



GOVERNANCE

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VALUE CREATION AND ROBUST RISK MANAGEMENT



Dear Shareholder,

On behalf of the Board, I am pleased to present our Governance Report for the year ended 31 March 2023.

This Report summarises our corporate governance framework, including how we apply the principles and provisions of the UK Corporate Governance Code ('the Code'). We complied fully with the Code during the year under review.

Priorities and Progress

Our governance framework is focused on generating long-term value for the Group's investors and other stakeholders through clear strategic development, robust risk management and operational excellence.

We made further progress in all of these areas during the year. Highlights included:

- A strong focus on the strategic development of the Group and its three divisions. The Board devoted considerable time to the strategies of our three divisions and of the Group generally during the year.
- The continued integration of sustainability into Group and divisional strategies, supported by the appointment of a member of the Group Management Team as the Group's Chief Strategy & Sustainability Officer.
- Monitoring the Group's culture was also a priority subject. The Board invested time in reviewing various aspects of the Group's culture over the course of the year.

- Increased engagement with stakeholders was a key feature of the year. We had more contact with our shareholders. We also had more opportunities to meet members of the Group's workforce after the removal of restrictions imposed during the pandemic.

Strategy and Sustainability

We have made considerable progress in the strategic development of the Group in recent years.

We set out a revised strategy for the energy sector – *Leading with Energy* – in May 2022, following detailed analysis and discussions at management and Board level. The implementation of that strategy is now being overseen by the Board. More detail on the progress being made in this important area is set out in the DCC Energy Business Review on page 16.

The Board also spent considerable time during the year looking at the strategic development of our Healthcare and Technology divisions and the Group as a whole. Again, more detail is provided in the Business Reviews on pages 24 to 32 respectively.

The appointment of a Chief Strategy & Sustainability Officer during the year will support the continued evolution and implementation of strategy and is a recognition of the intrinsic relationship between strategy and sustainability in DCC.

The Board and myself as Chairman have ultimate responsibility for the long-term sustainability of DCC. We have clear governance structures in place to support our work in this rapidly-developing area. These are set out in detail in the report of the Governance and Sustainability Committee on page 108. More information on DCC's sustainability generally, including its relationship to our strategy, is provided in the Sustainability Review on page 58.

Stakeholder Engagement

DCC's purpose – *enabling people and businesses to grow and progress* – applies to our stakeholders as much as it does to the people and businesses that make up the DCC Group. At the heart of our approach to sustainability is the importance of adding value to all of our stakeholders, whether they are shareholders, employees, suppliers or customers. And our commitment to the health of the planet – including by decarbonising over time the energy we sell – is clear. More detail on our stakeholders and how we add value for them is set out in the Stakeholder Engagement section on page 52 and in the Sustainability Review on page 58.

Culture and Values

Our clear purpose and strong culture and values are the foundation for the Group's activities. Our commitment to our values of Safety, Integrity, Partnership and Excellence are an essential part of the success of the Group to date and its future development. The Board spent a good deal of time during the year reviewing aspects of the Group's culture. More detail on this is provided on page 101.

Our governance framework is focused on generating long-term value for the Group's investors and other stakeholders through clear strategic development, robust risk management, and operational excellence.

MARK BREUER
Chairman

Risk Management

The effective but efficient management of risks remains a core component of our governance framework. Health, Safety and Environment ('HSE') matters are overseen directly by the Board. The management of other risks is considered by the Audit Committee and then by the Board.

More detail on the Group's processes in this area, and how they are developing, is contained in the Audit Committee's Report on page 112 and in the Risk Report on page 77.

Board Composition and Diversity

At our AGM in 2022, Pamela Kirby retired as a non-executive Director and member of the Remuneration Committee and Governance and Sustainability Committee. Tufan Erginbilgic retired from the Board, Remuneration Committee and Governance and Sustainability Committee on 31 December 2022.

On 1 May 2023, we welcomed Katrina Cliffe as a non-executive Director and as a member of the Remuneration Committee.

On behalf of the Board, I wish to extend my sincere appreciation to Pamela and Tufan for their contribution to the Board during their time as Directors and I wish them all the best for the future. Katrina's board experience, as outlined on page 89, complements and expands the skills of the Board in important areas.

The Board recognises the benefits that diversity of thought and perspective bring to our discussions and decision making. We updated our Board Diversity Policy during the year to underline this and it is available on

the Company's website. Specifically, I am very pleased that from 1 May 2023, 40% of the Board are women. The Board meets the requirements of the UK Listing Rules on diversity.

Board and Committee Meetings

In the year under review, the majority of Board and Committee meetings were held in person.

All of our Board Committees continued to perform very effectively during the year. The reports from each Committee contained in this Report provide details on their activities over this period and their priorities for the current year.

Board Visits to Group Businesses

After a number of years where physical visits were curtailed because of pandemic restrictions, the Board undertook a number of visits to Group businesses during the year. These visits typically included a tour of facilities at the business in question as well as a discussion with colleagues on strategy, development areas, risks and opportunities, safety, compliance and people. Members of the Board found this additional engagement with the workforce, after a number of years where visits took place virtually, extremely useful.

Board Evaluation

The Board and its Committees review their performance each year and consider where improvements can be made. The process this year was, as always, very useful and provided some further areas for development in our governance processes. A summary of the process, the areas for improvement identified and the steps we are taking in relation to them are set out on page 98.

Review of Board Meeting Structures

We undertook a detailed review of the structure of Board and Committee meetings over the course of the year. That review took account of previous Board evaluations and wider good practice in corporate governance. The objectives of the review were to maximise the quality of the Group's governance, including Board and Committee meetings, while also allowing Directors to spend more time in Group businesses. As a result of this review, from the financial year commencing 1 April 2023 we will hold six scheduled Board meetings annually, a reduction of two. More time will be allocated to these six meetings and the Board will continue to cover all the subjects it considers at present. The additional time will be used by the Board to visit more Group businesses, spending time with members of management and the wider workforce. These changes will enhance the governance of the Group and the work of the Board at an important time in DCC's growth and development.

Priorities for the Year Ahead

As a Board, we have a busy year ahead. Key objectives include overseeing the continued implementation of DCC Energy's strategy, continued progress on sustainability and maintaining robust internal controls. The evolution of our Board and wider governance processes are designed to support this.

MARK BREUER
Chairman
15 May 2023

BOARD OF DIRECTORS

The Board continues to evolve and develop to reflect the current and future needs of the Group.

Committee Membership Key:

- Ⓐ Audit Committee member
- Ⓒ Governance and Sustainability Committee member
- Ⓓ Remuneration Committee member
- Ⓒ Committee Chair



MARK BREUER ⒸⒸ
 Non-executive Chairman

Date of appointment: Mark joined the Board in November 2018 and was appointed non-executive Chairman in July 2021.

Expertise: Mark is a highly experienced corporate financier and has operated at senior levels in the UK and abroad. He worked in investment banking for 30 years, the last 20 of which were for J. P. Morgan, where he served in numerous client facing and management roles, delivering mergers and acquisitions and broader corporate finance advice to both domestic and international clients. Mark's wide-ranging corporate finance experience is particularly relevant given DCC's acquisition focus.

Key external appointments: Chairman and non-executive director of Derwent London plc.



DONAL MURPHY
 Chief Executive

Date of appointment: December 2008

Expertise: Donal joined DCC in 1998 and has a detailed knowledge of the operations of the Group, having held a number of senior leadership roles, including Managing Director of DCC Technology from 2004 to 2006 and Managing Director of DCC Energy from 2006 to 2017. He led the very significant growth of the Energy division and its transition from a small UK and Irish business to a substantial international business operating in 12 countries.

Donal was appointed Chief Executive in July 2017.

Key external appointments: None.



KEVIN LUCEY
 Chief Financial Officer

Date of appointment: July 2020

Expertise: Kevin joined DCC in 2010 as Finance & Development Director of the Technology division and since then has held a number of senior Group finance roles, including, most recently, Head of Capital Markets. Kevin is a Chartered Accountant and has extensive international M&A, capital markets and operational finance experience. Prior to joining DCC, Kevin was CFO and a principal of a leading Irish private equity firm.

Kevin was appointed Chief Financial Officer in July 2020.

Key external appointments: None.



LAURA ANGELINI ⒸⒹ
 Non-executive Director

Date of appointment: July 2021

Expertise: Laura has extensive knowledge of the healthcare sector in Europe and the US. She has more than 30 years of experience in medical devices across multiple therapies and business models, including hospital products, consumer MedTech and home therapies. In 2021, Laura retired as General Manager of Baxter International's global Renal Care business, having joined Baxter in 2016 in this role. She previously held senior roles in Johnson & Johnson from 1991 to 2016.

Laura's leadership experience, healthcare expertise and knowledge of the North American markets enhances the Board's knowledge in key areas.

Key external appointments: Non-executive director of Identiv, Inc. and member of the Board of Trustees of Jacksonville University.

**KATRINA CLIFFE**

Non-executive Director

Date of appointment: May 2023

Expertise: Katrina is an experienced business leader and non-executive director and has held senior executive roles in a number of financial institutions, including American Express and Lloyds TSB, where she had a particular focus on product development, sales and operations. She was previously Senior Independent Director and Chair of the Remuneration Committee at HomeServe plc. She was also previously a non-executive director of Naked Wines plc. Katrina's business leadership and board experience, together with her expertise in the development and marketing of consumer services enhances the Board's knowledge in key areas.

Key external appointments: Non-executive director of International Personal Finance plc and Vue International.

**CAROLINE DOWLING**Non-executive Director,
Senior Independent Director**Date of appointment:** May 2019

Expertise: Caroline is a highly experienced business leader with extensive global knowledge in the technology sector, specifically electronic, technical and logistic services. Caroline was, until her retirement in February 2018, the Business Group President of Flex, an industry-leading, Fortune Global 500 company with operations in 30 countries. In this role, she led the Telecommunications, Enterprise Compute, Networking and Cloud Data Centre and was also responsible for managing the Global Services Division, supporting complex supply chains. Caroline was previously a non-executive director of the Irish Industrial Development Agency.

Caroline's leadership experience and areas of expertise are particularly relevant to key sectors in which DCC operates.

Key external appointments: Non-executive director of CRH plc and IMI plc.

**DAVID JUKE**

Non-executive Director

Date of appointment: March 2015

Expertise: David has over 40 years of international chemical distribution experience. In May 2018, he was appointed President and CEO and a director of Univar Solutions Inc. Prior to this appointment, he held a number of senior positions with Univar across global locations including President and Chief Operating Officer. Other previous roles include Senior Vice President of Global Sales, Marketing and Industry Relations for Omnexus and VP Business Development for Ellis & Everard Plc.

David's distribution experience brings valuable perspective to the Board.

Key external appointments: President and Chief Executive Officer of Univar Solutions Inc.

**LILY LIU**

Non-executive Director

Date of appointment: July 2021

Expertise: Lily has more than 20 years' experience in finance roles and is the current Chief Financial Officer of Synthomer plc, a leading global provider of chemical solutions and a member of the FTSE 250. Lily joined Synthomer plc in 2022 as Chief Financial Officer, having previously been Chief Financial Officer of Essentra plc, Xaar plc and Smiths Detection.

Lily's current role as CFO in a global business brings international financial experience to the Board and Audit Committee.

Key external appointments: Chief Financial Officer of Synthomer plc.

**ALAN RALPH**

Non-executive Director

Date of appointment: November 2021

Expertise: Alan is a very experienced business and finance leader having spent almost 20 years with UDG Healthcare plc (formerly United Drug plc). Alan spent 10 years leading UDG's largest business unit before supporting its strategic transformation as Chief Financial Officer for five years.

Alan's financial expertise, business leadership experience and knowledge of the healthcare sector complements the Board's knowledge.

Key external appointments: Non-executive director of Origin Enterprises plc and J & E Davy.

**MARK RYAN**

Non-executive Director

Date of appointment: November 2017

Expertise: Mark is a highly experienced board director and business leader who has successfully operated at senior management levels in Ireland and internationally. Mark was Country Managing Director of Accenture in Ireland between 2005 and 2014. During his career with Accenture, he spent extended periods working in the US and UK. Mark served in numerous management and executive roles in delivering major strategy, IT and business change programmes both locally and internationally. Mark was previously a non-executive director of Immedis, Econiq and Wells Fargo Bank International.

Mark brings a strong understanding of commercial leadership and business perspective to the Board.

Key external appointments: Chairman of Publicis and Kepron Group and non-executive director of St. Vincent's Healthcare Group.

GROUP MANAGEMENT TEAM



DONAL MURPHY
Chief Executive

See Donal's biography on page 88.



FABIAN ZIEGLER
Chief Executive Officer, DCC Energy

Fabian joined DCC in November 2022 as Chief Executive Officer of DCC Energy. Fabian has extensive senior leadership experience in the energy sector having held various senior management roles in Shell plc during his 26-year career. Prior to joining DCC, Fabian was Country Chair of Shell Germany and Chair of the Management Board with responsibility for Shell's businesses (upstream, downstream, power and renewables) in the DACH region. Fabian is at the forefront of energy transition having developed and driven Shell's net zero emissions plans for the region.



CONOR COSTIGAN
Chief Executive Officer,
DCC Healthcare

Conor has been the Chief Executive Officer of DCC Healthcare since 2006. Conor joined DCC in 1997 and has held a number of senior leadership roles within the Group, including in the Food & Beverage division and Investor Relations. Conor moved into the Healthcare division in 2003, initially as Finance & Development Director before being appointed Managing Director in 2006.



KEVIN LUCEY
Chief Financial Officer

See Kevin's biography on page 88.



CLIVE FITZHARRIS
Chief Executive Officer,
DCC Technology

Clive was appointed as Chief Executive Officer of DCC Technology in September 2022 having previously been the Managing Director of Exertis operations in North America and Continental Europe since May 2020. Clive joined DCC in 2009 and has held a number of senior leadership roles within the Group, including in the Energy division as Development Director and Managing Director of Oil Europe. Clive was the Head of Group Strategy & Development for the DCC Group from 2017 to 2020. Prior to joining DCC, Clive held a variety of banking and investment roles at AIB and in private equity.



HENRY CUBBON
President LPG, DCC Energy*

Henry was appointed President LPG of DCC Energy in June 2022 and retired on 31 March 2023. Henry had been Managing Director of DCC's LPG division since 2018, having joined DCC in 2008 as Managing Director of Flogas Britain. Prior to joining DCC, he was Managing Director of Antalis from 2000 to 2008, overseeing its paper distribution business in the UK, Ireland and South Africa. Previously, he held a strategic planning role at paper manufacturer Arjo Wiggins Appleton and was a senior manager at Barclays Bank, Paris, having started his career on their graduate programme.



DARRAGH BYRNE
General Counsel & Company Secretary

Darragh has been the Group's General Counsel and Company Secretary since October 2020, having previously been Head of Group Legal & Compliance. Darragh joined DCC in 2012. Before that, he held a number of senior in-house legal positions in other organisations and worked in private practice.

Darragh is qualified as a solicitor in Ireland and in England and Wales.



NICOLA MCCRACKEN
Chief People Officer

Nicola has been the Chief People Officer since she joined DCC in May 2016. Prior to joining DCC, Nicola was the HR Director responsible for Talent and Reward at CRH plc from 2007 to 2016. Prior to that, she enjoyed a consulting career with PricewaterhouseCoopers in Europe and North America, where she helped global organisations from multiple industry sectors adapt their human capital strategies to improve business performance.



EDDIE O'BRIEN
Chief Strategy & Sustainability Officer

Eddie was appointed Chief Strategy & Sustainability Officer in November 2022. Eddie had been the Managing Director of DCC Retail & Oil since 2018. Eddie joined DCC in 2012 as the Managing Director of Oil and was subsequently Managing Director of Retail & Fuel Cards. Prior to joining DCC, Eddie was CEO at Topaz Energy, Ireland's largest fuel and convenience brand. Before this, he spent 13 years at Statoil across a number of finance, pricing, commercial and leadership roles, including Vice President Finance and Vice President Retail Operations at Statoil Fuel and Retail in Oslo.



PETER QUINN
Chief Information Officer

Peter has been Chief Information Officer since he joined DCC in 2004. He also spent three years as Chief Operating Officer of DCC's largest oil distribution business, Certas Energy UK. Prior to joining DCC, Peter worked as an IT consultant with an international firm where he specialised in the delivery of complex IT solutions across a range of business sectors. He had previously worked in the food and transport industries in a variety of IT leadership roles.

* Henry retired as President LPG, DCC Energy on 31 March 2023

CORPORATE GOVERNANCE STATEMENT

DCC is subject to the UK Corporate Governance Code. This statement details how DCC applied the principles and met the provisions of the Code during the year under review.

GOVERNANCE AT A GLANCE

Highlights

Full compliance

with the UK Corporate Governance Code.

Continued focus

on refining Group and divisional strategy and implementation of key initiatives, including the Group's strategy for the energy sector – *Leading with Energy* – announced in May 2022.

Deeper integration

of sustainability with strategy and progress made on several key sustainability metrics.

Key Activities

- Continued Board renewal, with the appointment of Katrina Cliffe as a non-executive Director from 1 May 2023.
- Review of Board processes, including number of meetings, to both maximise the use of Board meetings and allow more time for Directors to visit Group businesses and engage with the workforce.
- Site visits to three US businesses and two UK businesses.
- Internally-led Board evaluation process, informing governance activities in the current year.



Board Site Visits

During the year ended 31 March 2023, the Board re-commenced physical site visits to Group businesses after several years where site visits were conducted virtually because of pandemic-related restrictions.

In October 2022, the Board visited Almo Corporation in Philadelphia, Amerilab Technologies in Minnesota and DCC Propane in Chicago.

In February 2023, the Directors visited Williams Medical Supplies and EuroCaps in Wales.

In addition, individual Directors also spent time in several other Group businesses, learning more about their operations and future development plans.

These site visits provided an opportunity for the Directors to meet with management teams and other colleagues in the businesses in question, to visit their operations and learn more about their current activities, risks and

opportunities, future plans and culture. These visits also provide an important opportunity for Directors to engage with members of the Company's workforce.

Climate Change

Ensuring that DCC's strategy and operations constructively address climate change is a priority for the Board and an important element of our corporate governance.

The development of the Group's updated strategy for the energy sector – *Leading with Energy* – which was announced at a dedicated capital markets event in May 2022, following approval by the Board, was based on a detailed assessment of how DCC's energy customers will transition to low carbon forms of energy over time.

That strategy provided the foundation for DCC's commitment that the Group would reach net zero – across Scopes 1, 2 and 3 – by 2050 or sooner. That commitment was also announced in May 2022, again following approval by the Board.

Details of the progress we are making in reducing our carbon emissions are set out in the Sustainability Review on page 58.

The Board continues to invest time in overseeing the implementation of DCC Energy's strategy and the wider reduction in the Group's carbon

emissions as part of our sustainability activities. Climate issues are considered when making investment decisions and as part of the strategic planning process. In addition, the Board receives updates on sustainability and climate-related developments more generally to ensure Board awareness of such issues is kept up to date.

UK Corporate Governance Code – Statement of Compliance

The Board continues to assess its approach to corporate governance by reference to the UK Corporate Governance Code ('the Code').

This Corporate Governance Statement has been structured to allow shareholders to consider how the Code's Principles have been applied.

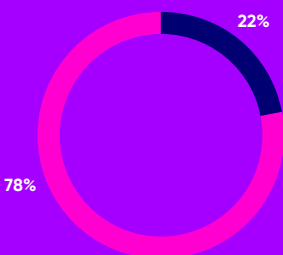
The Board believes that the spirit of the Code continues to be upheld throughout its work and that of its Committees and can confirm full compliance for the year under review.

Experience and Skills of the Non-executive Directors



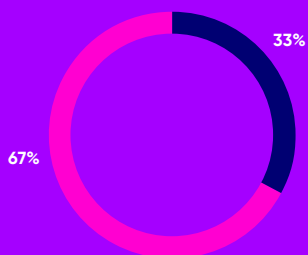
Executive and Non-executive Directors

Executive
Non-executive



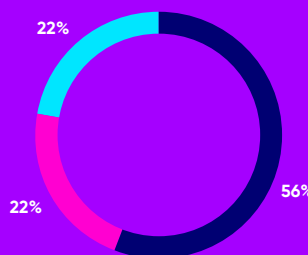
Gender diversity

Female
Male



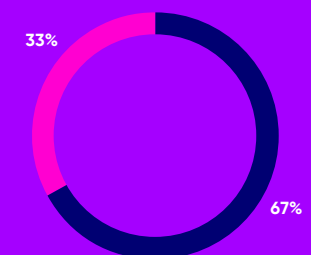
Geographic location of Directors

Ireland
UK
US



Board independence

Independent
Non-independent (Chairman and Executive Directors)



All of the above charts are as at 31 March 2023.

