Directors' remuneration report

MEMBERSHIP	SINCE
Aedamar Comiskey, Chair of the Remuneration Committee since May 2018	2014
Michael Salter (until 5 May 2022)	2013
Justin Atkinson	2018
Inken Braunschmidt	2019
Kash Pandya	2021
Claire Hawkings (appointed to the Committee on 1 January 2022)	2022

Key objectives

The Committee's objectives are to create a fair, equitable and competitive total reward package that supports the Group vision and strategy; and to ensure that rewards are performance-based, encourage long-term shareholder value creation and are straightforward to communicate and operate.

Key responsibilities:

- Designing the remuneration policy.
- Implementing the remuneration policy.
- Ensuring the competitiveness of reward.
- Designing the incentive plans.
- Setting incentive targets and determining award levels.
- Overseeing all share awards across the Group.

The Committee meets at least three times a year.

Annual statement

Introduction by Aedamar Comiskey, Chair of the Remuneration Committee

On behalf of the Board and the Remuneration Committee (the Committee), I am pleased to present the Directors' remuneration report for the year ended 31 December 2022.

This report is comprised of two parts, namely:

Part 1 – Remuneration policy report – which provides a summary of the Directors' remuneration policy approved by shareholders at the 2021 AGM, as context for the Committee's decision-making in relation to remuneration. In keeping with the remuneration reporting regulations with which the Group is required to comply, the Committee will be conducting a review of the current remuneration policy during 2023. We will be engaging with shareholders on the proposed policy ahead of putting this to a binding shareholder resolution at the 2024 AGM; and

Part 2 – Annual report on remuneration – which sets out payments and awards made to the Directors, details the link between Company performance and remuneration for 2022, and explains how we intend the remuneration policy will operate for 2023. This part of the report will be put to an advisory vote at the 2023 AGM.

Work of the Committee during 2022

During 2022, the Committee undertook the following main activities, having due regard at all times to the broader performance context and the experience of the Group's key stakeholders:

- assessing performance against the targets set for the 2021 annual bonus awards;
- setting the targets for the 2022 annual bonus;
- assessing performance against the targets set for the 2019 LTIP awards and determining vesting levels;
- agreeing the award levels and performance targets for the 2022 LTIP awards;
- agreeing the leaving arrangements for Eoghan O'Lionaird and Jean Vernet's package on appointment; and
- agreeing the Chairman's fee and Executive Directors' base salaries to apply from 1 January 2023.

In discharging its responsibilities, the Committee seeks to ensure that its policy and practices remain consistent with the six factors set out in Provision 40 of the 2018 UK Corporate Governance Code:

- Clarity – The current policy is understood by our senior executive team, and we have sought to articulate it clearly to our shareholders and representative bodies (both on an ongoing basis and during consultation when material changes are being made).
- Simplicity – The Committee is mindful of the need to avoid overly complex remuneration structures which can be misunderstood and deliver unintended outcomes. Therefore, a key objective of the Committee is to ensure that our executive remuneration policies and practices are straightforward to communicate and operate.
- Risk – Our policy has been designed to ensure that inappropriate risk-taking is discouraged and will not be rewarded. We do this via: (i) the balanced use of both short-term (annual) bonuses and longer-term incentive plans (LTIPs), which employ a blend of financial, non-financial and shareholder return targets; (ii) the significant role played by equity in our incentive plans; and (iii) malus/clawback provisions.
- Predictability – Our incentive plans are subject to individual caps and clearly defined performance targets, with our share plans also subject to market standard dilution limits.
- Proportionality – There is a clear link between individual reward, delivery of strategy and the Group's long-term performance. In addition, the significant role played by incentive/'at-risk' pay, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.
- Alignment to culture – Our executive pay policies are aligned to culture through the use of metrics in both the annual bonus and LTIP that measure how we perform against our KPIs.

Pay and performance in 2022

James Fisher encountered another challenging year in 2022, with performance outcomes against our primary financial measures as follows:

- Underlying operating profit from continuing operations of £19.1m (2021: £28.0m);
- Operating cashflow of £44.5m (2021: £55.0m); and
- Underlying diluted earnings per share (17.1p) (2021: 20.0p).

Executive Directors' bonus potential for 2022 was capped at 100% of salary, with 70% based on meeting the Group's financial objectives and 30% based on individual achievement of personal objectives. However, as a result of the Group's financial performance for the year ended 31 December 2022 being below the thresholds set at the start of the year, the Remuneration Committee concluded that it would not be appropriate to award any annual bonus to the Executive Directors with respect to 2022, notwithstanding that the personal objectives were partially met.

Awards granted under the LTIP in 2020 are ordinarily eligible to vest in 2023, subject to the achievement of pre-defined 3-year performance targets. However, as a result of failing to hit the threshold level set for earnings per share (EPS) and total shareholder return (TSR), 2020 LTIP awards will lapse in full. Neither Jean Vernet nor Duncan Kennedy participated in this LTIP award cycle.

Further details of the targets and achievement against them for the annual bonus and LTIP are set out on pages 103 to 104.

Executive Director changes during the year

As announced in June 2022, Jean Vernet was appointed as Chief Executive Officer and took up this position on 5 September, at which point Eoghan O'Lionaird stepped down from the Board. Mr O'Lionaird, however, remained an employee of the Company until February 2023 to enable a smooth and effective transition of responsibilities. Details of the leaving arrangements for Mr O'Lionaird and Mr Vernet's package on appointment – both of which are in line with our policy and normal remuneration practices – are set out on pages 104 and 105.

2023 remuneration

There are no changes proposed for the remuneration policy in 2023. A summary of the proposed approach to the implementation of the remuneration policy in 2023 is as follows:

- **Base salary:** the Committee has delayed its review of Executive Director salaries until later in 2023, to align with the second of a two-phase salary review process adopted by the Company for other employees earning an annual base salary of £70,000 or higher. Effective 1 January 2023, base salary increases have been awarded to the rest of the workforce; of 5% on average for lower-paid colleagues (earning annual base salaries of less than £70,000) and 3% on average to those higher earners who will be eligible for a second review later in the year. This approach is considered to be fair and appropriately reflect the prevailing inflationary environment, while ensuring that the available pay budget at year end is focused on supporting lower-paid colleagues, in particular, with ongoing cost-of-living pressures;
- **Pension:** no change to the pension contributions received by the Executive Directors;
- **Annual bonus:** no change to the opportunity of 100% of salary which, for 2023, will be based 50% on adjusted operating profit (2022: 40%), 25% on operating cashflow (2022: 30%), and 25% on strategic (including ESG-related) objectives (2022: 30%). Bonus payouts will also be subject to a discretionary assessment by the Committee of progress on other important initiatives during the year, including our Environment agenda;
- **LTIP:** in respect of 2023 LTIP awards for Executive Directors, awards will be made as normal after the announcement of the 2022 preliminary results, with award levels set at 175% of salary for Jean Vernet and 125% of salary for Duncan Kennedy. 50% of awards will be based on 3-year EPS growth, 30% of awards will be based on relative TSR, and the remaining 20% based on Return on Capital Employed (ROCE) targets. At the time of signing this report, the EPS and ROCE performance targets attaching to these awards have not yet been agreed by the Committee. Consistent with previous cycles, the TSR element will vest subject to the Group's relative TSR performance being at least median (25% vesting) compared to the constituents of the FTSE250 excluding investment trusts, with full vesting requiring performance to be at least upper quartile. EPS and ROCE targets will be set to be appropriately stretching. These will be disclosed in the RNS announcement at the time of making the awards; and in next year's Directors' remuneration report; and
- **NED fees:** the fees payable to the Chairman and Non-Executive Directors are unchanged.

Shareholder feedback

The Committee is grateful for the strong shareholder support at the 2022 AGM for the advisory resolution to approve the Annual statement and Annual Report on Remuneration. We remain committed to effective and regular engagement with our shareholders in relation to remuneration, and hope that we can count on your continued support.

