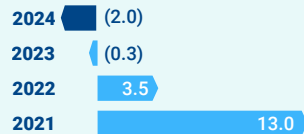


Key performance indicators

Financial

Group LFL sales (%)



Description

A measure of the underlying sales growth of products to Local Trade, DIY and Design & Installation customers.

Definition

Sales to Local Trade, DIY and Design & Installation customers from stores that have been open for more than 12 months.

Link to growth levers



LFL sales is a measure of how successful we have been in developing our growth levers.

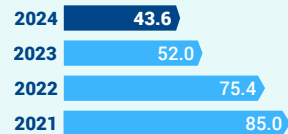
Remuneration linkage

Linkage is via the impact of LFL sales growth on Adjusted PBT.

Target

We aim to grow market share from the existing store estate in order to generate operating leverage.

Adjusted PBT (£m)



Description

Profit before tax adjusted for items that are material in size or unusual in nature as presented as part of the income statement.

Definition

Adjusted PBT is our key profit target to measure underlying performance and is calculated before deducting adjusting items, such as impairments or restructuring costs.

Link to growth levers



Adjusted PBT is a key measure of the efficiency of the business and the returns we deliver on our growth investment.

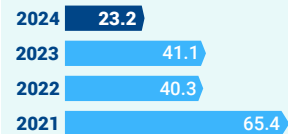
Remuneration linkage

Adjusted PBT represents 70% of the annual bonus target for Executives.

Target

We aim to grow adjusted PBT each financial year, although this will be dependent on market and competitive conditions.

Statutory PBT (£m)



Description

Profit before tax in the financial year on a statutory basis, as reported in the income statement.

Definition

Statutory profit before tax.

Link to growth levers



Profit before tax is a key measure of the efficiency of the business and the returns we deliver on our growth investment.

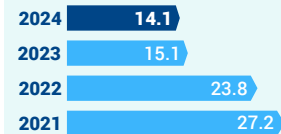
Remuneration linkage

Linked to Adjusted PBT.

Target

We aim to grow statutory PBT each financial year, although this will be dependent on market and competitive conditions.

Adjusted basic EPS (p)



Description

A measure of how much adjusted profit after tax the Company makes for each share in issue.

Definition

Post-tax adjusted profit divided by the average number of shares in issue, before adjusting for share options.

Link to growth levers



EPS growth is closely linked to profit growth. It also reflects the effects of the capital allocation policy, in particular the share buyback programme.

Remuneration linkage

Adjusted basic EPS represents 60% of the Long Term Incentive Plan target for Executives.

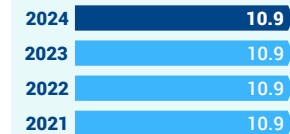
Target

We aim to grow adjusted basic EPS each financial year, although this will be dependent on market and competitive conditions.

Strategic growth levers

- ① Winning for trade
- ② Accelerating Design & Installation
- ③ DIY category wins
- ④ Store investment
- ⑤ Digital capability
- ⑥ Enhanced store service model
- ⑦ A winning culture

Dividend per share (p)



Description

A measure of how much adjusted profit the Company distributes for each qualifying share in issue.

Definition

The amount per ordinary share the Company distributes to shareholders of that financial year's retained profit.

Link to growth levers



Dividends to shareholders reflect the company's success in executing its growth levers, and in generating cash.

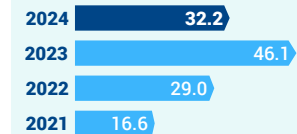
Remuneration linkage

Dividends are an important element of Total Shareholder Return (TSR), which represents 30% of LTIP targets for Executives.

Target

We target dividend cover of between 1.5 times and 2.5 times EPS.

Free cash flow (FCF) (£m)



Description

Cash flow available for distribution or debt repayment in any given financial year, after investing in the business and paying tax and interest.

Definition

Cash generated from operations, before the impact of adjusting items, after capex, interest and tax.

Link to growth levers



All growth levers are important in driving sales and profitability, which in turn support free cash flow.