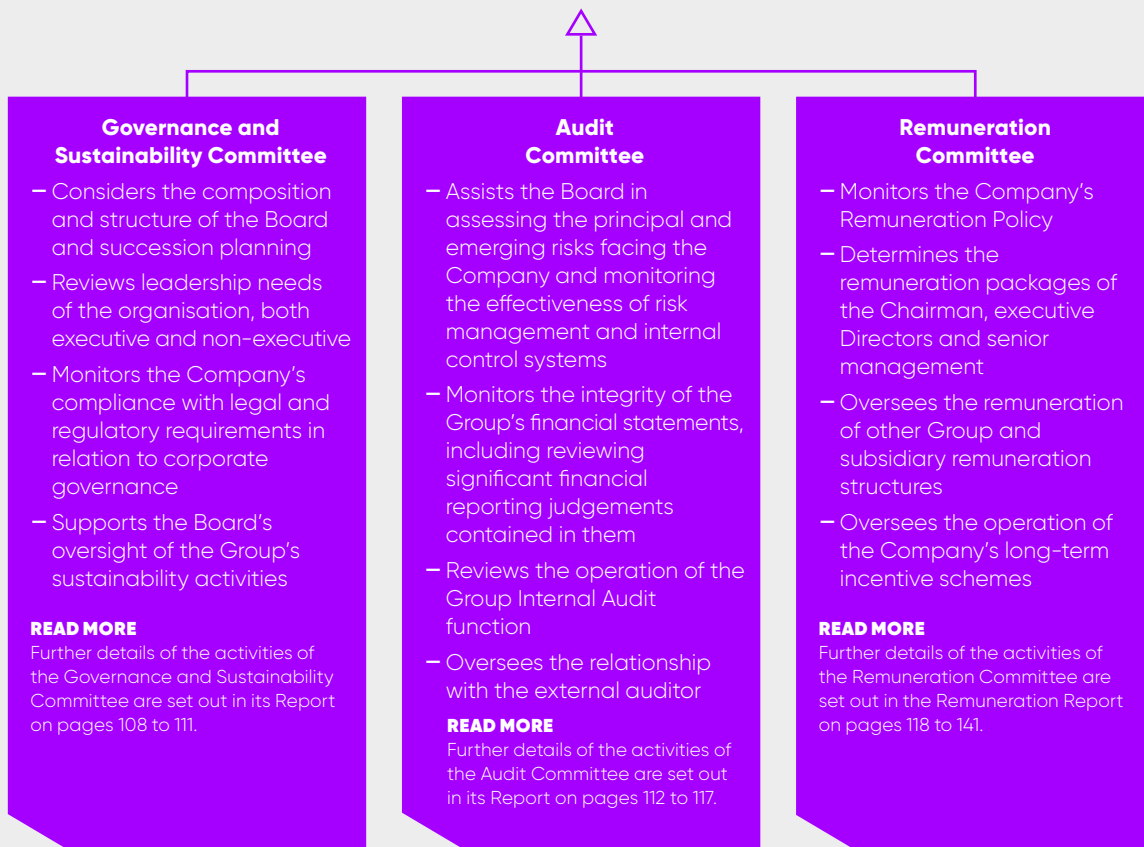
CORPORATE GOVERNANCE FRAMEWORK

Board of Directors

The Board is collectively responsible for the long-term success of the Group. Its role is to provide leadership, to establish purpose, values and strategy, to oversee management and to ensure that the Company provides its stakeholders with a balanced and understandable assessment of the Group's current position and prospects.

It is also responsible for establishing a framework to assess and manage risk, including climate risk.

The Board receives reports at its meetings from the Chairmen of each of the Committees and from the Workforce Engagement Director on their current activities.



Chief Executive

The responsibilities of the Chief Executive are set out on page 95.



ROLES AND RESPONSIBILITIES

Chairman

A clear division of responsibility exists between the Chairman, who is non-executive, and the Chief Executive.

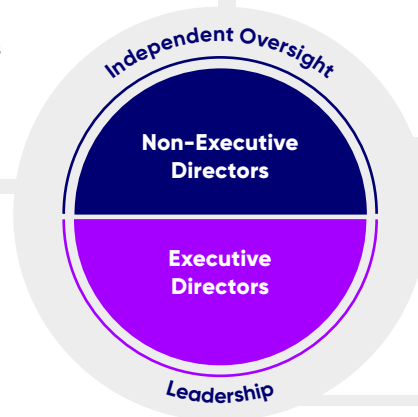
The Chairman's primary responsibility is to lead the Board, to ensure that it has a common purpose, is effective as a group and at individual Director level, and that it upholds and promotes high standards of integrity, probity and corporate governance.

Non-Executive Directors

The Board consists of an appropriate combination of a non-executive Chairman, two executive Directors and seven independent non-executive Directors, such that no one individual or small group of individuals dominates the Board's decision making.

There is a clear division of responsibilities between the leadership of the Board and the executive leadership of the business.

Non-executive Directors scrutinise and hold to account the performance of management and individual executive Directors against agreed performance objectives. The Chairman holds meetings with the non-executive Directors without the executive Directors present.



Senior Independent Director

The Senior Independent Director acts as an intermediary for other Directors, if necessary, and is available to shareholders who may have concerns that cannot be addressed through the Chairman or Chief Executive.

The Senior Independent Director had an active role in the annual Board evaluation process, as detailed under 'Board Performance Evaluation' on page 98.

Chief Executive and Chief Financial Officer

The Chief Executive is responsible for day-to-day management of the Group's operations, for the implementation of Group and divisional strategy, and instilling the Company's purpose, values and culture standards throughout the Group.

Company Secretary

The Directors have access to the advice and services of the Company Secretary, whose responsibilities include, assisting the Chairman in relation to corporate governance matters and ensuring compliance by the Company with applicable legal and regulatory requirements.

BOARD OF DIRECTORS

Composition

The Board of DCC currently comprises the non-executive Chairman, seven other non-executive Directors and two executive Directors, including the Chief Executive.

Independence

The Board carried out an evaluation of the independence of each of its non-executive Directors, taking account of the relevant provisions of the Code, namely whether the Directors are independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, the Directors' judgement.

The Board is satisfied that each of the current non-executive Directors fulfils the independence requirements of the Code.

Mark Breuer was appointed Chairman of the Company on 16 July 2021. On his appointment as a non-executive Director in 2019, the Board was satisfied he was independent. While Mr Breuer holds another directorship outside of the DCC Group, the Board is satisfied

that it has not interfered with the performance of his duties to DCC.

Leadership

The Board's leadership responsibilities involve working with management to monitor the Group's purpose and values, and to develop strategy, including deciding which risks it is prepared to take in pursuing its strategic objectives.

Oversight

The Board's oversight responsibilities involve it constructively challenging the management team in relation to operational aspects of the business, including the approval of budgets, and probing whether risk management and internal controls are sound. It is also responsible for ensuring that accurate, timely and understandable information is provided about the Group to investors, regulators and the Group's other stakeholders.

Strategy

DCC's Group strategy is set out on pages 12 and 13, with detail on divisional strategies provided on pages 16 to 39. The Board's responsibilities in regard to strategy are summarised on page 96.

Board meetings

The table of Board attendance is set out on page 97. All of the Board meetings held during the year were in person.

Site visits

Board members visit Group businesses each year in order to meet local management teams, members of the wider workforce, see operations and experience the culture of the business in question.

These visits include a tour of the business as well as a presentation from local management teams, allowing time for questions and answers.

In advance of a visit, the Directors are provided with information on the business covering financial performance, development areas, risks and opportunities, safety and compliance and employee engagement.

Details of the principal site visits undertaken by the Board during the year are set out on page 92.

CORPORATE GOVERNANCE STATEMENT CONTINUED

Schedule of Matters Reserved for Board Decision

The Schedule of Matters Reserved for Board Decision is regularly reviewed to ensure it meets the needs of the Group and current best practice.

The table below summarises the key matters that are required to be considered by the Board:

Group strategy and investment	<ul style="list-style-type: none"> – The Group's strategic objectives – Annual operating and capital expenditure budgets – Material acquisitions
Structure and capital	<ul style="list-style-type: none"> – Changes to the Group's capital structure including reduction of capital, share issues and share buybacks – Changes to the Company's listing arrangements
Corporate reporting	<ul style="list-style-type: none"> – Final and interim results announcements – Annual Report and Accounts – Dividends – Significant changes in accounting policies or practices – Oversight of internal control and risk management frameworks, including to reflect climate-related risks
Sustainability, including climate change	<ul style="list-style-type: none"> – Oversight of the Group Sustainability Programme, including considering recommendations from the Governance and Sustainability Committee in respect of the sustainability issues and related objectives that are material to the Group as a whole, including climate change and energy transition – Considering climate-related issues when reviewing and guiding Group and divisional strategy, investment proposals, budgets, and management objectives
Leadership and people	<ul style="list-style-type: none"> – Composition of the Board, including the CEO and CFO – Succession planning for the Board and senior management – Board Committee constitution – Appointment of the Company Secretary
Shareholders and stakeholders	<ul style="list-style-type: none"> – Oversight of engagement with shareholders and other stakeholders – Reviewing mechanisms for engagement with other stakeholders – Designating a non-executive Director for engagement with the workforce

Appointment of Directors

The Governance and Sustainability Committee agrees criteria for new non-executive Director appointments, including experience of the industry sectors and geographies in which the Group operates, and professional background, and has regard to the need for a balance in relation to diversity. More detail on the appointment process is set out in the Governance and Sustainability Committee Report on page 108.

Following appointment by the Board, all Directors are, in accordance with the Articles of Association, subject to election at the following AGM.

In accordance with the provisions of the Code, all Directors submit to re-election at each AGM. Pamela Kirby did not submit to re-election at the 2022 AGM as she was due to retire at the AGM.

The expectation is that non-executive Directors serve for a term of six years and may also be invited to serve an additional period after that, generally not extending beyond nine years in total.

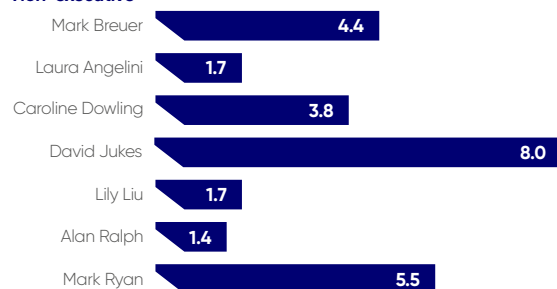
After three years' service, and again after six years' service, each non-executive Director's performance is reviewed by the Governance and Sustainability Committee, with a view to recommending to the Board whether a further period of service is appropriate, subject to the usual annual approval by shareholders at the AGM.

The terms and conditions of appointment of non-executive Directors are set out in their letters of appointment, which are available for inspection at the Company's registered office during normal office hours and at the AGM of the Company.

Details of the length of tenure of each Director on the Board as at 31 March 2023 are set out in the chart on page 97.

Length of Tenure on Board (Years) as at 31 March 2023

Non-executive



Executive



Induction and Development

New non-executive Directors undertake a structured induction process which includes a series of meetings with Group and divisional management, detailed divisional presentations, visits to key subsidiary locations and a briefing with the external auditor.

The Board encourages visits to Group businesses, including meetings with local management and meetings with members of the wider workforce, as these are instrumental in gaining a better understanding of the Group's diverse businesses, their culture and the environments in which they operate.

External experts are invited to attend certain Board meetings to address the Directors on relevant matters, including developments in relevant product or geographic markets, corporate governance, investor relations, risk management and executive remuneration.

The Chairman and Company Secretary review Directors' training needs, in conjunction with individual Directors, at least annually, and match those needs with appropriate external seminars and speakers. The Chairman also discusses individual training and development requirements for each Director as part of the annual evaluation process, and

Directors are encouraged to undertake appropriate training on relevant matters. In addition, all Directors have access to online resources, which are regularly updated to include relevant publications.

All Directors are encouraged to avail of opportunities to hear the views of and meet with the Group's shareholders and analysts.

There is an established procedure for Directors to take independent professional advice in the furtherance of their duties, if they consider this to be necessary.

Board of Directors: Attendance at meetings during the year ended 31 March 2023

	Board	Audit Committee	Remuneration Committee	Governance and Sustainability Committee
Meetings held during the year ended 31 March 2023	8	5	4	5
Mark Breuer	8	–	–	5
Laura Angelini ¹	8	–	1	5
Caroline Dowling	8	5	4	–
Tufan Erginbilgic ²	7	–	4	4
David Jukes ³	7	–	4	–
Pamela Kirby ⁴	3	–	2	2
Lily Liu	8	5	–	–
Kevin Lucey	8	–	–	–
Donal Murphy	8	–	–	–
Alan Ralph	8	5	–	–
Mark Ryan	8	5	–	5

1. Laura Angelini was appointed as a member of the Remuneration Committee on 6 September 2022.

2. Tufan Erginbilgic retired as non-executive Director and as a member of the Remuneration Committee and the Governance and Sustainability Committee on 31 December 2022.

3. David Jukes was unable to attend one Board meeting during the year.

4. Pamela Kirby retired as non-executive Director and as a member of the Remuneration Committee and the Governance and Sustainability Committee on 15 July 2022.

There was full attendance at all Board and Committee meetings during the year, other than as stated.

CORPORATE GOVERNANCE STATEMENT CONTINUED

BOARD PERFORMANCE EVALUATION

The Board conducts an annual evaluation of its own performance, that of each of its principal Committees, the Audit, Remuneration and Governance and Sustainability Committees, and that of the Chairman, Committee Chairmen and individual Directors.

In 2021, the evaluation was conducted by Heidrick & Struggles, in accordance with the requirement under the Code to have it externally facilitated every three years.

In 2022 and 2023, the performance evaluation process was conducted internally.

2023 Board Evaluation

Progress against 2022		
Topic	Area identified for action	Action/progress
Board Diversity	Continue to improve diversity at Board and senior management levels.	The Board has continued to develop to reflect the current and emerging needs of the Group. Since 1 May 2023, 40% of the Directors are female. A new Board Diversity Policy was approved during the year and is available on our website. The Board, advised by the Governance and Sustainability Committee will continue to look for additional Directors whose skills, experience and background can enhance the governance of the Group.
Agenda Items	Ensure that Board discussions are focused on issues of strategic importance to the Group, supported by external inputs where beneficial.	The Board invested a considerable proportion of its time, not limited to the Strategy Board meeting in December, to Group and divisional strategies and performance against them. These discussions were based on suitably detailed papers and on discussions with management. External perspectives on a range of relevant subjects were provided to enhance the Board's work in this area. All of the items covered by the Board Agenda Planner for the year ended 31 March 2022 were addressed at Board meetings. A detailed plan is also in place for the year commencing 1 April 2023.
Board Papers	Continue the practice of providing detailed pre-read materials in advance of Board meetings, with shorter papers being presented at meetings.	This practice was continued during the year under review. This has allowed the Directors more opportunities for engagement with management and discussion of key questions.
Senior Management Succession	Place a particular focus on succession planning for senior Group executives.	The Group has a well-developed process for senior management development and succession, based on an annual review of succession options for all key roles and a structured approach to developing future leaders. The Chief People Officer provides a detailed report on the subject and discusses its contents with the Board annually.



2023 Evaluation	
Topic	Area identified for action
Focus on Strategy	Continue to allow suitable Board time for the review and discussion of Group and divisional strategy and performance against existing strategic objectives.
Board Composition and Renewal	Continue to identify Directors with the skills, experience and background to enhance the Board's assessment of current emerging risks and opportunities facing the Group, in line with the updated Board Diversity Policy.
Senior Management Succession Planning	Ensure clear long-term succession plans are in place for every member of senior management, including all members of the Group Management Team.
Board Papers and Discussions	Continue to enhance the format of Board papers and their presentation to the Board, based on a clear calendar for discussions at Board meetings. Identify additional external speakers on relevant subjects.

The various phases of the internal performance evaluation process, which commenced in early January 2023 and concluded in April 2023, were:



CORPORATE GOVERNANCE STATEMENT CONTINUED

Board activities during the year

A detailed calendar of subjects for discussion at Board meetings is in place to ensure that the Directors discuss a suitable range of topics throughout the year, linked to the key opportunities and risks facing the Group. This is reviewed by the Governance and Sustainability Committee and by the Board in advance of the commencement of the financial year. Board papers are circulated one week in advance of meetings.

The Board met eight times during the year. Additional meetings are arranged if necessary for the Board to properly discharge its duties.

Areas of focus	Activities
Strategy and financing	<ul style="list-style-type: none"> – Reviewed the strategy of each of the Group's divisions during the year, with a particular focus on the implementation of DCC Energy's Leading with Energy strategy. – Group strategy was considered in detail during the year, including during a two-day Board meeting in December. – Reviewed the Group's financing structure and considered options for its future development. – Approved the renewal of a portion of the Group's debt financing in the private placement market. – Approved the formation of a sustainability-linked Revolving Credit Facility ('RCF'). – Considered key risks to the Group's operations and strategic development and related internal controls.
Acquisitions and development	<ul style="list-style-type: none"> – Approved the Group's largest healthcare acquisition to date – Medi-Globe. – Approved the acquisition of PVO International. – Received a detailed presentation from the Corporate Finance team on the Group's development priorities. – Received regular updates on the Group's pipeline of corporate development opportunities. – Reviewed the post-acquisition performance of acquisitions.
Risk management and internal control	<ul style="list-style-type: none"> – Received reports from the Chairman of the Audit Committee on its risk management activities. – Considered reports on the Group's principal and emerging risks, including climate-related risks, including a review of the Group Risk Register and Integrated Assurance Report. – Received a quarterly report from the Head of Group Sustainability covering sustainability and HSE matters. – Received regular reports from the General Counsel & Company Secretary on relevant legal and regulatory matters, including the operation of the Group Compliance Programme. – Considered and approved the Statement of Principal Risks and Uncertainties to be set out in the Annual Report.
Leadership and succession planning	<ul style="list-style-type: none"> – Approved the appointment of Katrina Cliffe as a non-executive Director. – Reviewed the Board's composition, diversity and succession plans. – Received reports from the Chairman of the Governance and Sustainability Committee on its activities. – Considered detailed presentations from the Chief Executive and Chief People Officer on management development and succession planning. – Supported the professional development of Board members.
Stakeholder engagement	<ul style="list-style-type: none"> – Held an in-person Annual General Meeting on 15 July 2022. – The Chairman held discussions with a number of the Company's largest shareholders during the year. – Received regular reports from the Group Investor Relations function. – Reviewed regular reports from the Company's brokers and from analysts. – Reviewed the results of a Group-wide Employee Engagement Survey. – Met with members of management and the workforce as part of Board and Committee meetings and site visits.
Governance	<ul style="list-style-type: none"> – Received reports on and discussed relevant regulatory developments, such as changes to non-financial reporting requirements and proposals for the introduction of a new UK Corporate Governance Code. – Oversaw an internally-facilitated Board evaluation process and the implementation of actions from previous evaluation processes. – Received a report at each meeting from the Chairman of each Board Committee on the activities of that Committee. – Received reports from the Workforce Engagement Director on his activities. – Reviewed the structure of Board and Board Committees against good corporate governance practices and the current and future needs of the Group. Approved related changes to apply in the year commencing 1 April 2023, including holding six Board meetings to allow additional time for Directors to visit Group businesses, while continuing to cover all the existing work of the Board.

PURPOSE, VALUES AND CULTURE

DCC's purpose is to enable people and businesses to grow and progress.



Purpose and Values

The Board promotes the Group's purpose and values through its interactions with management, including discussions as part of Board and Committee meetings, and site visits to Group companies throughout the year.

The Board supports and operates in accordance with the Group's purpose and values at all times. Specifically, discussions and decisions made by the Board and its Committees are based on the fulfilment of the Group's purpose and compatibility with our culture and values.

Monitoring Culture

The Board monitors the Group's culture to ensure it is aligned with DCC's purpose, values and strategy.

During the year, the Board considered detailed reports on the results of the second Group-wide Employee Engagement Survey. These included a detailed presentation from the Group's Chief People Officer and discussions with divisional management teams on the steps being taken within their divisions on foot of the survey. Visits by the Board and individual Directors to Group companies also allowed the Directors to engage with local management teams and members of the workforce. The additional work of Mark Ryan, as Workforce Engagement Director, provides a further insight for the Board on the Group's culture.

Strengthening engagement with our employees

Mark Ryan, Workforce Engagement Director



The last 12 months have seen a number of developments with our employee engagement efforts. For the first time all current employees in the Group had the opportunity to complete the Global Employee Survey. This is a detailed survey which is structured around several key themes, including: Purpose, Enablement, Autonomy, Reward and Leadership. The employees are asked a range of questions under these key themes, which enables us to get real feedback and information about their business, jobs, roles, career paths, training, development and how their leadership supports them.

The survey is 'score' based which enables us to identify the areas where the Group is doing well, and more importantly, areas where there is room for improvement. The survey process also provides us with external benchmarks around key engagement scores against which we can measure ourselves. The survey provides a huge amount of employee engagement data across the Group which can be broken down across geographies, divisions, businesses, career levels, genders etc. This has provided us with real insight into how employees are feeling about the Company and their jobs and what are the key actions we need to focus on in the year ahead to better support them. The participation rate for the survey is over 83% which is very significant and I think underlines the importance which management right across the Group have placed on ensuring the survey is completed.