I hope you will join me in supporting the remuneration-related resolution at the AGM on 14 June 2023.

Aedamar Comiskey
Chair of the Remuneration Committee

28 April 2023

Directors' remuneration report cont.

Remuneration policy report

Overview of Directors' remuneration policy

James Fisher and Sons plc operates in a competitive international environment. To continue to compete successfully, the Committee considers that it is essential that the level and structure of remuneration and benefits achieve the objective of attracting, retaining, motivating and rewarding the necessary high calibre individuals at all levels of the business. The Company therefore sets out to provide competitive remuneration to all of its employees, appropriate to the business environment in those countries in which it operates.

The remuneration strategy, as a significant contributor to competitive advantage, is designed to support the Company's corporate strategy, and to align with the Company's valued behaviours of pioneering spirit, integrity, energy and resilience.

A cohesive reward structure with a timely pay review process, consistently applied to all employees and with links to corporate performance, is seen as critical in ensuring all employees can associate with, and are focused on, the attainment of the Company's strategic goals. Accordingly, the remuneration package for the Executive Directors is reviewed annually. Where an Executive Director's responsibilities change during the course of a year, the Committee will consider whether a review is appropriate, outside of the annual process.

Executive remuneration reviews are based upon the following principles:

- total rewards should be set at appropriate levels to reflect the competitive market in which the Company operates, and to provide a fair and attractive remuneration package;
- reward elements should be designed to reinforce the link between performance and reward. The majority of the total remuneration package should be linked to the achievement of appropriate performance targets; and
- Executive Directors' incentives should be aligned with the interests of shareholders. This is achieved through setting performance targets to reward increase in shareholder value and through the Committee's policy to encourage shareholding by Executive Directors.

How the Directors' remuneration policy relates to the wider Group

The remuneration policy set out within this report provides an overview of the structure that operates for the Executive Directors in the Group. Employees below Executive level have a lower proportion of their total remuneration made up of incentive-based remuneration, with remuneration driven by market comparators and the impact of the role of the employee in question. Long-term incentives are reserved for those judged as having the greatest potential to influence the Group's delivery of strategy and Group performance. The Committee considers pay and conditions across the workforce when reviewing and setting the Executive Director remuneration policy. During 2022, members of the Committee engaged with employees on a number of matters (more detail on page 30), including while attending offsite engagement sessions. Any feedback received through this and other engagement channels is presented to, and discussed by, the Committee at its next meeting; and informs decision-making at both a Group and business level. Wider engagement on Executive remuneration is planned in 2023 as part of the Board's employee engagement initiatives and the upcoming review of the Remuneration Policy.

How shareholders' views are taken into account

The Committee takes an active interest in stakeholder views on our executive remuneration policy and its operation, and is particularly mindful of the concerns of shareholders. At the 2021 AGM, the current remuneration policy was supported by a significant majority of shareholders. In advance of that AGM, the Committee consulted with the Company's major shareholders and the main representative groups in relation to the proposed changes to the Company's remuneration policy, the vast majority of feedback received on which was supportive. Similarly high levels of support were received for the advisory vote to approve the Annual report on remuneration at the 2022 AGM.

Directors' remuneration policy

The table on the following pages summarises the remuneration policy approved by shareholders at the 2021 AGM. This policy took effect from that date for a period of up to three years. Minor amendments have been made to the drafting of this policy from the version approved by shareholders in 2021 (which can be found in the 2020 Annual Report) including: (i) the data used in the pay-for-performance scenarios; (ii) page references; and (iii) the sections on Executive Director service contracts and Non-Executive Director letters of appointment, to reflect changes in Board composition since then.

ELEMENT	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM	PERFORMANCE TARGETS
Salary	Designed to attract, retain, motivate and reward the necessary high calibre individuals to the Board.	Base salaries are a fixed annual sum normally effective 1 January and payable monthly in cash. Salaries are reviewed each year, normally effective 1 January and recognising the individual's performance and experience, developments in the relevant employment market and having regard to the Group's performance as well as comparing each Executive Director's base salary to market data.	No prescribed maximum salary or salary increase. Salaries are set for each Executive Director within a range around the market median for similar positions in appropriate comparator companies. The Committee is also guided by the general increase for the employee population although increases may be higher or lower than this to recognise, for example, an increase in the scale, scope or responsibility of an individual and/or performance.	Not applicable.
Pensions	To offer competitive retirement benefits.	Executive Directors are eligible to join the Group's defined contribution scheme, receive a company contribution into a personal pension scheme or be paid a cash supplement in lieu of pension.	Workforce aligned on or before 1 January 2023.	Not applicable.
Benefits	To offer competitive benefits.	Provision of a company car or cash alternative, life assurance and healthcare insurance. Other benefits may be provided where appropriate. These benefits do not form part of pensionable earnings.	No prescribed maximum.	Not applicable.
Annual bonus	To incentivise and reward the Executive Directors to deliver annual financial and operational targets.	Payable on the achievement of financial and personal objectives and non-pensionable. The first 70% is payable in cash. Bonus in excess of 70% of basic salary is subject to deferral into shares, with awards vesting after three years, subject to normal good/bad leaver provisions, but no further performance targets. Dividend equivalent payments may be awarded (in cash or shares). Malus and clawback provisions operate.	Up to 100% of base salary.	Majority of the bonus potential is based on financial targets derived from the annual plan; and a minority of the bonus potential based on individual achievement and personal objectives.

Directors' remuneration report cont.

ELEMENT	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM	PERFORMANCE TARGETS
LTIP	To align the interests of the Executive Directors with the Group's long-term performance, strategy and the interests of shareholders.	Annual grant of share awards. Non pensionable. A two-year post-vesting holding period applies to awards granted to Executive Directors. Malus and clawback provisions operate.	Up to 200% of base salary. Awards above 125% will be subject to stretch targets.	Sliding scale targets linked to financial, share price and/or strategic metrics. No more than 25% of an award vests at threshold, increasing to 100% vesting at maximum.
Share ownership	To ensure alignment between the interests of Executive Directors and shareholders.	Executive Directors are required to retain half of the shares vesting after tax under the LTIP until the guidelines are met. Post-cessation guidelines apply to share awards granted following the 2021 AGM. In determining the relevant number of shares to be retained post-cessation, shares acquired from own purchases and share awards granted prior to the 2021 AGM will not be counted.	**In Employment:** 200% of base salary for all Executive Directors. **Post-cessation:** 100% of the "in employment" requirement, until the second anniversary of cessation (or the actual shareholding if the guideline has not been met at cessation).	Not applicable.
Sharesave	To encourage share ownership and align the interests of all employees and shareholders.	An all-employee share plan.	As per prevailing HMRC limits.	Not applicable.
Non-Executive Directors	To provide fees to reflect the time commitment and responsibilities of each role in line with those provided by similarly sized companies.	Fixed annual fee, paid quarterly in cash reviewed annually: the Committee determines the Chairman's fees. The Chairman and Executive Directors determine fees for the other Non-Executive Directors.	No prescribed maximum fee or fee increase, although fees are limited by the Company's Articles of Association. The Board/Committee is guided by market rates, time commitments and responsibility levels.	Not applicable.

Notes:
(1) The choice of the performance metrics applicable to the annual bonus reflects the Committee's belief that any incentive compensation should be appropriately challenging and tied to the delivery of both financial and personal objectives;
(2) LTIP performance conditions are selected based on the delivery of long-term returns to shareholders and the Group's financial growth and are consistent with the Company's strategy. Where operated: (i) TSR performance is monitored by an independent advisor; and (ii) EPS growth and ROCE are derived from the audited financial statements;
(3) The Committee operates its share plans in accordance with the plan rules and the Listing Rules. The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of the plans (e.g. treatment of awards for leavers, change of control, adjustments to performance targets);
(4) The Committee retains the right to exercise discretion to override formulaic outcomes and ensure that the level of bonus or share awards payable is appropriate. It may use its discretion to adjust outcomes to ensure that any payments made reflect overall Company performance and stakeholder experiences more generally. Where exercised, the rationale for this discretion will be fully disclosed to shareholders in the relevant Directors' remuneration report;
(5) Consistent with HMRC legislation, the all-employee share plan does not have performance conditions; and
(6) In approving the Directors' remuneration policy, authority is given to the Company to honour any past commitments entered into with current or former Directors including the vesting of share awards granted in the past.