Remuneration linkage

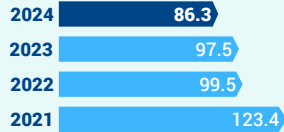
Free cash flow represents 20% of the annual bonus target for Executives.

Target

We aim to grow free cash flow each financial year, although this will be dependent principally on the level of profitability and investment in capex and working capital.

Key performance indicators continued

Cash (£m)



Description

A measure of year end cash.

Definition

The total value of our year end balance of cash and cash equivalents.

Link to growth levers



Cash will be influenced by our performance across all our growth levers.

Remuneration linkage

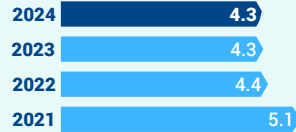
Linkage is via profit and free cash flow performance.

Target

Our capital allocation policy has a target minimum cash balance of £50m.

Operational

Stock turn



Description

A measure of how efficient we are in converting our stock into sales.

Definition

Cost of goods sold excluding installation services divided by the average of inventory held in the year.

Link to growth levers



More rapid stock turn, especially relative to the creditor payment cycle, is a key driver of free cash flow.

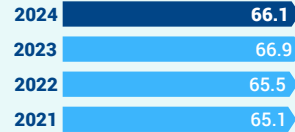
Remuneration linkage

Linkage is via the impact on FCF.

Target

We aim to maintain stock turn at around 4.0 - 5.0 times, although this is dependent on trading conditions, product mix, supply chain issues, and targets for product availability.

Digital sales (%)



Description

This measures how successfully we are engaging with our increasingly digital customer base.

Definition

The proportion of customer journeys which start online, plus direct digital sales such as Local Trade, Click & Collect and Home Delivery orders.

Link to growth levers



Our customer base is increasingly digital, and if we do not serve them well our market share and profitability will suffer over the long term.

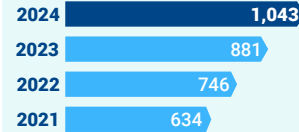
Remuneration linkage

Linkage is via the impact on sales and profit performance, and the returns we generate from our digital investments.

Target

We expect our digital participation to grow over time as we serve our customers' digital needs.

TradePro members (k)



Description

TradePro is our digital membership club for Trade offering a 10% discount on all purchases.

Definition

Total number of TradePro members.

Link to growth levers



Servicing trade customers is central to our offer, and reflects our strengths in digital, pricing and convenience.

Remuneration linkage

Linkage is via profitable growth of trade sales.

Target

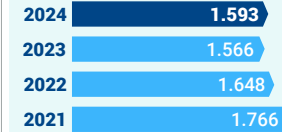
We have met this target.

Strategic growth levers

- ① Winning for trade
- ② Accelerating Design & Installation
- ③ DIY category wins
- ④ Store investment
- ⑤ Digital capability
- ⑥ Enhanced store service model
- ⑦ A winning culture

Responsible business

GHG emissions (m tCO₂e)



Description

We are acutely aware of our impact on the environment and this measure covers emissions from our own stores, transportation and our wider value chain.

Definition

Scope 1, 2, and 3 greenhouse gas emissions (GHG), measured as tonnes of carbon dioxide equivalent (tCO₂e).

Link to growth levers



We are committed to being a responsible business, and greenhouse gas emissions reductions are a key part of this.

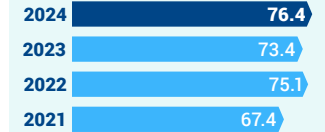
Remuneration linkage

Near term science-based targets represent 10% of the Long Term Incentive Plan for Executives.

Target

Deliver near term science-based targets.

Store leadership diversity (%)



Description

We want to build a more diverse and inclusive workforce, for the good of our colleagues and customers.

Definition

The proportion of stores that have at least one female in every store leadership team.

Link to growth levers



We strive to grow an inclusive and diverse business in order to best support the needs of our customers and communities.

Remuneration linkage

Gender and ethnicity diversity targets represent 10% of the annual bonus for Executives in 2024.

Target

Over the long term, the aspiration is to achieve a gender balanced team across all roles and functions at Wickes.