During the year, the Board visited Williams Medical Supplies and EuroCaps in Wales and met with management and employees.

For some businesses in the Group, we have now completed the survey for a second time which has enabled us to compare the survey scores from last year. I am happy to report that we have seen an improvement in scores in the areas where we focused on, based on the survey feedback from last year. This is a very important step forward for the Group in employee engagement, as not only does the survey provide us with a better overall understanding of how employees are feeling, but we can also see that when we take action to deliver improvements, we can monitor the impact through the improved survey engagement scores.

The data provided by the survey has been a 'game changer' for our businesses and Human Resources teams, as for the first time they now have comprehensive feedback and data from employees right across the Group. In addition, they now have a basis for measuring the success and effectiveness of HR and People initiatives. This survey information has also enabled Nicola McCracken, Chief People Officer, and I as Workforce Engagement Director to provide the Board with a much greater level of information and insight into employee engagement across the Group. We report not only on the details of the survey's results, but also on the actions which are being taken to address the areas

identified for improvement. This is the first time that the Board has ever had such broad and comprehensive employee feedback across all of the businesses on our employee engagement.

The last 12 months have also seen the Board being able, for the first time since the pandemic, to meet directly with employees from across the Group. The Board travelled to the US in October and met with employees in three of our main businesses. As part of these visits, I met with the local HR management to talk about their survey results, their local people initiatives, and any HR and people challenges they faced. In addition to the US visit, the Board visited companies in the UK in February. A number of other Board members have also made separate visits to a range of other companies in the Group over the past 12 months.

I meet with Nicola McCracken on an ongoing basis throughout the year and focus on our overall employee engagement plans and initiatives. I also discuss any other employee issues or challenges which I believe are for Board attention.

I formally update the Board at every meeting on the status of employee engagement matters.

REFLECTING STAKEHOLDER VIEWS IN OUR BOARD DECISION MAKING

Stakeholder Engagement

The Board recognises the importance of clear communication and engagement with all of DCC’s stakeholders. Details on how both the Company and Board engaged with stakeholders and outcomes as a result of that engagement during the year are outlined on pages 52 to 57 of the Strategic Report. We give a more detailed account of how stakeholder interests were reflected in Board decision making during the year on page 104.

How the Board engaged with investors during the year

The Board actively seeks and encourages engagement with investors, including the Company’s major institutional shareholders and shareholder representative bodies. The Group engaged with investors in a very active manner during the year. The charts opposite set out the number of meetings held with investors by the Chairman and General Counsel, Group Management and our Investor Relations team. These meetings include one-to-one meetings, group and conference meetings.

The Group also held two separate capital markets events over the last year. The first, held in May 2022 focused on our Energy division, which outlined our progress in the energy transition, including an updated strategy for our energy activities. The second event was for our Healthcare division in September 2022, following its largest acquisition to date, Medi-Globe. These events were well attended and offered an important opportunity for investors to fully understand DCC’s approach in the sectors where we operate.

In addition to these meetings with management, the Chairman wrote to the Company’s top 13 shareholders following the Company’s AGM in July 2022 and offered a meeting. Ten meetings were held on foot of those invitations. The Chairman briefed the Board on the key points of those discussions.

ENGAGEMENT DURING THE YEAR

The Chairman wrote to the Company’s top 13 shareholders following the Company’s AGM in July 2022 and offered a meeting. Ten meetings were held. The Chairman briefed the Board on the key points of those discussions.

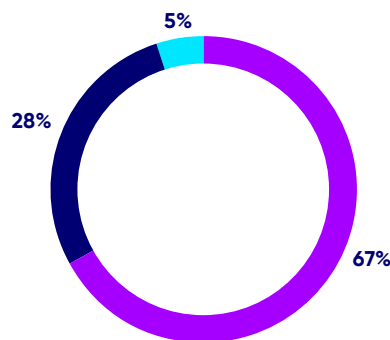
The Board was kept informed of the views of shareholders through the executive Directors’ attendance at the investor relations events held during the year. Relevant feedback from investor meetings, investor relations reports, and brokers notes were provided to the Board.

The Board received briefings from the Company’s brokers and the Investor Relations team on topics such as fundraising, market perception and shareholder activism.

The Company Secretary engaged with proxy advisors in advance of the Company’s AGM which provides shareholders with the opportunity to question the Chairman, the Committee Chairmen and the Board. All of the resolutions put to shareholders at the 2022 AGM were strongly supported.

Number of meetings held during the year

- Group management and Investor Relations
- Investor Relations
- Chairman and General Counsel



Engagements with institutional investors

- Meetings 477
- Capital market conferences 14
- Sales desk briefings 12

HOW THE BOARD CONSIDERED STAKEHOLDERS DURING THE DECISION-MAKING PROCESS AND HOW THE STAKEHOLDER ENGAGEMENT INFORMED THIS PROCESS

The Board had regard to the Company's stakeholders when overseeing and making decisions on the Group's strategic development, risk management, operations and reporting.

SUPPLY CHAIN PROTECTING HUMAN RIGHTS IN THE SUPPLY CHAIN



Workers in the Group's supply chains can be directly affected by the decisions of the Group to source products from certain suppliers and the standards that are expected of those suppliers.

The Group has clear policies and related internal controls on supply chain integrity and the protection of human rights. A related Supplier Code of Practice is also in place.

As part of these controls, due diligence is carried out on new and existing suppliers to ensure that the risk of human rights abuses, including modern slavery and human trafficking, in the Group's supply chains is considered and abuses prevented.

The Audit Committee and the Board considered a number of reports on these questions during the year. The Board also approved DCC plc's annual statement under the UK Modern Slavery Act.

In addition, the Board considered supply chain and human rights risks in the context of acquisition opportunities. Detailed reports from external advisors were provided to the Board to support those discussions.

For more information on the Group's approach to the protection of human rights in our supply chains see page 75.

EMPLOYEES TREATMENT OF EMPLOYEES IN THE CREATION OF DCC ENERGY



A key element of the updated strategy for the Group's energy activities that was announced in May 2022 was the integration of two former divisions of the Group – DCC LPG and DCC Retail & Oil – into DCC Energy.

The Board discussed with management the impact that this change would have on the Group's employees within DCC LPG and DCC Retail & Oil. These discussions covered the design of DCC Energy's management structure, its communication to affected employees, and steps to ensure that there was no loss of talent from the Group because of the change.

The integration of the two divisions is now well underway. The level of engagement with employees across the division has been extremely strong throughout this process. The formation of DCC Energy has also created numerous opportunities for employees to be promoted into new roles.

For more information on the progress that DCC Energy is making in implementing its Leading with Energy strategy see page 16.

EMPLOYEES UNDERSTANDING OUR EMPLOYEES' VIEWS



The second Group-wide employee engagement survey was carried out during the year. This provided further very valuable insights into the views of the Group's employees on a wide range of questions.

The results of the survey and the key actions being taken as a result were discussed with the Board by the Chief People Officer during the year. The Workforce Engagement Director received a more detailed briefing from the Chief People Officer on the same subject.

The results of the survey and these discussions then inform wider discussions at Board level on the Group's HR priorities and initiatives, including management development and supporting inclusion and diversity.

For more information on employee engagement and the steps being taken in response to this year's Engagement Survey see page 70.

INVESTORS GROWING OUR DIVIDEND FOR 29 YEARS



DCC's record of unbroken dividend growth has few peers and reflects the Group's operational excellence and disciplined approach to capital allocation.

Reflecting both our strong financial performance in the year ended 31 March 2023 and the importance of our progressive dividend policy to shareholders, the Board recommended a final dividend of 127.17 pence per share, which when added to the interim dividend of 60.04 pence per share, resulted in a total dividend for the year of 187.21 pence per share.

Our record of 29 years of uninterrupted dividend growth illustrates the Group's longstanding and continuing commitment to delivering for shareholders.

The Group's dividend policy, which is set by the Board, is based on regular engagement with investors at Board and management level.

For more information on our dividend see page 47.

For detail on our interaction with investors see page 103.

COMPLIANCE

Compliance Programme

The key message of the Group compliance programme is that directors, managers and employees across the Group should be 'Doing the Right Thing' at all times. This means not merely following the laws and policies that apply to their work, but also ensuring that their actions are fair and ethical.

Code of Conduct

Our current Group Code of Conduct, which is available on our website, was introduced in 2017. The Code sets out the standards that are expected in a range of areas, including anti-bribery and corruption, supply chain integrity, the protection of personal information and competition law. The Code also explains how employees can ask questions about compliance issues and raise concerns if they believe that something wrong is happening, including through a confidential and independent service available 24 hours a day, every day of the year. A copy of the Code is provided to every employee when they join.

Compliance Policies and Training

The Group also maintains more detailed policies on a range of relevant areas, complementing the general requirements set out in the Code of Conduct. The areas covered by more detailed policies include health and safety, anti-bribery and corruption, supply chain integrity, human rights, competition law, data protection, information security, diversity and inclusion and share dealing. Depending on the nature of their role, employees of the Group may receive more detailed training on those policies.

Whistleblowing

Employees across the Group are required to raise a concern if any of our activities are being undertaken in a manner that may not be legal or ethical and are supported if they do so.

Concerns can be raised with a member of management in the business where the employee works, with the General Counsel & Company Secretary or externally with SafeCall, a third-party facility which is independent of DCC and available in multiple languages on a 24-hour basis. Employees may raise concerns anonymously if they wish. Our internal policies make clear that retaliation against any employee who raises a concern is prohibited.

Our Human Rights Policy also sets out the ways in which non-employees can raise concerns in relation to any breach of human rights that may have occurred within our operations or our supply chains. Where concerns are raised, they are investigated in an appropriate and independent manner.

The Audit Committee has oversight responsibility for our whistleblowing facilities and how they operate. This is referred to on page 114, as part of the Audit Committee Report.

Share Ownership and Dealing

Details of the Directors' interests in DCC shares are set out in the Remuneration Report on page 136.

The DCC Share Dealing Code ('the Dealing Code') applies to dealings in DCC shares by the Directors and Company Secretary of DCC and certain employees. Under the Dealing Code, Directors and relevant executives are required to obtain clearance from the Chairman or Chief Executive before dealing in DCC shares and are prohibited from dealing in the shares during prohibited periods, as defined by the Dealing Code.

In addition, the Dealing Code specifies preferred periods for share dealing by Directors and relevant executives, being the four 21-day periods following the updating of the market on the Group's trading position through the preliminary results announcement in May, the Interim Management Statement in July (at the AGM), the interim results announcement in November and the Interim Management Statement in February.

Risk Management and Internal Control

The Board is responsible for the Group's system of risk management and internal control. It is designed to manage rather than eliminate the risk of failure to achieve business objectives and provides reasonable but not absolute assurance against material misstatement or loss. Details on the Group's risk management structures are set out in the Risk Report on page 77.

The Board has delegated responsibility for the detailed monitoring of the effectiveness of this system to the Audit Committee. Details on the Audit Committee's work in this regard are set out in the Audit Committee Report on page 112.

There is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group, including climate-related risks, which was in place for the year under review and up to the date of approval of the financial statements. This process is regularly reviewed by the Board.

The Board has considered a report from the Audit Committee on the conduct of and the findings and agreed actions from the annual assessment of risk management and internal control. Further details on this annual assessment are set out in the Risk Report on page 77 and in the Audit Committee Report on page 112.

The consolidated financial statements are prepared subject to the oversight and control of the Chief Financial Officer, ensuring correct data is captured from Group locations and all required information for disclosure in the consolidated financial statements is provided. A control framework has been put in place around the recording of appropriate eliminations and other adjustments. The consolidated financial statements are reviewed by the Audit Committee and approved by the Board.

Compliance Statement

DCC has complied, throughout the year ended 31 March 2023, with the provisions set out in the Code.

Mark Breuer, Donal Murphy
Directors

15 May 2023

GOVERNANCE AND SUSTAINABILITY COMMITTEE REPORT



Length of Tenure on the Governance and Sustainability Committee

as at 31 March 2023 (years)

Mark Breuer (Chairman)	1.7
Laura Angelini	1.7
Mark Ryan	1.4

The Governance and Sustainability Committee is responsible for monitoring the composition and development of the Board, reviewing the leadership needs of the Group, supporting the Group's sustainability activities and monitoring the Company's compliance with corporate governance requirements. This report summarises the Committee's activities during the year ended 31 March 2023 and sets out the Committee's priorities for the current year ending 31 March 2024.

Board Composition

In the year under review, there were a number of important changes to the Board. Pamela Kirby retired following the conclusion of the AGM on 15 July 2022 and Tufan Erginbilgic retired with effect from 31 December 2022.

The Board oversaw processes for the appointment of one new non-executive Director to the Board. Following a detailed search process and interviews with a number of candidates, the Committee were pleased to recommend the appointment of Katrina Cliffe to the Board. Katrina joined the Board and the Remuneration Committee on 1 May 2023.

Board Diversity

The Board supports and values the benefits of diversity and the evolution of the Board during the year reinforced our commitment in this area. Since 1 May 2023, DCC meets the requirements of the UK Listing Rules with 40% female directors on the Board and one director from an ethnic minority background.

Board Evaluation

Following an externally-facilitated evaluation in 2021, the Committee oversaw an internal evaluation of the effectiveness of the Board and its Committees in 2023. More information on the Board evaluation, including an update on actions identified last year and further improvements to be implemented this year, is set out on page 98 as part of the Corporate Governance Statement.

A strong Board, a talented management team and a commitment to sustainability remain key to the future success of the Group.

MARK BREUER

Chairman

Sustainability

There are four pillars to DCC's sustainability framework. These address the sustainability questions that are most important to the Group and our stakeholders:

- Climate Change and Energy Transition;
- Health and Safety;
- People and Social; and
- Governance and Compliance.

During the year under review, the Committee considered reports on work undertaken in each of these areas. Detailed reports were also provided to the Board on activities within each pillar. This reflects the materiality of each of the subjects to the Group and the overall responsibility of the Board for sustainability matters.

The Board also reviewed the results of the updated sustainability materiality assessment conducted during the year. This assessment will reform our sustainability activities and reporting over the next few years.

More details on the governance of sustainability, including climate change, are set out on page 111. The Sustainability Review on page 58 addresses our progress in those key areas in more detail.

We measure our overall sustainability by the value we generate for our stakeholders and the Corporate Governance Statement on pages 104 to 105 sets out how the Board considered stakeholder interests during the year.

Corporate Governance

In addition to considering emerging regulatory developments in relation to sustainability reporting, the Committee and the Board also considered developments in relation to corporate governance more generally. These included the proposed changes to the UK Corporate Governance Code expected to commence in 2024.

Priorities

The priorities for the Committee in the financial year ending 31 March 2024 will be:

- Implementing the recommendations of this year's Board evaluation process;
- Supporting the development of the Group's sustainability reporting, with oversight by the Board;
- Monitoring the continued evolution of the Board and its Committees; and
- Monitoring developments in the Group's corporate governance environment, notably any changes introduced following UK Code proposals.

On behalf of the Governance and Sustainability Committee.

MARK BREUER

Chairman

Governance and Sustainability

Committee

15 May 2023

ROLE OF THE COMMITTEE

Responsibilities

The responsibilities of the Committee are set out in full in its Terms of Reference which are available on the Company's website.

Committee Composition, Attendance and Tenure

The members of the Governance and Sustainability Committee are Mark Breuer (Chairman) and two independent non-executive Directors: Laura Angelini and Mark Ryan.

Biographical details for the members of the Committee are set out on pages 88 to 89.

The General Counsel and Company Secretary is the Secretary to the Governance and Sustainability Committee.

Meetings

The Governance and Sustainability Committee met five times during the year ended 31 March 2023. Attendance details are set out in the table on page 97 of the Corporate Governance Statement.

The Chief Executive is invited to attend all meetings of the Committee. Other Directors, executives and external advisors are invited to attend as necessary.

The Committee may also meet separately, as required, to discuss matters in the absence of any invitees. No such meetings took place during the year under review.

Annual Evaluation of Performance

The Board conducts an annual evaluation of its own performance and that of its Committees, Committee Chairmen and individual Directors in accordance with the UK Corporate Governance Code. In 2022, this evaluation was internally-facilitated. The last external evaluation was conducted by Heidrick & Struggles in 2021.

A report on the implementation of recommendations of the evaluation undertaken in 2022 and the principal findings of the 2023 evaluation is contained on page 98, as part of the Corporate Governance Statement.

The Committee as part of the Board evaluation process reviewed its own performance and Terms of Reference during the year.

The Committee's Terms of Reference were updated with a number of changes, following this review.

Reporting

The Chairman of the Governance and Sustainability Committee reports to the Board at each meeting on the activities of the Committee.

Consultation with Shareholders

The Chairman of the Committee is available at the Annual General Meeting to answer questions on the report on the Committee's activities and matters within the scope of the Committee's responsibilities.

PRINCIPAL ACTIVITIES

Board Composition and Renewal

The Governance and Sustainability Committee reviews the composition of the Board and its Committees to ensure that they have an appropriate balance of skills, knowledge, experience, gender, and ethnicity, taking account of the nature, scale, and location of the Group's operations and the tenure of existing Directors.

On 4 February 2023, Katrina Cliffe was appointed to the Board with effect from 1 May 2023. This followed an extensive search led by the Committee, with advice from MWM Consulting. Members of the Committee reviewed a list of potential candidates and conducted interviews with a number of them before making a recommendation to the Board. Ms Cliffe brings financial services expertise and experience as non-executive director to her role.

Extensive and tailored induction programmes for each new Director are put in place at the time of their appointment. These inductions include reviewing information on the Company, meetings with fellow Directors, members of the Group Management Team and the senior management in significant Group businesses.

MWM Consulting do not have any connection with the Directors or the Company.

External Commitments

Directors can bring valuable perspectives to the Board as a result of other appointments, such as directorships of other companies. In accordance with the UK Corporate Governance Code, Directors must seek the prior approval of the Board in advance of accepting any additional external appointments.

This requirement has been included in all letters of appointment and in the list of Matters Reserved for Board Decision. Before the Board approves any additional external appointment, the Committee considers the impact on the Company, including the time required for the role and any conflicts of interest that might arise from it.

The Committee is satisfied that the existing external commitments of the Directors do not conflict in any way with their duties and commitments to the Company and that all Directors dedicate appropriate time to their responsibilities to the Company and are also available at short notice for any unscheduled Board meetings.

Diversity

In reviewing the composition of the Board and giving consideration to the appointment of new non-executive Directors, the Committee takes into account the benefits that diverse skills, experience and backgrounds, including gender and ethnic diversity, bring to the Board.

Since 1 May 2023, the Board is comprised of 40% female Directors and has one Director from an ethnic minority background. This meets the current requirements of the UK Listing Rules. A table detailing the diversity of the Board and senior management is set out on page 111.

The Board Diversity Policy was reviewed and updated during the year and is available on our website.

Succession Planning

In addition to its work on the development of the Board, the Governance and Sustainability Committee considers succession planning for executive Director positions. This is done within the context of the Group's overall talent development and succession planning structures. Those structures have been developed over the last few years to reflect the Group's greater scale. The Directors receive a detailed update annually from the Chief People Officer on Group talent development and succession planning process. This covers succession planning for senior management roles in detail.

Tenure of Directors

A number of recommendations in respect of renewed Board and Committee membership were made to the Board by the Committee during the year.

Gender representation as at 31 March 2023

The following tables set out the information required to be included in the Annual Report under the UK Listing Rule 9.8.6R(10), as set out in Annex 2 to UKLR 9, as at 31 March 2023.

For the purposes of these tables, executive management is as defined in the UK Listing Rules, being the executive committee or most senior executive or managerial management body below the board (or where there is no such formal committee or body, the most senior level of managers reporting to the chief executive), including the company secretary but excluding administrative and support staff. For DCC, this is the Group Management Team.

As at 31 March 2023, there were 33% female directors on the Board. On 1 May 2023, Katrina Cliffe was appointed to the Board which meets the target of having 40% female directors on the Board. Caroline Dowling has held the position of Senior Independent Director with effect from 16 July 2021. The Company has also met the requirement to have one Board member from an ethnic minority background since 16 July 2021.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	6	67%	3	9	90%
Women	3	33%	1	1	10%
Other	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	8	89%	4	10	100%
Mixed/Multiple Ethnic Groups	-	-	-	-	-
Asian/Asian British	1	11%	-	-	-
Black/African/Caribbean/Black British	-	-	-	-	-
Other ethnic group, including Arab	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

The tenure of the Directors on the Board is set out on page 97. The tenure of members of Committees is dealt with in the relevant Committee reports.

Sustainability, including Climate Change

The Board oversees sustainability matters, including climate-related issues. The Governance and Sustainability Committee supports the work of the Board by reviewing the development of the Group's sustainability activities, including steps taken to meet regulatory requirements. The Governance and Sustainability Committee is updated at every meeting on sustainability-related work within the Group, including the work of the Executive Sustainability Committee. The Chairman of the Governance and Sustainability Committee briefs the Board on the work of the Committee after each meeting.

The Board receives a report every quarter from the Head of Group Sustainability on key developments in the Group Sustainability Programme. The Board also receives separate updates on People matters from the

Chief People Officer and from the General Counsel.