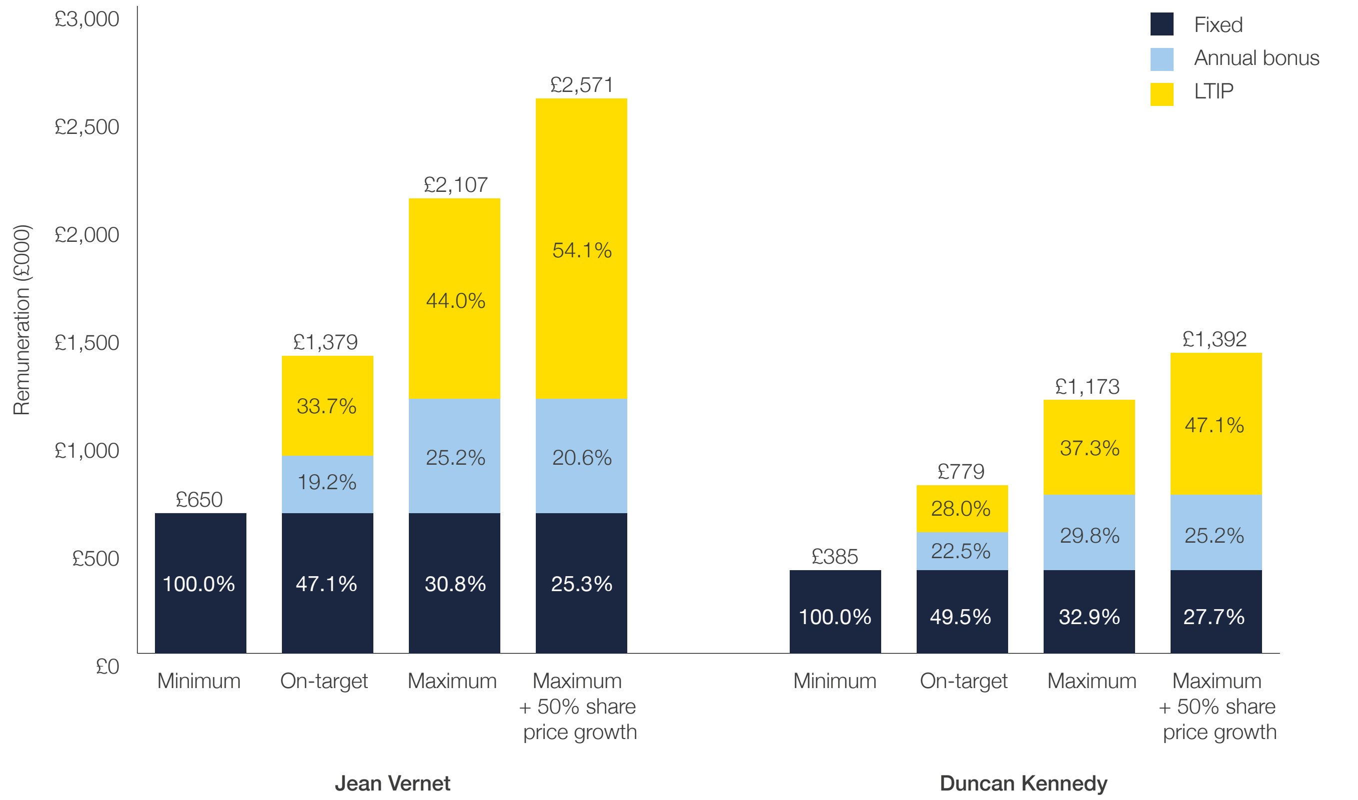
Malus and clawback provisions

Malus and clawback provisions operate in respect of the annual bonus (cash and deferred shares) and LTIP awards, with Committee discretion to apply them in the event of a material misstatement in the Company's financial results, miscalculation, serious reputational damage to the Company, in the event it is discovered that the participant committed serious misconduct that could have warranted summary dismissal or a corporate failure/insolvency.

The Committee may decide to operate the malus and clawback provisions within a three-year period commencing on the date that the cash part of any annual bonus is paid (for cash and deferred share bonus awards), and within a three-year period of any LTIP vesting date.

Scenario charts, 2023 remuneration

The charts below illustrate the potential value of the 2023 packages for the Executive Directors (see page 110 for further detail), assuming: nil bonus payout and nil vesting for the LTIP in the 'minimum' scenario; and a 50% bonus payout and 50% LTIP vesting in the 'on-target' scenario.



Approach to recruitment

New Executive Directors will be appointed on remuneration packages with the same structure and elements set out in the Directors' remuneration policy table. Ongoing incentive pay/share-based awards will be limited to:

- Maximum annual bonus of 100% of salary; and
- LTIP award of up to 200% of salary.

For external appointments, the Committee may offer additional cash or share-based elements to replace deferred or incentive pay forfeited by an executive when leaving a previous employer. It would seek to ensure, where possible, that these awards would be consistent with awards forfeited in terms of vesting periods, expected value and performance conditions. Shareholders will be informed of any such payments as soon as practicable following the appointment.

For an internal appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its original terms. In addition, any other ongoing remuneration obligations existing prior to appointment may continue, provided that they are put to shareholders for approval at the earliest opportunity.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and incidental expenses as appropriate.

Directors' remuneration report cont.

Loss of office

In relation to Executive Directors leaving the Company, the Committee is committed to applying a consistent and equitable approach to ensure the Company is equitable, but pays no more than necessary. The loss of office policy is in line with market practice and will be dependent on whether the individual is deemed a 'good leaver' or 'bad leaver'. The 'good leaver' policy includes:

- payment in lieu of notice equal to one year's basic salary or, if termination is part way through the notice period, the amount of salary relating to any unexpired notice to the date of termination. There is an obligation on Directors to mitigate any loss which they may suffer if the Company terminates their service contract;
- bonus payments for the period worked may be made, subject to the original performance targets, at the discretion of the Committee. Any such payments would be made on the normal payment date;
- vesting of share scheme awards is not automatic and the Committee retains the discretion to prevent awards from lapsing depending on the circumstances of the departure and the best interests of the Company. For a 'good leaver': (i) deferred bonus awards will normally vest in full at the normal vesting date (although may vest earlier, including at cessation); and (ii) LTIP awards will normally vest at the normal vesting date (although may vest earlier, including at cessation) subject to performance against the performance targets and LTIP awards will normally be pro-rated;
- the 'good leaver' reasons are death, injury, illness or disability, redundancy, retirement, transfer of business resulting in cessation of the individual's employment within the Group and any other reason at the Committee's discretion;
- no compensation is paid for summary dismissal, save for any statutory entitlements;
- Executive Directors will also be entitled to a payment in respect of accrued but untaken annual holiday entitlements on termination; and
- legal fees and outplacement support may be paid by the Company where appropriate.

Service contracts

It is the Board's policy that Executive Directors are employed on contracts subject to no more than 12 months' notice from either side. The Board recognises however that it may be necessary in the case of new executive appointments to offer an initial longer notice period, which would subsequently reduce to 12 months after the expiry of the initial period. The service agreements do not have a fixed term. If it becomes necessary to consider termination of a service contract, the Committee will have regard to all the circumstances of the case, including mitigation, when determining any compensation to be paid. Details of the current service contracts are as follows:

	Contract date	Notice period
Jean Vernet	5 September 2022	12 months
Duncan Kennedy	1 May 2021	12 months

The Executive Directors are permitted to serve as non-executive directors of other companies, provided the appointment is first approved by the Remuneration and Nominations Committees. Directors are allowed to retain their fees from such appointments. During 2022, the Executive Directors held no external appointments.

