team.

The CFO is responsible for the financial reporting and financial management of the Group and all finance, audit and tax matters.

The Board is supported by the Audit, Remuneration, Nominations and ESG Committees. In addition to these Board Committees are the Risk Committee and the Property Committee.

The terms of reference for all Committees are available on the Company's website: [www.restoreplc.com/sustainability/policies](http://www.restoreplc.com/sustainability/policies). The matters reserved for the Board are described in the Governance Statement in our latest Annual Report.

The Board intends to keep all of the Company's governance arrangements under review over the next 12 months to ensure that they are relevant and evolve as the Group continues to develop.

**Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, the Annual General Meeting and one-to-one meetings with shareholders and well as holding site visits for interested parties. Our corporate information (including all Company announcements) is also available to shareholders, investors and the public on the Company's website [www.restoreplc.com](http://www.restoreplc.com)

The Directors' remuneration report and independent Auditor's report form part of the Company's Annual Report, which is available to view on the Company's website, along with all other historical annual reports, notices of meetings and other information.

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