In addition the Board devoted considerable time during the year to climate change and energy transition matters, including the implementation of DCC Energy's strategy.

Our 2023 Annual Report includes disclosures that meet all recommended disclosures of the TCFD reporting framework.

Corporate Governance

The Committee advises the Board on significant developments in corporate governance and monitors the Company's compliance with corporate governance best practice.

During the year, the Committee considered a number of corporate governance developments, including proposals for a new UK Corporate Governance Code and more detailed sustainability reporting requirements.

The Committee oversaw a detailed review of the structure of Board and Committee meetings over the course of the year. That review took account

of previous Board evaluations and wider good practice in corporate governance. The objectives of the review were to maximise the quality of the Group's governance, including Board and Committee meetings, while also allowing the Directors more time in Group businesses.

As a result of this review, from the financial year commencing 1 April 2023 the Board will hold six scheduled meetings annually, a reduction of two. More time will be allocated to these six meetings and the Board will continue to cover all the subjects it considers at present. The additional time will be used by the Board to visit Group businesses, spending time with members of management and the wider workforce. These changes will enhance the governance of the Group and the work of the Board at an important time in DCC's growth and development.

The Company operated in full compliance with the Code during the year ended 31 March 2023.

AUDIT COMMITTEE REPORT



Strong internal controls provide a foundation for the Group’s continued growth and development.

Length of Tenure on the Audit Committee

as at 31 March 2023 (years)

Alan Ralph (Chairman)

1.4

Caroline Dowling

2.8

Lily Liu

1.7

Mark Ryan

5.0

I am pleased to present the report of the Audit Committee for the year ended 31 March 2023. The report summarises the work of the Committee during the year and sets out our priorities for the year ahead.

Role of the Committee

The Committee supports the Board in meeting a number of its principal corporate governance responsibilities, including reviewing the Group’s risk management and internal control processes, overseeing the activities of the Group Internal Audit (‘GIA’) team and the external auditor KPMG, and monitoring the Company’s external reporting.

Risk Management and Internal Control

The Committee supports the Board in considering the principal risks and uncertainties, including emerging risks, facing the Group. These include the impact of climate change, IT and cyber risks and changes in the Group’s legal and regulatory environment. Safety matters are addressed directly by the Board.

As part of this, the Committee considered during the year regular and detailed reports on key aspects of the Group’s internal control framework, including financial reporting and control, compliance and IT security. The Committee and the Board considered specifically in this regard the Group’s readiness to meet more extensive sustainability reporting obligations which will come into effect in the coming years.

In addition, the Committee reviewed a report on the effectiveness of the Group’s overall internal controls in the year under review.

More details on the Group’s risk management processes are set out in the Risk Report on page 77.

Reporting

Monitoring the integrity of the Company’s reporting processes and its external reporting is a core component of the Committee’s work. During the year, the Committee considered these subjects in detail with members of management and KPMG.

The Committee's primary focus for the year ahead will remain the Group's risk management and internal control processes.

ALAN RALPH
Chairman

This included a detailed assessment by the Committee of the work done to support the Company's Going Concern and Viability Statements, including the impacts of increased economic uncertainty, the war in Ukraine and climate change.

The Committee also reviewed the principal accounting judgements and estimates reflected in the Company's consolidated financial statements. More detail on the principal matters considered as part of this process are set out on page 117.

As a result of this work, the Committee is satisfied, and has advised the Board accordingly, that the Annual Report and Financial Statements, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

External Audit

The Committee oversees the relationship with and work of the Company's external auditor on behalf of the Board. This includes the approval of their remuneration and audit plan and an ongoing assessment of their performance and independence. A detailed review of the audit process is undertaken in July each year by management and considered by the Committee with the auditors and management.

The Committee approved KPMG's audit plan in November 2022. This discussion focused on the key audit risks identified by KPMG, materiality thresholds, and the oversight and review by the Irish firm of audits undertaken in Group businesses. We then discussed progress against that plan with KPMG at Committee meetings in January and April 2023. At our meeting in May we received a detailed report from KPMG on their audit findings. Further details on the audit process, including the principal areas considered, are set out on page 114 and 115.

Internal Audit

The Committee received detailed reports from the Group Internal Audit team at each of its meetings over the course of the year. These included a summary of key themes emerging from the team's audit work, progress in completing audit actions and the results of recent audits, including steps agreed with management to improve controls where needed. The Group Internal Audit plan for the year under review was implemented in full and a suitable plan for the year commencing 1 April 2023 has been approved by the Committee.

The Head of Group Internal Audit meets with the Committee in private session several times over the course of the year and has a direct reporting line to me as Committee Chairman.

Priorities for the Year Ahead

The priorities of the Committee for the year ahead will remain consistent with those for the year under review: maintaining robust systems of risk management and internal control, monitoring the Group's external reporting, preparations for increased sustainability reporting, and supporting the work of the Group's internal and external auditors.

To support the work of the Committee, we have invited the management teams of each of the Group's three divisions to report to the Committee on the principal risks and quality of internal controls within their areas of responsibility. These reports will complement the reports we also receive from relevant functions such as Finance, Risk & Compliance and Group Internal Audit.

I trust this report is helpful for shareholders in understanding the activities of the Committee and welcome comments on it.

On behalf of the Audit Committee.

ALAN RALPH
Chairman
Audit Committee
15 May 2023

AUDIT COMMITTEE REPORT CONTINUED

ROLE OF THE COMMITTEE

Responsibilities

The responsibilities of the Committee are set out in its Terms of Reference, which are available on the Company website.

Composition, Attendance and Tenure

The Audit Committee comprises four independent non-executive Directors: Alan Ralph (Chairman), Caroline Dowling, Lily Liu, and Mark Ryan. Biographical details for the members of the Committee are set out on pages 88 and 89. The tenure of the members of the Committee is set out the start of this report.

The Board is satisfied that the members of the Committee bring a suitably diverse range of skills, expertise and experience in commercial, financial and audit matters arising from the senior positions they hold or held in other organisations and that the Committee as a whole has competence relevant to the sectors in which DCC operates. The Board is also satisfied that Alan Ralph and Lily Liu meet the specific requirements of the UK Corporate Governance Code for recent and relevant financial experience.

The General Counsel and Company Secretary is the Secretary to the Audit Committee.

Meetings

The Committee met five times during the year ended 31 March 2023 and there was full attendance by all members of the Committee.

The Chief Executive, Chief Financial Officer, General Counsel and Company Secretary, Group Financial Controller, Head of Group Internal Audit, Head of Group IT Assurance, Head of Group Risk and Compliance, and representatives of the external auditor are typically invited to attend all meetings of the Committee. The Chairman of the Board also attends a number of the Committee's meetings every year. Other Directors and executives are invited to attend as necessary.

Stephen Johnston was appointed Group Financial Controller with effect from 1 July 2022. He replaced Conor Murphy, formerly Director of Group Finance, on Conor's appointment as CFO of DCC Energy.

The Committee meets a number of times each year with the Company's external auditor and with the Head of Group Internal Audit without other members of management being present. The Committee also holds discussions after most of its meetings in the absence of any invitees.

Evaluation of Performance

The 2023 Board evaluation process, which was internally facilitated, concluded that the Audit Committee and the Chairman of the Committee are operating effectively.

The Committee as part of the Board evaluation process reviewed its Terms of Reference during the year. The Committee's Terms of Reference were updated with a number of changes, following this review.

All actions from the 2022 Board evaluation process in relation to the Committee were fully implemented during the year.

Reporting to the Board

The Chairman of the Audit Committee reports to the Board at each meeting on the activities of the Committee since the previous Board meeting.

Consultation with Shareholders

The Chairman of the Audit Committee also attends the Annual General Meeting to answer questions from shareholders on the report on the Committee's activities and matters within the Committee's areas of responsibility.

PRINCIPAL ACTIVITIES

Risk Management and Internal Control

The Committee reviews on behalf of the Board the key processes by which risks are managed across the Group. These include the use of risk registers at Group-, divisional- and business-level, regular reports from relevant functions such as Finance, Compliance and GIA, and wider Group Risk Reports from the Head of Group Risk and Compliance. The Committee monitors a range of emerging risks as part of this process.

The Committee's work in this area includes an assessment of whether relevant risks are subject to suitable internal controls and where existing internal controls should be adjusted to reflect new or emerging risks.

An annual review of the Group's risks and related internal controls, including recommendations for development, is prepared by management and reviewed by the Committee each year.

The Chairman of the Committee reports to the Board on risk management and internal controls after each Committee meeting. In addition the Board receives and considers the Group Risk Reports referred to above.

More details on the Group's system of risk management and internal control are set out in the Risk Report on pages 77 to 84. The Board's statement on Risk Management and Internal Control is included in the Corporate Governance Statement on page 92.

Whistleblowing

The Board has delegated responsibility to the Audit Committee for ensuring that the Group maintains suitable whistleblowing arrangements for its workforce. Those arrangements are outlined in the Corporate Governance Statement on page 92 and are also described in our Code of Conduct, which is available on the Company's website.

The Committee reviewed the operation of the Group's whistleblowing facilities, including the matters raised and how they were resolved, during the year. A summary of whistleblowing reports received is provided to the Committee each April and November. A detailed report on concerns raised and the steps taken to address them is also presented to the Committee in May.

External Audit

The Audit Committee oversees the relationship with the Company's external auditor, KPMG, including approval of the audit fee and annual audit plan. Details of the areas considered as part of the approval of the audit plan for the year under review are set out in the Chairman's Introduction on page 112.

The Audit Committee meets with the external auditor without the presence of management during the year.

KPMG were appointed as the Group's external auditor on 17 July 2015. The Audit Committee is required to make a recommendation to the Board on the appointment, reappointment and removal of the external auditor.

Effectiveness

As part of its annual review of the effectiveness of an external audit process, the Committee reviews the results of an external audit effectiveness questionnaire. This process involves the Chief Financial Officer obtaining the views of finance executives at Group level and across Group businesses. Their responses and recommendations for improvements in future audits are summarised in a report to the Audit Committee.

Based on its consideration of this report and its own interactions with KPMG the Audit Committee considers whether the audit process remains effective. Its conclusions are then conveyed to the Board.

The Committee concluded on the basis of this process that the audit process in respect of the year ended 31 March 2022 was effective.

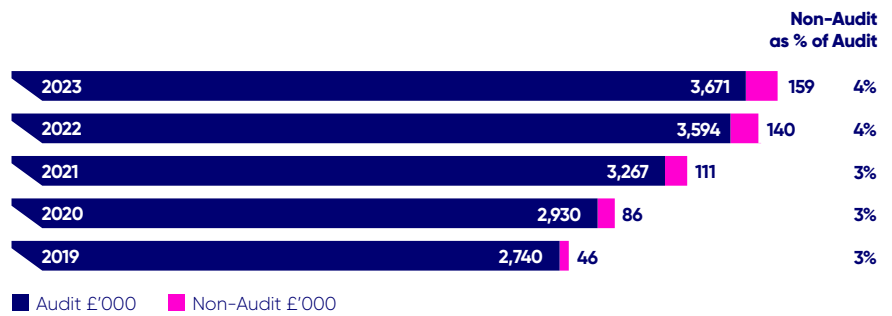
Independence

The Audit Committee has processes in place to ensure that the independence of the audit is not compromised. These include monitoring the nature and extent of services provided by the external auditor through an annual review of fees paid to the external auditor for non-audit work, which is described in more detail below. In addition, the Committee obtains confirmation from the external auditor that they are in compliance with relevant ethical and professional guidance and that, in their professional judgement, they remain independent.

On the basis of these processes, the Committee was satisfied that KPMG remain independent and have communicated this to the Board.

The Audit Committee has also approved a policy on the employment of employees or former employees of the external auditor. This policy provides that the Chief Executive will consult with the Chairman of the Audit Committee prior to appointing to a senior financial reporting position, to a senior management role or to a Company officer role any employee or former employee of the external auditor, where such a person was a member of the external audit team in the previous two years.

Audit vs Non-Audit Fees



One former member of the KPMG audit team was appointed to a role in the Group Internal Audit team over the course of the year under review. However, he was not appointed to a role that falls within the provisions of the policy requiring consultation as to his appointment.

Non-Audit Services

The Audit Committee has approved a policy on the engagement of the external auditor to provide non-audit services. This provides that the external auditor is permitted to provide non-audit services that are not, or are not perceived to be, in conflict with auditor independence, providing they have the competence to carry out the work and are the most appropriate to undertake it. A number of specific types of non-audit services are prohibited under the policy.

The policy also provides that any non-audit services that would result in the aggregate of non-audit fees paid to the external auditor exceeding 50% of annual audit fees must be approved in advance by the Chief Executive and the Chairman of the Audit Committee.

The Committee is kept informed by management of all non-audit assignments being undertaken by the external auditor and the aggregate level of fees to be paid for such assignments is pre-approved by the Chairman of Audit Committee.

Details of the amounts paid to the external auditor during the year for non-audit services are set out in note 2.3 on page 167. The chart above sets out the audit and non-audit fees paid to the external auditor over the five-year period from 2019 to 2023 inclusive.

Internal Audit

Group Internal Audit

The Audit Committee approves the Group Internal Audit annual plan and reviews reports on audits undertaken by the GIA team. The Head of GIA and the Head of IT Assurance, together with other executives from the GIA team as needed, report at each meeting of the Committee on:

- the findings from each audit, IT audit and any special investigations completed;
- reviews undertaken on newly-acquired businesses;
- audits in progress;
- the timely implementation of agreed audit actions; and
- progress on other projects including the implementation of improvements agreed under the most recent External Quality Assessment.

Actions agreed as part of GIA team audits are tracked. The timely completion of audit actions is then tracked as part of the normal management process and is also linked to management bonuses. The Audit Committee reviews progress on the completion of these actions with the Head of GIA and other members of management at each of its meetings.

External Quality Assessments ('EQAs') by independent external consultants are conducted at least every five years to confirm compliance by the GIA team with the International Standards for the Professional Practice of Internal Auditing (IIA Standards). An internal review against the same standards is completed on an annual basis. The most recent EQA was completed in 2021 by EY.

AUDIT COMMITTEE REPORT CONTINUED

The Audit Committee ensures co-ordination between GIA and the external auditor, with regular meetings held each year between them to maximise the benefits of clear communication and co-ordination of their activities.

The Head of GIA has direct access to the Chairman of the Audit Committee and the Audit Committee meets with the Head of GIA on a regular basis without other members of management.

IT Assurance

The IT Assurance team forms part of the wider GIA team. In addition to IT audit reports, the Head of GIA and Head of IT Assurance report to the Audit Committee on initiatives being undertaken around the Group in relation to cyber security and IT project management. This includes compliance with the Group Information Security Policy.

Reporting

Reporting Processes

An important part of the Committee's role is to ensure that the Company's reporting, including its half-year unaudited accounts and Annual Report and Accounts, are supported by suitably detailed records and analysis. The Committee reports its findings and makes recommendations to the Board on the Company's external reporting accordingly.

KPMG, as the Company's external auditor, supports the Committee in this role. In the course of its annual audit, it considers whether accounts have been prepared in accordance with IFRS and whether adequate accounting records have been kept. The auditor's report to shareholders can be found on pages 147 to 153.

The GIA team also contributes to this assurance process by reviewing compliance with internal financial reporting processes.

In relation to the 2023 Annual Report and Accounts, the Committee assessed whether suitable accounting policies had been adopted and whether management had made appropriate estimates and judgements. The Committee obtained support from the external auditor in making these assessments.

The Committee focused on matters it considered to be important by virtue of their impact on the Group's results and particularly those which involved a relatively higher level of complexity, judgement or estimation by management. The table on page 117 sets out the significant matters considered by the Committee in relation to the financial statements for the year ended 31 March 2023.

Management confirmed to the Committee that they were not aware of any material misstatements in the financial statements for the year ended 31 March 2023 and KPMG confirmed that they had found no material misstatement in the course of their work.

Distributable Reserves

The Committee reviews the position regarding distributable reserves in order to recommend payment of the interim and final dividends.

Going Concern and Viability Statement

The Audit Committee reviews the draft Going Concern and Viability Statements prior to recommending them for approval by the Board. These statements are included in the Risk Report on page 84.

Fair, Balanced and Understandable

As required by the Code, the Board should present a fair, balanced and understandable assessment of the Company's position and prospects, and specifically confirm that it considers that 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 performance, business model and strategy.

At the request of the Board, the Committee considered whether the 2023 Annual Report and Accounts met these requirements.

The Committee considered and discussed with management the processes followed in the preparation of the 2023 Annual Report and Accounts, in particular planning, co-ordination and review processes. The Committee also noted the formal review of the Annual Report and Accounts undertaken by KPMG. This enabled the Committee and then the Board to conclude that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and that it provides the necessary information for shareholders to assess the Group's performance, business model and strategy.

Significant Matters in relation to the Financial Statements for the Year Ended 31 March 2023

Goodwill and Intangible Assets

As set out in note 3.3 to the financial statements, the Group had goodwill and intangible assets of £2,957.6 million at 31 March 2023. To satisfy itself that this balance was appropriately stated, the Committee considered the impairment reviews carried out by management. The Group's annual impairment review was carried out using the carrying values of subsidiaries at 28 February 2023 and the latest three-year business plans prepared for the subsidiaries in question.

In performing their impairment reviews, management determined the recoverable amount of each cash generating unit ('CGU') and compared this to the carrying value at the date of testing. The recoverable amount of each CGU is the higher of its fair value less costs to sell and its value in use. Management uses the present value of future cash flows to determine the value in use. In calculating the value in use, management judgement is required in forecasting cash flows of CGUs, in determining the long-term growth rate and selecting an appropriate discount rate.

Management reported to the Committee that future cash flows of each CGU had been estimated based on the most up to date three-year plan for the business in question and discounted using discount rates that reflected the risks associated with each CGU. Sensitivity analysis was performed by adjusting the discount rate, cash flows and the long-term growth rate. The Committee considered and discussed with management the key assumptions used in this review to understand their impact on the CGUs' recoverable amounts. The Committee in particular considered and discussed with management the assumptions in relation to one CGU where the sensitivity analysis, under certain scenarios, indicated that the value in use was lower than the carrying value. The Committee was satisfied that the significant assumptions used for determining the recoverable amounts had been appropriately scrutinised, challenged and were sufficiently

robust. The Committee agreed with management's conclusion that the cash flow forecasts supported the carrying value of goodwill and intangible assets.

Business Combinations

As set out in note 5.2 to the Group financial statements, the Group completed a number of acquisitions during the year, the most significant of which were the acquisitions of Medi-Globe and PVO. The Group deployed £365.1 million in total consideration to acquisitions completed during the year. This total consideration was satisfied by a net cash outflow of £318.5 million and acquisition related liabilities of £46.6 million.

Business combinations are accounted for using the acquisition method which requires that the assets and liabilities assumed are recorded at their respective fair values at the date of acquisition, being the date the Group obtains control of the business being acquired. The application of this method requires certain estimates and assumptions, particularly concerning the determination of the fair values of the acquired assets and liabilities assumed at the date of acquisition.

Management reported to the Committee that in conducting their review of the fair values of the acquired assets and liabilities at the date of acquisition, identifiable net assets of £134.6 million, non-controlling interests of £0.2 million and goodwill of £230.8 million were acquired. Management engaged independent experts to assist with the valuation of intangible assets on the Medi-Globe and PVO acquisitions. In addition, the Committee discussed and agreed with management's recommendations on the estimated useful lives of intangible assets arising on the Group's acquisitions.

The Committee considered and discussed with management the key assumptions used in determining the fair value of assets and liabilities acquired and was satisfied that the process and assumptions used in determining the fair values of assets

and liabilities had been appropriately scrutinised and challenged and were sufficiently robust. The Committee agreed with management's assessment of the fair values of assets and liabilities acquired through business combinations and was satisfied that the related disclosures required under IFRS 3 were complete, accurate and understandable.

Impact of Climate Change

The Committee considered the Company's approach to the reporting of the impact of climate change on its activities in the financial statements for the year ended 31 March 2023, including compliance with the recommendations of the Taskforce on Climate-related Financial Disclosures ('TCFD'). More detail on compliance with TCFD is contained in the Sustainability Review on page 65.

Other Matters

The Committee considered and is satisfied with a number of other judgements which have been made by management including revenue recognition, exceptional items, lease accounting, provisioning for impairment of trade receivables and inventories, tax provisioning and the carrying amounts of the parent company's investments in subsidiary undertakings and the amounts owed by these subsidiary undertakings.

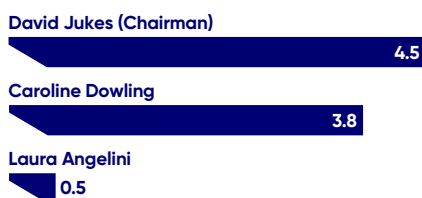
REMUNERATION REPORT



Executive remuneration continues to reward strong company performance and strategic contribution.

Length of Tenure on the Remuneration Committee

as at 31 March 2023 (years)



DCC's 10 year TSR performance versus the FTSE 100



CHAIRMAN'S INTRODUCTION

I am pleased to present the Remuneration Report for the year ended 31 March 2023.

The Report includes the following sections:

- This Chairman's Introduction
- Remuneration at a Glance (page 122)
- Remuneration Policy Report (pages 123 to 129)
- Annual Report on Remuneration (pages 130 to 141)

The purpose of DCC's Remuneration Policy, which was renewed at the 2021 AGM with strong shareholder support, is to incentivise executive Directors and other senior Group executives to create shareholder value on a consistent and sustainable basis. Consequently, their remuneration is weighted towards performance, both in terms of financial and non-financial objectives.

PERFORMANCE FOR THE YEAR

DCC delivered a strong performance in the year ended 31 March 2023:

- Group adjusted operating profit was 11.3% ahead of the prior year.
- Adjusted earnings per share grew by 6.1%, and it is proposed that the total dividend for the year will be increased by 6.5%.
- Return on capital employed, a key metric for DCC, was 15.1% and was again substantially in excess of the Group's cost of capital.

DCC has generated a strong shareholder return over the last ten years, as illustrated in the chart on the left.

The review of our Remuneration Policy will be a priority for the year ahead.

DAVID JUKES

Chairman

The Committee is satisfied that the executive Directors' remuneration reflects the Group's strong performance in the year.

REMUNERATION OF EXECUTIVE DIRECTORS FOR THE YEAR

Salaries

For the year ended 31 March 2023, the Chief Executive's salary increased by 3%. In agreeing this increase, the Committee considered the average salary increase for the general workforce. The CFO's salary increased by 8% in recognition of his demonstrated development in role and full contribution at Board level.

Further details regarding remuneration arrangements for the year ended 31 March 2023 are set out on page 130.

Bonuses

The annual bonuses for the executive Directors in respect of the year ended 31 March 2023 were based on performance against targets for growth in adjusted earnings per share (up to 70% of maximum potential), along with overall contribution and attainment of strategic and sustainability targets (up to 30% of maximum potential).

Group and individual Director performance against these targets has been reflected in a bonus outcome for the Chief Executive of 110.8% of salary (compared to a maximum potential of 200%). For the CFO the bonus outcome is 88.6% of salary (compared to a maximum potential of 160%).

The Committee reviewed the calculated outcomes in the context of the strong performance of the Group and determined that the bonus payouts

were appropriate at that level and that no discretion should be exercised when approving the bonus outcome.

Further details of the performance targets and achievement against those targets are set out on pages 130 to 132.

Long-Term Incentives

The extent of vesting of the Long-Term Incentive Plan ('LTIP') awards granted in November 2020 was based on DCC's Return on Capital Employed ('ROCE'), Earnings per Share ('EPS') and Total Shareholder Return ('TSR') performance over the three-year period ended 31 March 2023. The earliest exercise date of these options will be November 2025.

The Committee has considered the outcome of the 2020 LTIP cycle against the original targets. As originally set, vesting of the EPS component was based on outperforming UK RPI, a benchmark that was subsequently removed from EPS targets for LTIP cycles, as it has been also for the majority of other FTSE 100 companies, given the lack of correlation between DCC earnings and UK RPI. The very significant increase in RPI, particularly over the last two years, meant that the inflationary benchmark to our earnings growth was far in excess of that expected when the 2020 LTIP EPS targets were originally set.

The Committee agreed that, whilst the formulaic outcomes against the ROCE and TSR measures were a fair reflection of shareholder experience, the EPS outcome distorts DCC's strong underlying annualised EPS growth of 8.0% p.a. over the three years ended 31 March 2023.

The Committee unanimously agreed that the nil vesting of the EPS component, as suggested by the formulaic outcome against the inflation-linked targets, was not a fair reflection of the strong underlying earnings growth over this period and concluded the most appropriate basis on which to determine vesting of the EPS component, which accounts for 40% of the 2020 LTIP award, is to use the EPS range set for the 2021 LTIP (i.e. 3% to 9% p.a.), which delivers LTIP vesting of 35%, compared to nil vesting had the original targets been used.

The Remuneration Committee is engaging with major shareholders on the approach taken in relation to the vesting of the 2020 LTIP award, as described above.

Regarding the prior year, the Remuneration Committee determined that the LTIP awards granted in November 2019 would vest at 64.5%, based on DCC's ROCE, EPS and TSR performance over the three-year period ended 31 March 2022. This was consistent with the estimated vesting of 64.5% disclosed in last year's Report. The earliest exercise date for the awards granted in November 2019 will be November 2024.

Further details on these vestings are set out on page 132.

Details of LTIP awards granted to the executive Directors in November 2022 are contained in the table on page 133.

REMUNERATION REPORT CONTINUED

REMUNERATION FOR THE YEAR AHEAD

Salaries

For the year ending 31 March 2024, the Committee agreed to increase the Chief Executive's salary by 4% and the CFO's salary by 9%.

In reaching this decision, the Committee was mindful of the current shareholder sentiment that executive director salary increases should be in line with or below those granted to the rest of the workforce. However, we believe that the circumstances surrounding our CFO's salary are exceptional, and warrant a higher increase.

When Kevin was appointed in 2020, his salary was set approximately 15% lower than that of his predecessor to reflect his level of experience at the time, with the Committee agreeing to review the matter regularly as he developed in his role.

Since then Kevin has performed at the highest level and made a significant contribution to the success of the business. In light of his contribution, we believe that a salary increase of 9% is fair, appropriate and commensurate with the levels of pay seen elsewhere in the market and the need to retain key talent for the benefit of the business and all of its stakeholders.

Bonuses

For the year ending 31 March 2024, the bonuses for the executive Directors will, consistent with the Remuneration Policy, be based 70% on growth in Group adjusted operating profit and 30% on strategic objectives. The maximum award opportunity for the year will remain 200% of the salary for the Chief Executive and 160% for the CFO.

Long-Term Incentives

In the year ending 31 March 2024, the executive Directors will be granted LTIP awards consistent with the Remuneration Policy. The performance conditions will be based on ROCE, EPS and TSR performance over three years. The grant value will be consistent with the year ended 31 March 2023 at up to 200% of salary for the Chief Executive and CFO.

Non-executive Director Fees

As outlined in detail on page 139, the Chairman and Chief Executive undertook a thorough review of the structure and competitiveness of our non-executive Director fees relative to our peers. This revealed two areas of divergence from standard market practice, firstly in relation to the payment of Committee membership fees which we have now consolidated into one base fee, and secondly in relation to our base fees and typical market levels for roles at companies of similar scale. We have also taken the opportunity to introduce an additional fee for the role of Workforce Engagement Director, as is common for companies of our scale, and have increased the additional fee for chairing the Audit Committee and for the role of Senior Independent Director to reflect the growing time required to fulfil these roles.

Taking the loss of Committee membership fees into account, these changes will result in a modest overall uplift to each of our non-executive Directors' actual fees and one which is less than the average increase expected to be awarded to the Group's employees overall. Full details of the new fee structure are included on page 140.

SHAREHOLDER ENGAGEMENT

The Committee engages with major shareholders on remuneration matters, particularly on significant policy changes, and considers the views of shareholder organisations and proxy voting agencies.

Last year, the Committee consulted with major shareholders on the approach taken in relation to the vesting of the 2019 LTIP award, as described in detail in last year's Report. The Committee considered that the application of discretion at the end of the three-year performance period, considering all relevant information, including adjustments guidance provided by major shareholders and their representative bodies, was fair and appropriate. While the Committee was disappointed with the relatively low vote of 89% in favour of the Remuneration Report in 2022, it was pleased that most shareholders saw the change as intended – an adjustment for an exceptional and unforeseen event.

The Committee acknowledges that shareholders have a right to a 'say on pay' by putting the Remuneration Report and the Remuneration Policy, as required, to advisory votes at the AGM.

At the 2023 AGM, an advisory resolution on the Remuneration Report, excluding the Remuneration Policy, will again be put to shareholders. As we are not making any changes to the Remuneration Policy, which shareholders approved at the 2021 AGM, we will not put this to a shareholder vote until 2024.

EMPLOYEE ENGAGEMENT

The Committee is mindful of the provisions in the UK Corporate Governance Code in setting policy for executive Director remuneration. The Remuneration Committee considers broader company pay policies at various meetings throughout the year. The Committee considers these and more general pay practices and trends when making compensation decisions for executive Directors. A copy of the Annual Report is issued to every business in the Group. Internal communication events, such as town halls, then allow employees to raise any questions that they may have on this and other issues. Further details on the Committee's approach to employee engagement are included on page 126.

ENERGY STRATEGY

The Group continues to implement its strategy for the Energy division by leading the sales, marketing and distribution of low-carbon energy solutions for customers. The Group is progressing with its target of getting to net zero at Scope 1, 2 and 3 by 2050 or sooner. The implementation of our energy strategy was reflected in executive Director bonuses for the year under review.

UK COMPANIES (MISCELLANEOUS REPORTING) REGULATIONS 2018 AND SHAREHOLDERS RIGHTS DIRECTIVE II

As an Irish-incorporated company, DCC is not subject to the 2018 Regulations. However, given our listing on the London Stock Exchange, we continue our practice of substantially applying these regulations voluntarily.

Following the implementation of the EU Shareholder Rights Directive II (SRD II) into Irish law in March 2020, Irish company law now requires an advisory shareholder vote on remuneration reports and remuneration policies at AGMs. However, the SRD II requirements only apply to companies whose shares are admitted to trading on an EU-regulated market, which, following Brexit, does not include DCC. Nonetheless, in this year's Report we have substantially reported against SRD II requirements as a matter of good practice.

COMMITTEE MEMBER CHANGES

As noted in last year's report, Pamela Kirby retired from the Committee in July 2022. Tufan Erginbilgic resigned from the Committee in December 2022. The Committee welcomed Laura Angelini as a new member of the Committee in September 2022, having joined the Board in July 2021. The Committee also welcomed Katrina Cliffe as a new member of the Committee, from the date of her appointment to the Board on 1 May 2023.

CONCLUSION

I am satisfied that the Remuneration Committee has implemented the Group's Remuneration Policy in the year ended 31 March 2023 in a manner that properly reflects the performance of the Group in the year. I strongly recommend that shareholders vote in favour of the 2023 Remuneration Report at the 2023 AGM.

We welcome and will consider any shareholder feedback on the implementation of the Remuneration Policy and the 2023 Remuneration Report.

On behalf of the Remuneration Committee

DAVID JUKES

Chairman
Remuneration Committee
15 May 2023

REMUNERATION REPORT CONTINUED

REMUNERATION AT A GLANCE

HOW HAVE WE PERFORMED?

Adjusted operating profit +11.3%

2023	£655.7m
2022	£589.2m
2021	£530.2m

Adjusted EPS +6.1%

2023	456.27p
2022	430.1p
2021	386.6p

Return on capital employed 15.1%

2023	15.1%
2022	16.5%
2021	17.1%

HOW WAS THIS REFLECTED IN EXECUTIVE DIRECTOR PAY?

Annual bonus outcome for year ended 31 March 2023

Donal Murphy Base Salary €909,510			Kevin Lucey Base Salary €510,300		
+ Bonus Potential (200% of salary)			+ Bonus Potential (160% of salary)		
Group EPS 70% of Bonus Potential	Strategic Objectives 15% of Bonus Potential	ESG Objectives 15% of Bonus Potential	Group EPS 70% of Bonus Potential	Strategic Objectives 15% of Bonus Potential	ESG Objectives 15% of Bonus Potential
Performance in Year 44.3%	Performance in Year 100%	Performance in Year 62.5%	Performance in Year 44.3%	Performance in Year 100%	Performance in Year 62.5%
Performance in Year = 55.4% = 110.8% of salary = €1,007,555			Performance in Year = 55.4% = 88.6% of salary = €452,248		
1/3 Deferred and Converted to DCC Shares		2/3 Paid in Year	1/3 Deferred and Converted to DCC Shares		2/3 Paid in Year

Further details on bonus outcomes are set out on page 130.

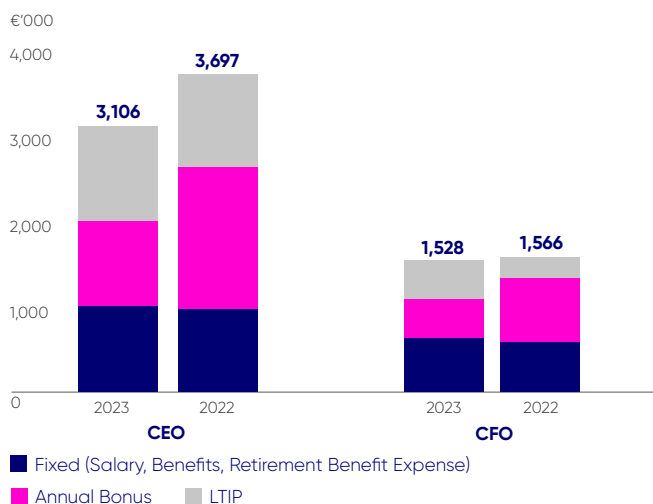
2020 LTIP award outcome based on results for three-year period ended 31 March 2023

ROCE	EPS Growth	TSR Outperformance of FTSE 100
MIN 13%	MIN 3%	MIN Below index
MAX 17%	MAX 9%	MAX Index
Actual: 16.2%	Actual: 8%	Actual: nil
Extent of vesting 34%	Extent of vesting 35%	Extent of vesting 0%

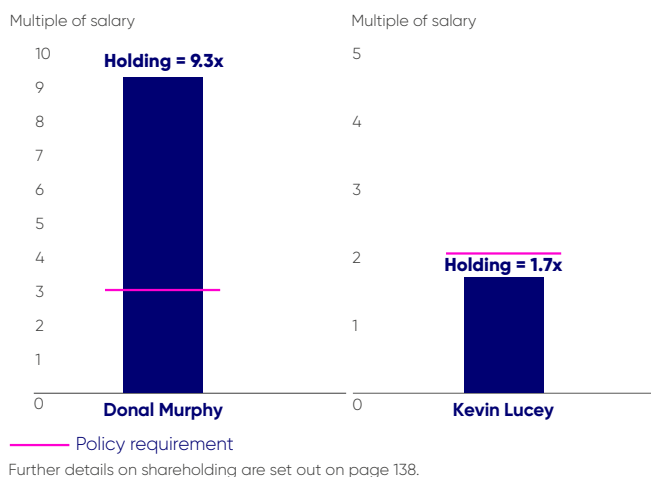
Total amount of 2020 LTIP awards that will vest in November 2025: 69%

Further details on LTIP are set out on page 132.

EXECUTIVE DIRECTORS' TOTAL REMUNERATION



EXECUTIVE DIRECTORS' SHAREHOLDINGS



REMUNERATION POLICY REPORT

DCC's Remuneration Policy ('the Policy') is set out below. As an Irish-incorporated company, DCC is not required to comply with UK regulations that require UK companies to submit their remuneration policies to a binding shareholder vote. In addition, following Brexit, requirements under Irish company law implemented to give effect to the Shareholders Rights Directive II only apply to companies whose shares are admitted to trading on an EU-regulated market. However, the Board recognises the need for our remuneration policies, practices and reporting to reflect best corporate governance practice and has substantially applied these regulations.

The Remuneration Policy was submitted to an advisory, non-binding vote at the 2021 AGM.

The Policy is designed and managed to support a high-performance and entrepreneurial culture, taking into account competitive market positioning.

The Board seeks to align the interests of executive Directors and other senior executives with those of shareholders within the framework set out in the UK Corporate Governance Code ('the Code'). Central to this Policy is the Group's belief in long-term, performance-based incentivisation and the encouragement of share ownership.

The primary Policy objective is to have overall remuneration reflect performance and contribution, while maintaining salary rates and the short-term element of incentive payments that are broadly in line with arrangements for companies of similar size, scale and complexity.

DCC's strategy of fostering entrepreneurship requires well-designed incentive plans that reward the creation of shareholder value through organic and acquisitive growth while maintaining high returns on capital employed, strong cash generation and a focus on sound risk management.

The typical elements of the remuneration package for executive Directors are base salary, pension and other benefits, annual performance-related bonuses and participation in long-term performance plans, which promote the creation of sustainable shareholder value.

The Remuneration Committee seeks to ensure:

- that the Group will attract, motivate and retain individuals of the highest calibre;
- that executives are rewarded in a fair and balanced way for their individual and team contributions to the Group's performance;
- that executives receive a level of remuneration that is appropriate to their scale of responsibility and individual performance;
- that the overall approach to remuneration aligns with the sectors and geographies within which the Group operates and the markets from which it draws its executives; and
- that risk is properly considered in setting remuneration policy and determining remuneration packages.

The Remuneration Committee takes external advice from remuneration consultants on market practice within similar-sized UK-listed and Irish companies to ensure that remuneration remains competitive and structures continue to support the key remuneration policy objectives. Benchmarking data is used to inform remuneration decisions, but does not drive changes.

The Committee is mindful of managing any conflicts of interest. No individual was involved in determining their own remuneration arrangements.

The design of executive Director remuneration concerning the application of the Code is laid out in the table below:

Clarity	Our Remuneration Policy and the approach to its implementation are clearly communicated to shareholders and well understood by participants.
Simplicity	We operate a simple market-aligned salary and benefits structure, with annual and long-term performance-based incentives with payouts linked to only a small number of performance measures.
Risk	We manage risk by carefully setting performance targets in the context of a wide range of reference points. The Committee retains the discretion to moderate outcomes in the context of underlying performance. The senior executive remuneration structure is heavily weighted to longer-term or deferred elements of pay, helping to ensure our pay structure reinforces a long time horizon.
Predictability	There are defined threshold and maximum pay scenarios described on page 128.
Proportionality	Remuneration is weighted towards financial and non-financial performance, measures for which are selected to align with strategy. We set challenging performance targets that are commensurate with the incentive opportunities awarded.
Alignment to culture	The remuneration design aligns closely with DCC's performance culture and values, which reinforce longer-term decision-making and collective efforts. Our annual bonus plan includes sustainability/ ESG targets.

REMUNERATION REPORT CONTINUED

Element and link to strategy	Operation	Maximum opportunity
BASE SALARY		
Attract and retain skilled and experienced senior executives.	<p>Base salaries are reviewed annually on 1 April.</p> <p>The factors taken into account include:</p> <ul style="list-style-type: none"> – Role and experience – Company performance – Personal performance – Competitive market practice – Salary increases across the Group – Benchmarking versus companies of similar size and complexity within the UK and Irish markets <p>When setting pay policy, account is taken of movements in pay generally across the Group.</p>	<p>There is no prescribed maximum base salary or maximum annual increase.</p> <p>The general intention is that any increases will align with the increase across the Group's workforce.</p> <p>Increases may be higher in certain circumstances, such as role and responsibility changes or significant market practice changes.</p>
BENEFITS		
To provide market competitive benefits.	Benefits include the use of a company car, life/disability cover, health insurance and club subscriptions.	No maximum level has been set as payments depend on individual circumstances.
ANNUAL BONUS		
To reward the achievement of annual performance targets.	<p>Bonus payments to executive Directors are based upon meeting pre-determined targets for several key measures, including Group adjusted operating profit and overall contribution and attainment of strategic objectives. The strategic targets focus on areas such as delivery of strategy, organisational development, IT, investor relations, financing, risk management, sustainability/ESG and talent development/succession planning.</p> <p>The measures, their weighting and the targets are reviewed annually.</p> <p>The Committee determines bonus levels based on actual performance after the year end. The Committee can apply appropriate discretion in specific circumstances regarding determining the bonuses to be awarded. In particular, the Committee has the discretion to reduce bonuses if a pre-determined target return on capital employed is not achieved.</p> <p>Regarding the executive Directors, 33% of any bonus earned, once the appropriate tax and social security deductions have been made, will be invested in DCC shares and made available to them, with accrued dividends, after three years or earlier if their employment terminates.</p> <p>A formal clawback policy is in place for the executive Directors, under which bonuses are subject to clawback for three years in the event of a material restatement of financial statements or other specified events. Further details on the clawback policy are set out on page 126.</p> <p>The Committee has discretion in relation to bonus payments to joiners and leavers.</p>	<p>The maximum bonus potential for the executive Directors, permitted under the Policy, is 200% of base salary.</p> <p>The Remuneration Committee will set a maximum to apply for each financial year, which will be disclosed in the Annual Report on Remuneration.</p> <p>A defined target level of performance has been set for which 50% of the maximum bonus is payable.</p>

Element and link to strategy

Operation

Maximum opportunity

LONG-TERM INCENTIVE PLAN ('LTIP')

To align the interests of executives with those of the Group's shareholders and to reflect the Group's culture of long-term performance-based incentivisation.

The LTIP provides for the Remuneration Committee to grant nominal cost (€0.25) options to acquire shares to Group employees, including executive Directors.

The market value of the shares subject to the options granted in respect of any accounting period may not normally exceed 200% of base salary.

The vesting period is typically three years from the date of grant, with the extent of vesting being determined over three years, based on the performance conditions set out in the Annual Report on Remuneration.

In exceptional circumstances, the market value of the shares subject to the options granted in respect of any accounting period may not exceed 300% of base salary. This higher limit will only be used in exceptional circumstances, for example, in the case of external recruitment.

The executive Directors have a two-year hold period as a post-vest sale restriction.

In addition to the detailed performance conditions, an award will not vest unless the Remuneration Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the three-year period since the award date.

Vesting will be determined by the Remuneration Committee, in its absolute discretion, based on the performance conditions set out in the Annual Report on Remuneration each year.

No re-testing of the performance conditions is permitted.

The performance conditions and their relative weighting may be modified by the Remuneration Committee in accordance with the Rules of the LTIP, provided that they remain no less challenging and are aligned with the interests of the Company's shareholders.

A formal clawback policy is in place, under which awards are subject to clawback in the event of a material restatement of financial statements or other specified events. Further details on this clawback policy are set out on page 126.

PENSION

To reward sustained contribution.

The executive Directors are eligible to participate in a defined contribution pension scheme (or receive cash in lieu of contributions to a defined contribution pension scheme).

Pension contributions (paid into the defined contribution scheme or paid as cash in lieu) for existing executive Directors are capped at 15% of base salary, in line with the broader workforce.

Newly appointed executive Directors will receive pension contributions in line with the broader workforce.

Pensionable salary is defined as base salary.

REMUNERATION REPORT CONTINUED

Remuneration Committee Discretion

The discretion available to the Committee in respect of the various elements of executive remuneration is summarised below.

Pay element	Discretion available
Bonus	The Committee can apply appropriate discretion regarding the financial and non-financial/strategic targets in specific circumstances. In particular, the Committee has the discretion to reduce bonuses if a pre-determined target return on capital employed is not achieved.
LTIP	Vesting is determined by the Remuneration Committee, at its absolute discretion, based on certain performance conditions.

Payments from Existing Awards

Subject to the achievement of the applicable performance conditions, executive Directors are eligible to receive payment from any award made prior to the approval and implementation of the Remuneration Policy detailed in this Report.

Clawback Policy

Bonus payments may be subject to clawback for three years from payment in certain circumstances, including:

- a material restatement of the Company's audited financial statements;
- a material breach of applicable health and safety regulations; or
- business or reputational damage to the Company or a subsidiary arising from a criminal offence, serious misconduct or gross negligence by the individual executive.

The LTIP allows the Remuneration Committee to reduce or impose further conditions on awards prior to vesting in some circumstances as outlined above.

Remuneration Policy for Recruitment of New Executive Directors

In determining the remuneration package for a new executive Director, the Remuneration Committee would be guided by the principle of offering such remuneration as is required to attract, retain and motivate a candidate with the particular skills and experience required for a role. Provided the remuneration package offered is in the best interests of the Company and the shareholders. The Remuneration Committee will generally set a remuneration package in accordance with the terms of the approved Remuneration Policy in force at the time of the appointment. However, the Committee may make payments outside of the Policy if required in particular circumstances and if in the Company's and the shareholders' best interests. Any such payments related to the buyout of variable pay (bonuses or awards) from a previous employer will be based on matching the estimated fair value of that variable pay and will take account of the performance conditions and the time until vesting of that variable pay.

For an internal appointment, any variable pay element awarded in respect of the prior role and any other ongoing remuneration obligations existing prior to appointment would be honoured.

Remuneration Policy for Other Employees

While the Remuneration Committee's specific oversight of individual executive remuneration packages extends only to the executive Directors and a number of senior Group executives, it aims to create a broad policy framework, to be applied by management to senior executives throughout the Group, through its oversight of remuneration structures for other Group and subsidiary senior management and of any major changes in employee benefits structures throughout the Group.

DCC employs 16,100 people in 22 countries. Remuneration arrangements across the Group differ depending on the specific role being undertaken, the industry in which the business operates, the level of seniority and responsibilities, the location of the role and local market practice.

Consultation with Employees

The Remuneration Committee considers wider company pay policies at various meetings throughout the year. The Committee considers these and broader pay practices and trends into account when making executive Directors' compensation decisions. The Annual Report sets out the relationship between executive Director pay and Group employees average remuneration and how executive Directors' salary increases, and pension contributions align with the broader workforce. A copy of the Annual Report is issued to every business in the Group. Internal communication events, such as town halls, then allow employees to raise any questions that they may have on this and other issues.

Each of our businesses is responsible for engaging with their respective workforces in relation to remuneration. The Committee believes such an approach is suitable in light of DCC's decentralised business model. However, the Committee has oversight of workforce pay and policies at a Group level and at a business unit executive level, which enables it to ensure that the approach taken to executive remuneration is consistent with those workforces.

Given the divergent nature of our businesses, the Committee does not believe that a standardised approach to remuneration is appropriate. However, it does pay particular attention to whether each element of remuneration is consistent with the Company's remuneration philosophy.

Consultation with Shareholders

The Committee engages in dialogue with major shareholders on remuneration matters, particularly in relation to planned significant changes to the Policy. The Committee also takes into account the views of shareholder organisations and proxy voting agencies.

The Committee acknowledges that shareholders have a right to a 'say on pay' by putting the Remuneration Report and the Remuneration Policy, as required, to advisory votes at the AGM.

Exit Payments Policy

The provisions on exit in respect of each of the elements of pay are as follows:

Salary and Benefits

Exit payments are made only in respect of base salary for the relevant notice period. The Committee may, at its discretion, also allow for the payment of benefits (such as payments in lieu of defined contribution pension) for the notice period. The notice period applies to both the Company and the executive in all cases.

Annual Bonus

The Remuneration Committee can apply appropriate discretion in determining the bonuses to be awarded based on actual performance achieved and the period of employment during the financial year.

In relation to deferred bonuses which have been invested in DCC shares, they will be made available on the participant's cessation date, together with accrued dividends.

Long-Term Incentive Plan

To the extent that a share award or option has vested on the participant's cessation date, the participant may exercise the share award or option during a specified period following such a date. In no event may the share award or option be exercised later than the expiry date as defined in the award certificate.

Generally, a share award or option that has not vested on the participant's cessation date immediately lapses.

The Committee would typically exercise its discretion when dealing with a participant who ceases to be an employee because of certain exceptional circumstances e.g. death, injury or disability, redundancy, retirement or any other exceptional circumstances. In such circumstances, any share award or option that has not already vested on the participant's cessation date would be eligible for vesting on a date determined by the Remuneration Committee. The number of shares, if any, in respect of which the share award or option vests would be determined by the Remuneration Committee.

The approach for 'good leavers' is to pro-rate awards based on time served as a proportion of the three-year vesting period. The extent of vesting under the performance conditions will be determined in the usual way at the end of the three-year vesting period.

If a participant ceases to be an employee due to termination of his employment for serious misconduct, each share award and option held by the participant, whether or not vested, will automatically lapse immediately upon the service of notice of such termination, unless the Committee in its sole discretion, determines otherwise.

Pension

The rules of the Company's defined contribution pension scheme contain detailed provisions in respect of the termination of employment.

Service Contracts

Donal Murphy has a service agreement with the Company with a notice period of six months. This service agreement provides that either he or the Company could terminate his employment by giving six months' notice in writing. At its sole discretion, the Company may require that Mr Murphy ceases employment immediately instead of working out the notice period, in which case he would receive compensation in the form of base salary only in respect of the notice period. The service contract also provides for summary termination (i.e. without notice) in a number of circumstances, including material breach or grave misconduct. The service agreement does not include any provisions for compensation due to loss of office, other than the notice period provisions set out above.

Kevin Lucey has a letter of appointment which provides for a six-month notice period. This letter of appointment provides that either he or the Company could terminate his employment by giving six months' notice in writing. At its sole discretion, the company may require that Mr Lucey ceases employment immediately instead of working out the period of notice, in which case he would receive compensation in the form of base salary only in respect of the notice period. The letter of appointment also provides for summary termination (i.e. without notice) in a number of circumstances, including material breach or grave misconduct. The letter of appointment does not include any provisions for compensation for loss of office, other than the notice period provisions set out above.

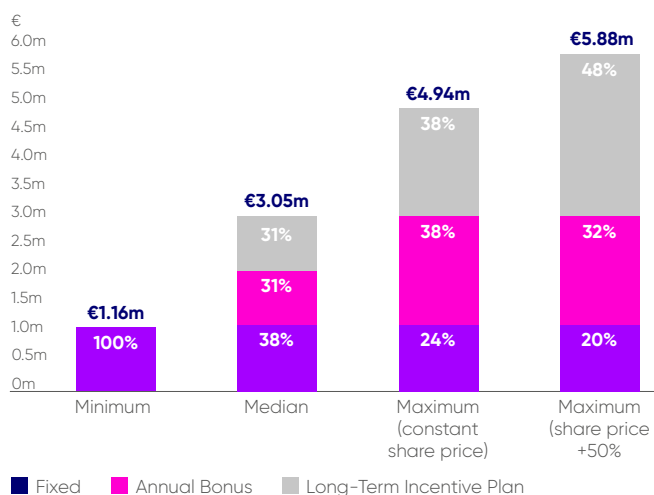
REMUNERATION REPORT CONTINUED

Scenario Charts

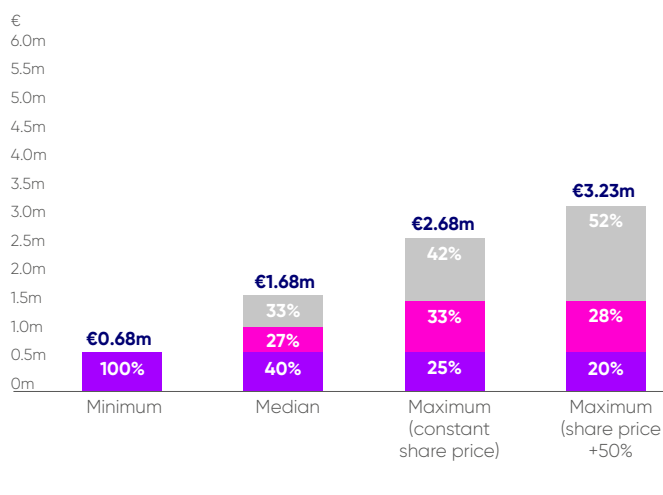
Set out below is an illustration of the potential future remuneration that each executive Director could receive for the year ending 31 March 2024 at minimum, median and maximum performance (assuming (i) a constant share price and (ii) an uplift of 50% in the share price).

As the Directors are paid in euro, the Remuneration Committee considers it appropriate that the figures disclosed in this Report continue to be presented in euro.

Donal Murphy, Chief Executive



Kevin Lucey, Chief Financial Officer



Notes:

Minimum Performance comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- No annual bonus payout.
- No LTIP vesting.

Median Performance comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- 50% annual bonus payout, i.e. 100% of salary for CE and 80% of salary for CFO.
- 50% vesting of LTIP i.e. 100% of salary.

Maximum Performance (constant share price) comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- 100% annual bonus payout, i.e. 200% of salary for CE and 160% of salary for CFO.
- 100% vesting of LTIP, i.e. 200% of salary.

Maximum Performance (share price + 50%) comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- 100% annual bonus payout, i.e. 200% of salary for CE and 160% of salary for CFO.
- 100% vesting of LTIP and 50% uplift in share price, equating to 300% of salary.

Share Ownership Guidelines

DCC's Remuneration Policy has at its core a recognition that the spirit of ownership and entrepreneurship is essential to creating long-term high performance. DCC also acknowledges that share ownership is important in aligning the interests of executive Directors and other senior Group executives with those of shareholders.

A set of share ownership guidelines is in place under which the Chief Executive, other executive Directors and other senior Group executives are encouraged to build, over a five-year period from appointment, a shareholding in the Company with a valuation relative to base salary as follows:

Executive	Share ownership guideline (multiple of base salary)
Chief Executive	3 x
Other Executive Directors	2 x
Senior Group Executives	1 x

Compliance with the Share Ownership Guidelines is reviewed annually by the Remuneration Committee. The executive Directors' position as at 31 March 2023 is set out in the Annual Report on Remuneration on page 138.

Post-Employment Share Ownership Requirements

In accordance with the requirements of Provision 36 of the UK Corporate Governance Code, the Remuneration Committee has introduced, with effect from 1 April 2019, Post-Employment Share Ownership Requirements under which the Chief Executive and other executive Directors are required, after leaving the Group, including through retirement, to maintain a shareholding in the Company for a two-year period, as below:

Executive	Ratio of Share Ownership to Base Salary
Chief Executive	3 x
Other executive Directors	2 x

Base salary will be the Director's base salary in effect at the date of ceasing employment.

For the purposes of these Requirements, share ownership will include shares, vested share options, unvested options no longer subject to performance conditions, deferred bonus share awards, restricted stock awards and any other vested or unvested share awards made under incentive plans operated by the Company which are not subject to performance conditions.

Shares held by a Director's spouse and/or minor children and shares held in any trust for the benefit of the Director and/or their spouse and minor children will be counted towards the share ownership requirement.

The valuation of the shareholdings in the Company will be reviewed at the end of each year based on the closing market price of the Company's shares. If the required ratio fails to be met due to factors other than a decrease in the market price of the Company's shares, the Director will be allowed an additional period of 12 months or such other period as the Remuneration Committee may determine, to bring the shareholding back to the required level.

Policy on External Board Appointments

Executive Directors may accept external non-executive directorships with the Board's prior approval. The Board recognises the benefits that such appointments can bring to the Company and the Director in terms of broadening their knowledge and experience. The executive Directors may retain the fees received for such roles.

Mr Murphy and Mr Lucey do not currently hold any external board appointments.

Policy for non-executive Directors

Fees	Operation	Maximum Opportunity
The fees paid to non-executive Directors reflect their experience and ability and the time demands of their Board and Board Committee duties.	The remuneration of the Board Chair is determined by the Remuneration Committee for approval by the Board. The Board Chair absents himself from the Committee meeting while this matter is being considered.	No prescribed maximum annual increase.
A basic non-executive Director fee is paid for Board membership. Additional fees are paid to the chairs of Board Committees, to the Board Chair, to the Senior Independent Director and to the Workforce Engagement Director.	The remuneration of the other non-executive Directors is determined by the Board Chair and the Chief Executive for approval by the Board.	In accordance with the Articles of Association, shareholders set the maximum aggregate ordinary remuneration (basic fees, excluding fees for committee membership and chair fees). The current limit of €850,000 was set at the 2019 AGM.
Additional fees may be paid in respect of Company advisory boards.	The fees are reviewed annually, taking account of any changes in responsibilities and the level of fees in a range of comparable Irish and UK companies.	Non-executive Directors do not participate in the Company's LTIP or receive any pension benefits from the Company.

Non-executive Directors' Letters of Appointment

The terms and conditions of appointment of non-executive Directors are set out in their letters of appointment. The letters of appointment are available for inspection at the Company's registered office during normal office hours and at the AGM of the Company.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION

This section of the Remuneration Report gives details of remuneration outcomes for the year ended 31 March 2023. It also sets out how the Remuneration Policy will operate in the year ending 31 March 2024, and provides additional information on the operation of the Remuneration Committee.

Remuneration Outcomes for the Year Ended 31 March 2023

The table below sets out the total remuneration and breakdown of the elements received by each serving Director in relation to the year ended 31 March 2023, together with prior year comparatives. An explanation of how the figures are calculated follows the table.

Executive Directors' Remuneration Details

	Salary		Benefits		Bonus		Retirement Benefit Expense		LTIP		Audited Total		Sub-Total of Fixed Pay	Sub-Total of Variable Pay	Sub-Total of Fixed Pay	Sub-Total of Variable Pay
	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2023 €'000	2022 €'000	2022 €'000
Donal Murphy	910	883	67	67	1,008	1,653	136	132	985	962	3,106	3,697	1,113	1,993	1,082	2,615
Kevin Lucey	510	472	42	42	452	745	72	66	452	241	1,528	1,566	624	904	580	986
	1,420	1,355	109	109	1,460	2,398	208	198	1,437	1,203	4,634	5,263	1,737	2,897	1,662	3,601

Fixed remuneration comprises Salary, Benefits and Retirement Benefit Expense. Variable remuneration comprises Bonus and LTIP. The proportion of fixed and variable remuneration for the year ended 31 March 2023 for Mr Murphy was 36:64 and for Mr Lucey was 41:59.

Salary

The executive Directors' salaries for the year ended 31 March 2023 were increased from the prior year, as shown in the table below.

In agreeing the increase to the Chief Executive's salary of 3%, the Committee took into account the average salary increase for the general workforce. The increase in the CFO's salary of 8% reflected his demonstrated development in role and full contribution at Board level.

	Salary €	Increase %
Donal Murphy	909,510	3%
Kevin Lucey	510,300	8%

Benefits

Benefits include the use of a company car and related costs, life/disability cover, health insurance and club subscriptions.

Determination of Bonuses for the Year Ended 31 March 2023

For the year ended 31 March 2023, the executive Directors participated in the bonus plan, as per the Remuneration Policy, as set out below:

Executive Director	Maximum bonus potential	Deferral of bonus
Donal Murphy	200% of salary	33% of any bonus earned will be deferred into DCC shares for three years.
Kevin Lucey	160% of salary	

Bonuses were based 70% on growth in Group adjusted EPS ('Group EPS') and 30% on strategic and ESG objectives.

Financial targets – Group EPS

Growth in Group EPS was measured against a pre-determined range, with zero payment below the threshold up to full payment at the maximum of the range. The table below sets out the performance in the year ended 31 March 2023 in terms of growth in Group EPS compared to the performance target range set for the year.

	Target		Outcome
	Minimum (below which nil payout)	Maximum (full payout)	
Group EPS	3%	10%	6.1%

Based on the Group EPS outcome, the Remuneration Committee determined that 44.3% of the bonuses related to this performance target should be paid.

Non-financial targets – Strategic and ESG

Regarding the achievement of targets set for strategic and ESG objectives, the Remuneration Committee carefully considered the achievement of the objectives outlined in the table below. It concluded that 81% of this element of the bonus should be awarded to both the Chief Executive and CFO.

CHIEF EXECUTIVE – DONAL MURPHY

Category	Objective	Measure of success	Outcome
Strategic Objectives Maximum of 15% bonus payable	Implement the Group's updated strategy for the energy sector, outlined in a Capital Markets Day in May 2022	Financial Performance of DCC Energy Carbon Intensity and Scope 3 Carbon Emissions Development of DCC Energy Management Structures	●
	Ensure continued strategic development of DCC Healthcare, DCC Technology and key Group functions to build the capabilities needed to support the Group's development	Implementation of a range of strategic development initiatives in DCC Healthcare and Technology and key Group functions	●
ESG Objectives Maximum of 15% bonus payable	Reduce Scope 1 and 2 carbon emissions in line with the Group's updated 50% reduction target	Scope 1 and 2 mtCO ₂ e	●
	Continue to improve HSE performance across the Group	Lost time injury frequency rate ('LTIFR') Safety leadership initiatives	●
	Continue to improve the Group's culture, including by actively encouraging diversity	Employee engagement Diversity of future talent	●

CFO – KEVIN LUCEY

Category	Objective	Measure of success	Outcome
Strategic Objectives Maximum of 15% bonus payable	Implement the Group's updated strategy for the energy sector, outlined in a Capital Markets Day in May 2022	Financial Performance of DCC Energy Carbon Intensity and Scope 3 Carbon Emissions Development of DCC Energy Management Structures	●
	Ensure continued strategic development of DCC Healthcare, DCC Technology and key Group functions to build the capabilities needed to support the Group's development	Implementation of a range of strategic development initiatives in DCC Healthcare and Technology and key Group functions, including Group Finance	●
ESG Objectives Maximum of 15% bonus payable	Reduce Scope 1 and 2 carbon emissions in line with the Group's updated 50% reduction target	Scope 1 and 2 mtCO ₂ e	●
	Continue to improve HSE performance across the Group	Lost time injury frequency rate ('LTIFR') Safety leadership initiatives	●
	Continue to improve the Group's culture, including by actively encouraging diversity	Employee engagement Diversity of future talent	●

● Fully met ● Partially met ● Not met

REMUNERATION REPORT CONTINUED

The resultant bonus payout levels for the year ended 31 March 2023 were therefore calculated as follows:

Component	Chief Executive – % of Salary		CFO – % of Salary	
	% of Max	% of Salary	% of Max	% of Salary
Group EPS	44.3%	62.0%	44.3%	49.6%
Strategic Performance	81.3%	48.8%	81.3%	39.0%
	55.4%	110.8%	55.4%	88.6%

In accordance with the Remuneration Policy, 33% of bonuses for the Chief Executive and CFO, net of tax and social security deductions, will be invested in DCC shares. These shares and accrued dividends will be made available to them after three years or earlier if their employment terminates.

The Remuneration Committee considered the outcomes as set out above and determined that they were appropriate in the circumstances, reflected the Group's strong performance in the year and no discretion was applied.

Retirement Benefit Expense

Retirement Benefit Expense for Donal Murphy comprised 15% of base salary in the form of a cash allowance, in lieu of contribution to a defined contribution pension scheme. Kevin Lucey is part of a defined contribution pension scheme in which a 14% employer contribution is in place.

Vesting under Long-Term Incentive Plan

The value of the LTIP, as shown in the table on page 130 for 2023, is explained in further detail below.

The LTIP award granted in November 2020 was subject to performance over the three-year period ended 31 March 2023. The performance conditions attached to this award and actual performance against these conditions were as follows:

Performance condition	% of total award (potential)	Vesting rule	Threshold target	Maximum target	Actual performance	Vesting level
ROCE ¹	40%	Threshold vesting is 25% of maximum, with vesting determined on a straight-line basis between 25% and 100% for performance between threshold and maximum.	13%	17%	16.2%	34%
EPS	40%		3%	9%	8%	35%
TSR	20%		Median of FTSE 100	Upper quartile of FTSE 100	Below median	0%
Total vesting						69%

1. ROCE targets exclude the impact of IFRS 16 Leases.

As a result, vesting of the 2020 LTIP award is 69%. The earliest exercise date will be November 2025.

As outlined in detail in the Chairman's Introduction on page 119, the Remuneration Committee concluded that the most appropriate basis on which to determine vesting of the EPS component was to use the EPS range set for the 2021 LTIP (i.e. 3% to 9% p.a.), replacing the original inflation-linked targets in light of the significant change in UK RPI, particularly over the final two years of the performance period.

The value of the LTIP as recorded in the table on page 130 for the year ended 31 March 2023 is based on the vesting percentage of 69% and the share price at 31 March 2023 of €53.66 (£47.18) less the amount payable to purchase the shares (i.e. the exercise cost). As the share price at the end of the performance period on 31 March 2023 was lower than the share price at the date of grant, there is no value attributable to a share price uplift to be disclosed.

Grants under Long-Term Incentive Plan

The following awards were granted during the year ended 31 March 2023 under the 2021 LTIP.

Executive Director	Date of grant	% of salary	Market price at date of award	Number of shares	Face value of award £'000	% vesting at threshold performance	Vesting determined by performance period
Chief Executive	10 November 2022	200%	£45.53	35,068	£1,596	25%	Three years to 31 March 2025, with a 2-year post-vest sale restriction
CFO	10 November 2022	200%	£45.53	19,675	£895	25%	

The extent of vesting of these awards will be determined in the table below.

Performance condition	% of total award (potential)	Vesting rule	Threshold target	Maximum target
ROCE ¹	40%	Threshold vesting is 25% of maximum, with vesting determined on a straight-line basis between 25% and 100% for performance between threshold and maximum.	11.5%	15.5%
EPS	40%		3%	9%
TSR	20%		Median of FTSE 100	Upper quartile of FTSE 100

1. ROCE targets include the impact of IFRS 16 Leases.

Further details of previous year's awards are set out on page 137.

Changes in Remuneration of the Directors

Details of the percentage change in the salary, benefits and annual bonus of each individual who served as a Director during the year under review, along with the average total remuneration of Group employees, for each of the last three years, are set out in the table below.

Those Directors who did not serve as a Director at any point during the year under review have not been included. The percentage changes in their remuneration for prior years (and in which they were a Director) are disclosed in the relevant previous Annual Reports.

	% change between FY22 and FY23			% change between FY21 and FY22			% change between FY20 and FY21		
	Salary/Fees	Benefits	Bonus	Salary/Fees	Benefits	Bonus	Salary/Fees	Benefits	Bonus
Executive Directors									
Donal Murphy	+3%	0%	-39%	+3%	+3%	+7%	0%	-1%	+89%
Kevin Lucey	+8%	0%	-39%	+5%	+35%	+11%	n/a	n/a	n/a
Non-executive Directors^{1,2}									
Mark Breuer	+30%			+187%			+16%		
Laura Angelini	+6%			n/a			n/a		
Caroline Dowling	+7%			+14%			+19%		
Tufan Erginbilgic	+2%			+2%			n/a		
David Jukes	+2%			+7%			+14%		
Pamela Kirby	+2%			+2%			0%		
Lily Liu	+4%			n/a			n/a		
Alan Ralph	+26%			n/a			n/a		
Mark Ryan	+5%			+4%			0%		
Average remuneration of Group employees³	+8%			+4%			+1%		

1. The increases for the non-executive Directors primarily reflect Committee membership and role changes and to a lesser extent fee increases.

2. For Directors who served for a part of a year (due to joining or leaving), their remuneration is annualised to allow a like for like comparison.

3. This is the average increase for all Group employees as a whole.

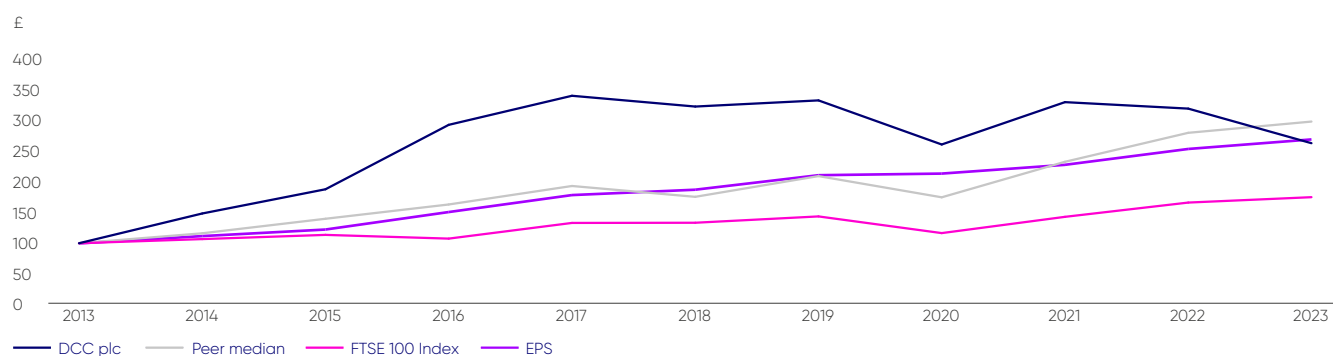
REMUNERATION REPORT CONTINUED

Comparison of Company Performance and Chief Executive Remuneration

The chart below shows the trend in EPS, and DCC's TSR relative to the FTSE 100 Index and the median of DCC's selected peer group, over the last ten years (using a base of 100 for 2013 for comparative purposes).

The table underneath the chart summarises the Chief Executive's single figure of remuneration, annual bonus and LTIP payouts as a percentage of the maximum opportunity for the year ended 31 March 2023 and the previous nine years.

The Committee is satisfied that, over time, there is a reasonable correlation between Chief Executive pay and returns to shareholders.



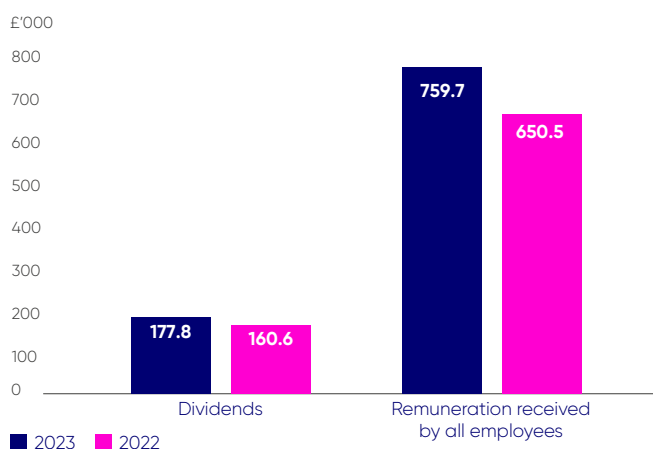
Years Ended 31 March	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total remuneration	€3.16m	€4.78m	€4.29m	€5.32m	€2.92m	€3.09m	€2.61m	€3.73m	€3.70m	€3.11m
Bonus payout (% max)	91%	62%	100%	100%	84%	88%	53%	100%	98%	55%
LTIP vesting (% max)	59%	100%	100%	100%	100%	80%	63%	64%	64%	69%

Chief Executive Pay Ratio

Taking account of the UK Companies (Miscellaneous Reporting) Regulations, we are voluntarily disclosing the ratio of the Chief Executive's total pay to the median UK employee's total pay, of 83 times. The median employee for this analysis was selected based on UK gender pay gap data.

Relative Importance of Spend on Pay

The chart below shows the amount paid in remuneration to all Group employees compared to dividends to shareholders for 2023 and 2022.



Non-executive Directors' Remuneration Details

The remuneration paid to the non-executive Directors for the year ended 31 March 2023 is set out below. Non-executive Directors were paid a basic fee, with additional fees paid to the Board Chair, Board Committee Chairs and members, and the Senior Independent Director.

	Basic Fee		Committee Chair and Membership Fees		Chairman/Senior Independent Director Fees		Audited Total	
	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2022 €'000	2023 €'000	2022 €'000
Mark Breuer ¹	77	75	3	5	270	190	350	270
Laura Angelini ²	77	53	6	2	-	-	83	55
Caroline Dowling	77	75	13	13	15	10	105	98
Tufan Erginbilgic ³	58	75	6	8	-	-	64	83
David Jukes	77	75	20	20	-	-	97	95
Pamela Kirby ⁴	22	75	3	8	-	-	25	83
Lily Liu ²	77	53	8	5	-	-	85	58
Alan Ralph ⁵	77	30	23	3	-	-	100	33
Mark Ryan	77	75	11	9	-	-	88	84
Total	619⁶	586	93	73	285	200	997	859 ⁷

1. Mark Breuer was appointed Chairman on 16 July 2021.

2. Laura Angelini and Lily Liu were appointed as Directors on 16 July 2021.

3. Tufan Erginbilgic resigned from the Board on 31 December 2022.

4. Pamela Kirby retired from the Board on 15 July 2022.

5. Alan Ralph was appointed as a Director on 8 November 2021.

6. Compares to the current shareholder limit of €850,000.

7. The figure of €859,000 does not include €210,000 in respect of fees paid to Jane Lodge, Cormac McCarthy and John Moloney for 2022.

All the above fees are considered fixed remuneration under the Shareholders Rights Directive II.

REMUNERATION REPORT CONTINUED

Total Directors' Remuneration

	Audited Total	
	2023 €'000	2022 €'000
Executive Directors		
Salary	1,420	1,355
Benefits	109	109
Bonus	1,460	2,398
Retirement Benefit Expense	208	198
LTIP	1,437	1,203
Total executive Directors' remuneration	4,634	5,263
Non-executive Directors		
Fees	997	859 ¹
Total non-executive Directors' remuneration	997	859 ¹
Total Directors' remuneration	5,631	6,122

1. The figure of €859,000 does not include €210,000 in respect of fees paid to Jane Lodge, Cormac McCarthy and John Moloney for 2022.

Executive and Non-executive Directors' and Company Secretary's Interests

The interests of the Directors and the Company Secretary (including shares held by connected persons) in the share capital of DCC plc at 31 March 2023, or at the date of leaving the Board if earlier, (together with their interests at 31 March 2022) are set out below:

	No. of Ordinary Shares at 31 March 2023	No. of Ordinary Shares at 31 March 2022
Directors		
Mark Breuer	4,697	4,697
Donal Murphy ¹	157,750	148,711
Laura Angelini	–	–
Caroline Dowling	800	800
Tufan Erginbilgic ²	–	–
David Jukes	94	94
Pamela Kirby ³	2,500	2,500
Lily Liu	–	–
Kevin Lucey ⁴	16,554	13,072
Alan Ralph	1,500	1,500
Mark Ryan	9,696	9,696
Company Secretary		
Darragh Byrne	8,661	6,743

1. Donal Murphy's 2023 and 2022 holdings include 9,011 and 7,768 shares, respectively held under the deferred bonus arrangement as detailed on page 124.

2. Tufan Erginbilgic resigned from the Board on 31 December 2022.

3. Pamela Kirby retired from the Board on 15 July 2022.

4. Kevin Lucey's 2023 and 2022 holdings include 2,789 and 1,035 shares held under the deferred bonus arrangement as detailed on page 124.

All of the above interests were beneficially owned. Apart from the interests disclosed above, the Directors and the Company Secretary had no interests in the Company's share capital or loan stock or any other Group undertaking at 31 March 2023.

There were no changes in the above Directors' and Secretary's interests between 31 March 2023 and 15 May 2023.

Details of the share ownership guidelines that apply to the executive Directors are on page 128 of this Report.

The Company's Register of Directors' Interests (which is open to inspection) contains full details of the Directors' shareholdings and share options.

Executive Directors' and Company Secretary's Long-Term Incentives**DCC plc Long-Term Incentive Plan**

Details of the executive Directors' and the Company Secretary's awards, in the form of nominal cost (€0.25) options, under the Company's LTIP are set out below:

	Number of options				At 31 March 2023	Date of grant	Market price on grant	Three-year performance period end	Normal exercise period	Market price at date of exercise £
	At 31 March 2022	Granted in year	Exercised in year	Lapsed in year						
Executive Directors										
Donal Murphy	10,830	–	(10,830)	–	–	17.11.15	£57.35	31 Mar 2018	17 Nov 2020–16 Nov 2022	£55.70
	9,366	–	–	–	9,366	10.02.17	£67.75	31 Mar 2019	10 Feb 2022–09 Feb 2024	
	13,041	–	–	–	13,041	16.11.17	£70.95	31 Mar 2020	16 Nov 2022–15 Nov 2024	
	15,441	–	–	–	15,441	15.11.18	£60.65	31 Mar 2021	15 Nov 2023–14 Nov 2025	
	21,373	–	–	(7,587)	13,786	14.11.19	£68.80	31 Mar 2022	14 Nov 2024–13 Nov 2026	
	26,715	–	–	–	26,715	12.11.20	£57.08	31 Mar 2023	12 Nov 2025–11 Nov 2027	
	24,598	–	–	–	24,598	11.11.21	£61.42	31 Mar 2024	11 Nov 2024–10 Nov 2028 ¹	
	–	35,068	–	–	35,068	10.11.22	£45.53	31 Mar 2025	10 Nov 2025–9 Nov 2029 ¹	
	121,364	35,068	(10,830)	(7,587)	138,015					
Kevin Lucey	3,693	–	(3,693)	–	–	10.02.17	£67.75	31 Mar 2019	10 Feb 2022–09 Feb 2024	£55.70
	3,270	–	–	–	3,270	16.11.17	£70.95	31 Mar 2020	16 Nov 2022–15 Nov 2024	
	3,873	–	–	–	3,873	15.11.18	£60.65	31 Mar 2021	15 Nov 2023–14 Nov 2025	
	5,362	–	–	(1,904)	3,458	14.11.19	£68.80	31 Mar 2022	14 Nov 2024–13 Nov 2026	
	12,270	–	–	–	12,270	12.11.20	£57.08	31 Mar 2023	12 Nov 2025–11 Nov 2027	
	13,162	–	–	–	13,162	11.11.21	£61.42	31 Mar 2024	11 Nov 2024–10 Nov 2028 ¹	
	–	19,675	–	–	19,675	10.11.22	£45.53	31 Mar 2025	10 Nov 2025–9 Nov 2029 ¹	
	41,630	19,675	(3,693)	(1,904)	55,708					
Company Secretary										
Darragh Byrne	2,170	–	(2,170)	–	–	10.02.17	£67.75	31 Mar 2019	10 Feb 2022–09 Feb 2024	£55.70
	1,889	–	(1,889)	–	–	16.11.17	£70.95	31 Mar 2020	16 Nov 2022–15 Nov 2024	£43.50
	2,236	–	–	–	2,236	15.11.18	£60.65	31 Mar 2021	15 Nov 2023–14 Nov 2025	
	3,124	–	–	(1,109)	2,015	14.11.19	£68.80	31 Mar 2022	14 Nov 2024–13 Nov 2026	
	4,674	–	–	–	4,674	12.11.20	£57.08	31 Mar 2023	12 Nov 2025–11 Nov 2027	
	5,114	–	–	–	5,114	11.11.21	£61.42	31 Mar 2024	11 Nov 2024–10 Nov 2028 ¹	
	–	7,291	–	–	7,291	10.11.22	£45.53	31 Mar 2025	10 Nov 2025–9 Nov 2029 ¹	
	19,207	7,291	(4,059)	(1,109)	21,330					

1. The LTIP awards made on 10 November 2022 and 11 November 2021 were granted under the DCC plc Long-Term Incentive Plan 2021. Previous years' awards (up to and including awards granted on 12.11.20) were granted under the DCC plc Long-Term Incentive Plan 2009. The primary change with the 2021 LTIP was that awards have a three-year vesting period, with a two-year post-vest sale restriction for the executive Directors.

The extent of vesting of the LTIP awards granted in November 2022 will be based on the three-year performance period from 1 April 2022 to 31 March 2025. The requirements/ranges set by the Remuneration Committee regarding these performance conditions are summarised on page 133.

As at 31 March 2023, the total number of options granted under the LTIP, net of options lapsed, amounted to 1.9% of issued share capital, of which 0.8% is currently outstanding.

Other Information

The market price of DCC shares on 31 March 2023 was £47.18 and the range during the year was £40.30 to £62.68.

Additional information in relation to the DCC plc Long-Term Incentive Plan 2009 and the DCC plc Long-Term Incentive Plan 2021 appears in note 2.5 to the financial statements on pages 168 to 170.

For the purposes of Section 305 of the Companies Act 2014 (Ireland), the aggregate gains by Directors on the exercise of share options during the year ended 31 March 2023 was €0.9 million (2022: €0.3 million).

REMUNERATION REPORT CONTINUED

Share Ownership Guidelines

The executive Directors' shareholdings as of 31 March 2023 are shown below.

Executive	Number of shares held as at 31 March 2023	Shareholding as a multiple of base salary for the year ended 31 March 2023	Share ownership guideline (multiple of salary)
Donal Murphy	157,750	9.3	3
Kevin Lucey	16,554	1.7	2

The shareholdings in the table comprise the shares held by the executive Directors (including those shares held in trust as part of the deferred bonus arrangement), valued based on the share price at 31 March 2023 of £47.18 (€53.66). Unvested and unexercised share options are not included. Under the Guidelines, Mr Lucey has five years from his appointment as CFO in July 2020 to achieve the level set out.

OPERATION OF REMUNERATION POLICY IN THE YEAR ENDING 31 MARCH 2024

Salary

The Committee approved the following increases to the executive Directors' salaries for the year ending 31 March 2024:

Executive Director	Year ending 31 March 2024 €	Increase %	Year ended 31 March 2023 €
Donal Murphy	945,890	4%	909,510
Kevin Lucey	556,227	9%	510,300

In agreeing to increase the Chief Executive's salary by 4%, the Committee took into account the expected workforce salary increase. The Committee was mindful of the current shareholder sentiment that executive director salary increases should be in line with or below those granted to the rest of the workforce. However, we believe that the circumstances surrounding our CFO's salary are exceptional, and warrant a higher increase.

When Kevin was appointed in 2020, his salary was set approximately 15% lower than that of his predecessor to reflect his level of experience at the time, with the Committee agreeing to review the matter regularly as he developed in his role.

Since then Kevin has performed at the highest level and made a significant contribution to the success of the business. In light of his contribution, we believe that a salary increase of 9% is fair, appropriate and commensurate with the levels of pay seen elsewhere in the market and the need to retain key talent for the benefit of the business and all of its stakeholders.

Benefits

Benefits payable to the executive Directors for the year ending 31 March 2024 include the use of a company car and related costs, life/disability cover, health insurance and club subscriptions.

Bonus

For the year ending 31 March 2024, the bonuses for the executive Directors will, consistent with the Remuneration Policy, be based as follows:

Executive Director	Maximum bonus potential	Deferral of bonus
Donal Murphy	200% of salary	33% of any bonus earned will be deferred into DCC shares for three years.
Kevin Lucey	160% of salary	

Bonuses will be based 70% on growth in Group adjusted operating profit and 30% on strategic objectives. In addition, the Committee has the discretion to reduce bonuses in the event that a pre-determined target return on capital employed is not achieved. Growth in Group adjusted operating profit will be measured against a pre-determined range, with zero payment below threshold up to full payment at the maximum of the range. The strategic objectives are aligned with DCC's short-term and medium-term strategic objectives that promote long-term performance and include sustainability/ESG targets.

The adjusted operating profit range and details of the strategic objectives are commercially confidential, but, to the extent no longer commercially confidential, will be disclosed on a retrospective basis in next year's Annual Report.

The Committee will keep the performance targets under review in light of acquisition and other development activity during the year ending 31 March 2024.

Retirement Benefits

Donal Murphy's retirement benefits comprise a cash allowance, paid in lieu of contributions to a defined contribution pension plan, at a rate of 15% of base salary. Kevin Lucey is entitled to contributions to a defined contribution pension plan at a rate of 14% of base salary.

Long-Term Incentives

For the year commencing 1 April 2023, LTIP awards of up to 200% of salary will be granted to the executive Directors, with vesting based on performance over the three financial years ending 31 March 2026. Vesting will be based 40% on ROCE, 40% on Adjusted EPS growth, and 20% on TSR vs the FTSE 100. The ranges are set out in the table below. The Committee reviewed the TSR benchmark during the year and concluded that the FTSE 100 remains the most credible and robust set of comparators.