Non-Executive Directors do not have service contracts but have a letter of appointment setting out their terms and conditions. Non-Executive Directors are appointed each year for up to 12 months (subject to re-election at the AGM) and are entitled to one month's prior written notice of early termination for which no compensation is payable. Details of the letters for the currently appointed Non-Executive Directors are set out below:

	Date of appointment	Letter of appointment
Angus Cockburn	1 May 2021	1 January 2023
Justin Atkinson	1 February 2018	1 January 2023
Inken Braunschmidt	1 March 2019	1 January 2023
Aedamar Comiskey	1 November 2014	1 January 2023
Kash Pandya	1 November 2021	1 January 2023
Claire Hawkings	1 January 2022	1 January 2023

Annual report on remuneration

Remuneration Committee

The Committee members have no personal financial interest, other than as shareholders, in the matters to be decided.

They have no conflicts of interest arising from cross-directorships with the Executive Directors, nor from being involved in the day-to-day business of the Company.

The Committee operates under clear written terms of reference and confirms that its constitution and operation comply with the applicable provisions of the UK Corporate Governance Code (the Code) (prevailing at the date this report is signed) in relation to Directors' remuneration policy and practice and that it has applied the Code throughout the year. As noted on page 30, with respect to Code provision 41, various channels have been established for the Board's engagement with employees, including in relation to remuneration. The channels include the employee engagement survey, the activities of the Designated Non-Executive Director for Employee Engagement (including regular attendance at the employee engagement working group), and direct engagement between the Non-Executive Directors and employees during the annual calendar of Board site visits. Any feedback or questions arising on the subject of remuneration (whether in relation to the workforce generally, or executives specifically) is tabled at the Committee's next meeting for discussion. The Board is also considering further enhanced mechanisms for employee engagement in relation to executive remuneration for implementation in 2023.

The Committee's terms of reference include:

- to determine and agree with the Board the framework and policy for Executive Directors and senior managers;
- to review the appropriateness and relevance of the remuneration policy;
- to agree the measures and targets for any performance-related bonus and share schemes of the Executive Directors;
- to determine within the terms of the policy the total individual remuneration package of the Executive Directors and selected senior management immediately below Board; and
- to review senior management pay and workforce remuneration policies and practice.

The Committee consults the Chief Executive Officer and invites him to attend meetings when appropriate. The Chief Human Resources Officer and Ellason LLP, the Committee's independent adviser, attend meetings of the Committee by invitation. The Committee also has access to advice from the Chief Financial Officer. The Company Secretary acts as secretary to the Committee. No Director or other attendee is present when his or her own remuneration is being determined.

Advisers to the Remuneration Committee

In undertaking its responsibilities, the Committee seeks independent external advice as necessary. Following a competitive tender, the Committee appointed Ellason LLP (Ellason) as its principal external adviser from August 2021.

The Committee confirms that Ellason provided independent remuneration advice to the Committee during 2022, and that Ellason does not have any other connections with the Company that may impair independence. Ellason is a member and signatory of the Code of Conduct for Remuneration Consultants, details of which can be found at **www.remunerationconsultantsgroup.com**.

During 2022, Ellason provided independent advice on remuneration matters including the external environment and incentive design for 2022, as well as other matters within the Committee's remit. Ellason provides no other services to the Company. The fees paid to Ellason in respect of work carried out for the year under review were charged on a time and materials basis and totalled £73,089.

Directors' remuneration report cont.

Non-Executive Directors

The structure of Non-Executive Directors' fees for 2022 and 2023 are set out below, all of which are payable in cash.

	2023 £	2022 £
Chairman	**210,125**	210,125
Other Non-Executive Director fees:		
Basic fee	**54,632**	54,632
Additional fee for the chair of Audit Committee	**12,000**	12,000
Additional fee for the chair of Remuneration Committee	**8,000**	8,000
Additional fee for the Senior Independent Director	**8,000**	8,000

Total remuneration of the Executive Directors (audited)

	Jean Vernet[1]		Eoghan O'Lionaird[1]		Duncan Kennedy[2]	
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Base salary	**173**	–	**359**	530	**350**	232
Benefits[3]	**44**	–	**19**	26	**11**	7
Pension[4]	**13**	–	**27**	42	**16**	11
Bonus in cash	**–**	–	**–**	–	**–**	–
Bonus in deferred shares	**–**	–	**–**	–	**–**	–
Total short-term remuneration	**230**	–	**405**	598	**377**	250
LTIP – performance	**–**	–	**–**	–	**–**	–
LTIP – share appreciation	**–**	–	**–**	–	**–**	–
Dividend equivalents	**–**	–	**–**	–	**–**	–
LTIP – total	**n/a**	–	**–**	n/a	**n/a**	n/a
Other[5]	**400**	–	**–**	–	**–**	–
Total remuneration	**630**	–	**405**	598	**377**	250
Total fixed remuneration	**230**	–	**405**	598	**377**	250
Total variable remuneration	**400**	–	**–**	–	**–**	–

(1) The amounts disclosed in relation to 2022 reflect the period:
(i) For Jean Vernet, from his appointment to the Board on 5 September 2022 to 31 December 2022;
(ii) For Eoghan O'Lionaird, from 1 January 2022 until he stepped down from the Board on 5 September 2022, although he continued to be paid until cessation of employment on 19 February 2023, subject to mitigation. Further details can be found on page 105.
(2) For Duncan Kennedy, the amounts disclosed above for 2021 reflect the period from 1 May 2021, when he took up his role on the Board.
(3) Benefits comprise a cash allowance in lieu of car and medical insurance. For Jean Vernet, the figure also includes c.£38k in reimbursed expenses in relation to his relocation to the UK, see page 104 for further details.
(4) Pension contributions may be paid into personal pension plans, the Company pension scheme or taken as a separate cash allowance, subject to income tax. In line with the approach taken across the UK workforce, the Group passes on 75% of the National Insurance cost saving arising from an individual's election to join the Group's SMART pension scheme arrangement through salary sacrifice. During 2022, Eoghan O'Lionaird elected to participate in the Group's SMART pension in this way, and the value of the cost saving passed on to him is reflected above.
(5) This relates to a one-off restricted share award granted to Jean Vernet on his appointment, in connection with share awards forgone on leaving his previous employer. Further details are set out on page 105.

Annual bonus awards for 2022 (audited)

The maximum annual bonus for Executive Directors was 100% of base salary, with 70% based on financial objectives (Note 1 below) and 30% based on individual achievement of personal objectives (Note 2 below). The first 70% of any bonus award is paid in cash and the balance is awarded in shares and deferred for three years (with dividend equivalents and malus and clawback provisions applying). No bonus was awarded to the Executive Directors with respect to 2022, as set out below.

Note 1 – Financial objectives (70% of maximum):

Performance measure	Performance target	Assessment against targets
Underlying operating profit (40%[1])	Minimum threshold £31.0m Maximum £37.5m	Threshold starts at 0% and increases to 100% of this element of the bonus at maximum performance.
Actual performance	£19.1m	0% of this part of the bonus was paid out.
Operating cashflow (30%[1])	Minimum threshold £55.3m Maximum £62.8m	Threshold starts at 0% and increases to 100% of this element of the bonus at maximum performance.
Actual performance	£44.5m	0% of this part of the bonus was paid out.

(1) Updated to reflect a minor correction to the weightings published in last year's Report.

Note 2 – Personal objectives (30% of maximum):

Jean Vernet (5 September – 31 December 2022) and **Eoghan O'Lionaird** (1 January – 5 September 2022)

Objectives	Weighting (% bonus)
Operational	
Reduce net debt/EBITDA, including disposal of the Board-approved businesses	5%
Roll-out Lean program	5%
Roll-out NPS program and Group-wide sales training	5%
ESG	
Improve engagement mean score for all employees and senior leadership	5%
Structured analysis and framework for carbon reduction program	5%
Strategy	
Evolve the strategy for renewables and decommissioning with clear operational plans and execution underway	5%
Total	**30%**

Duncan Kennedy

Objectives	Weighting (% bonus)
Operational	
Reduce net debt/EBITDA, including disposal of the Board-approved businesses	5%
Roll-out Lean program	5%
ESG	
Improve engagement/e-NPS results for all employees and the global finance function	5%
Roll-out and embed risk management improvements	5%
Define and begin deployment of BEIS/UK SOX project	5%
Strategy	
Evolve the strategy for renewables and decommissioning with clear operational plans and execution underway	5%
Total	**30%**

Eoghan O'Lionaird stepped down from the Board with effect from 5 September 2022, although he continued to be paid until cessation of employment on 19 February 2023. As a 'good leaver', it was agreed that he should retain a pro-rated opportunity under the 2022 bonus, and for which personal performance was to be assessed by the Committee on a discretionary basis (i.e. following the end of the financial year).

Notwithstanding their valued contribution and achievement of some of the personal objectives set, the Committee did not consider that it would be appropriate to award any part of the 2022 bonus to the Executive Directors (including Eoghan O'Lionaird) under this element given that the financial thresholds had not been met. Therefore, no formal assessment of these targets has been conducted. The Executive Directors' strategic objectives have been reset for 2023, and further details are set out in the implementation of the remuneration policy for 2023 section on page 110 (and will be disclosed fully in the 2023 remuneration report).

Directors' remuneration report cont.

Vesting of 2020 LTIP awards (audited)

LTIP awards granted on 24 July 2020 were due to vest in July 2023 subject to the achievement of defined EPS and TSR performance targets. EPS is measured over the three-year period ended 31 December 2022, while TSR is measured over the three-year period from 6 April 2020.

The EPS performance condition (70% of the award) comprises a sliding scale, under which 25% of this part of an award vests where growth of diluted earnings per share of RPI plus 9% is achieved over the three-year performance period, increasing pro-rata to full vesting where growth of RPI plus 18% is achieved.

Performance target	Base EPS	EPS at year end	EPS growth	Threshold RPI +9%	Maximum RPI +18%	Vesting %
Underlying diluted EPS	47.9p	**(17.1p)**	**(135.7%)**	32.5%	41.5%	0%

The TSR performance condition (30% of the award) also comprises a sliding scale, under which 25% of this part of an award vests for median TSR increasing pro-rata to full vesting for upper quartile TSR, measured against the constituents of the FTSE 250 excluding investment trusts.

Performance target	Performance period	Threshold Median TSR	Maximum UQ TSR	James Fisher TSR	Vesting %
Relative TSR	6 April 2020 – 5 April 2023	(1.6%)	28.7%	(79.7%)	0%

TSR is calculated in GBP, using 3-month average opening and closing return index values.

As a result of EPS and TSR performance, 2020 LTIP awards will lapse in full.

Neither Jean Vernet nor Duncan Kennedy were participants in the 2020 LTIP award cycle. However, Eoghan O'Lionaird and Stuart Kilpatrick (both former Directors) retained interests in the 2020 LTIP cycle, as set out on page 105.

LTIP awards granted in 2022[1] (audited)

	Award date	Proportion of salary	Maximum shares awarded	Face value at date of grant[(1)]
Eoghan O'Lionaird	21 April 2022	100%	146,773	£530k
Duncan Kennedy	21 April 2022	100%	96,926	£350k

(1) The share price at date of award was based on the five-day average closing price from 10 March 2022 (the date of the preliminary results) to 16 March 2022, of 361.1 pence. Recognising the prevailing share price at the time of grant, the Committee agreed to scale back the award size from 125% of salary to 100% of salary, effectively reducing the grants by 20%, to mitigate the potential for windfall gains.

Vesting of the 2022 LTIP award (granted in the form of a conditional share award) is subject to achievement of performance targets over a three-year period as disclosed in the RNS announcement notifying the market of the granting of the awards (dated 25 April 2022). 50% of the award is based on EPS targets, 30% based on TSR targets and 20% of the award based on return on capital employed (ROCE):

- None of the EPS element of the 2022 LTIP shall vest if EPS for the 2024 financial year is less than 66 pence. 25% of the EPS element shall vest if 2024 EPS is 66 pence, rising on a straight-line sliding scale to 100% vesting of this element if 2024 EPS is at least 76 pence.
- The TSR element of the award is subject to the Company's TSR performance relative to the FTSE 250 index excluding investment trusts, over the three-year period from 6 April 2022. If at the end of the period the Company ranks in the upper quartile, all of the TSR element of the award will vest. If the ranking is below median, none of the TSR element of the award will vest. 25% of the TSR part of the award will vest for performance at median, with a straight-line sliding scale between median and upper quartile.
- Return on capital employed (ROCE) was introduced as a measure to align the LTIP scorecard with the key pillars of our latest strategy. None of the ROCE element of the 2022 LTIP shall vest if ROCE for 2024 is less than 11%; 25% shall vest if 2024 ROCE is 11%, rising on a straight-line sliding scale to 100% vesting if 2024 ROCE is at least 13%.

Any part of the award that does not vest at the end of a performance period will lapse immediately. In line with the Remuneration Policy approved by shareholders at the 2021 AGM, a two-year post-vesting holding period applies to these awards.

Deferred bonus awards granted in 2022 in respect of 2021 annual bonus (audited)

No deferred bonus awards were granted in 2022 in respect of the 2021 annual bonus as a result of no bonus being payable.

Appointment of new Chief Executive Officer

Jean Vernet joined the Board as Chief Executive Officer on 5 September 2022. His salary was set at £530,000, and his pension contribution is up to 7.5% of salary, in line with the remuneration arrangements of his predecessor. He was eligible in 2022 for a maximum bonus of 100% of his pro-rated salary, and is eligible in 2023 for a maximum bonus of 100% of salary and an LTIP award of 175% of salary. These award opportunities remain within the maximum limits permissible under the remuneration policy, and have been set to provide an appropriate balance between fixed and variable pay in his remuneration package (and, within the variable component, between short- and long-term performance). To assist with his relocation to the UK, Mr Vernet is eligible to receive a relocation allowance of up to £115,000 to cover agreed relocation and COBRA reimbursement expenses incurred in the first two years of his appointment.

In addition, to compensate Mr Vernet for share awards forfeited on leaving his former employer, the following restricted share award (structured as a conditional award of shares) was granted to him on 13 September 2022:

Recruitment award granted in 2022 (audited)

	Award date	Basis on which award made	Maximum shares awarded	Face value at date of grant[(1)]
Jean Vernet	13 September 2022	Buy-out	135,516	£400k

(1) The share price at date of award was based on the average closing price over the three trading days from 8 September 2022 to 12 September 2022, of 295.2 pence.

No consideration was paid for the grant of the award. 50% of the shares will vest on 13 September 2023 and 50% on 13 September 2024, subject to Mr Vernet continuing to be employed by the Group and not being under notice of termination of employment as at the vesting date. The value and vesting period of the recruitment award was determined taking into account the value and time period for the incentive arrangements forfeited by Mr Vernet, and replicating these to the extent possible.

Payments for loss of office (audited)

Eoghan O'Lionaird stepped down from the Board on 5 September 2022 and remained an employee to support the Company until 19 February 2023. Details of the arrangements in respect of remuneration are as follows:

- Contractual entitlement to salary (based on an annual salary of £530,000) and benefits during a period of garden leave, which continued until his cessation of employment by reason of mitigation on 19 February 2023.
- In respect of outstanding incentive awards, Mr O'Lionaird remained eligible to receive a pro-rata bonus in respect of the 2022 financial year. Due to company performance, no bonus was payable for 2022. Unvested LTIP awards will vest on their normal vesting dates, subject to time prorating and performance conditions. The two-year post-vesting holding period will apply as normal. Dividend equivalents may be credited to the extent that awards vest. Eoghan O'Lionaird's 2020 LTIP award will lapse in full due to the performance thresholds not being met. His 2021 and 2022 LTIP awards remain outstanding.
- Mr O'Lionaird received a contribution of £5,000 (excluding VAT) in respect of legal fees and £50,000 (excluding VAT) in respect of outplacement support.