Performance condition	% of total award (potential)	Vesting rule	Threshold target	Maximum target
ROCE ¹	40%	Threshold vesting is 25% of maximum, with vesting determined on a straight-line basis between 25% and 100% for performance between threshold and maximum.	11.5%	15.5%
EPS	40%		3%	9%
TSR	20%		Median of FTSE 100	Upper quartile of FTSE 100

1. ROCE targets include the impact of IFRS 16 Leases.

Non-executive Directors' Remuneration

DCC periodically reviews the fees paid to its non-executive Directors to ensure that these are sufficiently competitive to attract and motivate talented individuals. The Remuneration Committee reviews the fee for the Board Chairman. The Chief Executive and the Board Chairman review the fees for the other non-executive Directors. This means that no Director is involved in reviewing his/her own remuneration.

In keeping with our normal practice, a periodic review of the non-executive Director fee structure and levels was conducted during the year. This revealed two areas of divergence from standard market practice.

The first of these was the payment of Committee membership fees. This is rare among companies of similar size to DCC and introduces complication, with significant potential disparity in the fees paid to each non-executive director according to the number of Committees they sit on. In order to simplify our arrangements, therefore, we are consolidating these fees into the base fee, in line with market practice.

As a result of consolidating Committee membership fees into the base fee, the base fee for the year ending 31 March 2024 has been set at €87,500.

We have also taken the opportunity to introduce an additional fee for the role of Workforce Engagement Director to reflect the time commitment expected of the Director fulfilling this role. We have also increased the additional fee for chairing the Audit Committee and for the role of Senior Independent Director, to reflect market levels and the increasing time and commitment required to fulfil these roles.

These changes result in a modest uplift to each of our non-executive Directors' actual fees but which, excluding the impact of adjustments made to reflect the increasing time commitment of certain roles, are generally less than the average increase expected to be paid to the Group's employees overall.

The following table set out the changes in aggregate fees over the year ended 31 March 2023.

Non-executive Director	Total fee Year ending 31 March 2024	Total fee Year ended 31 March 2023	% increase
Mark Breuer	€363,900	€350,200	3.9%
Laura Angelini	€87,500	€84,890 ¹	3.1%
Katrina Cliffe	€87,500	n/a	n/a
Caroline Dowling	€108,500	€104,890	3.4%
David Jukes	€102,500	€96,890	5.8%
Lily Liu	€87,500	€84,890	3.1%
Alan Ralph	€107,500	€99,980	7.6%
Mark Ryan	€100,000	€87,890	13.8%

1. The actual amount paid to Laura Angelini in the year ended 31 March 2023 was €82,750, reflecting only half a year as member of the Remuneration Committee.

We believe that the proposed fees are appropriate and commensurate with the experience and time commitment required of DCC's non-executive Directors and will allow us to recruit and retain the best candidates in an increasingly competitive market.

REMUNERATION REPORT CONTINUED

Finally, the following table compares the new fee structure for the year ending 31 March 2024 with that of the current year.

	Total fee Year ending 31 March 2024	Total fee Year ended 31 March 2023
Chairman	€363,900	€350,200
Basic Fee	€87,500	€76,890
Committee Membership Fees:		
Audit	n/a	€8,000
Governance and Sustainability	n/a	€3,000
Remuneration	n/a	€5,000
Additional Fees:		
Audit Committee Chairman	€20,000	€15,000
Remuneration Committee Chairman	€15,000	€15,000
Senior Independent Director Fee	€21,000	€15,000
Workforce Engagement Director Fee	€12,500	n/a

GOVERNANCE

Committee Composition, Attendance and Tenure

At the date of this Report, the Remuneration Committee comprised four independent non-executive Directors: David Jukes (Chairman), Caroline Dowling, Laura Angelini and Katrina Cliffe.

The members of the Committee have significant financial and business experience, including in executive remuneration. Each member's length of tenure at 31 March 2023 (excluding Katrina Cliffe's who joined after 31 March 2023) is set out in the chart on page 97. Further biographical details regarding the members of the Remuneration Committee are set out on pages 88 and 89.

The Committee met four times during the year ended 31 March 2023 and attendance details are set out in the table on page 97 of the Corporate Governance Statement.

The Company Secretary is the Secretary to the Remuneration Committee.

Meetings

The main activities of the Committee during the year ended 31 March 2023 included (i) reviewing remuneration trends and market practice, (ii) approving salary/fee increases for the executive Directors/Chairman, (iii) approving incentive outcomes for the year ended 31 March 2022, (iv) approving incentive performance ranges for the year ended 31 March 2023, (v) keeping abreast of general developments, (vi) approving awards under the Company's LTIP, (vii) reviewing the Company's gender pay gap reporting and (viii) approval of this Report.

Typically, the Chief Executive, the Chief People Officer and representatives of advisors to the Committee are invited to attend all meetings of the Committee. Other Directors and executives may be invited to attend meetings of the Committee, except when their remuneration is being discussed. No Director is involved in the consideration of their remuneration. Other external advisors are invited to attend meetings when required.

The Committee also meets separately, as required, to discuss matters in the absence of any invitees.

Reporting

The Chairman of the Remuneration Committee reports to the Board at each meeting on the activities of the Committee.

The Chairman of the Remuneration Committee attends the AGM to answer questions on the Report and the Committee's activities and matters within the scope of its responsibilities. The Committee welcomes any feedback from shareholders on this Report, the remuneration structure and Policy, and decisions taken by the Committee.

Role and Responsibilities

The role and responsibilities of the Committee are set out in full in its Terms of Reference, which are available on the Company's website.

Annual Evaluation of Performance

The 2023 Board evaluation process concluded that the performance of the Remuneration Committee and of the Chairman of the Committee was satisfactory. The Committee will focus on a small number of agreed actions arising from the 2023 Board evaluation process.

Gender Pay Gap Reporting

Under the UK Gender Pay Gap Regulations, UK employers with more than 250 employees must publish key metrics on their gender pay gap. The Remuneration Committee reviewed the work carried out in our affected UK businesses, subject to these Regulations. They received a full briefing before publishing their reports on the businesses' websites.

External Advice

During the year under review, Ellason advised the Remuneration Committee in relation to market trends, competitive positioning and developments in remuneration policy and practice. Ellason is a signatory to the Remuneration Consultants Group Code of Conduct and any advice was provided in accordance with this code. In light of this and the nature of the service received, the Committee was satisfied that the advice was objective and independent.

In the year ended 31 March 2023, Ellason received fees of €97,440 in respect of advice provided to the Committee regarding executive Director remuneration. They also provided services to the Group on incentive design.

In the year ended 31 March 2023, Mercer received fees of €1,230 as pension advisors to the Committee. Mercer also provides specific advice on pension practice and developments and act as actuaries and pension advisors to a number of companies in the Group.

AGM Votes on Annual Report on Remuneration (2022) and Remuneration Policy (2021)

This table shows the voting outcome at the 2022 AGM in relation to the Annual Report on Remuneration as well as the voting outcome at the 2021 AGM in relation to the Remuneration Policy

Vote	Total votes cast	Total votes for	Total votes against	Total abstentions
Advisory vote on 2022 Annual Report on Remuneration	74,858,809	66,617,981 (89%)	8,240,828 (11%)	4,873,895
Advisory vote on 2021 Remuneration Policy	54,865,957	54,100,511 (98.6%)	765,446 (1.4%)	2,063

REPORT OF THE DIRECTORS

The Directors of DCC plc present their report and the audited financial statements for the year ended 31 March 2023.

Principal Activities

DCC plc is an international sales, marketing and support services group headquartered in Dublin with operations in Europe, North America, South America and Asia. DCC has three divisions – DCC Energy, DCC Healthcare and DCC Technology. DCC employs 16,100 people in 22 countries. DCC plc's shares are listed on the London Stock Exchange and are included in the FTSE 100 Index.

Results and Review of Activities

Revenue for the year amounted to £22,205.0 million (2022: £17,732.0 million). The profit for the year attributable to owners of the Parent Company amounted to £334.0 million (2022: £312.3 million). Adjusted earnings per share amounted to 456.27 pence (2022: 430.11 pence). Further details of the results for the year are set out in the Group Income Statement on page 154.

The Chairman's Statement on pages 6 and 7, the Chief Executive's Review on pages 8 to 11, the Business Reviews on pages 16 to 39 and the Financial Review on pages 44 to 51 contain a review of the development and performance of the Group's business during the year, of the state of affairs of the business at 31 March 2023, of recent events and of likely future developments. Key Performance Indicators are set out on pages 40 to 43. Information in respect of events since the year end is included in these sections and in note 5.8 on page 213.

Dividends

An interim dividend of 60.04 pence per share, amounting to £59.1 million, was paid on 9 December 2022. The Directors recommend the payment of a final dividend for the year ended 31 March 2023 of 127.17 pence per share, amounting to £125.5 million (based on the number of shares in issue at 15 May 2023). Subject to shareholders' approval at the AGM on 13 July 2023, this dividend will be paid on 20 July 2023 to shareholders on the register at the close of business on 26 May 2023. The total dividend for the year ended 31 March 2023 amounts to 187.21 pence per share, a total of £184.6 million. This represents an increase of 6.5% on the prior year's total dividend per share.

The profit attributable to owners of the Parent Company, which has been transferred to reserves, and the dividends paid during the year ended 31 March 2023 are shown in note 4.3 on page 201.

Share Capital and Treasury Shares

DCC's authorised share capital is 152,368,568 ordinary shares of €0.25 each, of which 98,747,206 shares (excluding treasury shares) and 2,586,698 treasury shares were in issue at 31 March 2023. All of these shares are of the same class. With the exception of treasury shares, which have no voting rights and no entitlement to dividends, they all carry equal voting rights and rank for dividends.

The number of shares held as treasury shares at the beginning of the year (and the maximum number held during the year) was 2,688,004 (2.72% of the then issued share capital (excluding treasury shares)) with a nominal value of €0.672 million.

A total of 101,306 shares (0.1% of the issued share capital (excluding treasury shares)) with a nominal value of €0.025 million were re-issued during the year consequent to the exercise of share options under the DCC plc Long Term Incentive Plan 2009 (95,658 shares at a price of €0.25 per share) and the deferred bonus arrangements for executive Directors (5,648 shares at a price of €67.22 per share), leaving a balance held as treasury shares at 31 March 2023 of 2,586,698 shares (2.62% of the issued share capital (excluding treasury shares)) with a nominal value of €0.647 million.

At the Annual General Meeting ('AGM') held on 15 July 2022:

- The Company was granted authority to purchase up to 9,869,185 of its own shares (10% of the issued share capital (excluding treasury shares)) with a nominal value of €2.467 million.
- The Directors were given authority to exercise all the powers of the Company to allot shares up to an aggregate amount of €8.22 million, representing approximately one-third of the issued share capital (excluding treasury shares) of the Company. They were also given authority to allot shares for cash, other than strictly pro-rata to existing shareholdings. This authority was limited to the allotment of shares in specific circumstances relating to rights issues and other issues up to approximately

5% of the issued share capital (excluding treasury shares) of the Company.

- In addition, the Directors were given authority to allot additional shares for cash other than strictly pro-rata to existing shareholdings. This authority was limited to the allotment of shares for cash up to approximately 5% of the issued share capital (excluding treasury shares) and would only be used in connection with an acquisition or other capital investment of a kind contemplated by the Statement of Principles for the disapplication of pre-emption rights most recently published by the Pre-Emption Group prior to the date of the notice of the 2022 AGM.

These authorities have not been exercised and will expire on 13 July 2023, the date of the next AGM of the Company.

At the 2023 AGM:

- The Directors will seek authority to purchase up to 10% of its own shares (the issued share capital (excluding treasury shares)) with a nominal value of €2.47 million.
- The Directors will seek authority to exercise all the powers of the Company to allot shares up to an aggregate amount of €8.23 million, representing approximately one-third of the issued share capital (excluding treasury shares).
- The Directors will also seek authority to allot shares for cash, other than strictly pro-rata to existing shareholdings. This proposed authority is limited to the allotment of shares in specific circumstances relating to rights issues and other issues up to approximately 5% of the issued share capital (excluding treasury shares).
- In addition, the Directors will seek authority to allot additional shares for cash other than strictly pro-rata to existing shareholdings. This proposed authority is limited to the allotment of shares for cash up to approximately 5% of the issued share capital (excluding treasury shares) and will only be used in connection with an acquisition or other capital investment of a kind contemplated by the Statement of Principles for the disapplication of pre-emption rights most recently published by the Pre-Emption Group prior to the date of that the notice of the 2023 AGM.

The Directors will have due regard to the Pre-Emption Group 2022 Statement of Principles for the dis-application of pre-emption rights in relation to any exercise of this power and in particular:

- As regards the first 5%, the Directors will take account of the requirement for advance consultation and explanation before making any non-pre-emptive cash issue pursuant to this resolution which exceeds 7.5% of the Company's issued share capital in any rolling three-year period; and
- As regards the second 5%, the Directors confirm that they intend to use this power only in connection with an acquisition or specified capital investment of a kind contemplated by the most recent Statement of Principles for the disapplication of pre-emption rights most recently published by the Pre-Emption Group.

Details of the share capital of the Company are set out in note 4.1 on page 199 and are deemed to form part of this Report.

Non-Financial Information

Pursuant to the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017, the Group is required to report on certain non-financial information to provide an understanding of its development, performance, position and the impact of its activities, relating to, at least, environmental matters, social matters, employee matters, respect for human rights, and bribery and corruption. Information on these matters can be found in the following sections of the Annual Report, which are deemed to form part of this Report: the Sustainability Review on pages 58 to 76, the Business Model on pages 14 and 15, the Risk Report on pages 77 to 84 and the Key Performance Indicators on pages 40 to 43.

The Board has approved a formal Board Policy on Diversity, which applies to the Board of DCC plc. Details of the policy, its objectives and its application in the current financial year are set out in the Governance and Sustainability Committee Report on pages 108 to 111.

Principal Risks and Uncertainties

Under Section 327(1)(b) of the Companies Act 2014 and Rule 4.1.8 R of the UK Disclosure Guidance and Transparency Rules, DCC is required to give a description of the principal risks and uncertainties facing the Group.

These are addressed in the Risk Report on pages 77 to 84.

Directors

The names of the Directors and a short biographical note on each Director appear on pages 88 and 89. In accordance with the UK Corporate Governance Code, all Directors submit to re-election at each AGM. Donal Murphy has a service agreement with the Company with a notice period of six months. Kevin Lucey has a letter of appointment which provides for a six-month notice period. Details of the Directors' and Company Secretary's interests in the share capital of the Company are set out in the Remuneration Report on pages 118 to 141.

Corporate Governance

The Corporate Governance Statement on pages 92 to 107 sets out the Company's appliance of the principles and compliance with the provisions of the UK Corporate Governance Code and the Group's system of risk management and internal control. The Corporate Governance Statement shall be treated as forming part of this Report.

DCC plc is fully compliant with the 2018 version of the UK Corporate Governance Code, which applied to the Company for the year ended 31 March 2023.

Details concerning the appointment and the re-election of Directors are set out in the Corporate Governance Statement.

General Meetings

The Company's AGM provides shareholders the opportunity to question the Chairman, the Board and the Chairmen of the Audit, Remuneration and Governance and Sustainability Committees. The Chief Executive presents at the AGM on the Group's business and its performance during the prior year and answers questions from shareholders.

Notice of the AGM, the Form of Proxy and the Annual Report are sent to shareholders at least 20 working days before the AGM. At the AGM, resolutions are voted on a poll. The votes of shareholders present and voting at the AGM are added to the proxy votes received in advance of the AGM and the total number of votes for, against and withheld for each resolution are announced.

All other general meetings are called Extraordinary General Meetings ('EGM'). An EGM called for the passing of a special resolution must be called by at least 21 clear days' notice.

A quorum for an AGM or an EGM of the Company is constituted by two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporate member. The passing of resolutions at a general meeting, other than special resolutions, requires a simple majority of the votes cast. To be passed, a special resolution requires a majority of at least 75% of the votes cast.

Shareholders have the right to attend, speak, ask questions and vote at general meetings. In accordance with Irish company law, the Company specifies record dates for general meetings, by which date shareholders must be registered in the Register of Members of the Company to be entitled to attend, speak, ask questions and vote. Record dates are specified in the notes to the Notice convening the meeting.

Shareholders may exercise their right to vote by appointing a proxy/proxies, by electronic means or in writing, to vote on some or all of their shares. The requirements for the receipt of valid proxy forms are set out in the notes to the Notice convening the meeting.

A shareholder or a group of shareholders, holding at least 10% of the issued share capital of the Company, has the right to requisition a general meeting.

The AGM will be held at 2.00 pm on 13 July 2023 at The Powerscourt Hotel, Powerscourt Estate, Enniskerry, Co. Wicklow, A98 DR12. Shareholders should monitor the Company's website for further information in this regard.

Memorandum and Articles of Association

The Company's Memorandum of Association sets out the objects and powers of the Company. The Articles of Association detail the rights attaching to shares, the method by which the Company's shares can be purchased or re-issued, the provisions which apply to the holding of and voting at general meetings and the rules relating to the Directors, including their appointment, retirement, re-election, duties and powers.

REPORT OF THE DIRECTORS CONTINUED

Substantial Holdings

The Company has been notified of the following shareholdings of 3% or more in the issued share capital (excluding treasury shares) of the Company as at 31 March 2023 and 15 May 2023.

	As at 31 March 2023		As at 15 May 2023	
	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)
BlackRock, Inc.	9,720,405	9.84%	9,711,106	9.83%
FMR LLC and FIL Limited on behalf of its direct and indirect subsidiaries	8,523,067	8.63%	8,922,608	9.04%
Allianz Global Investors GmbH	4,396,414	4.45%	4,313,872	4.37%
Setanta Asset Management	4,235,710	4.29%	4,125,276	4.18%
Ameriprise Financial, Inc.	3,581,114	3.63%	3,850,041	3.90%
T. Rowe Price Associates, Inc.	3,088,432	3.13%	3,071,400	3.11%

These entities have indicated that the shareholdings are not ultimately beneficially owned by them.

The Company's Articles of Association may be amended by a special resolution passed by the shareholders at an AGM or EGM of the Company.

A copy of the Memorandum and Articles of Association can be obtained from the Company's website, www.dcc.ie.

UK Disclosure Guidance and Transparency Rules

The UK Disclosure Guidance and Transparency Rules require certain information to be included within this Annual Report and Accounts. That information can be found in the following sections: the Chairman's Statement on pages 6 to 7, the Chief Executive's Review on pages 8 to 11, the Business Reviews on pages 16 to 39, the Financial Review on pages 44 to 51, the Principal Risks and Uncertainties on pages 80 to 83, the Transparency Report in the Statement of Directors' Responsibilities on page 146, the earnings per ordinary share in note 2.11 on page 174, the Key Performance Indicators on pages 40 to 43 and the derivative financial instruments in note 3.10 on pages 184 and 185.

Principal Subsidiaries

Details of the Company's principal operating subsidiaries are set out on pages 232 to 235.

Research and Development

Certain Group companies are involved in ongoing development work aimed at improving the quality, competitiveness, technology and range of their products.

Political Contributions

There were no political contributions which require to be disclosed under the Electoral Act, 1997.

Accounting Records

The Directors are responsible for ensuring that adequate accounting

records, as outlined in Section 281 to 285 of the Companies Act, 2014, are kept by the Company. The Directors believe that they have complied with this requirement by providing adequate resources to maintain proper books and accounting records throughout the Group, including the appointment of personnel with appropriate qualifications, experience and expertise. The books and accounting records of the Company are maintained at the Company's registered office, DCC House, Leopardstown Road, Foxrock, D18 PK00, Ireland.

Takeover Regulations

The Company has certain financing facilities which may require repayment in the event that a change in control occurs with respect to the Company. In addition, the Company's long-term incentive plans contain change-of-control provisions, which can allow for the acceleration of the exercise of share options or awards in the event that a change-of-control occurs with respect to the Company.

Directors' Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). The Directors confirm that there is a Compliance Policy Statement in place, as defined in Section 225(3)(a) of the Companies Act 2014.

The Directors confirm that the arrangements and structures that have been put in place are, in the Directors' opinion, designed to secure a material compliance with the Company's relevant obligations and that these arrangements and structures were reviewed by the Company during the financial year.

As required by Section 225(2) of the Companies Act 2014, the Directors

acknowledge that they are responsible for the Company's compliance with the relevant obligations. In discharging their responsibilities under Section 225, the Directors relied on the advice of persons employed by the Company and of third parties, whom the Directors believe have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations.

Audit Committee

The Company has an Audit Committee, the members of which are set out on page 112.

Disclosure of Information to the Auditors

Each of the Directors individually confirms that:

- In so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- That they have taken all the steps that they ought to have taken (as defined in Section 330(3) of the Companies Act 2014) as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of such information.

Auditors

The auditors, KPMG, who were appointed on 17 July 2015, will continue in office in accordance with the provisions of Section 383 of the Companies Act 2014.

As required under Section 381(1) (b) of the Companies Act 2014, a resolution authorising the Directors to determine the remuneration of the auditors will be proposed at the 2023 AGM.

Mark Breuer, Donal Murphy Directors

15 May 2023