Payments to former Directors (audited)

As previously disclosed, Stuart Kilpatrick stepped down from the Board of the Company with effect from 29 April 2021. As set out in the 2021 Directors' remuneration report, he continued to receive his contractual entitlement to salary and benefits during a period of garden leave that ended on 31 March 2022. The contractual entitlement paid to Mr Kilpatrick in respect of the 2022 period was £91,192 (2021: £267,182). His 2019 LTIP award lapsed in full, and his remaining 2019 Deferred Bonus Plan (DBP) award vested in April 2022. Mr Kilpatrick retains an interest in his 2020 LTIP award (which, based on performance, will lapse in full). Mr Kilpatrick received no payment in lieu of notice or any other termination payments.

Fergus Graham, who stepped down from the Board in March 2020, also retained an interest in the 2019 DBP award. This award vested in full in April 2022. Mr Graham has no further outstanding incentive awards with the Company.

CEO pay ratio (unaudited)

The table shows how the CEO's single figure remuneration for 2022 compares to equivalent single figure remuneration for full-time equivalent UK employees as at 1 December, ranked at the 25th, 50th and 75th percentile (and how this ratio has evolved since 2019):

	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2022	Option A	35:1	25:1	16:1
2021	Option A	22:1	16:1	10:1
2020	Option A	19:1	14:1	9:1
2019	Option A	28:1	19:1	13:1

	Salary			Total pay and benefits		
	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
2022	£26,500	£36,050	£54,590	£29,682	£41,852	£65,557
2021	£25,000	£34,000	£50,000	£27,770	£37,120	£59,280
2020	£24,000	£33,127	£50,000	£27,000	£37,500	£58,963
2019	£24,480	£34,150	£52,000	£25,459	£36,541	£55,240

For 2022, the CEO single figure remuneration reflects the aggregate single figures for Eoghan O'Lionaird and Jean Vernet. No components of pay and benefits have been omitted for the purpose of the above calculations. As in previous years, Option A was selected given that this method of calculation was considered to be the most robust approach in respect of gathering the required data for 2022.

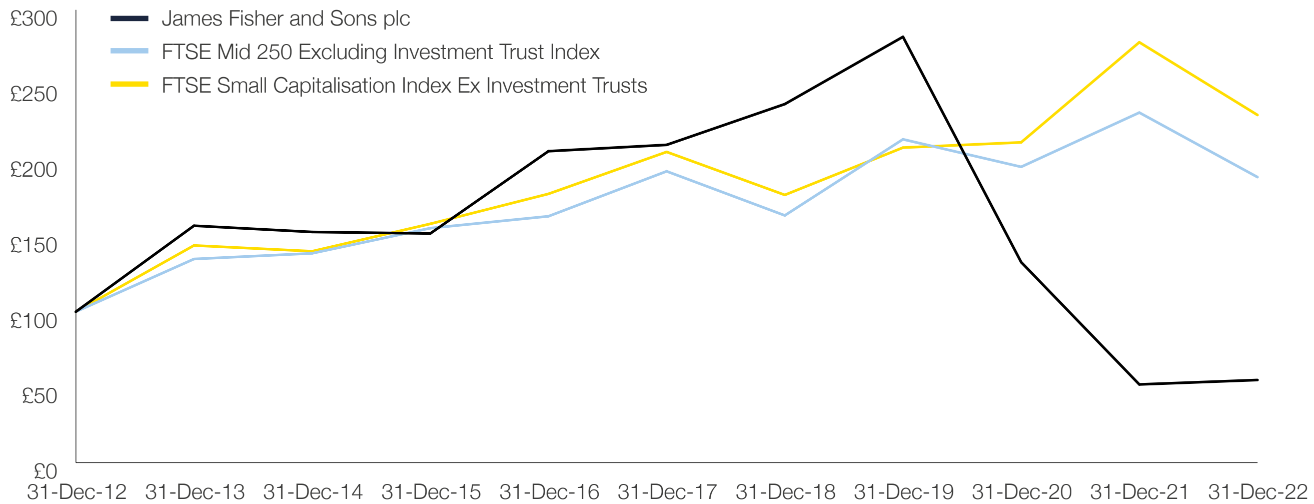
Directors' remuneration report cont.

The Committee monitors the trend in CEO pay ratio over time, noting that the ratio reported above for 2022 captures the recent CEO transition. In line with the reporting regulations, the 2022 single figure includes the face value of the buyout award made to Jean Vernet on his appointment. Were this to be excluded, the median pay ratio would be 15:1; and in line with the general trend of recent years. The Committee will continue to keep under review the trend, in particular the impact of incentive payouts in future years. It is expected that these would be reflected in a higher ratio, due to the relative upweighting of variable remuneration in the CEO's package, compared with market competitive norms for the wider UK workforce (and consistent with our pay practices and policies). However, this will take time to normalise, with the first LTIP award to be made to Jean Vernet (in early 2023) not due to vest until 2026.

Aligning pay with performance (unaudited)

The following graph shows the value, to 31 December 2022, of £100 invested in the Company on 31 December 2012, compared with the value of £100 invested in the FTSE 250 and FTSE SmallCap indices (excluding investment trusts) on the same date. The other points plotted are the values at intervening financial year-ends.

Growth in the value of £100 holding over 10 years



Remuneration of CEO compared with growth in underlying diluted earnings per share

	Nick Henry							Eoghan O'Lionaird				Jean Vernet
	2013	2014	2015	2016	2017	2018	2019	2019	2020(1)	2021	**2022**	**2022(2)**
Annual change – underlying diluted EPS (pence)	18%	13%	(7)%	11%	7%	14%	4%	4%	(52)%	(58)%	**(186)%**	**(186)%**
Salary, pensions and benefits (£000)	439	471	492	492	512	526	421	189	522	598	**405**	**230**
Annual performance bonus (£000)	263	287	97	429	392	448	35	–	–	–	**–**	**–**
Short-term remuneration (£000)	702	758	589	921	904	1,010	456	189	522	598	**405**	**230**
Share schemes (£000)	691	728	318	183	109	889	418	–	–	–	**–**	**400**
CEO total remuneration (£000)	1,393	1,486	907	1,104	1,013	1,899	874	189	522	598	**405**	**630**
Actual bonus as a percentage of maximum	100%	100%	23%	100%	88%	91%	17%	–	–	–	**–**	**–**
LTIP vesting as a percentage of maximum	100%	100%	100%	47%	15%	100%	59%	n/a	n/a	n/a	**–**	**n/a**
ESOS vesting as a percentage of maximum	100%	100%	–	45%	–	–	–	n/a	n/a	n/a	**n/a**	**n/a**

(1) As part of the measures implemented by the Company at the start of the COVID pandemic, Eoghan O'Lionaird's 2020 salary (£530,000) was reduced by 50% for three months from 1 April 2020, and not repaid.
(2) The share schemes figure for Jean Vernet relates to the restricted share award granted to him on 13 September 2022 in compensation for the value of incentive awards forfeited by him on leaving his previous employer in order to join James Fisher.

Percentage change in remuneration (unaudited)

The table below shows the annual percentage change in earned salary or fees, benefits and annual bonus for those individuals who were appointed as Board Directors during the 2022 financial year, compared to the average earnings of all of the Group's other UK employees. As required by the remuneration reporting regulations with which the Company is required to comply, the analysis has been expanded to include this information for the financial year under review, and will continue to be built up until it displays a five-year history. Note that Directors who were not a Director at any point during 2022 have not been included. The percentage changes in their remuneration for prior years (and in which they were a Director) are disclosed in relevant previous Annual Reports.

The Committee chose the Group's UK employees for the below pay comparison. Our UK employee population represented around 60% of the Group's workforce in 2022, and is therefore considered to be the most meaningful comparator group (by comparison, employees of James Fisher and Sons plc represented less than 5% of the workforce). The Committee monitors this information carefully to ensure that there is consistency in the fixed pay trend for Board Directors compared with the wider workforce.

	Base salary/fee(1)			Benefits			Annual bonus		
	2021 to 2022	2020 to 2021	2019 to 2020	**2021 to 2022**	2020 to 2021	2019 to 2020	**2021 to 2022**	2019 to 2020	2019 to 2020
Executive Directors									
Jean Vernet(2)	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Eoghan O'Lionaird(3)	**0%**	14%	(12)%	**7%**	13%	0%	**N/A**	N/A	N/A
Duncan Kennedy(4)	**0%**	N/A	N/A	**0%**	N/A	N/A	**N/A**	N/A	N/A
Non-Executive Directors									
Angus Cockburn(5)	**0%**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Justin Atkinson	**0%**	5%	(3)%	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Inken Braunschmidt	**0%**	5%	(3)%	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Aedamar Comiskey	**0%**	5%	(3)%	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Claire Hawkings(6)	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Kash Pandya(7)	**0%**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Michael Salter(8)	**0%**	5%	(3)%	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Employee population(9)	**0%**	3.4%	5%	**1.4%**	2%	N/A	**256%**	(88)%	(19)%

(1) The 2020 to 2021, and 2019 to 2020, comparison reflects the 20% reduction to base salary volunteered by all Board Directors for three months from 1 April 2020 (the CEO volunteering a 50% reduction), not a change in base salaries or Directors' fees.
(2) Jean Vernet joined the Board on 5 September 2022 so a year-on-year comparison is not available.
(3) For the comparison of 2021 to 2022, the percentage changes for Eoghan O'Lionaird reflect annualised values for 2022 remuneration. Eoghan O'Lionaird left the Board on 5 September 2022.
(4) Duncan Kennedy joined the Board in May 2021. For the comparison of 2021 to 2022, the percentage changes reflect annualised values for 2021 remuneration.
(5) Angus Cockburn joined the Board in May 2021. For the comparison of 2021 to 2022, the percentage change reflects annualised values for 2021 remuneration.
(6) Claire Hawkings joined the Board in January 2022, so a year-on-year comparison is not available.
(7) Kash Pandya joined the Board in November 2021. For the comparison of 2021 to 2022, the percentage change reflects annualised values for 2021 remuneration.
(8) For the comparison of 2021 to 2022, the percentage changes for Michael Salter reflect annualised values for 2022 remuneration. Michael Salter left the Board on 5 May 2022.
(9) For the employee population, the year-on-year change in annual bonus is based on the year of payment; as the data required to calculate the change based on bonuses earned in relation to the year is not available at the time of signing off this report.

Relative importance of remuneration (unaudited)

	2022 £m	2021 £m	Change £m
Total employee remuneration	**145.8**	136.4	9.4
Total dividends paid	**–**	–	–

Directors' remuneration report cont.

Interests in shares (audited)

The interests of Directors and their connected persons in ordinary shares as at 31 December 2022, including any interests in shares provisionally awarded under the LTIP and share options provisionally granted under the Sharesave Scheme, are as follows:

	Beneficial number	Unvested LTIP number[1]	Unvested deferred bonus shares[1]	Unvested restricted shares[1]	Unvested options[1]	Vested but unexercised options	At 31 December 2021 number
Angus Cockburn	5,000	–	–	–	–	–	5,000
Jean Vernet	–	–	–	135,516	–	–	N/A
Duncan Kennedy	5,000	132,716	–	–	9,259	–	5,000
Justin Atkinson	3,150	–	–	–	–	–	3,150
Inken Braunschmidt	–	–	–	–	–	–	–
Aedamar Comiskey	–	–	–	–	–	–	–
Claire Hawkings	–	–	–	–	–	–	N/A
Kash Pandya	–	–	–	–	–	–	–
Former Directors							
Eoghan O'Lionaird[2]	42,313	243,277	–	–	2,935	–	42,313
Michael Salter[3]	–	–	–	–	–	–	–

(1) The unvested LTIP awards are subject to performance conditions. The unvested deferred bonus and restricted share awards are not subject to performance conditions. Unvested options comprise grants under the Sharesave scheme and are not subject to performance conditions;
(2) Eoghan O'Lionaird's interests in shares are shown based on the position on the date he stepped down from the Board (5 September 2022); and
(3) Michael Salter's interests in shares are shown based on the position on the date he stepped down from the Board (5 May 2022).

No Director has an interest in the preference shares of the Company, or in the shares of any subsidiary or associated undertaking. The Directors' interests stated above include any shares held by their connected persons and, between 31 December 2022 and 28 April 2023, there were no changes to the Directors' shareholdings.

Against the 200% of salary ownership guideline and based on the share price and prevailing base salary levels as at 31 December 2022, Jean Vernet held shares equivalent to 42% of his base salary (being the estimated net of tax value of unvested restricted share awards), and Duncan Kennedy's beneficial holding was equivalent to 4% of his base salary. In accordance with our Policy, the Executive Directors are required to retain half of the shares vesting (after tax) under the LTIP until the guideline level of holding is met.

Executive Directors' interest in share awards (audited)

Conditional share awards

		1 January 2022	Granted during year (no.)	Vested during year (no.)	Lapsed during year (no.)	31 December 2022	Vesting date	Expiry date
Jean Vernet	Restricted Share Award[1]	–	67,758	–	–	**67,758**	13.09.23	n/a
	Restricted Share Award[1]	–	67,758	–	–	**67,758**	13.09.24	n/a
		–	135,516	–	–	**135,516**		
Duncan Kennedy	LTIP	35,790	–	–	–	**35,790**	28.05.24	n/a
	LTIP	–	96,926	–	–	**96,926**	21.04.25	n/a
		35,790	96,926	–	–	**132,716**		
Eoghan O'Lionaird[2]	LTIP	42,307	–	–	–	**42,307**	24.07.23	n/a
	LTIP	54,197	–	–	–	**54,197**	09.04.24	n/a
	LTIP	–	146,773	–	–	**146,773**	21.04.25	n/a
		96,504	146,773	–	–	**243,277**		
Total		132,294	379,215	–	–	**511,509**		

(1) This is the buyout award in connection with Jean Vernet's appointment, the details of which are set out in page 105.
(2) The interests in shares for Eoghan O'Lionaird are included as at the date he stepped down from the Board (5 September 2022). To the extent the awards vest, they will be subject to time pro-rating.

A two-year holding period applies to LTIP awards granted after the 2018 AGM.

Share option grants

		1 January 2022	Granted during year (no.)	Vested during year (no.)	Lapsed during year (no.)	Exercise price	31 December 2022	Vesting date	Expiry date
Duncan Kennedy	Sharesave	–	9,259	–	–	£3.24	**9,259**	01.06.27[2]	01.12.27
Eoghan O'Lionaird[1]	Sharesave	2,935	–	–	–	£10.22	**2,935**	01.12.25[3]	01.06.26
Total		2,935	9,259	–	–		**12,194**		

(1) The interests in shares for Eoghan O'Lionaird are included as at the date he stepped down from the Board (5 September 2022).
(2) Duncan Kennedy was granted options under the five-year all employee Sharesave scheme granted on 11 April 2022. The options will mature on 1 June 2027, at which point the participant may elect to receive shares or the cash saved.
(3) Eoghan O'Lionaird was granted options under the five-year all employee Sharesave scheme granted on 21 October 2020. The options will mature on 1 December 2025, at which point the participant may elect to receive shares or the cash saved.

The schemes above (other than Sharesave) are not tax-advantaged for HM Revenue and Customs purposes. As at 28 April 2023, being the last practical date prior to the publication of this report, the only change to the Executive Directors' interests in shares awards was the lapsing of Eoghan O'Lionaird's Sharesave award (of options over 2,935 shares).

Sourcing of shares and dilution

The Committee has regard to the limits on dilution advised by the Investment Association and contained in the relevant share plan rules and reviews the number of shares committed and headroom available under share incentive schemes in accordance with these dilution limits.

On vesting, the LTIP awards are satisfied by the shares held by the James Fisher and Sons plc Employee Share Trust (Trust). During the year the Trust purchased no ordinary shares on the open market (2021: 50,000) and at 31 December 2022 the Trust held 47,856 ordinary shares (2021: 54,571).

Share price during the financial year

The middle market price of one ordinary share in the Company during the financial year ranged from 251.0 pence to 510.0 pence and at 31 December 2022 was 390.5 pence.

Non-Executive Directors' remuneration (audited)

	Total fees 2022 £000	Total fees 2021 £000
Angus Cockburn[1]	**210**	140
Justin Atkinson[2]	**67**	67
Inken Braunschmidt	**55**	55
Aedamar Comiskey[3]	**71**	71
Claire Hawkings[4]	**55**	N/A
Kash Pandya[5]	**55**	9
Former Directors		
Michael Salter[6]	**19**	55

(1) Joined the Board on 1 May 2021.
(2) The fees include an additional fee for chairing the Audit Committee fee (of £12,000 per annum).
(3) The fees include additional fees for chairing the Remuneration Committee (of £8,000 per annum) and acting as Senior Independent Director (also of £8,000 per annum).
(4) Joined the Board on 1 January 2022.
(5) Joined the Board on 1 November 2021.
(6) Retired from the Board on 5 May 2022.

Directors' remuneration report cont.

Shareholder voting (unaudited)

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions including in relation to Directors' remuneration, the Company seeks to understand the reasons for any such vote and will report any actions in response to it. The following table reflects the voting on the Directors' remuneration report for the year ended 31 December 2021 at the 2022 AGM and the voting on the Directors' remuneration policy at the 2021 AGM:

	Directors' remuneration report (2022 AGM)		Directors' remuneration policy (2021 AGM)	
Remuneration resolutions	**Total number of votes**	**% of votes cast**	Total number of votes	% of votes cast
For	**37,913,927**	**95.0%**	37,499,177	97.6%
Against	**1,995,607**	**5.0%**	938,426	2.4%
Total votes cast (excluding withheld votes)	**39,909,534**	**100.0%**	38,437,603	100.0%
Total votes withheld	**18,745**	**–**	311,116	–
Total votes cast (including withheld votes)	**39,928,279**	**–**	38,748,719	–

Implementation of the remuneration policy for 2023 (unaudited)

With effect from 1 January 2023, the salaries of the Executive Directors remain £530,000 for Jean Vernet and £350,000 for Duncan Kennedy. The Committee has delayed the review of Executive Director salaries until later in 2023, to align with the second of a two-phase salary review process adopted by the Company for other employees earning an annual base salary of £70,000 or higher. Base salary increases have been awarded to the rest of the workforce; of 5% on average for lower-paid colleagues (earning annual base salaries of less than £70,000) and 3% on average to those higher earners who will be eligible for a second review later in the year. This approach is considered to be fair and appropriately reflect the prevailing inflationary environment, while ensuring that the available year end pay budget is focused on supporting lower-paid colleagues, in particular, with ongoing cost-of-living pressures.

The maximum bonus opportunity continues to be set at 100% of base salary. Financial targets are set to be challenging and appropriately demanding. The measures remain unchanged from 2022 and will be operating profit (weighted 50%); operating cash flow (25%) and strategic objectives (25%). Strategic objectives for 2023 will include ESG targets focused on employee engagement and health & safety, and other short-term business priorities. The bonus will additionally be subject to a discretionary assessment by the Committee of progress on other important initiatives during the year, including our Environment agenda. The targets are commercially sensitive but disclosure of the targets and performance against these will be set out in the 2023 Directors' remuneration report.

As described in the Annual statement prefacing this remuneration report, awards will be granted in 2023 under the LTIP with face values of 175% of salary for Jean Vernet and 125% of salary for Duncan Kennedy. 50% of the award will be based on EPS growth, 30% on relative TSR and 20% on Return on Capital Employed (ROCE).

The performance period for the EPS and ROCE elements of the award will run for three years ending 31 December 2025. For the TSR element, performance will be measured over three years from 6 April 2023 against the constituents of the FTSE 250 excluding investment trusts, with full vesting if the Company ranks in the upper quartile and 25% of the TSR element vesting for ranking median; and straight-line vesting in between. At the date of signing this report, the Committee has not finalised the EPS and ROCE performance targets. These will be set to be appropriately stretching in the context of the Group's strategic plan. The Committee intends to disclose the targets in the RNS announcement at the time of making awards.

Aedamar Comiskey
Chair of the Remuneration Committee

28 April 2023

Directors' report

Additional information and statutory disclosures

SUBJECT MATTER	LOCATION	PAGES
Particulars of important events affecting the Company which have occurred since the end of financial year	Strategic report	06 to 07 14 to 17
Likely future developments in the business	Strategic report	14 to 17
Research and development	Strategic report	52
Employee involvement and engagement	Strategic report	30
Relationships with suppliers, customers and others	Strategic report	31
Greenhouse gas emissions, energy consumption and efficiency action	Directors' report	113 to 114
Use of financial instruments	Note 29	170

This section contains additional information which the Directors are required by law and regulation to include within the Annual Report and Accounts. The Directors' report comprises this section as well as the rest of the Governance section (from pages 74 to 110) and those sections of the Strategic report or financial statements as referenced in this section.

We have chosen, in accordance with the Companies Act 2006, to include certain information in our Strategic report or financial statements that would otherwise be required to be disclosed in the Directors' report. This is set out in the table above.

The Directors' report and Strategic report comprise the 'management reports' for the purposes of compliance with Financial Services Authority's Disclosure Guidance and Transparency Rules (DTR) 4.1.8R. The information that fulfils the requirements of the Corporate Governance Statement for the purposes of DTR 7 can be found in the governance information on page 76 (all of which forms part of this Directors' report) and in this Directors' report. The statement of Directors' responsibilities on page 115 is incorporated into this Directors' report by reference.

Going concern

The Group's business activities, together with the factors likely to affect its future development, the financial position of the Group and a description of the principal risks and uncertainties are set out in the Strategic report on pages 2 to 73. Having assessed the principal risks and the other matters discussed in connection with the viability statement, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing this Annual Report and Accounts as set out in Note 1 on page 178.

Dividends

As a result of performance challenges, the Company did not pay an interim dividend for 2022, and the Board is not recommending the payment of a final dividend for the year. The Board is committed to reinstating the dividend when appropriate.

Share capital

Details of the share capital of the Company and the shares held by the Company's Employee Share Trust, including the rights and obligations attaching to the shares are set out in Note 30 to the Financial statements on page 178. The rights and obligations attaching to the shares are set out in the Company's Articles of Association (Articles). There are no specific restrictions on the size of a holding nor on the transfer of shares, both of which are governed by the general provisions of the Articles and prevailing legislation. The Directors are not aware of any agreements between the holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital. Where shares are held on behalf of the Company's employee benefit trust, the trustees have discretion to vote on any shares as they see fit and have not waived their right to receive dividends.

At the AGM held on 5 May 2022, the Company was given authority to purchase up to 2,519,776 of its ordinary shares until the date of its next AGM. No purchases were made during the year and up to the date of this report by the Company.

The Company has one class of ordinary share and one class of preference share. As at 31 December 2022, 50,395,519 ordinary shares of 25 pence each have been issued, are fully paid up and are listed on the London Stock Exchange, representing 99.8% of the Company's share capital, and 100,000 cumulative preference shares of £1 each have been issued and fully paid up, representing 0,2% of the Company's share capital.

Substantial shareholders

Information provided to the Company pursuant to the DTRs is published on a Regulatory Information Service and on the Company's website. As at 31 December 2022, the Company had been notified (in accordance with Rule 5 of the DTRs) of the following holdings of voting rights attached to the issued Ordinary Share capital of the Company: