

COMPTOIR

The best part of the journey

Annual Report and Accounts
2022





Our brand portfolio

We have a wide portfolio of brands, which include those we have created ourselves as well as those we franchise, to cater to our clients' and customers' needs. These brands range from well-known grab 'n' go sandwich shops and cafés, to bespoke high end bars and restaurants, which means we can respond to the specific needs of our customers as they travel around the world. This strong brand line up is key to our ability to win and retain contracts, as it gives clients confidence that we can cater for their customers with a great selection of food and drink options.

Brands we franchise

International brands



National brands



Local heroes



Brands we have created

International brands



National brands



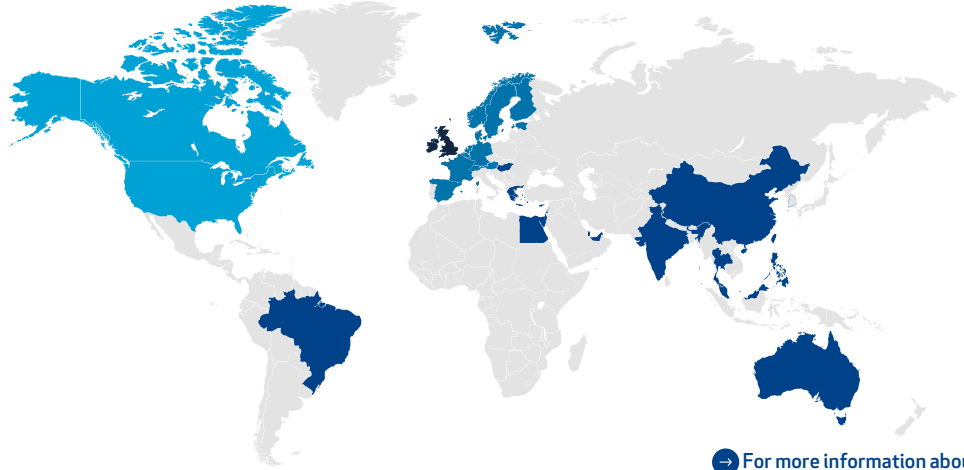
Bespoke concepts



Our global reach

We operate in 35 countries and territories, across four key operating regions (or reportable segments):

- North America
- Continental Europe
- UK & Ireland
- Rest of the World



→ For more information about our operating regions, see pages 34-41.

c.550

brands and bespoke concepts

c.35,000

colleagues at year end

35

countries

c.2,600

units

c.600

locations across the world

2022 highlights

Financial

£2.2^{bn}

revenue

£91.5^m

operating profit on a reported basis under IFRS 16

c.£700^m

available liquidity at year end

Operational

c.500

units opened and reopened

90%

H2 revenue versus 2019, up from 64% in H1

c.52%

increase in colleague numbers compared to FY21

Sustainability

33%

of all own brand meals are plant-based or vegetarian

36%

reduction in our Scope 1 and 2 carbon dioxide equivalent (CO₂e) emissions vs our 2019 baseline

76%

positivity score in our global colleague engagement survey

Who we are

We are the food travel experts. Operating in 35 countries globally, we are experts in creating and running food and drink outlets in locations where people are on the move.

Whether they're flying abroad on holiday or commuting to work by train, we make sure the food and drink experience we offer meets the needs of our many different customers.

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→ Find out more in our Sustainability Report.



More information
www.foodtravelexperts.com





Our purpose and strategic framework

Our purpose is to be the best part of the journey. This drives our culture as an organisation as we aspire to be the world's best travel food and beverage company.

Our strategy remains to grow our market-leading positions in the food travel sector globally. To this aim, our strategic priorities reflect our focus on delivering a leading customer proposition aligned to our clients' needs and goals and on ensuring we have skilled and engaged colleagues. At the same time, we continue to drive performance through our proven

economic model, focused on winning new business, growing like-for-like revenue, driving efficient profit conversion and generating a strong cash flow in order to deliver long-term sustainable growth.

Embedding sustainability into our business forms a critical part of our strategy, encompassing our core strategic priorities and ensuring we deliver long-term success for the benefit of all our stakeholders.

Our purpose

To be the best part of the journey.

Our strategy

To grow our market-leading positions in the food travel sector in international markets.

To deliver this, we are focused on three strategic priorities, encompassed by sustainability:

Our vision

To be the world's best travel food and beverage company.



→ Find out more on our purpose, vision and strategy on pages 18-31.

The best part of the journey

Our purpose is to be the best part of the journey. From providing great experiences for our customers on their travel journeys to providing rewarding and fulfilling career journeys for our colleagues, our purpose drives our culture as an organisation.

By delivering our purpose, vision and strategy, we will create value for all our stakeholders, including:



Customers

By offering great tasting, nutritious and sustainable food and drink for people on the move.



Brand partners

By being their preferred partner for operating in the travel sector.



Colleagues

By being a great place to work where everyone can fulfil their potential.



Suppliers

By building mutually-beneficial relationships.



Clients

By delivering exceptional service to their passengers.



Communities, NGOs and society

By positively impacting our planet and wider society.



Investors

By generating sustainable long-term profitable growth and returns.



Governments and regulators

By supporting local economies and contributing our experience and expertise to areas of policy development.

→ Find out more about how we engage with our key stakeholders on pages 42-51.




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"We remain confident in the ongoing resilience of the Group's business model and continue to see significant potential for both near and long-term growth and returns."

Dear Shareholder,

It's been an important year for SSP as the travel sector started to emerge from the Covid-19 pandemic. Despite facing huge uncertainty and volatile markets, as well as the unexpected impacts of Omicron, the war in Ukraine, substantial inflationary pressures on food and energy costs and a scarcity of labour in many regions, our business has had an exceptional year.

In response to the strong rebound in passenger demand driven by domestic and leisure travel, our leadership teams took all the necessary action to capitalise on this recovery to drive better than anticipated financial performance, mobilising units quickly and safely, often at times ahead of the competition, which has enabled us to deliver food and beverage services to the travelling customer and build back sales to c.92% of pre-Covid levels by the end of the fourth quarter.

In addition to reopening the business, we have continued to renew and extend contracts as well as winning important new business to add to our pipeline. Our robust ongoing management of inflationary pressures and a continued focus on operating efficiency has enabled us to deliver £127m EBITDA in H2, taking full year EBITDA to £142m (both on a pre-IFRS 16 basis).

At the same time, we have invested back into the business to drive greater competitiveness in our customer proposition, our people, our digital capabilities and our sustainability programme, all of which underpin the delivery of long-term sustainable growth.

Our teams have delivered fantastic results this year despite a challenging backdrop, and with this in mind, the Board has supported appropriate rewards for this performance.

Our Purpose and Strategy

Our purpose is to be the best part of the journey, and this supports our vision to be the best travel food and beverage provider in the world for all our stakeholders. Coming out of the pandemic, we have renewed our focus on delivering a leading customer proposition aligned to our clients' needs and goals and developing a skilled and engaged workforce. At the same time, we continue to focus on delivering long-term growth and returns, driven by our proven economic model.

We continue to build on our sustainability strategy, which addresses the areas most relevant to our business and stakeholders, and we have made rapid progress towards embedding this deeply into the way we do business.

→ [Find out more about our strategic framework on pages 18-31.](#)

People and Culture

We are delighted that the recovery in travel has enabled us to welcome colleagues back from furlough, re-employ former colleagues and hire new colleagues all over the world as the business has recovered. We have around 35,000 colleagues currently employed. Having a skilled, committed and engaged workforce is critical to our success and, on behalf of the Board, I would like to thank all our colleagues for their tremendous efforts throughout what has, once again, been a very challenging year.

Over the past year we have put significant focus on developing capability through a number of new training schemes, launched and embedded our Diversity, Equity & Inclusion strategy and worked to develop our employer brand, to ensure that we continue to attract and retain the best talent. As a Board we also increased our focus on workforce engagement and have been pleased to get back into the business again after Covid, meeting with teams across several markets, including France, the UK and the US. Judy Vezmar, our Independent Non-Executive Director for Workforce Engagement, held additional in-person and virtual meetings with colleagues across the world. Her feedback to the Board from these sessions has been insightful as the Board seeks to ensure stakeholder views are taken into account in its strategic decision-making.

In addition, we welcomed Patrick Coveney to the business as Group CEO in March. Since joining, he has undertaken a comprehensive induction, meeting with colleagues, clients and partners across 20 countries. We are delighted to have him in the business, and he is already making a very positive impact. I'd also like to take this opportunity to thank Jonathan Davies, Deputy Group CEO and CFO, for his leadership during the months before Patrick joined and during his induction period.

→ To find out more on our People Strategy and Culture and Patrick Coveney's induction, see pages 96-97 and page 109 respectively.

Sustainability

Running a sustainable business with sustainable outcomes for people and the planet is being increasingly embedded into the way we do business. Last year we took a step-change in our approach with the launch of our new sustainability strategy. The strategy focuses on the most important issues for our business and stakeholders across the pillars of serving our customers responsibly, protecting our environment, and supporting our colleagues and communities. We also set clear and measurable targets to 2025, as well as our ambition to achieve net zero carbon emissions by 2040.

This year, we have brought in specialist dedicated resources to strengthen our capability and processes in this area of the business. We're making good progress against our targets and have made great strides with our net zero ambition by completing the mapping of our total carbon footprint across our value chain. This has given us detailed visibility of exactly where our emissions lie, enabling the development of our plan for reducing them by 2040. Our food is central to this – from how we source our ingredients, design our recipes and menus, to helping our customers to make healthier and sustainable choices.

We are pleased to be publishing our first standalone Sustainability Report, alongside the Annual Report and Accounts this year.

Corporate Governance and the Board

Our strategy is underpinned by a commitment to operate to a high standard of corporate governance. This year, we have sought to broaden the skills and experience of the Board and, in addition to the appointment of our new Group CEO, we have also welcomed two new Non-Executive Directors, Kelly Kuhn and Apurvi Sheth to the Board. We now have a full, and importantly, more diverse team in place to assist in our decision-making.

→ More information on our Board composition and changes through the year can be found on page 106.

Thank you

On behalf of the Board, I'd like to thank not only the Group Executive Committee, but also our thousands of colleagues across the world for the commitment, skill and hard work they've shown this past year. It is down to their efforts and the support of our clients and brand partners which has enabled us to deliver a strong trading performance with revenues now close to 2019 levels.

I would also like to thank our shareholders for their support and confidence. Last but not least, I would like to thank our valued customers for choosing SSP as part of their travels.



Mike Clasper
Chair
5 December 2022



"All my experiences to date have confirmed my expectations that SSP is a fabulous business with a great future."

Overview

I was delighted to have the opportunity to join SSP as Group CEO in March. I have invested much of my time since then getting out into the business, seeing as many markets and meeting as many colleagues, clients, customers, and brand partners as I could over my first six months. My experiences visiting nearly 20 markets have confirmed my expectations that SSP is a fabulous business with a great future. I have been warmly welcomed by everyone and my thanks go to the leadership team, and our Deputy Group CEO and CFO, Jonathan Davies in particular, for supporting my transition into the business, making it as smooth and expedient as possible. I can honestly say that I have loved every minute.

Strong momentum after a challenging year

Despite what has been another very challenging year with the advent of Omicron resulting in a prolonged period of travel restrictions and immediately followed by the outbreak of war in Ukraine, the business has performed strongly. From a low point in December and January (when revenues were just 57% of 2019 levels) we have navigated a strong recovery in demand and re-opened nearly all our outlets, leading to Group revenues in H2 at c.90% of 2019 levels. At the same time, we have dealt with labour shortages and supply side challenges, as well as inflationary pressures across all areas of the business.

Disciplined management of the unit re-opening programme, with simplified menus focused on travellers' needs, delivered a strong revenue performance. We have also managed the cost base tightly, including renegotiating rental contracts and achieving waivers of minimum rent clauses. On top of this, we have actively mitigated high levels of cost inflation, carefully balancing our customer offer with profit protection. The result has been a strong conversion of revenue to profit, well ahead of the expectations at the start of the year, which has seen us deliver £127m EBITDA in H2, taking full year EBITDA to £142m (both on a pre-IFRS 16 basis). A strong focus on cash and working capital has delivered free cash flow of c.£52m, leaving net debt at £296.5m and leverage at 2.1x net debt to EBITDA (both on a pre IFRS 16 basis), and with over £700m of available liquidity.

Critically, we have maintained and further strengthened relationships with clients and brand partners winning and retaining important new business to add to an already very strong pipeline of new units to mobilise over the next three years. During the last financial year, we invested c.£150m in capital expenditure and we are planning to increase this in 2023 as we accelerate our opening programme.

The skill and judgement exercised by the management team, together with the hard work and commitment of colleagues across the business, has enabled the Group to deliver an exceptional trading performance during 2022. I would like to thank everyone across the business for their tremendous contribution over the year.

Strong foundations

With market-leading positions in countries across the world, we continue to build on our strong foundations, taking advantage of the considerable structural growth potential. More and more people across the world want to travel and demand for food and beverage solutions at those travel locations is becoming ever more important. We have many competitive strengths that we continue to build on, to drive further growth. Highlighting just a few that have already really made a real impression on me:

- Our leadership team which has led the business with integrity through Covid-19. They have kept our people together, enhanced engagement levels, and though their efforts have been able to bring colleagues back to work and welcome new colleagues as the business has opened up again.
- Our wide range of innovative concepts that cater brilliantly to the differing needs of customers and clients as they travel across our different markets.
- The strength of our relationships with clients, brand partners and our joint venture partners, which in many cases were strengthened during the Covid-19 period.
- The momentum we are able to maintain through winning new business, which gives us a strong pipeline
- Our strong economic model, which has driven excellent profit conversion and cash flow as the business has recovered, well ahead of expectations at the start of the year. Liquidity is strong and the balance sheet is quickly deleveraging back towards the target range by the end of the year.

Well positioned for sustainable growth into the future

Starting with a purpose of being the best part of the journey, our vision is to be the world's best travel food and beverage company, delivering for all our stakeholders.

Our competitive strengths, and the attractive fundamentals of our marketplace, position us well to deliver long-term sustainable growth. Our strategy to grow our market-leading positions in the food travel sector globally reflect our key priorities: the delivery of leading customer propositions, skilled and engaged colleagues and long-term growth and returns through our proven economic model. Sustainability encompasses our core strategic priorities, and we are committed to embedding this into the way we do business every day. All of this will deliver long-term success for the benefit of all our stakeholders.

Geographically, we are continuing to pivot more towards higher-growth markets, most particularly North America, but also gaining increasing share in selected Asia-Pacific markets. In pursuing these opportunities, we will continue to apply the same capital discipline that has characterised SSP's approach to investment for many years. Continuous reinvestment into our competitive strengths including customer proposition development and the rapid digitalisation of our business, from consumer facing order and pay technology through to the back of house processes, will make us more competitive, as will our focus on engaging and developing our people.

Crucially, all of this will be delivered sustainably. We've made a step change by implementing a new sustainability strategy and challenged ourselves to deliver purposeful outcomes in three key areas: serving our customers responsibly, protecting our environment, and supporting our colleagues and communities. We are making rapid progress in understanding our journey to net zero by 2040 and, working with our consumers, clients, brand partners and suppliers, we are starting to put in place real actions that will reduce CO₂ levels year-on-year. We are proud to be releasing our first standalone Sustainability Report in January, which describes in detail our sustainability strategy and key initiatives.

Actively facing into challenges

As an industry, we're facing significant macro-economic challenges and SSP is not immune to these. Our approach is to tackle these head on to mitigate the impact on our business. For example, against a backdrop of lower levels of labour availability, we've worked hard to meet the growing and fluctuating demand across many geographies. We have been re-opening outlets at pace, and this proactive approach of looking after our customers and our clients has strengthened our reputation and relationships.

The sector is also facing cost inflationary pressures, particularly within labour and cost of goods, and we've mitigated the impact of these pressures through productivity initiatives and through pricing where this has been necessary. We anticipate that this inflationary pressure will increase into next year, and we'll continue to tackle it effectively.

Outlook

Travel demand has continued to strengthen during the first eight weeks of the new financial year. Building on our strong performance over the last twelve months, as we look ahead to the 2023 financial year, whilst there remains considerable uncertainty in the macro-economic environment, we remain confident in the recovery and have plans to accelerate the mobilisation of our pipeline, with increased planned capital investment.

Our flexible and resilient business model will enable us to continue to offset cost inflation, manage supply chain and labour volatility, and optimise profitability and returns as travel demand continues to recover. I believe that the combination of our unique competitive strengths and our clear strategy set us on the path for sustainable growth and returns for many years ahead.



Patrick Coveney
Group CEO
5 December 2022



Q What are your first impressions of SSP?

Since joining in March, I've been to around 20 markets (some multiple times) to visit our teams and outlets, and I've now met with thousands of colleagues as well as customers, clients, brand partners and joint venture partners across the world. What's clear is that SSP is a great business, with strong foundations and an economic model that delivers significant cash flow and returns. As ever, there's even more we can do. Looking at our strengths, we have incredible teams with a huge amount of passion. We operate great brands across multiple formats, enjoy strong relationships with our clients and benefit from excellent local and global partnerships. We have a strong track record of winning new business and delivering excellent returns, and I've been very impressed by the discipline and expertise that goes into the evaluation of every new business investment.

Looking ahead, I think there are a number of opportunities to become an even better business, for example, a more targeted approach to geographic development and building on our strong portfolio of brands and concepts. We can drive further innovation in our proposition to cater for the needs of multi-generational travellers, which is fundamental to driving like-for-like sales growth. Furthermore, we can invest more into the fabric of our units and the tools we use to make our customer and colleague experience even better and to drive like-for-like sales.

Q How do you intend to change the strategy?

We have a very clear and robust economic model for delivering growth and returns focused on new business growth, driving profitable sales, conversion and cash flow generation. This is not going to change. However, when I think about our strategy, I think about steering our geographic focus and building on our competitive strengths. We have huge potential for growth in North America and Asia as our market share is relatively low in those geographies.

So, I want us to accelerate our growth in those markets specifically, whilst ensuring we still go after selective growth in the UK, Europe and the Middle East. I also see a significant opportunity for us to be a bigger player in convenience retail, building on our extensive experience in these formats, such as our M&S Simply Food outlets in the UK and our Point outlets across the Nordic countries, as well as many of our own concepts.

We have some deep competitive strengths, and I want to see us continue to invest and build on these. This will support not only like-for-like growth but put us in the best possible position to win and retain contracts. The work we are doing on gaining greater client and consumer insight is helping us to deliver formats, brands, and menus that meet the needs of our clients and consumers. We are accelerating our digital capabilities, putting more investment into our people programmes and doing what we need to deeply embed sustainability into the way we do business and critically to reduce carbon emissions.

Q Where are the greatest growth opportunities for SSP?

We are in an industry with potential for long-term structural growth and there's a lot to go after on new business, especially in North America and Asia. For example, we're only in 30 of the top 80 airports in North America, with less than 10% overall market share in the air channel. We've been growing rapidly but clearly there is scope to go much further and faster.

The Asian market is also hugely exciting. Look at India, where we're already the major player through our TFS joint venture. Only three or four per cent of the population have ever flown, and this is set to more than double by 2030. There is huge investment in airport infrastructure to meet this increasing demand, so it's a really exciting market for us to be in. There's also big growth potential in Thailand and Malaysia, where we've only just started to mobilise units following significant wins in Kuala Lumpur and Kuching.

→ You can read more about the trends influencing our strategy on pages 14-15.



Q There are a number of challenges facing the business, not least inflation, challenges to consumer confidence and labour shortages. How is SSP responding?

As a whole industry, we are facing widespread and increasing inflationary pressures impacting our supply chain, labour and energy costs, and we are tackling these directly with a number of measures to mitigate the impact. These include range rationalisation, menu engineering, energy efficiency measures, greater use of digital and where necessary, significant pricing initiatives.

However, it's important to remember and be sensitive to the fact that our customers are also experiencing pressure on their disposable incomes. We need to be sure we're on the side of the customer and make sure that we offer a wide variety of products at various price points to meet their needs.

Labour shortages are also an issue the hospitality sector is facing, particularly in the US and pockets of the UK, and we talk about this later in the report in our market trends section. Having operations across 35 countries means we have plenty of experience in dealing with this and we know better than most how to manage it. I think the team has done a brilliant job staffing up units to date and, where there have been challenges, we've adapted and put measures in place to attract more colleagues, such as putting on transport to some of our more remote locations, implementing 'refer a friend' incentive schemes and offering retention bonuses.

Q Do you see more opportunity for M&A, especially given other consolidation in the sector?

We have a track record of creating shareholder value from infill M&A activity, and it's an important part of our investment strategy. Thanks to the 2021 Rights Issue, we have a very strong balance sheet, and whilst our priority is organic growth, infill M&A activity can be a good way to accelerate our ambitions, if there is a good strategic fit. As ever, any opportunities we explore for capital deployment will be evaluated in a very disciplined way.

"We have some deep competitive strengths, and I want to see us continue to invest and build on these."

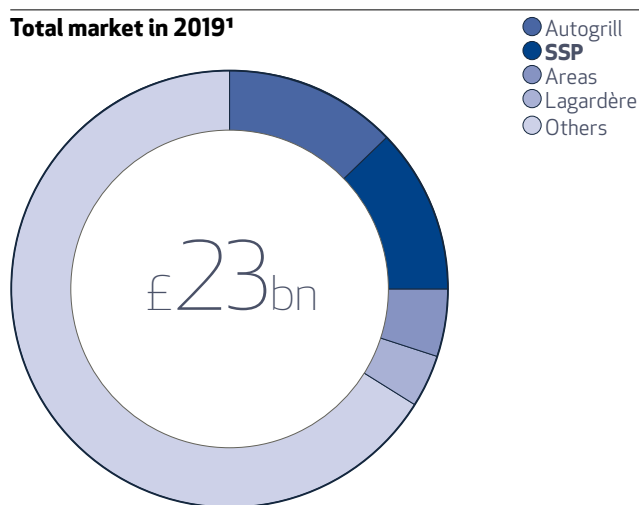
Patrick Coveney
Group CEO

Understanding our market

Global market size

Our core market is food and beverage provision in travel-related locations worldwide, principally within the air and rail channels.

Total market in 2019¹



Pre-pandemic, our market was valued (by revenues) at approximately £23 billion (2019), of which approximately 80% represents the airport sector and 20% the rail sector.

In 2022, 66% of our business was in the air sector and 28% was in the rail sector, with around 6% from other areas, including MSAs, in-flight catering, retail, lounge and on-board rail catering.

Our market remains very fragmented, with the top four participants having a little over a third of the sales, and a long tail of local and single brand participants typically competing within regional travel markets.

66%

percentage of our business in the **air sector**

28%

percentage of our business in the **rail sector**

6%

percentage of our business in **other areas**, including motorway service areas (MSAs), in-flight catering, retail, lounges and on-board rail catering

Our market has seen a strong recovery since 2020.

This year, we have seen significant growth in passenger numbers and this is set to increase, with air passenger traffic in all geographies expected to be back at 2019 levels by 2024, and rail passenger traffic at 2019 levels by 2025. This recovery in the travel sector has been led by leisure, domestic and short-haul travel, where we believe we are well placed to benefit from the shape of recovery due to our exposure to each of the returning passenger segments. Business and long-haul demand is also recovering, albeit at a slower pace.

The markets in which we operate are fundamentally attractive and air and rail travel markets will deliver long-term growth, albeit from a lower base, as the global economy recovers and an increasing proportion of the world's population is willing and able to travel. As we look to the medium term, the strongest growth will be found in North America and Asia as Europe air growth slows relative to APAC (with Europe's growth between 2014-2019 slowing to 2% in 2025-2030 while APAC is set to remain at c. 7% and North America at 5%)².

We expect the growth in our markets will be underpinned by longer-term trends that were evident prior to the pandemic, such as the trend towards increased eating out-of-home (including eating 'on the move') and investment in travel infrastructure and capacity expansion, in part supported by government policy.

Clearly consumers and businesses are facing multiple economic headwinds which are most pronounced in the UK and Europe. However, we believe that our markets are fundamentally more resilient to those pressures on consumer spending than many other consumer sectors. This is underpinned by the fact that the recovery has been driven by leisure travellers, who contribute approximately 70% of our revenues.

We recently commissioned research into the behaviours, spending patterns and expectations of leisure travellers which demonstrate this resilience, with 70-80% of flights being made by people earning above medium income, travel being the main priority for discretionary spending, and on average an intention to travel more in the coming year.³ This is allied to the fact that food and beverage experiences are now felt to be an increasingly important part of the travel journey.

Although we remain confident in a full recovery in travel, there continues to be uncertainty in the short term given the ongoing travel restrictions in markets, such as China. Geo-political issues, including the war in Ukraine, are impacting directly on regional travel and contributing to global economic pressures, especially in terms of rising inflation.

¹ SSP FY2019 (excluding Other Channel); Autogrill 2019 (excluding Motorways); Areas (Elilor) 2018 (excluding motorways); Lagardère Travel Retail 2019 (estimated food service revenue).

² Internal estimates based on third-party research commissioned by the Company in 2022.

³ Third-party research commissioned by the Company in 2022.

Air



We expect air passenger numbers for SSP to recover to broadly 2019 levels by 2024⁴. Air travel recovery is being driven primarily by leisure and domestic/regional travel.

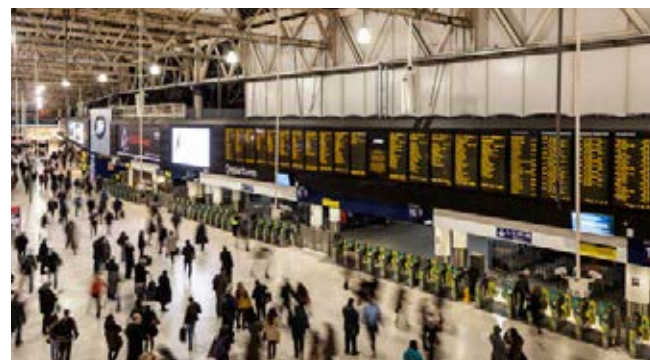
We expect the following trends that drove the growth in air travel prior to Covid-19 to continue:

- more airports are being built and more space is being allocated to food and beverage and with greater prominence, especially in the space beyond security controls. This is coupled with significant terminal refurbishments
- increased spending power and desire to travel among the rapidly growing middle classes (particularly within the Asia Pacific region)
- the removal or reduction of in-flight catering leading passengers to consume more food and beverages pre-flight
- increased air-side dwell time due to increased airport security requirements and airport investments to improve speed of processing security clearance.

6.7%⁵

historical annual growth rate from 2009 to 2019

Rail



We expect rail passenger numbers for SSP to recover to around 90-95% of 2019 levels by 2024⁶. We have seen a steady recovery in rail travel in both Continental Europe and in the UK, initially led by leisure travel followed by a return of many commuters back to offices. That said, there will be a continued impact from hybrid working on passenger numbers, accounting for the slower recovery compared with air travel.

We expect that growth will continue to be driven by the following pre-Covid-19 factors:

- continued investment in track expansion, especially high-speed networks and train capacity
- station development strategies to improve food and beverage offers
- infrastructure investments in developing countries
- governments encouraging people to switch from road to rail
- customers 'trading up' in their food and beverage purchases.

➔ Find out more about the key trends impacting our markets post-Covid-19 on pages 14-15.

2-3%⁷

historical annual growth rate from 2011 to 2019 in key European markets

⁴ SSP Rights Issue Prospectus, 17 March 2021.

⁵ Sources: ORR, Eurostat, ACI, Airport Commercial Revenues Study (2018/19).

⁶ SSP Rights Issue Prospectus, 17 March 2021.

⁷ Sources: ORR, Eurostat, ACI, Airport Commercial Revenues Study (2018/19).

Key trends in our markets

There are a number of key trends that influence and impact our sector and our business. We have a long history of monitoring and adapting to these trends, ensuring we evolve to meet ever-changing stakeholder expectations.

Evolving tastes and preferences

We operate in a dynamic sector, in which the needs of our customers are constantly evolving. Customers are increasingly focused on their wellbeing and expressing a desire for 'better for you' options. They are more educated than ever, and they are well aware of the importance of eating a healthy diet. They are looking for clear nutritional information, an offer that caters for a wide range of dietary needs, and – most importantly – food that is appealing and doesn't leave them feeling that they must sacrifice taste for healthfulness. Overall, the 'whole person' approach has become a central element influencing customers, who are looking for nourishing, whole foods in line with the quest to live healthier lifestyles.

Concern about issues like environmental degradation, climate change and resource depletion is also growing, which has led to the rise in customers seeking out plant-based alternatives, even if not strictly vegetarian or vegan.

Given the cost of living pressures in many markets, customers are looking for value for money; however, they are also ready to pay a premium for high-quality services and products when travelling, with 61% of passengers considering that their vacation starts as soon as they leave home.

How we're responding

- **Adapting our ranges to include healthier options:** We continue to innovate and deliver offers that cater to the tastes of consumers, satisfying a diverse range of dietary needs as well as providing healthier and more sustainable options. This includes developing innovative new concepts with wellness at the core, such as Haven in the Nordics, Ida & Frida in Germany and #Nourish in India, as well as building partnerships with wellness brands, such as Exki in France. We're also introducing new 'better for you' ranges across our core brands.
- **Plant-based alternatives:** We are constantly adapting our offer to provide healthier lifestyle choices suited to different dietary needs, including plant-based diets. By the end of 2022, 33% of meals offered by our own brands globally were plant-based and/or vegetarian. In addition, 85% of our own brands in North America, Europe and UK&I that serve coffee offer non-dairy milk alternatives, such as soy or almond milk.

→ Find out more about how we are delivering for our customers and clients on pages 20-21.



Sustainability

Businesses are under increased pressure from consumers, shareholders, partners, and colleagues to address their environmental impact and play a positive role in contributing to a sustainable future.

In the food sector, the questions of food waste and sustainable diets are central to addressing our customers' concerns. They want to know how food is produced, transported and processed, and they are looking to limit their own environmental impact, avoid animal suffering, and help tackle climate change.

People are increasingly worried about how their choices and purchases affect individuals and communities, both locally and across the world. There is a growing interest in local sourcing, and working with local suppliers offers practical benefits too, particularly as supply chain disruptions have led to product shortages.

The pandemic further exposed inequalities affecting different groups within society, and there is an increasing expectation that businesses should play a part in supporting people affected by disadvantage and in advocating for a fairer system.

How we're responding

- **Sustainability is a core component in our business strategy:** We are fully embedding sustainability into the way we do business and have re-articulated our strategic priorities, ensuring sustainability is elevated as a key component.
- **Targets for 2025:** focused on key sustainability issues, including 100% cage-free eggs for our own brands, 100% certified tea, coffee, hot chocolate, and seafood and fish for our own brands, eliminating unnecessary single-use plastic packaging and making all our own brand packaging recyclable, reusable or compostable.
- **Net zero by 2040 ambition:** We have set an ambitious target to achieve net zero carbon emissions (Scopes 1, 2 and 3) by 2040. In support of this, we have mapped our Scope 3 footprint and are finalising our science-based targets in line with a 1.5 °C scenario. Our plan to reduce emissions associated with our food includes developing more climate-friendly menus and increasing local and seasonal sourcing.

→ Find out more about our Sustainability Strategy on pages 28-31 and in our 2022 Sustainability Report.



The proliferation of digital technology

The pandemic has accelerated the adoption of digital technologies across all age groups, with the democratisation of remote working, and the usage of technologies to perform daily activities. As their lives become busier and more complex, customers are actively looking for products and services that enable simpler, faster, and more reliable experiences. They want to be in control of their full customer experience and increasingly rely on 'one stop shop' apps to simplify their journey. What used to be separate stages of a customer journey are increasingly being rolled into a single, seamless, tech-enabled interaction. Technology also allows customers to browse menus, customise orders, and track preparation and delivery, for a more personalised experience.

Digital technology has also reinvented the way we work and collaborate, calling for an adaptation of the workspace. With colleagues coming back to the workplace while still for looking flexibility, businesses are expected to adapt to and maintain hybrid working patterns.

How we're responding

- **Putting technology at the core of the customer experience:** We have implemented multiple self-order solutions, including mobile and kiosk-based order and payment across our F&B outlets and self-checkouts in our retail stores. We are also trialling checkout-free technology and looking at other automation solutions, including delivery robots. The aim is to offer the travelling customer more control over their airport experience and increase speed and convenience.
- **Rolling out our Modern Workplace Programme:** With the return of our colleagues to offices, we equipped our support functions and operations management with a suite of Microsoft 365 tools including Microsoft Teams and SharePoint, enabling colleagues to work and collaborate smoothly be it remotely, in the office, or using a hybrid model.

→ Find out more about our **customer-facing digital solutions** on pages 20-21.



Attraction and retention in the hospitality sector

Recruitment in the retail and hospitality sector has become increasingly competitive, as many workers moved to different sectors when government restrictions led to the closure of restaurants, pubs, bars, hotels and other hospitality venues. As the sector has bounced back strongly, there has been an urgent need to fill these positions to serve returning customers.

In the UK, the hospitality sector had the highest proportion of vacancies of any industry in 2022. We have observed the same trend across Europe, the United States and Australia. The competition for talent is intense, requiring businesses to offer a whole range of compelling benefits to match colleagues' growing expectations. Compensation is no longer enough to attract talented recruits, who are now also increasingly focused on wellbeing, work-life balance, and development opportunities.

How we're responding

- **Building our internal recruitment capability and employer brand across the Group:** We have improved our in-house capability to source both mid and senior level candidates. We have also increased the size of our Group recruitment team to account for additional demand in hiring. In parallel, we're developing our employer brand to enhance our employer profile across our channels, which will include the launch of our global careers website in 2023.
- **Introducing new attraction and retention incentives:** Throughout 2022 we have been focused on making improvements to pay and benefits to remain competitive and position ourselves as an employer of choice. Within the UK, we have also rolled out a referral scheme which has been a key enabler in supporting our workforce growth.

→ Find out more about our **colleague initiatives** on pages 22-23.

Competitive advantages

Leading market positions

We have leading positions in some of the most attractive sectors of the travel food and beverage market, underpinned by our extensive brand portfolio (comprising our own brands and bespoke concepts as well as franchised local and global brands) and established management and operational teams across the 35 countries in which we operate.

Food travel expertise

We provide a compelling proposition for both clients and customers based on our food travel expertise. This includes a deep understanding of what our customers are looking for, an extensive offering of brands and concepts to meet these needs, and a knowledge of how to operate in complex travel environments which are logistically demanding. Our deep understanding of travel food and beverage has enabled us to adapt our operating model so that we can operate our units at lower passenger levels whilst still ensuring a great customer experience.

Long-term client relationships

Our principal clients are the owners and operators of airports and railway stations, but we also have a small presence in motorway service areas, hospitals and shopping centres. We have excellent, long-standing relationships with many of our clients and have maintained high success rates in retaining our contracts.

Skilled and engaged colleague base

Our c.35,000 colleagues have a broad range of skills and experience spanning the food and beverage, travel and retail industries. In all our key markets, we employ dedicated teams of senior managers focused on business development, sales, marketing and operations, who work closely with our clients to ensure their requirements are met. They are supported by experienced, locally based teams who have a track record of delivering operational excellence and great customer service.

Local insight and international scale

We have a deep knowledge of the individual markets in which we operate, alongside significant international scale and expertise. A strong local presence enables us to understand our customers' tastes and needs, as well as allowing us to maintain close relationships with clients and brand partners and to create a 'sense of place' in the locations which we operate.

What we do

We work collaboratively with clients...

Our clients are primarily airports and railway stations seeking to develop the right range of food, beverage and retail brands and services at their locations to satisfy the needs of the travelling customer. We work closely with our clients to understand the needs of their passengers so we can develop innovative concepts and brands to match their requirements. Our economic goals are aligned through the payment of concession fees which are based on the revenues generated by our units.

... to develop and deliver great food solutions...

We tailor our food and beverage outlets to the requirements of each travel location we serve. This is made possible as a result of our extensive brand portfolio, which includes brands we own, concepts we create and by partnering with a number of local hero and international third-party brands to whom we pay a franchise fee, which is typically a percentage of revenue. The menu items we serve and products we sell are primarily sourced from local suppliers and wholesalers that distribute them to our units.

... through our colleagues who serve our customers

Our local management teams, unit managers and wider teams are committed to providing a great customer experience to all who pass through our units. The quality of our offer and high service standards puts us in a strong position to maintain and extend our current contracts as well as win new business.

→ You can read more about the markets in which we operate on pages 34-41.

Aligned to our strategy which creates value for all our stakeholders



→ You can read more about our strategy on pages 18-31, our KPIs on pages 32-33 and our key relationships with stakeholders and the value we create for them on pages 42-51.

Our purpose

To be the best part of the journey.

As ‘food travel experts’, we are passionate about offering great-tasting, nutritious food that is good for people and the planet.

Our vision

To be the world’s best travel food and beverage company

To be the leaders in our sector we need to deliver value for all our stakeholders in a way that ensures long-term sustainable growth.

Creating value for our stakeholders

We want to deliver a great experience and create value for all our stakeholders, including:

Our customers by offering great tasting, nutritious and sustainable food and drink for people on the move

Our colleagues by being a great place to work where everyone can fulfil their potential

Our clients by delivering exceptional service to passengers

Our investors by generating sustainable long-term profitable growth and returns

Our brand partners by being their preferred partner for operating in the travel sector

Our suppliers by building mutually-beneficial relationships

Communities, NGOs and society by positively impacting our planet and wider society

Government and regulators by supporting local economies and contributing our experience and expertise to areas of policy development

→ Find out more about **how we engage with our stakeholders** on pages 42-51.

Our values and culture

Our values play a key role in delivering our purpose, vision and strategy. They were developed in consultation with our teams across the world. They guide our culture, behaviours and decisions, helping ensure we act in the best interests of our stakeholders, the environment and our business.

We are one team



We are results focused



We all make a difference



We are bold



We celebrate success



→ We uphold these values through our culture (see pages 96-97) and the sustainable commitments we make to our stakeholders (see pages 43-51).

→ Find out more about how we are living our values on pages 22-23.

Our competitive strengths

Our core market is the provision of catering services in travel-related locations, primarily in airports and railway stations. We benefit from, and are able to leverage, our key competencies and competitive strengths to deliver our vision and strategy. These strengths include:

- Leading market positions
- Food travel expertise
- Long-term client relationships
- Skilled and engaged colleague base
- Local insight and international scale

→ Find out more about our strengths in our **Business model** on page 16.

Our strategy

To deliver our purpose and vision, we are focused on growing our market-leading positions in the food travel sector in international markets.

Our strategic priorities are aimed at delivering a leading customer proposition aligned to our clients' needs and goals and ensuring we have skilled and engaged colleagues. At the same time, we continue to drive performance through our proven economic model, focused on winning new business, growing like-for-like revenue, driving efficient profit conversion and generating a strong cash flow in order to deliver long-term sustainable growth. Sustainability is a key element to our long-term success, encompassing our three core strategic priorities.



Remuneration linked to performance

See how delivery of our strategy is reflected in our executive remuneration.

→ Find out more in our Directors' Remuneration Report on pages 120-146.

Our strategic priorities



Leading customer proposition

- Leading brands and innovative concepts
- Great value, taste, quality and service
- Digital customer solutions
- Long-term, mutually beneficial client relationships

Associated KPIs:

- Like-for-like revenue
- Net gains

Associated risks:

1, 7

→ Find out more on page 20.



Skilled and engaged colleagues

- Attraction and retention
- Inclusion and engagement
- Training and development
- Safety and wellbeing

Associated KPIs:

- Colleague positivity score
- Women in senior leadership roles

Associated risks:

2, 4, 7

→ Find out more on page 22.



Long-term growth and returns

- New business development
- Like-for-like revenue growth
- Profit conversion
- Cash flow generation

Associated KPIs:

- Revenue
- Like-for-like revenue
- Underlying operating profit
- Underlying operating margin
- Operating cash flow
- Net gains

Associated risks:

1, 3, 5, 6, 9, 10

→ Find out more on page 24 and Financial Review on page 70.



Sustainability

- Serving our customers responsibly
- Protecting our environment
- Supporting our colleagues and communities
- Upholding high standards of governance

Associated KPIs:

- Colleague positivity score
- Women in senior leadership roles
- Scope 1 and 2 CO₂e emissions

Associated risks:

3, 8

→ Find out more on page 28 and in our Sustainability Report.

Risks

1. Business environment, geo-political uncertainty and terrorism threat
2. Availability of labour and wage inflation
3. Supply chain disruption and product cost inflation
4. Sufficient senior capability at Group and country level
5. Impact of Covid-19
6. Compliance
7. Health and food safety
8. Sustainability
9. Information security and stability
10. Mobilisation of pipeline



Leading customer proposition

Through our deep customer insights, food travel expertise and extensive portfolio of brands and innovative concepts, we deliver a leading customer proposition aligned to our clients' needs and goals.

Strategic priorities

- Using customer insights to build leading brands and create innovative concepts
- Offering great value, taste, quality and service
- Rolling out digital technologies that improve the customer experience
- Evolving our offer to sustain long-term mutually beneficial client relationships

Key highlights from 2022

- Commissioned a Global Trends report to feed into new product development, tenders, brand and concept development, client partner updates, and brand planning
- Started working with a leading food insights provider to access a new 'food trends hub', a portal providing insight on a wide variety of food and drink trends from across the globe
- Strengthened our customer and commercial capability with the expansion of our Group customer team
- Implemented Reputation across more than 500 UK units, a 'customer listening' solution giving us real time information about the customer experience so we can take action to improve our customer experience as appropriate

Priorities for 2023

- Commission a global customer insights and segmentation survey, covering 17,000 customers across 25 key markets
- Undertake our long-standing annual client survey (paused during Covid) enabling us to gather critical feedback from our clients which ensures we deliver a service which meets and exceeds their expectations
- Conduct digital research to better understand our customers' attitudes to digital and ensure our digital products contribute to building a more convenient, frictionless customer experience

Link to relevant KPIs

- Like-for-like revenue
- Net gains

Our approach

Leading brands and innovative concepts

We are focused on who our customers are and what they want from us, taking advantage of our food travel expertise to gain competitive advantage. We put the voice of the customer at the heart of what we do in order to become the best part of their journey.

To make better informed decisions on our brands and how we operate them, we need to invest in customer insights and trends, making sure we embed these insights throughout the business. Our broad portfolio of global, regional and local brands, to which we are constantly adding new and innovative concepts, enables us to meet both client and customer expectations. The scale of our business provides us with access to a wealth of customer insights, which we use to inform our range and menu choices and to develop our customer propositions.

Great value, taste, quality and service

We continue to innovate and deliver offers that cater to the tastes of customers satisfying a diverse range of dietary needs as well as providing healthier and more sustainable options. This includes developing new menus, with a focus on unique culinary experience, wellness, local sourcing and sustainability, as well as enhancing product ranges.

More than ever, customers are seeking out value for money, so we ensure that we sell items across all price points, adopting a good, better, best approach across our portfolio so that we can cater to all requirements. The customer experience is paramount to us, and we know this starts with the service they receive from our colleagues. This year, we launched a new training module around how to deliver excellent customer service, which will be rolled out globally in 2023.

It's critical that our food is safe to eat and the safety of our customers and the public is protected. We focus on maintaining the highest standards of food safety, aligned to the Hazard Analysis Critical Control Point (HACCP) management system, an internationally-recognised standard. For customer safety, we work to ensure full compliance with all government requirements and guidelines (including the various Covid-19 protocols that have been in place over the last two years).

Digital customer solutions

To better serve the needs of our customers, we are rolling out digital technologies, such as order and payment systems, kiosks and order at table, to give them full control over what they order and how and when they pay. We have ensured that we also offer relevant add-ons, such as water bottles they can purchase as part of their meal to take aboard a flight. In addition, this year, we launched our first self-serve Camden food co. express unit using Zippin technology at John F. Kennedy International Airport in New York, and plans are underway to roll out this technology more widely.

Long-term mutually beneficial client relationships

Evolving our brand portfolio is critical to retaining our existing business with our clients and also winning new business. By delivering the best customer offer, we increase spend, which in turn benefits our clients to whom we pay concession fees. The strong relationships we have established with our clients have been critical over the past year as we have been able to negotiate more favourable rental agreements which has enabled us to re-open more units and serve more customers.

→ Find our KPIs on pages 32-33 and our Principal Risks on pages 58-67.

Strategy in action

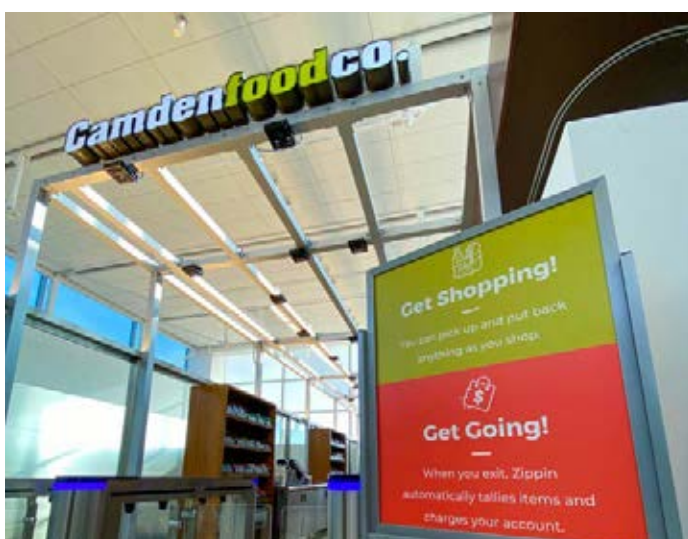


Innovative brand concepts to meet client needs and customer preferences

Over the last year, we have continued to invest in our customer proposition, launching a number of exciting new brands and innovative concepts in collaboration with our clients.

At Vienna Airport, we joined forces with world-renowned chef Wolfgang Puck to offer guests a unique culinary experience at our new restaurant, 'Wolfgang Puck Kitchen & Bar'. The menu is characterised by Wolfgang's signature approach to building a culinary bridge between local specialities and healthy Californian food.

In Sweden, we launched Eatery, a casual dining concept offering fresh local products, and Jureskogs, which serves healthy and tasty fast food.



Enhancing the customer experience with digital solutions

Our customers and our clients increasingly want digital solutions to provide a quicker, easier and more efficient experience, while still benefitting from the great service provided by our colleagues. This year, we introduced our first ever 'contactless' retail concept in partnership with Zippin at John F. Kennedy Airport, New York.

Zippin's new technology for our Camden food co. express unit offers a grab 'n' go food and beverage selection using Artificial Intelligence to enable an entirely contactless shopping experience. Customers tap their credit card as they enter, and begin picking items off shelves. The items and costs are logged by the technology, and when the customer leaves, the total amount spent is automatically charged to the card.



Using insight to improve our offer

Listening to our customers helps us adapt and improve our offer. Over the past year, we have invested in dedicated resources to listen to customers, which has allowed us to take action to respond to their needs. Through 'Reputation', our customer insight tool in the UK, we continually seek to learn about the experience of our customers and identify how we can make their journey smoother.

In 2022, by analysing customer feedback gathered through Reputation, we identified opportunities for improvements. As a result, we have launched new and improved food ranges in Upper Crust, Camden food co. and Ritazza, giving our customers better value for money and offering great quality food.



Skilled and engaged colleagues

The talent and dedication of colleagues are crucial to SSP's success. We are focused on ensuring SSP is a great place to work where everyone can fulfil their potential. At SSP, we truly believe we can be the best part of our colleagues' career journeys.

Strategic priorities

- Enhancing our approach to attraction and retention
- Building a culture of inclusion and engagement
- Investing in training and development
- Promoting safety and wellbeing

Key highlights from 2022

- Creation of a new service delivery framework (High Five) and associated training video, now available in five languages. We also tested supplementary 'Going the Extra Mile' training materials, delivered to 600 colleagues
- Established our 'People Community of Practice' sessions to discuss progress, overcome obstacles and share knowledge
- Partnered with WiHTL (Welcoming Everyone in Hospitality, Tourism and Leisure), a multi-stakeholder group devoted to increasing diversity and inclusion across our sector and launched an accelerator programme for female leaders in partnership with WiHTL
- Refreshed our compliance training for all colleagues

Priorities for 2023

- Launch our global careers website, which will advertise vacancies across all markets and provide a more fluid candidate experience
- Introduce a series of leadership programmes including our new Global Senior Leadership programme and Team Leader development programme.
- Continue to launch global DE&I colleague-led networks, encouraging collective learning

Link to relevant KPIs

- Colleague positivity score
- Women in senior leadership roles

Our approach

We are a people business, and our diverse teams are at the heart of everything we do, serving our customers across six continents and 35 countries in over 50 languages and local dialects. At year end, we employed around 35,000 colleagues across the world, of whom 87% were team members or supervisors, 8% were Operations Management and 5% were Support Function colleagues. Our Group People Strategy was launched in 2021 and focuses on four key pillars, underpinned by our values. In 2022, we further developed the strategy and worked to embed it across our global business.

Attraction and retention

In response to a challenging labour market, particularly for customer-facing colleagues, we have enhanced our processes to ensure we continue to attract, recruit and retain our talent. To support our growth, we have implemented extensive recruitment, induction and skills training for new colleagues across our key markets. We also established a dedicated Group Employer Brand team.

Inclusion and engagement

During the year, we developed a holistic DE&I approach and added resources at Group level to drive forward this agenda. We launched our Global Inclusion Council and established a number of colleague-led advisory groups at Group and country level throughout the year. We are proud of our track record on gender diversity. As at 30 September 2022, our Board was made up of four male and four female directors. In addition, 36% of the Group Executive Committee and their direct reports were female. With regards to engagement, we carried out our second global engagement survey at the end of the first half and were pleased with an 83% response rate (10% higher than in 2021) and 76% positivity score.

Training and development

Our training and development offering is built around four key areas: 1) knowledge & skills training to help colleagues do their job well; 2) personal development to help them be even better; 3) structured training to prepare them for future roles; and 4) mandatory and compliance training to keep everyone safe and legal. This year, we implemented a number of new initiatives across the business to support these aims. This included the roll-out of our People Leaders Programme and an increased focus on development, supported by more engaging and accessible training materials.

Safety and wellbeing

As our unit reopening programme has gathered pace, we have focused on both the safety of our colleagues and on re-engaging them within the business. During the year, we further reinforced our approach with an updated Group Safety Policy and a new app to facilitate incident reporting. We also appointed a new Group Head of Safety and established our Global Safety Forum which meets quarterly and includes representatives from all our businesses.

We have placed increased focus on our wellbeing agenda and organised a number of campaigns and local events throughout the year to raise awareness. This included 'How are you *really* doing', our month-long global campaign for mental health awareness.

- Find out about how we're supporting our colleagues and communities in our **Sustainability Report**.
- Find out about how we've delivered against our diversity policies and targets on pages 110 and 111.

Strategy in action



Setting and embedding our DE&I framework

Across our global business, we provide networks for our colleagues to connect, engage and share experiences. Examples include our UK Menopause Network, Women in Tech network and LGBT+ networks. We also raise awareness of diversity issues and provide our colleagues with the tools and resources they need to drive change. For example, in 2022 we ran a month-long 'Break the Bias' campaign to coincide with International Women's Day, and celebrated LGBT+ Pride month in June.

To facilitate an inclusive culture based on education and understanding, we have also recently developed a video in a suite of DE&I learning materials, which outlines why DE&I is important at SSP and how colleagues can play their part. The video was launched in the UK and will be rolled out in local languages to all our 35 countries throughout 2023.



Up-skilling our line manager population

In 2022, we collaborated with a learning and development partner to create and test a new suite of core Leadership Skills 'bitesize' workshops aimed at first line managers. These sessions have been designed specifically for SSP to support line managers with key leadership skills so that they can engage, communicate, motivate and develop their teams.

In total, 38 workshops were held across four markets (UK, US, APAC and Nordics) with more than 800 colleagues in attendance. The feedback from colleagues was very positive, with attendees particularly welcoming the interactivity of the session and the focus on new management approaches, encouraging them to apply changes to everyday work situations.



Listening, engaging and acting: responding to colleague views

Last year, we conducted our first global engagement survey. Following colleague feedback, we implemented a number of plans and initiatives across the business in response to colleagues' demand for more learning and development opportunities. This included the roll-out of our new People Leaders Programme and an increased focus on development.

In 2022, we conducted our second global engagement survey, which provided unique insights into key topics including attraction and retention, engagement and inclusion, development, safety and wellbeing, enablement, and customer and community. We were strongly encouraged by the improvements in both the response and positivity rates, compared to 2021, with 83% of our colleagues choosing to respond (+10%) and an overall positivity rate of 76% (+1%).



Long-term growth and returns

Leveraging our international scale and building on our proven track record, we are focused on generating long-term sustainable growth and returns across our business.

Economic model



Our economic levers

1. New business development

- Contract renewals and extensions
- Mobilisation of existing pipeline
- New contract wins
- Disciplined M&A

2. Like-for-like revenue growth

- Brand portfolio enhancement
- Range and menu optimisation
- Customer research and insights
- Implementation of digital customer solutions

3. Profit conversion

- Gross margin optimisation
- Labour and overhead efficiency
- Managing rent and franchise fees
- Technology and automation

4. Cash flow generation

- A high conversion of profitability to cash
- Re-investing to enhance our competitive strengths
- Prioritising organic expansion
- Allocating cash to maintain a strong balance sheet and create shareholder value

Our approach

We have a well-established financial model, which has underpinned our performance and helped us to deliver a long-track record of shareholder value prior to Covid-19.

Our strategy for growth and returns

We are a leading player in the large but fragmented travel catering market and are well positioned to capitalise on the long term growth of passengers in the travel sector.

Our economic model represents the way we do business and drives value for all stakeholders including customers, clients, colleagues, brand partners, suppliers and investors.

Getting it right for all these groups creates sustainable momentum and drives performance in the business.

We are continuously improving the business to deliver long-term competitive advantage.

Key highlights from 2022

- Strong revenue momentum; fourth quarter revenue back to 92% pre-2019 levels and H2 revenue back to 90%
- Underlying EBITDA of £142.0m (on a pre-IFRS 16 basis)
- Reported profit before tax of £21.5m
- Mitigated a rise in inflationary pressures in the second half through productivity initiatives and pricing.
- Delevered the balance sheet with leverage reduced to 2.1x Net Debt:EBITDA.

Priorities for 2023

- Drive profitable like-for-like sales
- Mobilise new contracts; retain and extend existing contracts
- Accelerate new business growth
- Continue to enhance our competitive strengths in our customer proposition, digital capability, sustainability and culture

Link to relevant KPIs

- Revenue
- Like-for-like revenue
- Underlying operating profit
- Operating cash flow
- Net gains

→ Find our KPIs on pages 32-33 and our Principal Risks on pages 58-67.

1

New business development

We have a strong track record of delivering profitable new space and in the three years prior to Covid-19, we added around 5-6% of revenue from net gains annually. We invest in those contracts that have the right strategic fit and are expected to deliver financial returns in line with our criteria. Selective and disciplined infill M&A is an important part of our strategy to gain market scale.

Our focus during Covid-19 was on optimising our existing estate. As passenger numbers return to nearer pre-Covid-19 levels, our business development priorities are:

Contract renewals and extensions

We have maintained high retention rates on contracts, in line with our historical levels.

We have also sought to extend and renew contracts on favourable terms and/or with greater downside protection on minimum guaranteed rents.

Mobilisation of the existing pipeline

Due to the strength of the recovery, our new business pipeline continues to be mobilised at pace, with the opening programme expected to accelerate into the current financial year.

Furthermore, we are generating additional sales from the units which were opened just before or during Covid-19, and which therefore had not yet traded for a full year, or had only operated at lower than normal volumes.

New space growth

We see considerable opportunity to further build on our strong platforms in our large developed markets, notably in North America where we have a low market share and a unique business model. We are also looking to expand rapidly in the Asia Pacific region and we will target selective growth across the rest of the Group.

To meet our customers' needs, we are also looking to expand our convenience offer, and to explore hybrid formats through new partnerships.

Client expansion projects and the development of new infrastructure are expected to be a long-term feature of our industry. Our strong financial position and track record of delivery for clients put us in a very strong position to capitalise on these growth opportunities.

Our priorities for growth



Rapid growth in North America and Asia Pacific



Targeted growth in the UK, Europe and EEME

2

Like-for-like revenue growth

We seek to optimise the customer proposition and drive like-for-like revenues through increasing customer capture rates and spend. Our broad brand portfolio, to which we are constantly adding new and innovative concepts, enables us to meet both client and customer expectations. The scale of our business provides us with access to a wealth of consumer insight, which we use to inform our range and menu choices. We cater for a diverse range of customer tastes and dietary needs as well as providing healthier and more sustainable options.

We are seeking to strengthen and evolve our brand portfolio. We have made good progress in creating new own brands to meet current market trends, such as Soul + Grain, launched in the UK early in 2022 and Koh Hop Bar in Thailand. We have also significantly enhanced product ranges at a number of our well-known existing own brands, such as Upper Crust, based on extensive research and analysis.

We have seen a huge acceleration in digital engagement over the last few years and it is now an important part of our customer proposition. Customers are now comfortable using technology to order which provides them with a more seamless experience in addition to generating operating efficiencies and increasing spend per transaction.

Building on our competitive advantages to deliver our growth objectives



Long-term growth and returns continued

3

Profit conversion

Running efficient operations is one of our core competencies and deeply embedded in our culture. Optimising gross margins, leveraging the international scale of our business and running an efficient and effective business with rigorous attention to managing the key costs of food, labour, concession rentals and overheads are core to our approach.

During Covid-19, our focus was on simplifying our operations, reducing our cost base and making it more flexible. Due to this focus, we have emerged from Covid-19 as a stronger business. As we grow, we are disciplined in the way we add back cost.

Currently, the industry is facing significant inflationary pressures, and our approach is to mitigate these by taking action, including menu and range engineering and making greater use of technology.

The key areas that we focus on to maintain an efficient business are:

Gross margin optimisation

We continue to re-engineer our customer offer to optimise gross margins by keeping unnecessary complexity out of our product ranges, whilst providing the right level of customer choice to cater to a diverse range of customer preferences. Food cost will continue to be tightly managed to ensure we retain a focus on quality alongside creating savings through volume purchasing and focusing on sustainable sourcing and production efficiency, including through using automated technology and reducing waste.

Rent negotiation and flexibility

In our contracts, we seek to minimise concession rental costs and remove minimum guarantees, or make them variable in line with passenger numbers. We are also working with our franchise brand partners to reduce costs and identify opportunities for simplification and standardisation, building on our long-standing relationships and the learnings from Covid-19.

Labour and overhead efficiency

We will continue to drive labour efficiency, conscious of the pressures on labour rates and availability in certain regions. This will mean a continued focus on staff scheduling and kitchen productivity, as well as using digital order and pay technology to drive service levels and efficiency. We seek to have the right level of overhead costs in the business, focusing on taking out unproductive overhead and simplifying management processes. Allied to this, we are increasingly seeking to reduce the energy costs in units and switch to sustainably sourced alternatives, using technology to support management processes and outsourcing back-office activities where that makes sense.

Key levers to drive strong operational discipline

These levers are enabled by a focus on technology and automation.

Gross margin optimisation

Rent negotiation and flexibility

Labour and overhead efficiency

4

Cash flow generation

A focus on the management of cash is engrained throughout the business, from our stock flow processes to the rigour we apply to investment decisions. As passenger numbers are continuing to grow, we are achieving a strong conversion of profitability to free cash flow and expect to become increasingly cash generative in the coming years.

We continuously reinvest the cash we generate into our business, to build on and enhance our competitive strengths, which underpin our capability to deliver sustainable growth.

We prioritise investing in organic growth, where this meets our investment criteria, as this creates the most value for our shareholders. We have considerable opportunities in the coming years to expand, as we take advantage of the structural growth across our markets.

Creating shareholder value is extremely important to us. As travel continues to recover in the coming years, we expect to de-lever the balance sheet over time. Maintaining balance sheet efficiency will continue to be an important part of our financial strategy, and we are committed to returning to our medium-term leverage target (in the range of c.1.5x – 2.0x Net Debt:EBITDA, on a pre-IFRS 16 basis). The Board recognises the importance of dividends and other capital returns to shareholders and keeps timing on restarting these under regular review.

Capital allocation model

Uses of cash and balance sheet efficiency

1. Organic investment
Significant structural growth opportunities around the world

2. M&A
Infill M&A opportunities

Balance sheet efficiencies
Target leverage:
c.1.5x – 2.0x

3. Dividend
Target pay-out ratio of 30-40%

4. Capital returns to shareholders
Through share buybacks or special dividends

Strategy in action



Mobilising our existing pipeline in North America

Due to Covid-19, the opening of many of the units we won during or prior to Covid-19 was delayed. This year, we accelerated the mobilisation programme of our existing pipeline.

In the USA, there were a number of units won prior to Covid-19, which had yet to open until this year. For example, at Seattle-Tacoma International Airport, one of the US's busiest airports, SSP America was awarded multiple contracts to develop and operate a total of 16 units from 2017 to 2019. These units were in addition to the portfolio of 12 brands already in operation. Likewise, at LaGuardia Airport in New York City, we were pleased to finally open new units, which we won in 2018 and 2019 following a multi-billion-dollar transformation of the airport.



Retaining and extending contracts

Historically, we have consistently demonstrated high contract retention levels of around 80%, but they've been even higher during Covid-19, with many clients preferring to extend contracts rather than conduct a full tender process.

One of our most important retentions over the past year was at Arlanda Airport in Stockholm where we secured 21 units across all five of Arlanda's terminals, building on our long-standing relationship with our client Swedavia. As part of our renewed partnership, our new outlets will be a curated mix of renowned international brands, bespoke concepts tailored exclusively for the airport, and on-trend local names, designed to appeal to a new generation of traveller. The new units are scheduled to begin opening from summer 2023.

Rigorous capital management process overseen by the Investment Committee

- ✓ Review all proposed investments >£50k
- ✓ Allocate capital to ensure best returns
- ✓ Target discounted payback period 3-4 years
- ✓ Ensures consistent approach to investments across the Group

Maintaining a rigorous capital management process

We have a rigorous capital management process which is overseen by our Investment Committee and constitutes one of our key strengths. All potential investments above £50,000 are reviewed by the Investment Committee, enabling a structured approach to allocating the Group's resources to ensure strong returns. The Committee expects projects to adhere to strict investment hurdles, with a targeted discounted payback period of three to four years.



Sustainability

Following the launch of our new sustainability strategy in 2021, sustainability is now a key element of our strategic framework, touching all aspects of our business and contributing to our long-term success.

Our sustainability strategy



Our focus areas



Serving our customers responsibly

- Offering healthier lifestyle choices and satisfying dietary needs
- Sourcing our ingredients and products responsibly and sustainably
- Supporting animal welfare



Protecting our environment

- Pursuing net zero carbon emissions
- Reducing, reusing and recycling our packaging
- Reducing food waste



Supporting our colleagues and communities

- Treating all our colleagues with care and respect
- Promoting and protecting safety and wellbeing
- Embracing diversity and protecting human rights
- Supporting our communities

Our approach

Having developed our sustainability strategy in 2021, our focus in 2022 has been on further embedding sustainability and building the governance structures, strategic management and capabilities across our business to drive progress.

Our key focus areas

Our strategy focuses on three priorities: serving our customers responsibly, protecting our environment, and supporting our colleagues and communities. These are supported by clear and measurable targets to 2025, as well as our ambition to achieve net zero carbon emissions (Scopes 1, 2 and 3) by 2040. We are making steady progress against our targets and commitments, details of which can be found in our 2022 Sustainability Report.

While all the issues and targets in our strategy are important, we are particularly focused on where we can drive change in the food travel sector. For SSP, this is all about the food we serve. So, we are dedicating extra focus and resources to how we source our ingredients, design our menus and help our customers to make healthier and more sustainable choices. In parallel, we will continue our efforts to deliver progress against our other key issues and targets, embedding sustainable decision-making into our core processes and ways of working.

Upholding high standards of governance

Our Sustainability Strategy and targets are underpinned by a clearly defined governance and management structure, to help ensure the appropriate level of accountability from the Board, down to our operating markets.

In 2022, we appointed a new Group Head of Sustainability, reporting to the Corporate Affairs Director, and established a central sustainability team and Group Sustainability Steering Committee. We also have a number of core Group policies that express the high standards we are committed to upholding, such as our Environment Policy, Responsible Sourcing Policy and Farm Animal Welfare Policy – all of which are available on our website.

Key highlights from 2022

- 67% of tea, coffee and hot chocolate for our own brands is certified to standards such as Rainforest Alliance and Fairtrade
- Around 80% of our own brand customer-facing packaging is free of unnecessary single-use plastic and approximately 85% is recyclable, reusable or compostable
- 36% reduction in our Scope 1 and 2 CO₂e emissions (vs our 2019 baseline) and completed the mapping our Scope 3 emissions (see pages 30-31 for details)

Priorities for 2023

- Validation of our net zero targets by the Science-Based Targets Initiative.
- Further embed sustainability and climate-risk considerations into our core business risk management framework.
- Pilot initiatives leading up to carbon neutral units in some of our key locations.

Link to relevant KPIs

- Colleague positivity score
- Women in senior leadership roles
- Scope 1 and 2 CO₂e emissions

→ Find our KPIs on pages 32-33 and our **Principal Risks** on pages 58-67.

→ Find more detailed information in our 2022 Sustainability Report.

Strategy in action



Offering healthier and sustainable food choices

To meet evolving customer needs and drive progress against our net zero ambition, we are designing menus which provide healthier and more sustainable options. By the end of 2022, 33% of meals offered by our own brands globally were plant based or vegetarian. While this exceeds our target for at least 30% by 2025, this global figure is primarily driven by a small number of markets, such as India, that have reached more than 40%. We are therefore continuing our focus in other markets to increase our offerings of plant-based and vegetarian options.

To further accelerate progress, we are developing a new 'People & Planet Menu Framework'. This draws on existing best practice from around our global business and provides clear guidelines and defined criteria for creating healthier and more sustainable menus. It is also informed by the best practice EAT-Lancet Planetary Health Diet. We plan to roll-out the framework globally in 2023.



Supporting animal welfare

We are committed to sourcing 100% cage-free eggs globally for all our own brands by 2025. By the end of 2022, we achieved 34% globally, including 12 markets that reached 100%.

While we are making good progress, some of our markets are experiencing challenges with this target, particularly in our Rest of the World operating region, due to a limited number of cage-free egg supplies.

As a result, in 2022, we worked with an animal welfare NGO, the Lever Foundation, to help support our teams in overcoming these challenges. They were able to support us in providing supplier directories for each of our markets, as well sharing research on consumer trends and commitments being made by other food companies in the region.



Tackling food waste and alleviating food poverty

Reducing food waste directly contributes to our net zero ambition and has social benefits in helping to alleviate food poverty. One of the ways we do this is through selling surplus food at the end of the day via apps like Too Good To Go. By the end of 2022, Too Good To Go was live across 11 markets in Europe, as well as the UK. Across all 11 markets in 2022, over 387,000 meals have been saved from going to landfill. This is equivalent to around 968 tonnes of CO₂e emissions.

We also support charities around the world helping to alleviate food poverty, including Food Banks Canada and the 'Robinhood Army' in India. In addition, the SSP Foundation (a UK registered charity) made a grant to FareShare in 2022, the UK's largest charity fighting hunger and food waste. This was used to fund a new lorry which will distribute the equivalent of two million meals a year.



Sustainability

Our journey to net zero

We are committed to achieving net zero carbon emissions across our value chain (Scopes 1, 2 and 3) by 2040.

Our journey to net zero

The impacts of climate change are increasingly being seen in every region around the world. This is a global issue that requires collaborative, widespread action by all stakeholders including governments, businesses, consumers, NGOs and communities. We're dedicated to doing all we can to play our part.

In 2021, we set our net zero ambition for 2040 and signed a Letter of Commitment to the Science Based Targets Initiative (SBTi) Business Ambition for 1.5°C. To make this a reality, in 2022, we worked with a specialist consultancy to map our Scope 3 footprint and develop our roadmap to 2040, aligned to a 1.5°C scenario. This included defining our baseline for 2019, selected due to it being the last year we were fully operating before the Covid-19 pandemic (see chart on the following page for details of the 2019 baseline).

We are focused on achieving at least a 90% reduction of absolute Scope 1, 2 and 3 emissions by 2040 from our 2019 baseline year, with no more than 10% residual emissions reduction through carbon removal. We are now in the process of finalising our science-based targets and submitting them for validation by the SBTi.

Reducing our direct emissions

We have been measuring our direct Scope 1 and 2 emissions for many years – the majority of this relates to purchased energy for our units.

We saw a significant drop in absolute Scope 1 and 2 emissions in 2020 and 2021, due to many of our units being closed during the Covid-19 pandemic. Our data for 2022 presents a closer picture of our footprint, compared to our 2019 baseline (although it is still not yet a like-for-like comparison).

In 2022, we were pleased to see a 36% reduction absolute in Scope 1 and Scope 2 emissions (vs our 2019 baseline). Our total energy consumption also reduced by 31%, and we estimate that the proportion of our total energy from renewable sources in 2022 was 42%. The reductions were largely driven by changes in our operating units and improvements in data quality, with far fewer estimations. We also saw the realisation of some of our energy efficiency projects implemented prior to the Covid-19 pandemic, such as in the US, UK and Germany.

For 2023, we have a number of investment projects planned to upgrade our lighting, refrigeration and other equipment with lower energy models. We are also planning to pilot initiatives leading up to carbon neutral units in some of our key locations, against the PAS 2060 internationally recognised standard. Alongside this, we will continue to work to increase our use of renewable energy and embed a culture of energy awareness and climate literacy across our business through new training, awareness campaigns and engagement.

Scope 1 & 2 carbon dioxide equivalent (CO₂e) emissions and energy use data for period 1 October 2020 to 30 September 2021

	Current reporting year 2022		Comparison reporting year 2021	
	UK and offshore	Global (excluding UK and offshore)	UK and offshore	Global (excluding UK and offshore)
Emissions from activities for which the Company own or control including combustion of fuel and operation of facilities (Scope 1) (tonnes (t) CO ₂ e)	2,153	13,270	526	6,170
Emissions from purchase of electricity, heat, steam and cooling purchased for own use (Scope 2, location-based) (tCO ₂ e)	8,343	50,497	4,795	35,543
Total gross Scope 1 and Scope 2 emissions (tCO ₂ e)	10,496	63,767	5,321	41,713
Energy consumption used to calculate above emissions (kWh)	47,999,615	190,957,984	25,095,895	126,164,894
CO ₂ e intensity: total emissions reported above normalised grams per £ of turnover	18.01	39.94	32.63	62.85
Energy intensity: energy consumption reported kWh per £ of turnover	0.08	0.12	0.15	0.19

Methodology: SSP is required to report its global and UK energy use and CO₂e emissions in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The data detailed in the above table represents emissions and energy use for which the Company is responsible and is incorporated by reference in the Directors' Report. We have followed the Greenhouse Gas Reporting Protocol – Corporate Standard (2015 revised edition) and our reporting is consistent with the Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019). We include our global electricity, natural gas, owned transport and refrigerant use (where data is available) and associated emissions. For Scope 2, we report 'location based' emissions which are calculated using UK DEFRA 2022 Emission Factors and, for other countries, using International Energy Agency (IEA) 2020 Emission Factors.

Restatements: In 2022, we worked with a specialist consultancy to improve the quality and completeness of our emissions and energy use data. As a result, we have restated some of our data for 2021, 2020 and 2019 to reflect these improvements and changes to our market footprint. The restated figures for the 2021 reporting year are set out in the table above and the restated total Scope 1 and 2 figures for our 2020 and 2019 reporting years are set out in the KPI table on page 33. Full details of all restated figures, previously reported data and the reasons for each change can be found on pages 74-75 of our 2022 Sustainability Report.

➔ Find more detailed information on our CO₂e reporting criteria, boundaries, methodology and restatements on pages 73-74 of our 2022 Sustainability Report.

Reducing our value chain emissions

With nearly 90% of our total footprint in our value chain (Scope 3) emissions, the vast majority (78%) relate to the food, beverages and products we purchase for resale. In this category, meat, fish, pre-packed food and dairy represent the greatest proportion.

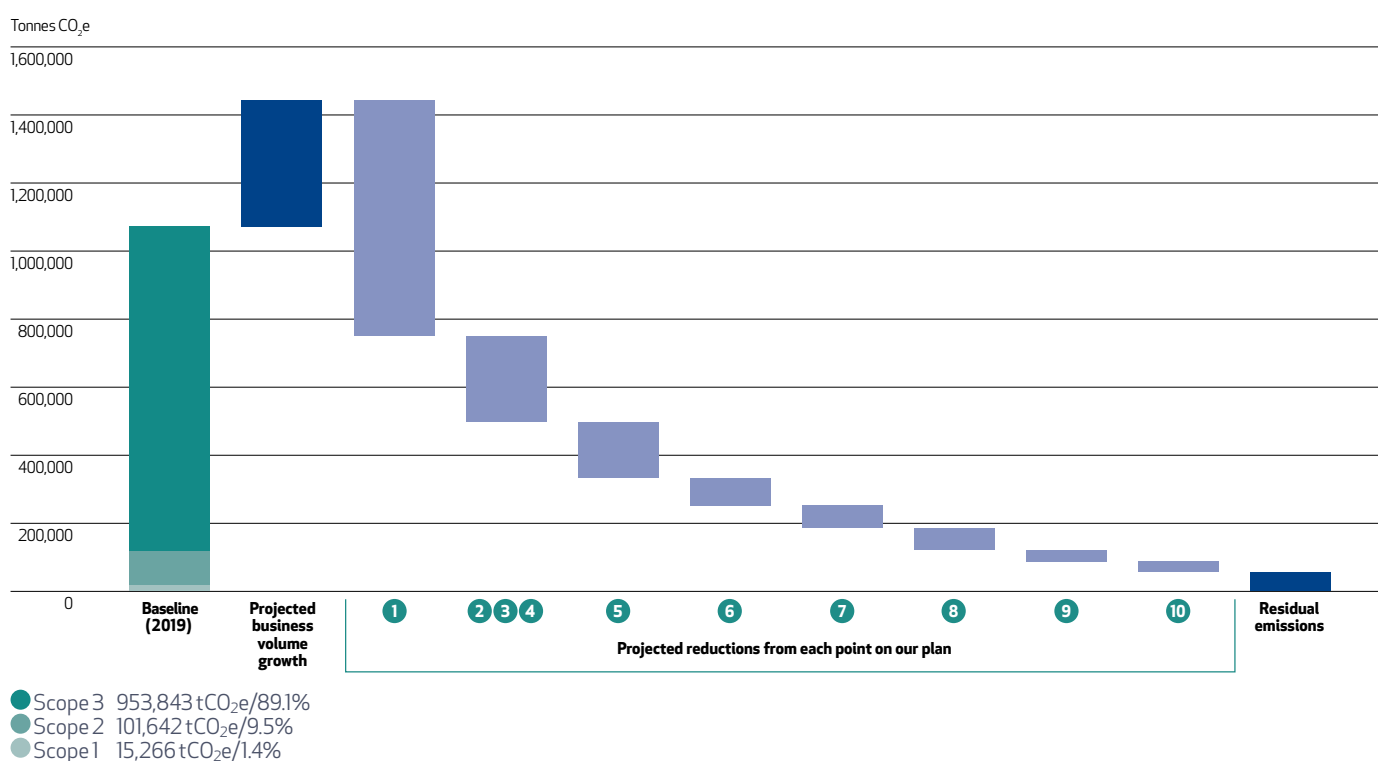
Reducing these emissions will be a significant undertaking and require close collaboration with our suppliers and brand partners. Our approach is focused on how we source our ingredients, design our menus, and help our customers to make climate-friendly choices.

We have targets to increase our range of plant-based and vegetarian meal options and making available non-dairy milk alternatives across our own brands. This is also the case for many of our brand partners. We are also looking at how we can design other dishes to be more climate-friendly, such as by using lower-impact ingredients.

In addition, Scope 3 capital goods represent around 6% of our total carbon footprint. To reduce these emissions, we are focused on working with partners that employ green building standards; procuring materials that minimise the environmental impact; reusing and repurposing elements of existing units in refurbishments; and installing energy-efficient lighting and equipment.

Our 10-point plan to reduce emissions by 2040:

1. Engage, support and collaborate with our brand partners to reduce emissions and increase offerings of plant-based and more climate friendly menu options
2. Continue to increase our own-brand offerings of plant-based and more climate friendly menu options
3. Help our customers to choose more climate-friendly options, such as through product promotions, information and labelling
4. Explore and test new technologies and innovations in the food sector, as they become available, such as novel proteins and plant-based alternatives
5. Continue to optimise energy efficiency and increase our use of renewables
6. Employ sustainability criteria in the design and construction of our units
7. Engage, support and collaborate with our suppliers to reduce emissions
8. Continue to transition to sustainable packaging and to reduce food waste
9. Increase local and seasonal sourcing and key ingredients with sustainability certifications
10. Build skills and capabilities across our business and share best practice to embed climate-smart practices and accelerate progress



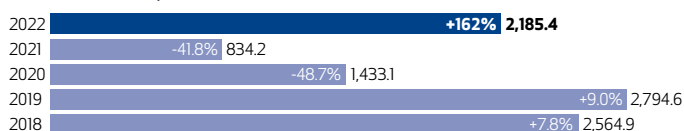
→ Find our reporting on Task Force on Climate-related Financial Disclosures (TCFD) on pages 54-57 and further details of our net zero strategy on pages 29-32 of our 2022 Sustainability Report.

Key performance indicators

Financial KPIs

Revenue

(actual currency: £m)



Definition – Revenue represents amounts for catering and retail goods and services sold to customers excluding value added tax and similar items.

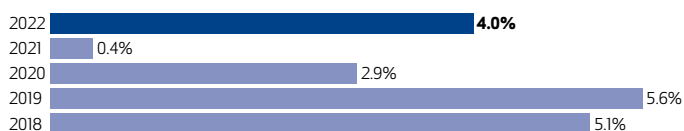
Comment – Total revenue increased by 162% to £2,185.4m, driven by the significant recovery of passenger numbers across all our markets.

Link to strategic pillars



Net gains

(actual currency: £m)



Definition – Revenue in outlets which have been open for less than 12 months are classified as contract gains. Prior period revenues in respect of closed outlets are excluded from like-for-like sales and classified as contract losses.

Comment – Net gains improved to 4% due to the mobilisation of new units in the year, following the recovery of the business from Covid-19.

Link to strategic pillars



Free cash flow

(actual currency: £m)



Definition – Free flow represents net cash flow from operations after capital expenditure, tax and net cash flow to and from non-controlling interests and associates.

Comment – Free cash flow was £52.0m, an increase of £110.1m compared to the prior year.

Link to strategic pillars



Like-for-like revenue

(%)



Definition – Like-for-like revenue represents revenues generated in an equivalent period in each financial year in outlets which have been open for a minimum of 12 months. Units temporarily closed as a result of Covid-19 have not been excluded for the purpose of the calculation.

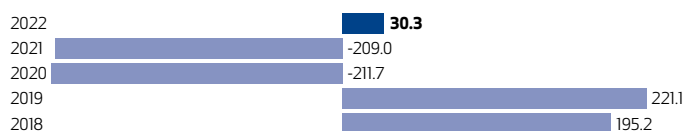
Comment – Like-for-like revenues growth was 154.7%. This is due to the reopening of units which had temporarily closed due to Covid-19.

Link to strategic pillars



Pre-IFRS 16 underlying operating profit/(loss)

(actual currency: £m)



Definition – Underlying operating profit/(loss) on a pre-IFRS 16 basis represents revenue less operating costs which exclude a number of items which are not considered reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence. Refer to note 6 for further details of non-underlying items.

Comment – Underlying operating profit on a pre-IFRS 16 basis was £30.3m, an increase of 114% over the prior year at actual exchange rates. Reported operating profit was £91.5m (2021: £309m loss).

Link to strategic pillars



Underlying operating profit margin

(actual currency: £m)



Definition – Underlying operating profit margin represents underlying operating profit on a pre-IFRS 16 basis as a percentage of revenue.

Comment – Underlying operating profit margin improved to 1.4%, reflecting the businesses return to operating profits. However, the effects of Covid-19 still impacted operating profit margins.

Link to strategic pillars



Non-financial KPIs

Colleague positivity score

(%)



Definition – Positivity score in our global colleague engagement survey.

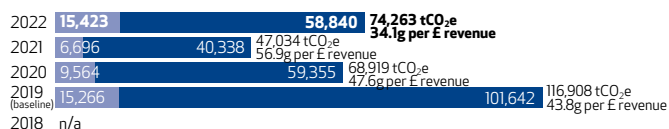
Comment – 76% of the colleagues who chose to participate in our Global Engagement Survey responded positively to the colleague engagement survey questions. Given our first global engagement survey took place 2021, this is our baseline year so we have no data for prior years. Each year, we will undertake an engagement survey in each market, publish the headline results and use them to direct local and Group-wide actions across key areas

Link to strategic pillars



Carbon dioxide equivalent (CO₂e) emissions

(tonnes of CO₂e)



● Scope 1 ● Scope 2 (location-based)

Definition – Total gross Scopes 1 and 2 tonnes of CO₂e emissions.

Comment – We saw a significant drop in emissions in 2020 and 2021, due to many of our units being closed during the Covid-19 pandemic. Our data for this year presents a truer picture of our footprint (although it is still not yet a like-for-like comparison). In 2022, we worked with a specialist consultancy to improve the quality and completeness of our data. As a result, we have re-stated the above data for 2021, 2020 and 2019 baseline to reflect these improvements and changes to our market footprint. 2018 data is excluded as we have set 2019 as our baseline year for our net zero target.

In 2022, we were pleased to see an overall reduction in absolute emissions (vs 2019) of 36%. By 2040, we aim to achieve net zero carbon emissions (Scopes 1, 2 and 3). In support of this, we mapped our Scope 3 emissions in 2022 and are in the process of finalising our targets in line with a 1.5°C scenario and submitting them to the Science-Based Targets Initiative for validation.

Link to strategic pillars

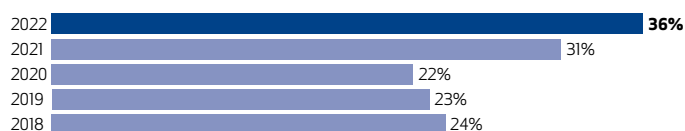


→ You can find our statutory CO₂e reporting table and details of our net zero ambition and Scope 3 emissions on pages 30-31.

→ Find detailed information on our reporting criteria, boundaries, methodology and restatements on pages 73-74 of our 2022 Sustainability Report.

Women in senior leadership roles

(%)



Definition – Executive Committee and their direct reports (including CEO and Deputy Group CEO and CFO and their direct reports).

Comment – In 2021, we committed that by 2025, 33% of our Executive Committee and their direct reports will be women.

Link to strategic pillars



→ You can find our progress against our diversity targets on pages 110-111.

Our strategic pillars



Leading customer proposition



Skilled and engaged colleagues



Long-term growth and returns



Sustainability

→ Find out more about our strategy on pages 18-31.



"The SSP America team's sights are firmly set on the future as we leverage initiatives developed during Covid-19 to help us achieve our growth plan and remain focused on bringing local and authentic brands to the airports we serve. Simultaneously, we have increased our focus on sustainability and strengthened our relationships with our brands, joint venture and airport partners."

Michael Svagdis
CEO North America

Regional highlights

£455.4m
Revenue

£18.4m
Underlying operating profit

£17.3m
Operating profit

c.350
Units

c.5,000
Colleagues

c.40
Locations

¹ By total passenger boardings.

Regional developments



Expanding our footprint in Houston

Building on the success of our operations at George Bush Intercontinental Airport in Houston (IAH), we were selected as part of an ambitious project to enhance the airport's world-class experience. Through this ten-year contract, we will open 16 additional F&B units in the new Mickey Leland International Terminal, in addition to the four units we currently operate. Travellers will be able to choose from a unique range of local, regional and national concepts. The local concepts include Houston landmarks such as The Annie Café & Bar, The Kitchen and Common Bond Bakery and Café, complemented by national favourites like Chili's and MOD Pizza.

Digital is central to this partnership, as we will be implementing new technologies such as self-ordering kiosks. We are also investigating opportunities to implement gate service and advanced ordering systems. A major growth opportunity for SSP America as we further develop our relationship with the airport, this new win will also create over 300 new jobs for local residents.

Market overview and context

North America is a large and fast-growing F&B market driven by passenger growth and the increasing demand for larger F&B spaces in airports.

The only sector in which SSP is present in North America is the air sector, where we are the second largest F&B airport operator. At the year end, we were present in 30 of the top 80 airports in North America¹, having grown at a compound annual growth rate of 15% in the five years pre-Covid-19. North America remains an extremely attractive growth market for SSP, given its size and our track record of organic growth.

There are major growth opportunities for SSP in this region as we have proven our expertise in partnering with well known 'downtown' brands to give passengers a 'taste of place' in the airport locations we serve.

Performance

During the first quarter, the sales recovery in North America remained strong, as the region continued to benefit from improving domestic passenger numbers. These strengthened through the December holiday period despite the emergence of Omicron. However, sales softened considerably in January, as the new Covid-19 variant led to flight cancellations and high sickness levels in several US states.

This was followed by a sharp rebound in sales across February and March as case numbers reduced and demand for domestic leisure travel picked up again. Throughout the spring and summer, demand continued to recover, driven by domestic and leisure travel, and at the end of the fourth quarter, sales were broadly back to 2019 levels.

→ For more financial information, see the Financial Review on pages 70-79.

Key brands

**URBAN
CRAVE**
authentic street cuisine

FOUR PEAKS
BREWING COMPANY
EST. 1992

MI CASA
"CANTINA"

VYNE
BREWING CO. & CAFE

wahlburgers

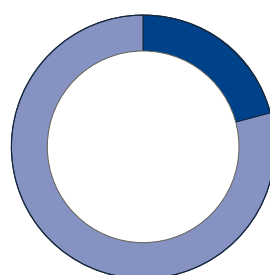
Peets Coffee

SHAKE SHACK

Palm
BAR & GRILLE

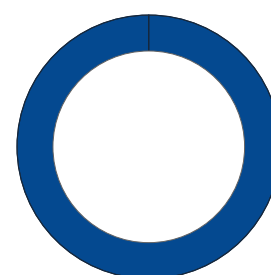
**CHICAGO'S
Home Run Inn**
- EST. 1947 -
PREMIUM PIZZERIA

Share of global SSP revenue



● North America 21%

Air/rail mix



● Air 100%
● Rail 0%
● Other 0%



"Our teams have done a tremendous job to re-open units, remobilise and meet the significant increase in passenger levels, especially throughout the summer months. At the same time, we have successfully extended key contracts, for example at Arlanda and Oslo Airports, and won important new business, including at Berlin and Reykjavik Airports. With sales surpassing 2019 levels in a number of our markets, we are well placed to continue our strong growth trajectory into 2023."

Jeremy Fennell
CEO Nordics and Continental Europe

Regional highlights

£867.9m
Revenue

£22.6m
Underlying operating profit

£82.0m
Operating profit

c.1,100
Units

c.11,800
Colleagues

c.300
Locations



Regional developments



Consolidating our retail presence in the Nordics

Following a competitive tender process, we were selected by Avinor to roll out 19 retail units in the top four airports across Norway, comprising Bergen, Trondheim, Stavanger and Oslo, and we will be opening 17 Point outlets and two bespoke concepts in these locations. The Point concept was created by SSP Norway in 2006 to respond to the needs of the travelling customer, providing easy access to travel essentials, magazines and newspapers as well as good value hot food and drinks.

With a strong focus on sustainability and local products, these outlets will offer a true Norwegian experience on the go. All units will also use locally sourced meat and fish to reduce food miles. To make the customer experience smoother, self-service options will be available while one of the outlets will be entirely digitalised and self-service. With 40 million travellers transiting through these airports every year, this win exemplifies the strong partnership we have developed with Avinor over the years.

Key brands



Market overview and context

Continental Europe is a significant market for SSP, accounting for 40% of our global revenue. We have a strong presence in many of the European markets we operate in, with leading market positions in Spain, France, Belgium, Germany, Denmark, Sweden and Norway.

Across the region, we operate in both air and rail, with 57% of our business in the former and 32% in the latter. We also operate in a number of motorway service areas, most notably in Germany. Across Continental Europe, SSP has a 15% share in the air market and 5% share in the rail market, with strong potential to grow.

Performance

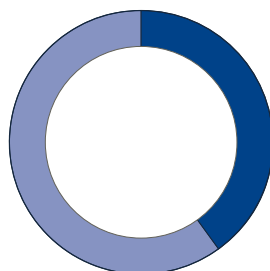
Sales in Continental Europe recovered strongly in the first quarter of the financial year, helped by the extended European summer holiday season, before Omicron impacted trading between November and January as travel restrictions were re-imposed across our European markets.

As restrictions were gradually lifted during February and March, sales continued to strengthen in all our key markets. Trading was especially strong over Easter, in particular in our Spanish airports which benefitted from the pent-up demand for holidays.

Summer trading was exceptionally strong due to pent-up demand for leisure travel across the continent and extended into September across our European markets with revenues at the end of the fourth quarter around 98% of 2019 levels across the division.

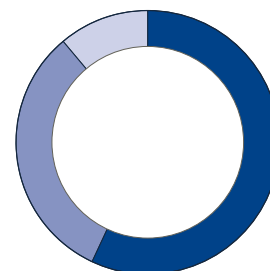
➔ For more financial information, see the Financial Review on pages 70-79.

Share of global SSP revenue



● Continental Europe 40%

Air/rail mix



● Air 57%
● Rail 32%
● Other 11%



"This year, we have placed significant focus on improving our customer insights capability to develop new and improved offerings based on key trends. Having the ability to see feedback in real time is helping our teams deliver a better experience for the passengers we serve. Additionally, we've been proud to launch a number of innovative new concepts throughout the past twelve months, including The Fallow at Dublin Airport and Soul & Grain at London's Victoria Station."

Richard Lewis
CEO UK & Ireland

Regional highlights

£614.9m
Revenue

£23.5m
Underlying operating profit

£27.7m
Operating profit

c.450
Units

c.8,800
Colleagues

c.200
Locations

Regional developments



Exciting new openings at Dublin Airport

In 2022, we announced a number of new openings at Dublin airport, where we secured 27 units as part of a wider transformation project run by the airport. With a clear focus on sustainability and local sourcing as well as new technologies, the new units contribute to creating a true sense of place while delivering the best customer experience. Digital ordering and pay solutions will be available at all our units, guaranteeing a seamless customer experience throughout the passengers' journey.

The first phase of the transformation plan has seen the opening of a mix of international brands and bespoke concepts, including Whiskey Bread, a whiskey bar and restaurant showcasing the outstanding products of two local Dublin producers, and The Fallow, a casual dining concept, serving local and international beers, cocktails and a signature food collection. The project will complete by the end of 2023.

Market overview and context

SSP is the biggest food and beverage provider in travel locations in the UK and Ireland. More than half of our business comes from the rail channel with the remainder from air and other locations. The UK market is highly fragmented and competitive with many high street brands operating in travel locations.

Prior to Covid-19, the UK market experienced strong, sustained growth, driven by a number of factors across rail and air, including government investment in the railways, mainline rail station redevelopments, and infrastructure investment in airports leading to longer dwell times, which has resulted in more passengers wanting to eat and drink pre-flight.

Whilst these positive growth trends continue, the sector was also impacted by a number of challenging factors this year, including disruption experienced by airlines and airports as they sought to ramp up operations in line with passenger demands, industrial action on the railways leading to train service cancellations and inflationary pressures on the cost base.

Performance

UK and Ireland travel recovered sharply over the course of the financial year and sales averaged 73% of 2019 levels.

Throughout the year, we saw steadily improving rail commuter numbers, and air passenger numbers were boosted by an extended European summer holiday season in the first quarter. While sales remained resilient in December despite the emergence of the Omicron variant, the re-imposition of working from home guidance led sales to weaken in January, before a steady recovery during February and March as Covid-19 restrictions were eased.

Summer trading was extremely strong, and in air we observed a significant increase in leisure travel as passenger numbers during the summer season surged to 2019 levels (or even exceeded these) in some airports. This helped boost sales in the fourth quarter, with revenue at c.85% of 2019 levels at the end of quarter, despite the impact of industrial action in the rail sector.

→ For more financial information, see the Financial Review on pages 70-79.

Key brands

UpperCrust

Millie's

RITAZZA
small bites. made to travel.

soul + grain
COFFEE • BREAKFAST • SANDWICHES

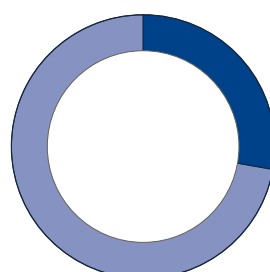
JUNIPER&CO
BAR & KITCHEN

Camden food co.
Food that's good to go.

M&S
FOOD TO GO

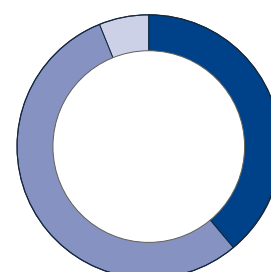


Share of global SSP revenue



● UK and Ireland 28%

Air/rail mix



● Air 39%
● Rail 55%
● Other 6%



"As we were navigating the remaining regional travel restrictions impacting openings this year, it is thanks to the great work of our teams that we continued delivering top-quality service to our clients and customers. I am proud of our SSP colleagues who made it possible for us to reach 95% of pre-Covid-19 trading levels at the end of Q4. As we've started to see a fast recovery in some regions, our teams also continued mobilising contracts in key locations, highlighting our resilience as a team and as a business."

Mark Angela

CEO Asia Pacific, India, EEME (as at 30 September 2022)

Regional highlights

£247.2m
Revenue

£13.5m
Underlying operating profit

£14.6m
Operating profit

c.700
Units

c.9,000
Colleagues

c.70
Locations

Regional developments



A fast growing market in Malaysia

From a standing start of only one unit in 2019 through our joint venture with TFS, we have now successfully secured a total of 31 units across three airports in Malaysia, including six lounges. We will open a diverse portfolio of brands during 2023, including Hard Rock Café, Subway, Jamie Oliver, Coffee Bean and Tealeaf, and local favourite brands including Old Town White Coffee and Yakun. Building on our global experience in lounge operations, we will also be opening high-quality, iconically designed lounges, including First and Business class lounges in Kuala Lumpur International Airport.

With six international airports and 16 domestic airports across the country, these new wins will propel Malaysia to a leading market position within the SSP Asia Pacific region.

Market overview and context

Our Rest of the World region includes the Middle East, Asia and Australia. Our first entry in the Asian market dates from 1995, and we are now present in a total of 17 countries across the Rest of the World region.

The focus of this region is predominantly in Air, with a presence in 67 airports. In India, where we operate a Joint Venture with TFS, we are also present in rail stations and MSAs. We also have a successful lounge business in this territory. In 2022, we entered the rail market in Australia with the opening of three units at Sydney Central station. We see significant scope to grow further business in the Rest of the World region.

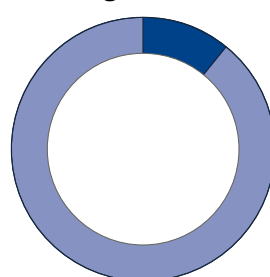
Performance

Compared to our other three regions, the sales recovery in the Rest of the World markets at the start of the financial year was much slower, impacted by ongoing lockdowns across the region. The emergence of Omicron and re-imposition of significant travel restrictions in markets such as India and China further delayed the recovery across December and January, although the impact was partially mitigated by stronger trading in our Eastern Europe and Middle East region, where holiday destinations such as Egypt traded particularly well.

In the third quarter, we began to see a more material improvement in passenger numbers, particularly in Australia, Thailand, India, Greece and Egypt. By the end of the fourth quarter, sales for the region were 95% of 2019 levels, despite ongoing very low levels of travel in several markets, notably China and Hong Kong, where restrictions have remained largely in place.

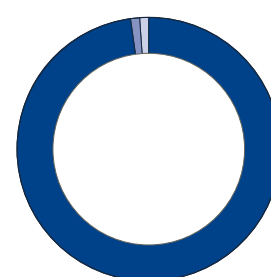
→ Find out more financial information in the Financial Review on pages 70-79.

Share of global SSP revenue



● Rest of the World 11%

Air/rail mix



● Air 98%
● Rail 1%
● Other 1%

Key brands





Listening to our stakeholders helps us better understand their views and concerns and enables us to respond to them appropriately. It gives us valuable inputs into, and feedback on, our strategic approach, and helps ensure stakeholder views are taken into account in our decision-making.

We aim to maintain proactive, open and two-way dialogue with stakeholders to listen, understand and respond to their views and concerns. This enables us to meet the evolving expectations placed upon us as a multinational business and creates shared value for both our business and our stakeholders.

We engage with a wide range of our stakeholders at local, regional and global levels. Our Board also has a continuing programme of direct engagement with key stakeholders, including market visits to our international operations and activities carried out by our designated Non-Executive Director for Workforce Engagement (ENED), Judy Vezmar.

→ Find details of our **ENED Engagement** on page 52.

Our key stakeholders

As a global business with operations in 35 countries, SSP has a wide and diverse group of stakeholders, on whom we rely for our success. We define our stakeholders as those whom we affect and those who affect us.

In 2022, we reviewed our key stakeholder groups, and while they remain broadly the same to those we reported in 2021, we have combined 'Communities' and 'NGOs' into one group, as their views largely match up. We have also recognised that this group incorporates the views of wider society too, including the media and general public. This has resulted in eight key stakeholder groups, as summarised on the next page.

During the year, the Board undertook a detailed review of our stakeholders and the effectiveness of our engagement mechanisms. This included details of an independent materiality assessment conducted by a specialist third party to identify the relative importance of different topics raised by our stakeholders in engagement activities throughout the year. Identifying the most material issues for each stakeholder group helps ensure we keep pace with emerging expectations.

The Board review noted that SSP has a well-established programme of stakeholder engagement, and we are making good progress on better understanding the views of our stakeholders and incorporating those views into decision-making. In addition to discussions at Board level, stakeholder issues are regularly discussed and considered by the Group Executive Committee, and mechanisms are in place for identifying and addressing key issues. A number of key recommendations were agreed as part of the Board review, including increasing the Chair's interaction with major shareholders to understand their views on governance and performance against the strategy.

Section 172(1) statement

In performing their duties during our financial year 2022, the Directors have had regard to the matters set out in Section 172 of the Companies Act 2006.

Each Director of the Board confirms that, during the year, they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so, has had regard (among other matters) to:

- (a) the likely consequences of any decision in the long term
- (b) the interests of the Company's employees
- (c) the need to foster the Company's business relationships with suppliers, customers and others
- (d) the impact of the Company's operations on the community and the environment
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct
- (f) the need to act fairly as between members of the Company.

→ Find details of how the **Board has taken section 172(1) matters into consideration in its decision-making** on pages 100-101.

Our stakeholder groups at a glance

In accordance with the requirements of section 414CB of the Companies Act 2006, the below table sets out where stakeholders can find information relating to non-financial matters. Further information on some of these areas can be found on our website (www.foodtravelxperts.com/international/). Due diligence processes implemented for each policy are contained within each respective policy's documentation.

 <h3>Customers</h3> <p>Why we engage Understanding customer needs and trends enables us to provide the food and beverage choices they want.</p> <p>Value created High-quality products and brands, with a wide range of food and beverage choices to meet diverse preferences.</p> <p>→ Find out more on page 44.</p>	 <h3>Colleagues</h3> <p>Why we engage As a service provider, we are a people business and our colleagues are crucial to SSP's success.</p> <p>Value created A great place to work where everyone can fulfil their potential, with an inclusive, engaging and values-based culture.</p> <p>→ Find out more on page 45.</p>	 <h3>Clients</h3> <p>Why we engage Our business success is dependent on retaining and winning new space in our clients' travel locations.</p> <p>Value created Delivering on mutual service and performance goals and offering a high-quality customer experience for travellers.</p> <p>→ Find out more on page 46.</p>	 <h3>Investors</h3> <p>Why we engage We need to understand the needs of those who invest in and lend to SSP to maintain their confidence.</p> <p>Value created Opportunity to generate attractive returns on investment and sustainable long-term profitable growth.</p> <p>→ Find out more on page 47.</p>
 <h3>Brand partners</h3> <p>Why we engage We work with our partners to optimise the brand offer for our clients and customers.</p> <p>Value created The preferred partner for brands looking to operate in the travel sector.</p> <p>→ Find out more on page 48.</p>	 <h3>Suppliers</h3> <p>Why we engage Good relationships with our suppliers are essential to ensuring an efficient and secure supply chain.</p> <p>Value created Long-lasting and mutually beneficial relationships across our supply chain.</p> <p>→ Find out more on page 49.</p>	 <h3>Communities, NGOs and society</h3> <p>Why we engage We play an important role in communities where we operate which enables us to act as a good corporate citizen.</p> <p>Value created Job opportunities, charitable support and food donations, and sustainability initiatives.</p> <p>→ Find out more on page 50.</p>	 <h3>Governments and regulators</h3> <p>Why we engage We seek to be part of the debate that shapes the regulatory environment in which we operate.</p> <p>Value created Supporting local economies and contributing our expertise to areas of policy development.</p> <p>→ Find out more on page 51.</p>

Customers

Understanding customer needs and trends enables us to provide the food and beverage choices they want. Their views also help us ensure our teams are delivering the quality and service they expect.

Business engagement

The scale of our business provides us with access to a wealth of consumer insights, which we use to inform our range and menu choices and to develop our customer propositions and brand portfolio. Our customer engagement and listening channels include:

- Customer surveys and online reviews
- Customer care lines to provide direct feedback and address any issues in service delivery or quality
- Direct engagement and dialogue with customers by our colleagues

We continue to implement new insight tools and customer listening platforms, which include the adoption of a new digital customer listening solution, called 'Reputation', across all our UK units.

Board engagement

The Board receives regular updates on customers from the Executive Directors and Group Executive Committee, as appropriate. They are also kept informed of sales performance, customer and market insights, including evolving needs and trends. This helps the Board understand our customers and track potential issues and opportunities.

In addition, our Board Directors have the opportunity to meet directly with our customers during site and market visits.

Material issues raised by our customers in 2022

- Convenience, quality service and seamless digital solutions
- Quality products and value for money
- Honesty, integrity and transparency
- Healthier food and dietary needs
- Sustainability and environmental concerns

Actions taken in 2022 in response

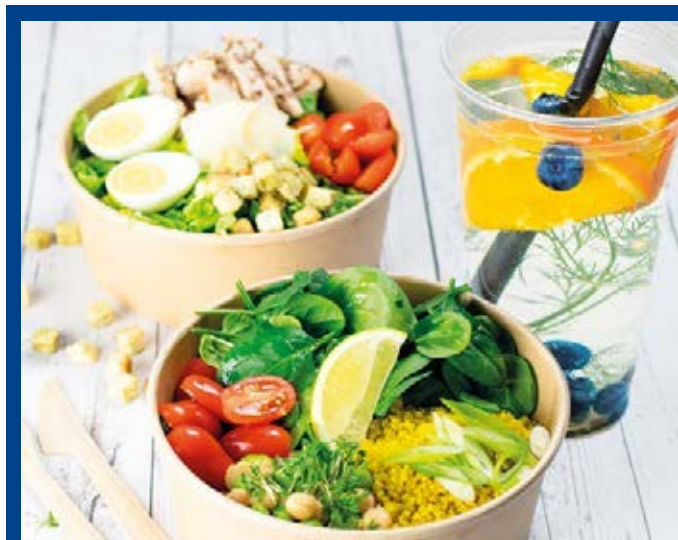
In 2022, we further invested in resources, capabilities and tools to better understand our customers' attitudes and evolving preferences. This included the expansion of our dedicated Group Customer and Commercial function.

In response to customer feedback, we continued to invest in our customer proposition, launching a number of exciting new brands and innovative concepts across the Group. We also rolled out and improved customer-led ordering and payment technology and increased our range of healthier and sustainable choices.

→ Find out about how we are responding to customer insights on page 20-21.

Priorities for 2023

- Commission a global customer insights and segmentation trends survey, covering 17,000 customers, across 25 key markets in 64 air and rail key locations
- Expand the coverage of customer listening and utilise insights to improve product offering and customer service
- Build and strengthen our understanding of macro and food & beverage trends at a global and regional level to improve new product development and performance in our markets
- Continue to grow the Insight function in the regions and the wider Group team



Responding to customer trends in Germany

In Germany, we re-launched our Ida & Frida brand in 2021 with a clearly defined focus on wellness and sustainability and have continued to build on this in 2022. A key focus has been to respond to the growing trend among customers for more plant-based diets, driven by health and environmental concerns.

The refreshed brand focuses on providing healthier fast food, with a wide range of vegan and vegetarian options that suit the tastes of health-conscious travellers. By the end of 2022, over 70% of products on the menu were plant-based or vegetarian. These generate over 80% of the total sales, a testament to the quality and popularity of the offerings.

All coffee served is organic and Fairtrade certified and customers can choose non-dairy milk alternatives too. The brand also has 100% sustainable packaging, and unsold food is made available at the end of the day on the discount app, Too Good To Go, helping to reduce both food waste and alleviate food poverty.

Colleagues

Listening and responding to feedback from our colleagues helps us attract and retain diverse and talented people. Engaging with colleagues is an essential way to nurture our culture and ensure SSP is a great place to work for all.

Business engagement

Ensuring we have open engagement, where we can listen and learn from our colleagues and act on the insights they give us is crucial to the development of our culture and people strategy.

We have a wide range of engagement channels across the Group, including:

- market and site visits by our Group Executive Committee to meet local colleagues
- Group and regional town hall meetings and listening sessions
- meetings with works councils, trade unions and the European Works Council
- independently-managed Speak Up and whistleblowing channels
- our annual global engagement survey, followed by feedback on results, listening sessions and action plans to address issues
- networks and communities, including our Global Inclusion Council

Board engagement

Our designated Non-Executive Director for Workforce Engagement, Judy Vezmar, directly engages with a diverse spectrum of colleagues around the business and provides feedback to the Board on this engagement.

The Board also receives detailed updates on workforce engagement twice a year, including outcomes from the global engagement survey. The People Strategy is presented annually and the Board reviews a dashboard of workforce-related matters twice a year along with reports from our Speak-Up channels.

The Board also meets colleagues during site and market visits. In the 2022 calendar year, this included induction visits by the Group CEO to 20 countries, as well as site visits by the other Non-Executive Directors to a total of seven countries.

→ Find out about our **ENED Engagement** on page 52.

Material issues raised by our colleagues in 2022

- Engagement and development
- Diversity, equity and inclusion
- Good career opportunities
- Remuneration and benefits
- Cost of living
- Job security
- Health, safety and wellbeing
- Sustainability/environmental impacts
- Community support and charitable giving

Actions taken in 2022 in response

In response to colleagues' feedback from the 2021 Engagement Survey, we implemented a number of initiatives around learning and development across the business. This included a roll-out of our new People Leaders Programme and an increased focus on development. In addition, we established a new Global HR Community of Practice to encourage collective learning and development and piloted a performance coaching programme for senior leaders.

We were therefore pleased to see an improvement in the positivity rates for questions relating to these areas in the 2022 survey. This included a 5% increase in positive responses to the question on access to training and a 17% increase in the question regarding development conversations with their manager.

We have also taken numerous actions to support our colleagues who are experiencing an increase in the cost of living with a mix of global, regional and local initiatives.

→ Find out more about how we're supporting our colleagues on pages 38-47 of our 2022 Sustainability Report.

Priorities for 2023

- Align our internal communications strategy to our purpose and people strategy
- Continue to focus on DE&I strategies and improving our Employer Value Proposition to attract and retain the best talent
- Work on improving our colleague survey to gain a better insight from our colleagues and build meaningful actions from the results.

Facilitating leadership engagement across the business

We ensure our leaders regularly engage with colleagues across the business through a number of channels. Two-way communication is essential as we want our colleagues to feel empowered to share their concerns and questions while leadership teams aim to keep their teams informed of latest business updates.

Through SharePoint messages, our Group and Regional CEOs provide regular updates on key business activity, celebrating the work of colleagues and sharing latest news in the region. In 2022, we have made our leadership engagement programme more interactive by launching dynamic, accessible formats including video messages.

For example, in addition to a bi-monthly leadership town hall, our Group CEO shares a monthly update on our Group intranet site. Through these updates, colleagues can directly interact with the leadership team, ask questions and share any concerns.



Clients

Our business success depends on retaining and winning new space in our clients' travel locations. By understanding our clients' requirements, we can offer them tailored solutions which drive revenue and ensure we remain the operator of choice.

Business engagement

We have excellent, long-standing relationships with many of our clients and have continual two-way engagement with them at all levels to develop, maintain and optimise our offer and performance in line with their expectations. This includes both formal reviews and ongoing dialogue as part of our day-to-day business.

We also engage with clients through tenders for new business, contract negotiations and renewals. In 2022, this included tenders at Berlin airport in Continental Europe, Houston airport in North America and Kuala Lumpur and Kuching airports in Asia Pacific.

We also commission independent client surveys to measure satisfaction levels and gain insights into the issues that are most important to them. These were paused during Covid-19, but we have a new survey planned for 2023.

Board engagement

The Board receives updates on client engagement from the Executive Directors and Group Executive Committee (including through the regular CEO update). It is also regularly informed of the pipeline of business coming on stream, including any renewals, new wins or losses and any client or country specific issues or opportunities.

In addition, the Board ratifies tenders of a certain size and directly meets client representatives as part of their market and site visits. This included meeting clients in Paris and New York during the year.

Material issues raised by our clients in 2022

- Operational excellence and relationships
- Brand portfolio and bespoke concepts that deliver sustainable sales
- Product offer and customer experience and satisfaction
- Labour management, employee engagement and development
- Financial stability and investment in business development
- Sustainability and environmental concerns

Actions taken in 2022 in response

In 2022, we continued to strengthen our client relationships, responding to their feedback and expectations with our strong brand portfolio, customer proposition and operational performance. Our high-success rates in retaining and winning new contracts in 2022 are testament to the positive impact of these efforts.

Additionally, as we continued to recover from the pandemic, we took part in negotiations and kept an open dialogue with our clients to agree flexible rent terms and minimum guarantee concession fee waivers, enabling us to keep units open throughout the year.

Our new sustainability strategy and targets, launched in 2022, also directly respond to growing client expectations regarding issues such as plastics and sustainable packaging, energy efficiency and carbon emissions. We take a partnership approach to addressing sustainability concerns with our clients.

→ Find out about our new business wins in 2022 in our **long term growth and returns strategic priority** on pages 24-27.

Priorities for 2023

- Continued focus on our client relationships, brand portfolio, customer insights and operational performance to drive high retention rates and to secure profitable new business
- Continued delivery of our sustainability strategy
- New client survey planned for the first half of 2023 to measure satisfaction levels and deliver plans to drive loyalty



Building on our relationship with Helsinki-Vantaa Airport

After a competitive tender, we were selected to open a food court at Helsinki-Vantaa Airport in Finland as part of a significant redevelopment programme by the airport. The food court will feature three franchise brands and three bespoke concepts developed in line with our client's expectations and customers' taste.

We have a long history as a trusted partner at Helsinki-Vantaa Airport, reflecting the high-quality of our operations and the hard work of our team over many years. Specifically created as part of the airport's redevelopment, the food court will feature a number of digital innovations including order at table and online payment, meeting our client requirement for an easy and convenient passenger experience.

In line with our sustainability goals, most of the meat and fish served will be sourced in Finland to reduce food-miles, and breads and pastries will be baked on site at our bakery. Local sourcing was an important component of our proposal as our client reaffirmed their commitment to sustainability as part of this expansion.

Investors

We need to understand the needs of those who invest in and lend to SSP to maintain their confidence and support.

Business engagement

Maintaining a quality two-way communication with investors and lenders is essential to attract and retain a high-quality stable investor register. It is essential to keep our investors informed on performance, strategy and governance. This engagement also helps us understand and address any challenges or questions they might have on our performance and strategy, including in relation to sustainability and environmental, social and governance issues.

We hold one-to-one and group calls and meetings and presentations with investors and lenders. These are led by our Group CEO and Deputy Group CEO and CFO and provide a space to discuss financial updates. This includes investor roadshows following the preliminary and interim results. On a quarterly basis, our Deputy Group CEO and CFO and Corporate Finance Director hold calls with lender groups to outline performance and answer any questions.

Our Head of Investor Relations and Corporate Affairs Director have regular calls, email exchanges and meetings with shareholders to update them on business performance and respond to their queries. In addition, our Corporate Affairs Director and Group Head of Sustainability engage directly with investor ESG analysts and ratings agencies. Our Corporate Finance Director engages directly with Lenders via regular one-to-one meetings, calls and email correspondence with relationship management teams and credit analysts on an ad hoc basis. The focus during the year was the extension of our principal banking facilities, secured after a process involving active dialogue with most of our banking lenders.

Board engagement

Each year, we hold our Annual General Meeting, which gives the Board the opportunity to present to attending shareholders and answer their questions.

Our Board, including our Chair and Remuneration Committee Chair, is consulted on relevant issues including our sustainability and remuneration policies and contributes to feedback to proxy agencies

ahead of the AGM. Our Board also participates in investor meetings and presentations, as required. For specific queries, Board members join direct calls with investors.

Our Board receives updates on shareholder and lender activity from the relevant Directors and members of the Group Executive Committee. At every Board meeting, they review market commentary, shareholder analysis and the views of sell-side research analysts.

Material issues raised by our investors and lenders in 2022

- Trajectory and dynamics of recovery of the travel industry
- Strategic direction
- Sources and uses of cash, profit performance and balance sheet flexibility
- Pace and geography of new business additions
- Inflationary cost pressures, price increases and labour shortages
- Changes in the competitive environment
- Executive remuneration
- Brands and consumer proposition including digital technology
- Climate-related risks and opportunities/energy use
- Food waste
- Animal welfare
- Business ethics (e.g. anti-bribery, data privacy, tax transparency)

Actions taken in 2022 in response

In spring 2022, in line with our proactive investor engagement approach, our CEO met with six of our top ten investors (covering 45% of the shareholder base). Following the interim results, our Group CEO and Deputy Group CEO and CFO met with more than 30 investors (covering 60% of the shareholder base).

We followed a similar proactive approach with ESG analysts and proxy advisors for our key shareholders to discuss our approach to sustainability and respond to detailed questions.

We also undertook extensive engagement on executive remuneration with the involvement of proxy advisors and shareholders ahead of the Annual General Meeting (AGM) to understand any concerns. Our Remuneration Committee Chair was actively involved in this process. We also engaged with dissenting shareholders following the AGM to understand their concerns.

We proactively engaged with lenders in relation to the 12-month extension of Senior Banking Facilities to January 2025, and engaged with DBRS, our private Ratings Agency, to ensure our continuing recovery is reflected in our private credit rating.

→ [Find more about our shareholder engagement in the Corporate Governance Report on pages 98-99.](#)

Priorities for 2023

- Proactive investor engagement, increasing face time meetings with our investors
- Continue improving our performance in key ESG investor ratings and benchmarks
- Further engagement with leading lenders and further engagement with DBRS to ensure our continuing recovery is reflected in our rating



Brand partners

We work with our partners to optimise the brand offer for our clients and customers and to ensure alignment with quality, performance and sustainability standards, while enabling brands to be introduced to the travel sector.

Business engagement

We maintain close relationships with our brand partners to ensure we are proposing the best offer for customers while preserving our brand partners' standards and identity.

We communicate regularly with our brand partners at Group and local levels to foster effective partnerships. Locally, our business development teams regularly engage with local hero brand partners, especially during the negotiation and extension of key brand agreements, making sure contract terms are suited to the travel sector and that supply chains and product ranges are fit for purpose.

From a Group perspective, our Head of Brand Portfolio manages our relationships with brands such as Starbucks and Burger King at an international level. This ensures our partners have a dedicated point of contact they can engage with regularly to discuss local contracts, upcoming tenders, as well as potential brand strategies. This involves discussions around the brands' sustainability credentials and available digital innovations.

We also review our partners' evolving brand requirements on a regular basis to ensure we are meeting their policy requirements.

Board engagement

Our Board is kept informed of key changes to brand partner relationships. For example, they are updated on the status of major new brand partners or extensions of existing arrangement and they receive an overview of our brand partnerships as part of the Customer Plan presented by the Chief Customer Officer.

Our Board also receives regular updates on brand partners from Executive Directors and the Group Executive Committee, including from our Group CEO.

Material issues raised by our brand partners in 2022

- Delivering brand standards and a high-quality customer experience through operational excellence
- Renewing existing business and securing new locations
- Sustainable ingredients and packaging
- Climate change, energy use and renewables
- Customer safety/food safety (including allergens)
- Business ethics/corporate behaviour
- Diversity, equity and inclusion

Actions taken in 2022 in response

We partnered with a number of new brands this year such as Greggs in the UK and Four Fingers in Malaysia, and renowned chefs, including Wolfgang Puck in Austria.

We have been working with a number of our brand partners to deliver our sustainability strategy. For example, as part of a tender won at Berlin Airport Terminal 1 in 2022, we worked with Burger King to propose a high share of their vegan options using meat alternatives. Additionally, we met with some of our key brand partners to discuss our shared net zero ambition.

Regularly engaging with our brand partners also enables us to anticipate any new requirements or brand updates which would require some changes in our policies and contracts. In 2022, for example, we have implemented changes in our product ranges to align with Starbucks' new Food Ingredients and Nutrition Guardrails.

We have also increased our focus on digital with the implementation of innovative technologies in partnership with our brand partners.

Priorities for 2023

- Consistent operational delivery of brand standards
- Continued delivery of contract retention and new business for profitable brand partners
- Renewal of franchise agreements with profitable brand partners and securing new relationships with tender winning brands

Working with Starbucks EMEA for the launch of digital pay solutions at Gatwick Airport and two UK stations

We regularly engage with our partner Starbucks EMEA and have worked with their digital team to launch a trial of My Starbucks® Rewards and Mobile Order & Pay at the Starbucks store in Gatwick Airport and two stations.

Starbucks® Rewards is a loyalty scheme enabling customers to earn points through their Starbucks® UK App or card while the Mobile Order & Pay gives customers the option to order in advance on their Starbucks® UK App and pick up their drinks directly at the counter.

This trial is part of our ongoing work to best meet the evolving needs of our customers for increased convenience, connection and personalisation.



Suppliers

Maintaining good relationships with our suppliers is essential to ensure an efficient and secure supply chain and to understand consumer trends.

Business engagement

To maintain consistent standards across our operations, we keep our suppliers informed on our supply chain and food safety standards and policies. We also share our strategic agenda on areas such as our values and sustainability.

We keep an open, ongoing dialogue with our suppliers through regular formal and informal meetings, calls and correspondence. This is reinforced during tenders and contract negotiations which require dedicated engagement to establish contract terms and conditions. Additionally, we undertake regular communications with our suppliers and, where needed, carry out site visits, quality and performance reviews. This has become more important than ever in the current inflationary market. Many of our markets organise yearly supplier conferences, and suppliers often have a presence at our leadership conference as well.

Our contracted suppliers are required to sign up to our key policies or to demonstrate equivalent standards of their own and have access to guidance and training materials on our standards and policies. We also engage with suppliers' Supplier Ethical Data Exchange (SEDEX) assessments, as we discuss the outcomes of ethical trade audits and associated corrective actions.

Board engagement

Our Board receives updates on suppliers from the Executive Directors and Group Executive Committee (including as part of the regular CEO update). This included a deep dive on procurement and capital expenditure from the Chief Procurement Officer focusing on current challenges, including the impact of Covid-19 and inflationary pressures.

Our Board is also kept informed of key changes to supplier relationships, supply chain logistics and opportunities for value creation in the supply chain and signs off our modern slavery compliance process.

Material issues raised by our suppliers in 2022

- Inflationary pressures
- Product quality and food safety (including allergens)
- Logistics and supply chain disruption/product availability
- Sustainable ingredients and sourcing
- Single use plastics, recyclable, reusable or compostable packaging
- Animal welfare
- Climate change/carbon emissions
- Human rights
- Business ethics (e.g. data privacy, anti-bribery and corruption)

Actions taken in 2022 in response

Our sustainability strategy includes targets around sustainable and ethical sourcing and supplier compliance with our ethical business policies. We also engaged with suppliers to encourage them to join the SEDEX platform and conducted reviews of over 100 supplier ethical trade audits, along with corrective action plans.

In light of increasing inflation, we have taken a number of mitigating steps, including working with suppliers to identify alternatives to ingredients impacted by price increases and supply issues to ensure supply chain continuity, increasing our focus on waste reduction plans, re-engineering supply chain logistics, including forward buying where possible, price renegotiations, and working with our suppliers to deliver revenue generating initiatives. The Chief Procurement Officer, along with his regional procurement teams, actively monitors the management and mitigation of our response to current supply chain pressures to ensure disruption is kept to a minimum. The central purchasing team has been bolstered by the appointment of an equipment specialist, who has a remit to source equipment that supports our sustainability agenda as well as simplifying operations.

→ [Find out more on our mitigation of supply chain issues on page 63](#)

Priorities for 2023

- Develop new, integrated Supplier Code of Conduct to better engage suppliers on our requirements and expectations
- Continue to engage contracted suppliers to sign-up to our policies, with the aim of reaching 100% by 2025.



Working with our suppliers to trial eco-friendly cleaning products

Working with our suppliers to source sustainable products and ingredients is essential to meet our sustainability targets and our net zero ambition. For that reason, we regularly engage with our suppliers to develop sustainable product alternatives.

In 2022, we started a trial with one of our suppliers to test eco-friendly cleaning products in some of our UK units. Our partner supplier provides products that only use natural plant-based ingredients and no chemicals and which use less packaging, thereby limiting their impact on the environment.

The trial took place between July and August 2022 and resulted in a reduction of 2.1 tonnes of carbon dioxide equivalent (CO₂e) emissions. We continue working with our supplier with the aim to trial these products in additional markets.

Communities, NGOs and society

We play an important role in the communities where we operate and in which many of our colleagues and customers are based. Engaging with and supporting them as well as NGOs on key societal issues is part of being a good corporate citizen.

Business engagement

Our Community Engagement Policy sets out our approach to support the communities where we operate.

We work in partnership with 27 charities globally, supporting them through a combination of fundraising, volunteering, cause-related marketing, financial and food donations. In addition, our UK business contributes funding towards the SSP Foundation, a UK-registered charity. The Foundation makes grants to support local charities nominated by colleagues, as well as those focused on alleviating food poverty among our local communities.

As well as our charity partnerships, we also proactively engage with NGOs on key issues. For example, in 2022, we met with the Lever Foundation on the important issue of farm animal welfare.

We regularly engage with NGOs and other investor advisory bodies in response to requests for information on our activities in certain areas (e.g. regarding cost of living, diversity and animal welfare).

Board engagement

Our Community Engagement Policy is reviewed by the Board every two years, the last time being April 2021. Our Group CEO is responsible for overseeing the implementation and management of this policy and keeping the Board advised on compliance.

Our Board also receives updates on issues of importance being raised by NGOs and local communities and how we're responding as part of the bi-annual sustainability update. Key community and NGO issues are also covered in updates through the Group and Regional CEOs, as is the work of the SSP Foundation.

Material issues raised by communities, NGOs and society in 2022

- Food poverty and food waste
- Healthy and sustainable diets
- Community support and charitable giving
- Humanitarian support relating to the Russia-Ukraine conflict
- Animal welfare
- Biodiversity loss and deforestation
- Food agriculture water scarcity and stewardship

Actions taken in 2022 in response

As a food business, working to alleviate food poverty for our local communities is central to our approach. In 2022, we continued building upon our existing community programmes and establishing new partnerships with food poverty charities. For example, in Canada we established a new partnership with the Canadian food banks network.

The UK-based SSP Foundation also made over 180 grants with a total value of more than £365,000 to a range of both local and national charities (June 21 to June 22). This included sizeable grants to Macmillan Cancer Support, the British Red Cross Ukrainian refugee appeal, FareShare, the UK's largest charity fighting hunger and food waste, and the Trussell Trust, the largest network of food banks in the UK.

In addition, we supported our local communities when faced with natural disasters and political upheaval. For example, when a typhoon devastated parts of the Philippines and volcanic eruption caused the displacement of thousands in Palma, our local team stepped up to support local relief measures.

Priorities for 2023

- Conduct a formal review and update of our Community Engagement Policy
- Continue our ongoing work with food poverty charities across our regions, including establishing new partnerships where needed
- Continue engaging with animal welfare NGOs on this important issue, including seeking their input for a review of our Farm Animal Welfare Policy.

Supporting Ukraine humanitarian response

In response to the Russia-Ukraine conflict, our teams across Europe mobilised their efforts to raise funds in support of humanitarian efforts set up to help Ukrainian refugees.

We held fundraising events for national appeals across a number of our markets, and, with many refugees arriving at key travel locations where we operate, we were also able to provide them with direct donations of food, vouchers and other essential items.

In Germany, for example, as significant numbers of refugees, mainly women and children, were arriving at Berlin train station, colleagues were there to help. Over the course of the first weekend, our team at the station produced, packaged and distributed over 11,000 meals and drinks.

The SSP Foundation (a UK registered charity) made a £25,000 grant to the British Red Cross appeal. In addition, at Group-level we made a donation of £100,000 to support aid efforts, directed to a number of charities including the UN Refugee Agency (UNHCR).





Governments and regulators

We seek to be part of the debate that shapes the regulatory environment in which we operate. We contribute our experience and expertise to relevant areas of policy development and seek to support national strategies and objectives where appropriate.

Business engagement

In line with regulatory requirements, we comply with statutory reporting and data submission requirements, such as our gender pay gap report, payment reporting and modern slavery statement. We also participate in consultation, submissions and government reviews, as required.

Monitoring emerging regulations also helps us adapt our policies and anticipate any changes in requirements that would impact our business. We work to stay informed on government proposals and recommendations for future regulation, including responding to consultations where appropriate and participating in government roundtables.

In our markets, we also regularly engage with governments, regulators and local authorities, noting that in a number of markets, our clients are government bodies. They require us to keep them informed of operations occurring in airports and stations in their jurisdictions. This includes maintaining ongoing dialogues with our tax regulators throughout the business.

Board engagement

Our Board receives updates by the General Counsel and other specialists including external advisors on the activities of government bodies and regulators. During the year, this included updated training on the Market Abuse regulation, TCFD requirements as well as the upcoming regulatory changes to audit and assurance requirements. Furthermore, regular corporate governance updates are also provided to the Board.

On specific occasions, Board members may be asked to engage directly with governments and regulators, as requested.

Our Deputy Group CEO and CFO is also a long standing member of the Bank of England Decision Maker Panel as well as a Business Contact Advisor.

Material issues raised by governments and regulators in 2022

- Business ethics and corporate behaviour
- Food safety and allergens
- Healthy lifestyle and dietary needs
- Climate-related risks and opportunities
- Biodiversity loss and deforestation
- Plastics and sustainable packaging

Actions taken in 2022 in response

In the past year, we implemented nutritional labelling in the UK in accordance with 'Natasha's Law', clarifying the presence of allergens in pre-packed food.

Richard Lewis, CEO for SSP UK & Ireland, also attended a roundtable with the Secretary of State for Health along with other business leaders. We were pleased to be able to contribute to the debate on how the UK Government and 'out of home' sector can work together to deliver improved health outcomes for customers.

Our Group Head of Sustainability and Group Director for Food & Beverage also attended the inaugural roundtable for the Life Climate Smart Chefs project. This project, funded the LIFE Programme of the European Union, aims to contribute to the development and implementation of the EU Climate Policy and Farm to Fork Strategy.

We engaged external consultants to assist us with our obligations under TCFD requirements. This included undertaking a detailed analysis against two potential climate scenarios to understand the impact on our business, strategy and financial planning (see pages 54-57 for more information).

Priorities for 2023

- Prepare for potential new regulations that could impact our business and the food sector in general
- Ongoing monitoring of emerging regulation, proposals and recommendations





Judy Vezmar was appointed as designated Non-Executive Director for Workforce Engagement (ENED) in February 2021. In this critical role, Judy engages with a diverse spectrum of colleagues, allowing her to support the Board in their understanding of the views of our colleagues across the business.

Q How has your interaction with colleagues expanded this year as the business has continued to rebound from the effects of Covid-19?

This year colleague engagements have expanded as we find ourselves slowly emerging from the constraints of lockdowns. Both face-to-face and through multimedia, I had many opportunities to be able to cross time zones and listen to and have conversations with colleagues around the world that reflect our geographic and demographic diversity. For example, it was enormously gratifying to participate in a leadership meeting with the Asia Pacific team. Experiencing how they used technology in a virtual meeting to bring together eight markets combining recognition, development, best practices and shared learnings in real time was fantastic. Engagements I've had with colleagues of all levels across support centres, rail and air businesses has brought another perspective to the Board. In all meetings with our colleagues, we go to great lengths to ensure everyone feels it is a 'safe zone'. This gives us a chance to have very open conversations and take back the best ideas and the biggest concerns. We also aim to have conversations without management present to further encourage open conversations.

Q What skills do you bring to the role of designated Non-Executive Director for workforce engagement?

Here at SSP, our Board takes the role of employee NED very seriously. We all highly value our colleagues and so everyone wants to do this role! I was delighted to have been selected based upon the experiences that I've garnered over the course of my leadership career. I have worked in the United States, in Europe and across markets around the world leading groups of individuals in customer-facing roles. That kind of experience is invaluable and helps one develop a cultural sensitivity for colleagues and the challenges faced in different markets.

Q What impact has the workforce insight you have gained through your engagement had on Board decision-making?

We are a global company of around 35,000 colleagues. In my role as ENED, I feed back to the Board, both through scheduled agenda items at meetings and more informally, through the experiences and interactions that I've had over the course of the year. Part of my role is ensuring colleague views are considered in all Board decisions, regardless of whether they are the key stakeholder. This year, I was able to share insights about the talent across many levels of the business that we would normally not have a chance to experience first-hand so readily as Board members. For example, the understanding I have gained in my conversations with colleagues has brought to light the need to put greater emphasis on global talent opportunities and potential movements around the world. This insight has supported the Board in developing our People strategy which in turn helps to strengthen our talent base and give colleagues expanded opportunities.

Q How does your work as ENED help the Board in understanding, assessing, and monitoring Company culture?

I also have had the benefit of exploring feedback from our global colleague engagement survey which has been translated into many different languages around the world. This survey allows us to take the pulse in cultures, assessing the different dynamics and gaining a deeper understanding of issues and opportunities seen by colleagues. I use the opportunity of the ENED role to have that dialogue in different markets and with different groups to better understand some of the nuances and to see what opportunities we have globally.

Q What are your plans for next year and what areas would you like to focus on more when meeting colleagues?

The year ahead fills me with so much excitement! We will have had more time to see how the strategies and direction set by our CEO have taken shape. I am looking forward to seeing the colleague engagement survey action plans in place in the different markets and to hearing feedback from our colleagues to make sure our plans are effective. Of course I am particularly excited about expanding face-to-face meetings around the world and gaining insights that we are able to feed into our Board decision-making.

Non-financial information statement

In accordance with the requirements of section 414CB of the Companies Act 2006, the below table sets out where stakeholders can find information relating to non-financial matters. Further information on some of these areas (including links to the policies) can be found on our website (www.foodtravelxperts.com). A description of each of the policies listed below is set out on pages 60 and 61 of the Sustainability Report. Due diligence processes implemented for each policy are contained within each respective policy's documentation.

Some of SSP's relevant policies		Principal risks (58-67)	Where to find out more about SSP's approach to these matters and the outcome of the application of the related policies
Environmental matters (including the impact of the Company's business on the environment)	– Environmental Policy – sets out the Group's commitment to responsibly managing the environmental impact of our business.	1, 8	Strategic priorities – Sustainability and Journey to Net Zero – pages 28-31
	– Ethical Trade Code of Conduct and Human Rights Policy – Sets out our expectations for the business in respect of a variety of issues including human rights, ethical conduct, safety and environmental issues.		Stakeholder engagement – pages 43-51
	– Responsible Sourcing Policy – Defines the standards for our purchasing and menu development teams to meet when sourcing ingredients for our proprietary brands.		TCFD – pages 54-57
	– Farm Animal Welfare Policy – Sets the farm animal welfare standards for our European and UK suppliers of meat, dairy and egg products.		Key Board activities – pages 102-103
	– Speak Up Policy – Sets out how concerns about suspected wrongdoing or dangers at work can be raised, how they will be investigated and protection and support for those that raise concerns.		Sustainability Report – SSP website
Employees	– Colleague Code of Conduct – Sets out the principles and standards that are expected of all colleagues, including guidance on how to identify and deal with important ethical issues	2, 4	Strategic priorities – skilled and engaged colleagues, Sustainability – pages 22-23, 28-29
	– Diversity, Equity and Inclusion Policy – Sets out our commitment to encouraging diversity, equity and inclusion among our workforce, partners and communities, eliminating unlawful discrimination.		Stakeholder engagement – page 45
	– Global Safety Policy – Describes our commitment to managing safety and sets out our Global Safety Standard and responsibilities.		Corporate Governance Report – pages 82-113, 120-144
	– Speak Up Policy		Risk Management Framework – pages 58-61
	– Data Privacy Policies – Contains our policies on data retention and managing privacy issues		Directors' Report – page 145-148
Social matters	– Community Engagement Policy – Sets out our intent to make the communities in which we work better places to live and do business, and to support local communities for their mutual benefit.	2, 4, 6, 7, 8	Sustainability Report – SSP website
			Stakeholder Engagement – pages 45, 50
Respect for human rights	– Diversity, Equity and Inclusion Policy	2, 6, 8	Strategic priorities – skilled and engaged colleagues, Sustainability – pages 22-23, 28-29
	– Board Diversity Policy – Sets out the Board's approach to diversity.		Stakeholder engagement – pages 45, 50
	– Ethical Trade Code of Conduct and Human Rights Policy		Nomination Committee Report – pages 104-113
	– Modern Slavery Statement – Sets out the steps we have taken to prevent modern slavery in our business and supply chains		Sustainability Report – SSP website
	– Speak Up Policy		
Anti-corruption and anti-bribery and prevention of facilitation of tax evasion matters	– Colleague Code of Conduct	6	Risk Management Framework – page pages 58-61
	– Anti-Bribery and Anti-Corruption Policy – Sets out our policy against bribery and corrupt practices and the standards and procedures required for policy and legal compliance in the countries where we operate.		Corporate Governance Report: culture – pages 84-85, 96-97
	– Speak Up Policy		Audit Committee Report – pages 115, 118
	– Prevention of facilitation of Tax Evasion Policy – Sets out our policy against tax evasion and the procedures required for policy and legal compliance		
Business model			Business model – pages 16-17
			Strategy – pages 18-29
			Key Performance Indicators – pages 32-33
Non-financial KPIs		1, 2, 3, 7, 8	Strategic Priorities – pages 18-29
			Key Performance Indicators – pages 32-33
			Sustainability Report – pages 14-16

Risks

- | | |
|---|---------------------------------------|
| 1. Business environment, geo-political uncertainty and terrorism threat | 6. Compliance |
| 2. Availability of labour and wage inflation | 7. Health and food safety |
| 3. Supply chain disruption and product cost inflation | 8. Sustainability |
| 4. Sufficient senior capability at Group and country level | 9. Information security and stability |
| 5. Impact of Covid-19 | 10. Mobilisation of pipeline |

Task Force on Climate-related Financial Disclosures

We recognise that climate change, and the transition to net zero, presents a fundamental challenge to our business and wider stakeholders. So, providing consistent and reliable climate-related information is crucial.

In accordance with Listing Rule 9.8.6R, we have adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). To meet these requirements, we have updated our governance, strategy, risk management, and metrics and targets to meet these requirements, where needed. This is an iterative process and we are committed to continuous improvement. We will review how we identify and manage climate-related risks and work to enhance our disclosure each year.

TCFD index

TCFD recommendations	Reference	Consistency
Governance		
a) Board oversight	AR p28,54, 82-95; SR p53-56	Consistent
b) Management's role	AR p54, 82-85; SR p53-56	Consistent
Strategy		
a) Climate-related risks and opportunities	AR p55-57, 60-66	Consistent
b) Impact on business, strategy and financial planning	AR p56-57	Partially consistent
c) Strategy resilience	AR p56-57	Consistent
Risk management		
a) Risk identification and assessment processes	AR p55, 58-61	Consistent
b) Risk management processes	AR p55, 58-61	Partially consistent
c) Integration into overall risk management	AR p55-61	Consistent
Metrics and targets		
a) Climate-related metrics	AR p30-33, 56-57; SR p14-15, 18-37	Partially consistent
b) Scope 1, 2 and 3 GHG emissions and related risks	AR p30-33; SR p31-32	Partially Consistent
c) Climate-related targets and performance	AR p56-57; SR p14-15, 18-37	Partially consistent

Key: AR: Annual Report, SR: Sustainability Report

Our disclosure is partially consistent with Strategy (b), as we present financial impacts in a mainly qualitative way and have not yet linked these financial impacts into financial planning. It is also partially consistent with Risk Management (b) as it will take the next 12 months to fully integrate this into overall risk management. In addition, Metrics & Targets (a), (b) and (c) are partially consistent as we are yet to report on all metrics and internal measures used to manage our material climate risks and opportunities.

Governance

In 2022, we formalised our sustainability governance and management framework, including for climate-related risks and opportunities. A detailed graphic of our framework and key responsibilities can be found on page 55 of our 2022 Sustainability Report.

Board oversight

Our Board has oversight of our climate-related risks and opportunities and reviews our Group Sustainability Strategy, targets, metrics and performance at least twice a year. In 2021, they approved our strategy and targets, including for net zero carbon emissions by 2040.

In 2022, the Board received two comprehensive updates on our sustainability programme, as well as a deep dive review of the Group's climate strategy and roadmap to net zero. The latter covered details of the work undertaken in 2022 with a specialist consultancy to map the Group's Scope 3 emissions and develop science-based targets, aligned to a 1.5°C scenario.

The Audit Committee reviews the Group Risk Register each year, including details of the risk impact, likelihood and mitigating actions for the Principal Risk for sustainability outlined on page 66. They also received two detailed updates on TCFD in 2022, with presentations from a specialist third party on details of the risks and opportunities identified and climate change scenario analysis undertaken.

Management

Our response to the climate-related risks and opportunities is primarily driven through our Sustainability Strategy (see page 28). The strategy, including the assessment and management of climate-related risks and opportunities is embedded across relevant business functions and operating regions, from Group to market-level.

Once the strategy is set by the Board, the Group CEO has overall responsibility for delivering our sustainability commitments, including our climate change commitments, and the Corporate Affairs Director leads the programme. Accountability for risk management and business strategy, including climate-related risks, sits with the Deputy Group CEO and CFO, and key members of the Group Executive act as leads for specific issues, as well as having accountability for delivery in their relevant functions or operating regions. The Board, Audit Committee, Group Executive Committee (chaired by the Group CEO), and the Risk Committee, chaired by the Deputy Group CEO and CFO, all receive regular updates on sustainability and climate matters and have the opportunity to challenge our progress on managing climate-related risk and broader sustainability targets.

In 2022, we appointed a new Group Head of Sustainability, reporting to the Corporate Affairs Director, and established a central sustainability team, which has ownership of delivering our climate commitments. In addition, we have a Group Sustainability Steering Committee, that meets monthly and comprises members of the functional leadership teams, including from the procurement, commercial, human resources, legal and finance functions, which have responsibility for specific targets and focus areas.

We have dedicated sustainability leads and working groups, who lead carbon reduction activity in each of our four operating regions. They meet with the Group sustainability team at least twice a year to review performance data, including for carbon emissions, and progress against targets.

In addition, we communicate progress against our targets and details of our net zero roadmap to colleagues across the business through our international communication channels. For example, we had a dedicated session on our journey to net zero at our Global Leadership Conference in October 2022.



Strategy and risk management

In 2021, we developed our new Sustainability Strategy, as detailed on page 28 and covered in detail in our stand-alone Sustainability Report. Sustainability forms a critical part of our Group strategy, encompassing our core strategic priorities and ensuring we deliver long-term success for the benefit of all our stakeholders.

Climate-related risks and opportunities

In 2022, we worked with an external consultancy to identify the climate-related risks and opportunities for our business.

To identify these risks and opportunities, we established a working group which reviews our existing Risk Management methodology and strategic risks, and built-in climate-related considerations in line with TCFD recommendations. The working group comprised relevant senior colleagues from Finance, Risk, Legal and Sustainability departments, as well as our external consultants.

The risk and opportunity identification process involved a review of our existing risks, benchmarking to understand the approach by peers, and a consideration of relevant emerging regulation. An initial long list of 12 risks and three opportunities was created. These were ranked by the working group based on perceived impact, likelihood and velocity. Five risks and one opportunity were deemed as most material to our business (see table on the next page).

These material risks were ratified in consultation with SSP leadership from the Finance, Legal, Procurement, Sustainability and Commercial functions, as well as members of the Executive Committee, including the Deputy Group CEO and CFO, and the Risk and Audit Committees. Once approved, where appropriate, the material risks and opportunity were integrated into the Group's Principal risks and were therefore subject to the same review and approval process as the remainder of the Group's risks.



The material risks cover those that are transitional and physical in nature and could have a significant effect on our operations, strategy and financial planning if they are not managed appropriately. In contrast, material opportunities may positively contribute to our financial performance over time, in the event they can be realised.

We commissioned analyses of each risk and opportunity against two potential climate scenarios (as detailed below) to understand and quantify the potential financial impact across short, medium, and long-term time horizons. These horizons for 2025, 2030 and 2040, are in line with timeframes in our wider sustainability strategy and likely interim targets in our net zero roadmap.

The analysis drew upon internal and external data sources, such as carbon pricing projections, consumer trends, potential future surcharges on use of single use plastics, business growth forecasts and carbon emissions data across Scopes 1, 2 and 3. For each, we assessed the potential level of impact if the risk or opportunity is realised and the likelihood of it occurring under each of the climate scenarios and time horizons.

Risk management and principal risks

To ensure that material climate-related risks and opportunities identified through this process are considered within our wider risk management process, we have embedded them within relevant principal risks. For example, Risk 5 relating to reduced availability of climate sensitive raw materials due to increased frequency of extreme weather events and chronic risks, is considered as part of our Principal Risk 3 regarding supply chain disruption (see page 63).

This approach will help ensure that we mitigate, transfer, accept, or control these risks through the same processes as any other strategic risk.

Climate scenarios

Net zero scenario	Climate inaction scenario
Global warming is limited to below 2°C above pre-industrial levels (ideally 1.5°C).	Global temperatures rise by 3.5 – 4.5°C, with no climate change mitigation.
Underpinned by a range of external scenario data, including: <ul style="list-style-type: none"> – NGFS Net Zero 2050 scenario – RCP1.9 and RCP2.6 – IEA Energy Technology Perspective Beyond 2°C Scenario – CCC UK 6th Carbon Budget 	Underpinned by a range of external scenario data, including: <ul style="list-style-type: none"> – NGFS Current Policies Scenario – RCP8.5 – IEA Energy Technology Perspective Reference Technology Scenario.
Greater transitional risks	Greater physical risks

Our material climate-related risks and opportunities

Risk/Opportunity	Scenario	Level of likelihood/impact		
		Short term (2025)	Medium term (2030)	Long term (2040)
Risk 1 (transition): Increased costs of energy and key raw materials due to introduction of carbon pricing or taxes in regions within SSP's operations and supply chain.	1.5-2°C	H	H	H
	3.5-4.5°C	M	M	M
Our strategic response: We have a target to achieve net zero emissions across our value chain (Scopes 1, 2 and 3) by 2040. In support of this, we are setting science-based targets in line with a 1.5°C scenario.				
Risk 2 (transition): Risk of legislation which prevents the sale of single use plastic products or products in plastic packaging.	1.5-2°C	L	L	M
	3.5-4.5°C	L	L	L
Our strategic response: We have a target to eliminate unnecessary single-use plastic and move 100% of our own brand packaging to be recyclable, reusable or compostable by 2025.				
Risk 3 (transition): Risk of changes in travel trends leading to a reduction in passenger numbers.	1.5-2°C	L	H	H
	3.5-4.5°C	L	L	L
Our strategic response: Our business planning process considers passenger numbers and travel trends to inform our medium-term financial plan.				
Risk 4 (transition): Risk of reputational impact, resulting in loss of clients and thus revenue from failure to realise sustainability commitments and decarbonise operations and the supply chain in line with net zero expectations.	1.5-2°C	M	H	H
	3.5-4.5°C	L	H	H
Our strategic response: Sustainability forms a critical part of our Group strategy and focuses on the most material issues for our business and stakeholders, supported by clear and measurable targets.				
Risk 5 (physical): Reduced availability of climate sensitive raw materials due to increased frequency of extreme weather events and chronic risks.	1.5-2°C	M	M	M
	3.5-4.5°C	M	H	H
Our strategic response: With c.550 brands in our portfolio and operating in 35 countries, our ingredients and raw materials come from highly diversified supply chains. As part of our risk mitigation, all countries must have contingency plans in place for substitute suppliers if a core product is unavailable. This will also be linked to an overall country contingency plan that may include a reduction in product range in times of widespread availability issues.				
Opportunity 1: Opportunity to grow potential revenues from 'conscious consumers', including taking advantage of diversifying markets and changing consumer demands.	1.5-2°C	M	M	M
	3.5-4.5°C	L	L	L
Our strategic response: Our sustainability strategy includes targets to encourage and respond to changing customer demands. This includes 2025 targets for 30% of own-brand meals to be plant-based or vegetarian and 100% of coffee, tea, hot chocolate, and fish and seafood for our own brands to be certified to sustainability standards, such as Fair trade. We are also focused on designing more climate-friendly menu options and helping our customers to choose them, through actions such as product promotions, information and labelling.				

Key
L: Low
M: Medium
H: High

→ Find details of our **Risk Management and Principal Risks** on pages 58-67.

Key findings from our scenario analysis

The scenario analysis identified that, generally, transition risks are more material in the shorter term, compared with physical risks which become more material in the medium and long term.

Under the net zero scenario, the most material transition risks identified were:

- Increased energy and supply chain costs because of increasing carbon prices;
- Potential reduced revenues because of changing travel trends, in particular in the UK and EU countries as passenger growth slows in this scenario;
- Reputational impact if SSP does not meet climate commitments in line with client expectations.

The opportunity relating to changing consumer preferences is greater under a net zero scenario, and this could be increased further as the analysis currently only considers SSP own brands.

Under the Climate Inaction scenario, physical risks are more material, but some transition risks are still present:

- Physical risks could be greater in the long term, reducing yield of crops and therefore availability of key raw materials such as wheat, coffee, tea, pulp, and potatoes. This could increase purchasing costs.
- Reputation risk could still be high in a Climate Inaction scenario given the existing expectations around climate and that many of our clients have already made climate commitments.

While this analysis has shown that transition to a net zero scenario presents a higher financial risk to our business in the short to medium term, we are fundamentally committed to our target of being a net zero business by 2040 and recognise our strategic commitment to moving towards this higher risk scenario.

Please refer to the table on the opposite page for our strategic responses to these risks.

The insights gained from scenario modelling have demonstrated that we have existing strategic responses to help mitigate each of the most material, climate-related risks and opportunities identified. This gives us confidence that, if we continue to deliver against our internal and external targets, then our strategy will be resilient.

We recognise that, as we fully integrate these findings into our financial planning processes, that we may need to adapt some targets or internal controls. We also understand the need to review our material climate-related risks and opportunities and build upon our existing mitigation strategies to ensure the continued resilience of our business to climate change.

Metrics and targets

Several of our primary climate-related risks and opportunities are covered by our target to achieve net zero emissions across our value chain (Scopes 1, 2 and 3) by 2040. To achieve this, we have developed near and long-term targets in line with the latest guidance from the Science-Based Targets Initiative (SBTi) and the Greenhouse Gas Protocol, and are in the process of submitting to the SBTi for validation.

In line with the requirements of SBTi net zero commitments, our metrics and targets include all material Scope 1, 2 and 3 emissions. We have undertaken an assessment to determine the materiality of Scope 3 emissions and identified which categories should be included.

Our net zero target will directly support the mitigation of the risk relating to carbon pricing (Risk 1) and the risk of losing business due to inaction on climate (Risk 4). It also supports the opportunity to engage climate-conscious customers (Opportunity 1).

Other sustainability targets and metrics that address or support our most material climate-related risks and opportunities include:

- By 2025, at least 30% of meals offered by our own brands to be plant-based and/or vegetarian (Opportunity 1)
- By 2025, 100% of all own brand units in the UK, North America and Continental Europe (40% in the Rest of the World) that serve coffee to offer non-dairy milk alternatives (Opportunity 1)
- By 2025, eliminate unnecessary single-use plastic and move 100% of our own brand packaging to be recyclable, reusable or compostable (Risk 2)
- By 2025, have programmes in place across all our markets to reduce food waste through prevention, reuse, recycling and partnerships for discounting and donating surplus food (Risk 2)

We do not have external metrics and targets on Risk 3 or Risk 5, as these are commercially sensitive, but both of these risks are monitored and managed through internal KPIs, and built into business planning and functional budgets.

In the interest of keeping reporting consistent and concise, we are reporting all metrics and KPIs on progress against these targets within our Sustainability Report.

→ **Find details of our performance against our targets and metrics and our methodology in our 2022 Sustainability Report.**

Next steps

We have made good progress on our approach and reporting in alignment with TCFD recommendations and are committed to continuing to strengthen this in subsequent years. We will establish a Climate Risk Steering Committee to:

- Review financial quantification of risks and opportunities, and ensure these are fully embedded in financial planning processes
- Manage future TCFD reporting, review progress against data improvement recommendations and respond to future climate-related reporting requirements
- Further embed climate-related considerations into our business and strategic decision-making, financial planning and governance and risk management frameworks
- Review and refine our climate scenario modelling as appropriate to align with latest climate science, available data sets and best practice guidelines
- Annually assess material risks and opportunities to ensure they remain appropriate in the context of an ever-changing business and physical environment, and take account of improved data or modelling which may become available
- Identify activities that manage and mitigate climate-related risks and build climate change resilience across our business

Overview

The Group’s risk management framework is designed to ensure that material risks throughout the business are identified, analysed and effectively managed on an ongoing basis, through a series of processes designed to monitor, manage and ultimately mitigate risks. As explained in this section of the Annual Report, risk management is embedded within the business as a key part of operating the business effectively.



Approach

Identification <ul style="list-style-type: none">– Review the prior year risks to determine whether these are still valid and whether any emerging risks should be considered– Consider major changes and initiatives– Consider processes that are complex, changing, new or have historical issues	Prioritisation <p>Prioritise risks based on impact and likelihood:</p> <ul style="list-style-type: none">– Impact: If the risk arises, what is the impact on the achievement of the country, region and Group’s objectives and financial targets?– Likelihood: What is the likelihood that the specific risk will occur?
Monitoring <p>Develop an action plan for any medium or high rated risks without appropriate mitigating activities. This includes:</p> <ul style="list-style-type: none">– What action will be taken?– Who is responsible for this?– When will the new activity be implemented?	Mitigation <p>Country management identifies current mitigation activities for operational risks:</p> <ul style="list-style-type: none">– What activity is undertaken and is this managing the risk?– Who performs the activity and is this the right person to undertake this activity?– When is this undertaken and is the frequency appropriate to manage the risk?
Strategic Risks <p>Interviews are held with Executive Committee Directors (and teams) to update the Strategic Risk Register</p>	Operational Risks <p>Operational Risk Registers are updated by Regional/Country Management</p>

Risk Management Framework

An overview of our governance structure is set out on page 61 and in accordance with the Corporate Governance Code, the Board (supported by the Audit Committee) has overall responsibility for the Group’s internal control framework and reviewing its effectiveness.

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant and emerging risks faced by the Group. Part of this process is the Board reviews of the effectiveness of the Group’s risk management and internal controls systems. These reviews include an assessment of internal controls, in particular operational and compliance controls and are supported by reports from the internal auditor as well as the external auditor on matters identified in the course of their statutory audit work. As part of its review during the year, the Audit Committee received an update on the operation of key controls to the extent not the subject of a specific agenda item. These updates highlighted any challenges during the year as well as key changes in process, in particular the extent to which activities had fully returned to pre-Covid-19 capacity or had been altered as a result of dealing with Covid-19.

Following its review of the internal controls and risk management system, taking into account the updates and adjustments as the Group moves forward with rebuilding post-Covid-19, the Board agreed that they remained effective and that the Board and Executive Committee would continue to look at how reporting could be further improved to assist with the review process going forward, including through deep dives throughout the year on key risk areas.

During the year, the Group has continued to right-size the controls processes as the Group has recovered from Covid-19, taking the time to assess what changes should be built into processes long term. These are improvement steps, and there have been no changes to the Group’s internal controls over financial reporting that occurred during the year ended 30 September 2022 that have materially affected, or are reasonably likely to materially affect, the Group’s reported financial position.

In addition to the detail set out on page 61, key features of the Group’s risk management and internal control processes are as follows:

- The Group conducts an annual Risk Assessment to identify principal risks and local management teams maintain country and regional risk registers. The regional/country registers cover the assessment of risks, any major changes in risks or new initiatives, and any current as well as future mitigation activities discussed by the Executive Committee. The Group maintains a top down consolidated risk register which covers risks to the overall Group. Risks are evaluated in respect of their potential impact and likelihood, and key risks are highlighted to the Risk Committee and the Audit Committee. This includes the consideration of climate-related risks and opportunities.
- An annual risk management action plan is put in place to further enhance the Group’s risk management capability.
- The regional and country management teams are responsible for implementing internal control and risk management practices within their own businesses, for ensuring compliance with the Group’s policies and procedures on an ongoing basis and for highlighting emerging risks.

- A key part of the Group's mitigation processes is its various risk management policies which are rolled out across the Group and are supported by training tailored to different levels of the Group. These policies include a Colleague Code of Conduct, a Speak Up Policy, an Anti-Bribery and Anti-Corruption Policy, a Prevention of the Facilitation of Tax Evasion Policy, a GDPR Compliance Policy, Modern Slavery Policy, Group Authorisation Policies and various IT security policies, as well as training thereof, all of which are refreshed as appropriate. Training has been provided to the Board and the senior management, which covers the obligations and behaviours of a UK-listed company, including those relating to compliance, insider trading and market abuse. The Risk Committee receives regular reporting on topics covered by these policies including compliance reports and updates on training uptake.
- The Audit Committee periodically reviews the Group's policies and procedures including those for preventing and detecting fraud, its systems, controls and policies for preventing bribery (including due diligence on new partners) and for preventing the facilitation of tax evasion. The Audit Committee (and Board, as applicable) receives updates on bribery and fraud trends and activity in the business, if any, with individual updates being given to the Audit Committee as needed. During the year, the Audit Committee's terms of reference were updated to reflect its role reviewing policies and processes for identifying sustainability and climate-related risks (and opportunities) and managing their impact on the Group.
- The Group's Speak Up Policy provides a framework to encourage and give all individuals working at all levels of the Group, including colleagues, consultants and contractors, confidence to 'blow the whistle' and report irregularities. Individuals are encouraged to raise concerns with designated persons and/or through the Country Whistleblowing Officer or confidential Group Helpline. The Board (in conjunction with the Audit Committee) monitors this policy and reviews the matters reported and the outcome of any investigations. This year, updates have focused on the integration of local European laws as they are enacted to implement the European Directive on Whistleblowing.
- The management of risk and compliance with associated policies is considered as part of the Group's performance management systems.
- Our Group Safety Forum, chaired by the Group Head of Safety and teamed by H&S experts throughout our business, has a remit to monitor and assess our implementation of global safety standards and compliance with regulations and will be supported going forward by an Executive Safety Committee, chaired by the Chief People Officer, which will undertake quarterly regional reviews of performance against our safety processes and agenda. For details on our safety governance framework see page 43 of our Sustainability Report.
- Our sustainability framework helps us to consider how our key areas of non-financial performance sit alongside our financial performance and objectives and help us to drive and deliver long-term value. It also ensures that the Board and the business considers risk from both a financial and non-financial perspective. For example, during the year, the increased focus on the sustainability of our performance has led the business and Board to consider the risks to long and short-term value and opportunities related to delivering our net zero roadmap and reducing our carbon footprint. Incorporation of environmental, social and governance matters in our risk considerations helps us develop a more sustainable strategy that delivers more rounded success and value creation. For more information see pages 28-31 and our Sustainability Report.

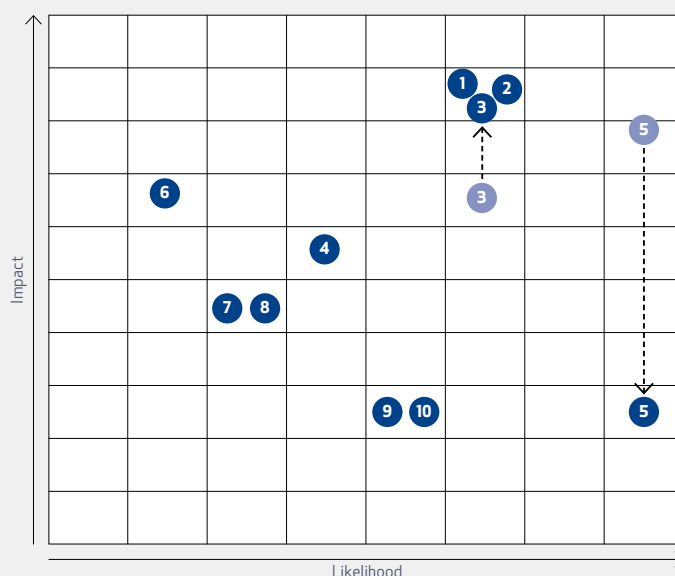
Principal Risks

The principal risks and uncertainties to which the Group is exposed are summarised on pages 62-67, along with the actions taken to mitigate them and details of the risk trend over the year. Risks are identified as 'principal' based on the likelihood of occurrence and the potential impact on the Group. Those with higher probability and greater impact on strategy, reputation, operations and financial performance receive the highest risk rating. These have been reviewed and agreed with the Board (having being considered by the Group Executive Committee and Audit Committee).

One new risk relating to 'Mobilisation of Pipeline' has been added to the principal risks since last year. The specific Brexit risk has been deleted and its impact included in the 'Availability of labour' and 'Supply chain disruption' risks. The 'Food safety and product compliance' risk has been incorporated into a broader 'Health and food safety' risk.

In the prior year the Group disclosed 18 principal risks. In the current year the disclosure has been limited to the 10 principal risks noted below. The other eight prior year risks are now designated 'Other risks' and continue to be assessed and considered by the Board on an annual basis together with the principal risks, however they have not been judged to be sufficiently high risk to warrant disclosure in the annual report and accounts.

In addition to the principal risks outlined on pages 62-67, each local business maintains a register of operational risks which are monitored and reviewed internally throughout the year.



Risks

1. Business environment, geo-political uncertainty and terrorism threat
2. Availability of labour and wage inflation
3. Supply chain disruption and product cost inflation
4. Sufficient senior capability at Group and country level
5. Impact of Covid-19
6. Compliance
7. Health and food safety
8. Sustainability
9. Information security and stability
10. Mobilisation of pipeline

Link to strategic priorities

Principal risks are identified, assessed and discussed in relation to their linkage with our strategic priorities set out below:

1. Leading customer proposition
2. Skilled and engaged colleagues
3. Long-term growth and returns
4. Sustainability

Emerging risks

SSP defines emerging risks as those whose timing and impact are not entirely certain for the Group but which may over time be a risk to the delivery of the Group's strategy. We have well established processes for identifying and monitoring emerging risks through horizon scanning and our embedded risk management framework, both at Group and regional levels.

At a regional level, a bottom-up approach is adopted whereby incidents and trends are monitored within the business and discussed at regional risk committees and Executive Committees (as applicable). Depending on the perceived impact and probability of the risks, these are escalated to the Group CEO and Deputy Group CEO and CFO through weekly trading updates and subsequently the Group Executive and Risk Committees, where appropriate. Regional management closely monitors these risks and periodically updates Group management.

At a Group level, a top-down approach is adopted through the annual risk assessment exercise during which emerging risks are discussed with senior regional management (CEOs and CFOs) and Group management (Finance, HR, Procurement and Legal department heads). Identified risks are reviewed and approved by the Group Executive Committee, before being submitted to the Audit Committee and the Board.

Short term	Mobilisation of Pipeline	In the short term, the Mobilisation of Pipeline is our most significant emerging risk. This risk has increased in importance during the year as the business has re-opened and begun to spend more focus on the fit-out of the pipeline in an inflationary price environment. The implementation of the capital expenditure programme is overseen by the Regional CEOs and the Group Investment Committee.
Medium term	Climate Change	Climate change has been identified as one of our most significant medium-term emerging risks. It has various aspects but primarily relates to the failure to adequately consider and respond to the physical and transition risks associated with climate change, including the impact on our units such as damage or closure, disruption to our supply chain, increased food security challenges and increased pressure of compliance with regulatory requirements. See page 54 for more information on our consideration of climate risk and its potential impact on the business and its results.
Long term	Structural changes to the travel sector	Consistent with the prior year, from a long-term perspective, there may be structural changes to the travel sector driven by consumer behaviour, e.g. aversion to air travel due to its impact on the environment, increased remote working, greater road travel as adoption of electric vehicles increases. These also present opportunities for the Group, which if not capitalised on, will have a severe adverse impact on the business. See pages 56-57 for more information on how we are addressing these structural changes and putting in place mitigating action.

As above, all of these risks are monitored and discussed at senior management level to consider appropriate mitigations.

Risk appetite

The risk appetite is the level of risk that the Group is willing to accept in the day-to-day business operations and in seeking to realise our strategic priorities. It is also an important element of our culture and values, as we seek to balance activity to drive our purpose with protecting the business and doing the right thing.

The Board determines the risk appetite of the Group in order to ensure that the potential impact of current and emerging risks is considered and appropriately managed so as to increase the likelihood that the Group's business objectives can be achieved, whilst minimising the threat of adverse impact to the financial and operational performance and prospects of the Group.

Risk appetite therefore informs the expected behaviours from our Board, senior executives and our colleagues. Risk appetite can vary depending on the nature of the risk and the relationship with other risks, and is rarely static, particularly given a number of the Group's principal risks derive from factors outside the direct control of the Group, e.g. the global inflationary environment. The Group has a very low appetite for certain risks such as 'Health and food Safety', 'Compliance with legislation' and 'Liquidity and Funding' and efforts are made to minimise these risks. The Group has a higher appetite for risks such as the 'Mobilisation of pipeline' where the risk directly pertains to realising our objective of increasing growth and returns.

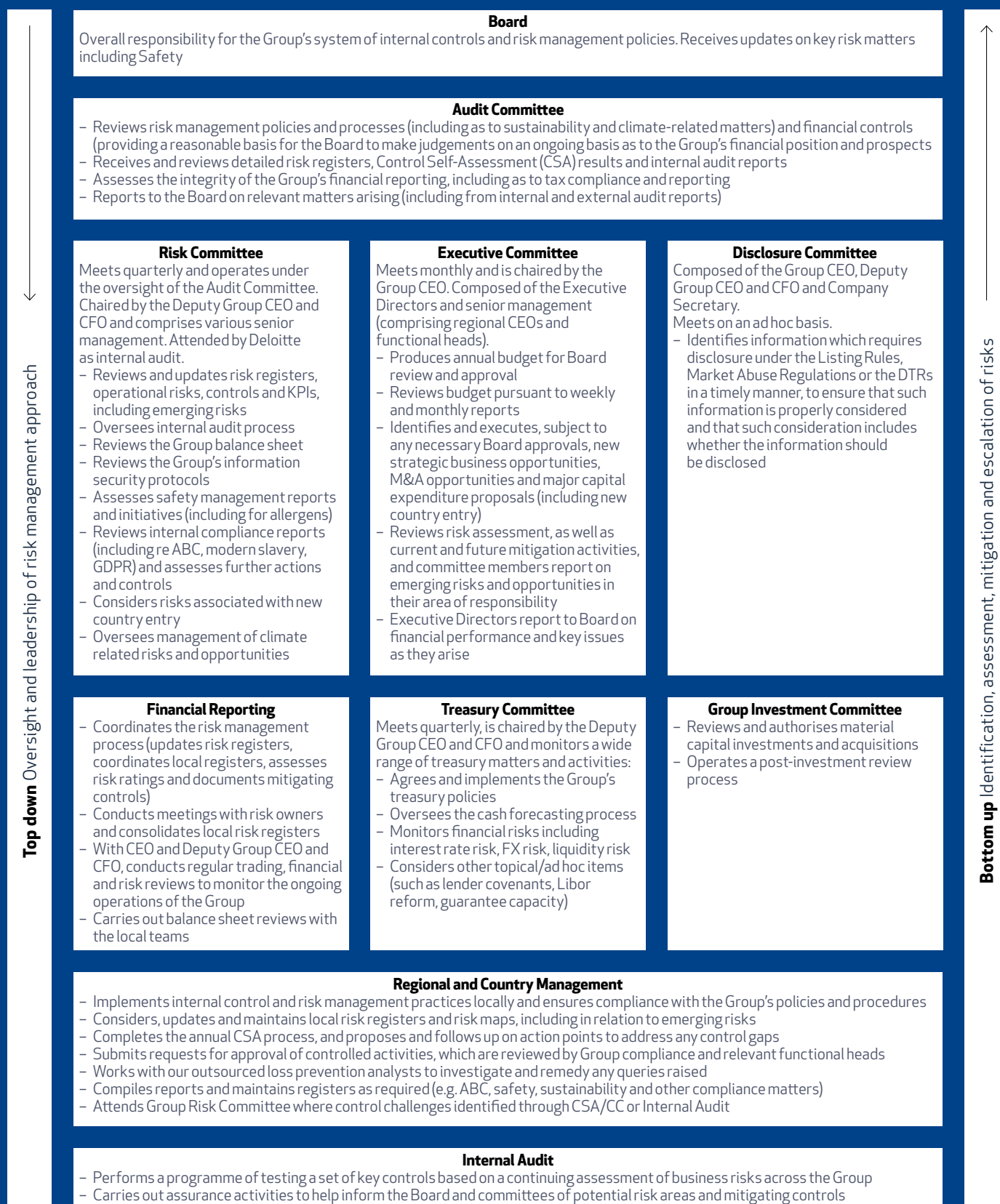
Case Study: Modern Slavery Risk

Modern Slavery risks are managed by a working group with representatives from the Group Sustainability, Procurement and Legal teams, with ultimate responsibility for the Modern Slavery Statement sitting with the Board.

Every year, in preparing its Modern Slavery Statement (see www.foodtravelexperts.com), the Group considers the risks presented by modern slavery within its business, identifying high risk regions and industries which require greater scrutiny. As set out in the Sustainability Report (see page 49), we expect all our contracted suppliers to sign up to our Ethical Trade Code of Conduct and Human Rights Policy which make it clear that modern slavery is not tolerated in any form.

Key engagement with stakeholders on Modern Slavery risks takes place between our procurement teams and suppliers as well as our colleagues to ensure implementation on our policies in this area. Effectiveness of our policies is measured through our suppliers' ethical trade audits as well as colleagues training completion rates.

The Group's risk management framework



1. Business environment, geo-political uncertainty and terrorism threat

Executive responsibility for this risk:

Group CEO, Deputy Group CEO and CFO, Regional CEOs

Link to strategy



Trend



Risk description

The Group operates in the travel environment where external factors such as the general economic and geo-political climate, levels of disposable income, changing demographics and travel patterns could all impact both passenger numbers and customer spending.

The travel environment is vulnerable to acts of terrorism or war, further outbreaks of pandemic disease, or a major and extreme weather event or natural disaster which could reduce the number of passengers in travel locations.

Strike action in the travel sector, e.g. by rail or airline staff, can have a knock-on impact on traveller numbers. In the medium term, changes in travel trends arising from sustainability concerns may lead to a reduction in passenger numbers.

Risk trend

During the year we have seen global inflation rates at levels not seen in the past 50 years. The price inflation is primarily caused by increasing commodity/energy prices, the war in Ukraine and to a lesser extent, supply chain disruption. It is affecting all goods and services.

Inflation is forecast to stay elevated over the next 12-18 months and, as a result, consumers and businesses are actively monitoring and reducing their discretionary spending, which is likely to include the number of flights booked in that period and also the spend per passenger in the rail business.

Whilst the risk of terrorism remains, there has not been a coordinated campaign focused on the global travel sector in the past year. Therefore, it caused a limited impact on passenger numbers.

As a consequence of the drop of real wages, the strike risk has increased and we have seen strikes across Europe in Air (France, Spain, Germany) and Rail (UK) which depressed revenues in the weeks the strike actions took place. This risk will remain heightened as long as inflation remains at historically high levels.

Mitigating factors

The Group monitors the performance of individual business units and markets regularly. The Executive Directors review detailed weekly and monthly performance, covering a range of KPIs, and monitor progress on key strategic projects with local senior management. Specific short- and medium-term actions are taken to address any trading performance issues which are monitored on an ongoing basis.

Should passenger numbers fall significantly, we remain able to actively manage the number of open units as we have done successfully throughout the pandemic.

The business has a range of mitigating actions for increasing costs, such as menu engineering; however, we have a proven track record of being able to pass on inflationary costs through increased pricing.

Following the recovery from the pandemic the Group has returned to a formal reforecasting process on a quarterly basis and in addition has re-implemented its medium-term planning process. Overall passenger numbers for FY23 are assumed to be slightly behind the previous forecasts partly due to the wider economic environment.

Partly as a result of Covid-19, a larger proportion of our unit rents are now based on passenger numbers and therefore provide downside protection in the event of a significant fall in passenger numbers.

Greater focus on business continuity planning (supply chain) and recovery. Our IT disaster recovery plan has been tested during this current crisis with colleagues working from home and has proved to be effective.

2. Availability of labour and wage inflation

Executive responsibility for this risk:

Country CEOs

Link to strategy



Trend



Risk description

The Group's revenue is dependent on availability of frontline colleagues and skilled labour to run our units. Covid-19 has had a near-term impact on the hospitality sector resulting in frontline staff and skilled labour shortages across the Group. This is a result of the shift in the workforce to other sectors (e.g. online or service centre operations).

There is also a risk that SSP will be unable to recruit sufficient resources to support planned growth in a timely manner.

Mass migration and population movements in both the UK (Brexit) and the US (immigration policy) continue to contribute to these supply shortages.

Risk trend

Early in the financial year this risk was particularly pronounced as the business recovered from the pandemic. This has resulted in high wage inflation adversely impacting margins as well as causing delays to the unit reopening programme.

As the unit reopening programme has progressed and colleagues have been recruited to service our peak summer period, this risk has decreased to a similar level as last year.

The impact of the cost of living crisis also puts pressure on wages, with colleagues go forward salary expectations being benchmarked against the prevailing inflation rate.

Certain countries (e.g. the US) continue to see a significant impact from the labour availability risk and are continuing to focus on recruitment and retention.

Mitigating factors

Our People function is continuing to support the development of mitigating strategies for labour cost inflation across the Group.

Various incentives are being offered to retain existing frontline staff.

Each business area is closely monitoring their market by location and by competitive set to ensure we remain in the right market position.

The well-established HR forums both locally and globally will partner the business to ensure we activate either defensive or proactive steps to ensure business continuity.

Greater use of technology in areas like digital ordering and payment in addition to menu simplification and extended grab 'n' go ranges have reduced the demands on colleagues' time.

3. Supply chain disruption and product cost inflation

Executive responsibility for this risk:

Regional CEOs, Chief Procurement Officer

Link to strategy



Trend



Risk description

The Group's revenue is derived from supply of menu items to customers. Therefore the Group is exposed to both short- and medium-term availability risks in respect to food and beverages and other consumables. There is also a risk that our margins are not maintained due to product cost inflation.

The Group's future growth forecast is underpinned by capital expenditure on our secured pipeline. This capital expenditure is also exposed to inflation risk as there is delay between the investment case approval and the build out. As a result, original returns on investment may no longer be achievable. Certain capital items must be obtained from brand partners which increases their availability risk.

In the medium term, there are a number of supply chain risks potentially arising from the climate agenda:

- risk of these costs increasing from the introduction of carbon pricing or carbon taxation
- risk of legislation which prevents the sale of single use plastic products or products in plastic packaging resulting in increased cost
- reduced availability of climate sensitive raw materials due to increased frequency of extreme weather events.

Risk trend

The war in Ukraine has caused a global supply decline for various products including key ingredients such as sunflower oil. This, along with increasing commodity/energy prices and logistics costs, has resulted in product cost inflation well above that seen in the recent past.

A proportion of the secured pipeline was approved prior to Covid-19, and therefore there is a more significant delay than usual between the approval and the build out. Costs are expected to be higher than initially included in the investment case due to inflation in building costs.

For branded units, certain key items (e.g. fryers and griddles) must be obtained from the brand partners and the lead time has increased to up to nine months.

Mitigating factors

The Group has conducted extensive menu engineering to mitigate the impact of lack of availability and rising prices, such as substitutions (e.g. salad instead of fries). As we recover from Covid-19, menus are being kept in control such that the simplicity in the supply chain is maintained.

For most key ingredients in the key markets we have at minimum two suppliers.

We have approached clients to obtain economic benefits to offset increases in build costs, which have included additional capital expenditure contributions, extended lease terms, or rent free periods.

For partner supplied capital expenditure, long lead time items are being pre-ordered well in advance of unit construction.

The business has increased awareness and is actively planning for the climate-related risks noted.

4. Sufficient senior capability at Group and country level

Executive responsibility for this risk:

Chief People Officer

Link to strategy



Trend



Risk description

The Group may not have sufficient depth of management or the right capability at a senior level, particularly in markets where talent retention or recruitment is becoming increasingly challenging, to drive through the benefits of strategic change initiatives such as:

- operational efficiencies
- IT developments
- supporting the growth and development of the business

The Group does not have sufficient resources to meet the changing and complex needs of an international and growing business, e.g. Business Development, Legal, People/HR, IT.

Risk trend

Talent retention is increasingly challenging in the current market and there is a risk that senior management may leave the business. There has been a structural shift in the recruitment market post-Covid-19, with many people leaving the hospitality sector or looking for a better work-life balance, which has caused a significant level of turnover throughout the sector and created retention and recruitment pressures.

This retention risk is currently elevated as management has been stretched through Covid-19 and the pace induced by the reopening of the business could lead to additional pressure on management teams.

The positive impact of a number of significant hires, including our new Group CEO, contributes to offsetting this risk. The positive sector and business outlook should reduce concerns of senior leadership and therefore reduce the likelihood of further resignations.

Mitigating factors

Group HR is evaluating remuneration to ensure that senior staff remain motivated and fairly compensated.

Annual talent planning process (started in 2016) continues and is more embedded.

Group HR focus to benchmark internal pay rates vs external to ensure that new talent can continue to be attracted to work in this sector and for SSP.

Specific retention measures have been put in place for high risk colleagues. This will remain under review.

Group HR will keep the key senior organisation structure under review for the next 12-18 months.

5. Impact of Covid-19

Executive responsibility for this risk:

Group CEO, Deputy Group CEO and CFO, Regional CEOs

Link to strategy



Trend



Risk description

The emergence of a more serious Covid-19 variant could expose the Group to several risks including, but not limited to:

- significant and prolonged economic impact due to reimposed travel restrictions and economic downturn
- staff absences due to illness or self-isolation requirements

In addition, there may be long-term impacts of Covid-19 such as:

- long-term structural changes, e.g. working from home, permanent decline in long-haul business travel
- staff moving out of the Food & Beverage industry completely, as seen in the US or the UK

Risk trend

In general, the Covid-19 variants have become more infectious and less deadly and a reversal of that trend is not expected. In addition, the good progress of vaccine rollouts has reduced the potential impact of new variants. Therefore the risk of future travel restrictions is reduced compared to the prior year.

We continue to see staff absences due to Covid-19 infections which adds to the labour availability risk noted above.

In certain countries (e.g. mainland China and Hong Kong), the continued adoption of a zero Covid-19 strategy is having a significant adverse impact on the Group's revenues in those countries as well as constraining passenger numbers across APAC as these countries contribute significantly to the overall passenger numbers in the region.

The structural changes noted above have all been observed during the year, with the continued use of 'hybrid' working models having an impact on rail commuter traffic and, as a result, on our revenues from that segment.

Mitigating factors

Partly as a result of Covid-19, a larger proportion of our unit rents are now based on passenger numbers and therefore provide downside protection in the event of a significant fall in passenger numbers.

Our experience in dynamically opening and closing units depending on restrictions would enable us to hibernate the business more efficiently should this be required.

There continues to be greater focus on business continuity planning and recovery. The Business Continuity plan was tested during this current crisis, with staff working from home, and proved to be effective.

6. Compliance

Executive responsibility for this risk:

Deputy Group CEO and CFO, General Counsel and Company Secretary, Regional CEOs

Link to strategy



Trend



Risk description

Failure to effectively manage risks associated with compliance with relevant legislation and regulatory requirements, including as relates to anti-bribery and corruption, facilitation of tax evasion, modern slavery, privacy, and corporate legislation resulting in liability, fines, statutory liability and reputational harm (excluding Health and Safety and ESG regulations which are separately identified as a risk).

Increased regulatory and statutory requirements could also require modification to business practices, increased costs of compliance and increased insurance scrutiny and cost.

Risk trend

There is a potential risk of non-compliance with privacy laws, in particular the General Data Protection Regulation (GDPR). The GDPR compliance programme was temporarily suspended as a result of the Covid-19 disruption.

Increased environmental activism could result in disruption if SSP were found to be in breach of its environmental responsibilities.

There is an increased litigation risk as a result of Covid-19, the implementation of Fair Labour Standards Act (FLSA), and potential contractual breaches due to delayed payment of fees resulting in material settlements, fines, penalties and reputational harm.

Reduced staffing through redundancy and furlough, and an increase in reliance on external advisors, has led to increased risk, slightly offset by the extension of compliance deadlines due to Covid-19.

Mitigating factors

Increased investment in related resource including CoSec, sustainability and GDPR. External-facing GDPR solutions have been put in place, ensuring compliance with any external requests.

The Group's Risk Committee works with the Legal, HR and Supply Chain functions to oversee activity in managing compliance risks including the Modern Slavery Act.

Compliance training is now part of our new starter plan. Group Legal and HR are reviewing the scope and content of ongoing refresher compliance training.

Facilitation of Tax Evasion reporting and training is incorporated into ABC reporting and training. ABC controls are incorporated into minimum controls programme.

The use of the GAP system has continued in FY2022. A summary of GAP matters is provided to the risk committee on a six-monthly basis.

During the year, the Group relaunched its Group Privacy Programme following the recruitment of the Group Privacy Manager.

Resource is added as necessary to address any potential or actual disputes.

Close monitoring of working hours of management is in place in the US to ensure overtime is paid where colleagues have worked excess hours.

7. Health and food safety

Executive responsibility for this risk:

Regional CEOs, Chief People Officer

Link to strategy



Trend



Risk description

The preparation of food and maintenance of the Group's supply chain requires a base level of hygiene, temperature maintenance and traceability. Non-compliance with food safety laws can expose the Group to significant reputational damage as well as possible food safety liability claims, financial penalties and other issues.

There is a risk that customers or colleagues may be harmed or injured whilst on SSP premises.

Risk trend

Because of our re-opening programme, an increased proportion of the Group's colleagues are new hires who may not be familiar with the relevant regulations and the Group's internal guidelines and processes, which increases the risk of non-compliance.

In the UK, the requirements of Natasha's Law were implemented in 2021, and now form part of the 'business as usual' operations reducing this risk.

In the US, the Food and Drug Administration (FDA) has re-commenced inspections for food manufacturers, and visited some of our units.

In April 2022, the Group implemented new legislation in England which requires calorie labelling on menus, labels and SELs under The Calorie Labelling (Out of Home Sector) (England) Regs 2021.

There have been no particular changes in respect of the health risk regarding customers or colleagues.

Mitigating factors

The Group has a global safety management programme in place, setting minimum standards of health and safety, fire safety and food safety across all its operations and requiring periodic reporting of performance and incident statistics.

During the year, the Group appointed a new Group Head of Safety to oversee compliance with food safety regulations and ensure greater consistency with Health and Safety (H&S) standards across the Group.

Annually, all countries have to complete a full self-assessment across all fire, people, product and safety measures.

All SSP country operations are required to report on all food safety incidents (including allergens) on a six-monthly basis to the Risk Committee. The ways of reporting are currently being reviewed with trials taking place to provide electronic reports as opposed to Word or Excel reports.

All UK operational staff undertake allergen training as part of mandatory training upon commencement of employment in unit, which they have to renew every year.

As part of our procurement-led 'Make or Buy' project, we are considering whether the food safety, contamination and allergens risks can be better managed by buying prepared food from third parties.

8. Sustainability

Executive responsibility for this risk:

Group CEO, Corporate Affairs Director,
Chief Procurement Officer

Link to strategy



Trend



Risk description

There is increased expectation from stakeholders (including customers, clients, brand partners, investors, NGOs, regulators, communities, competitors, colleagues and suppliers) that SSP needs to understand and act on its key sustainability issues.

Sustainability issues are increasingly being legislated on, including Streamlined Energy and Carbon Reporting (SECR) regulations and Task Force for Climate-related Financial Disclosures (TCFD). It requires constant vigilance to stay abreast of, and respond to changing requirements, both ensuring action is taken and mandatory disclosures are made.

Failure to keep pace with our competitors in this area, including our rating in ESG indices, may reduce our competitiveness and market position.

Risk trend

We communicated our Sustainability Programme (strategy and targets) externally, meaning we can now be held more accountable for progress or lack thereof.

Following the recovery from Covid-19, sustainability is higher on the agenda of external stakeholders and the level of scrutiny is becoming ever higher. However, ESG analysts recognise our progress in this area.

We have analysed the internal data available for sustainability measures such as GHG reporting, and whilst it is fit for purpose and in many cases the availability of more detailed data is outside our control (e.g. energy usage in certain airports which is not reported to us by the client), we believe this data collection process can be improved.

Mitigating factors

The Group Executive Committee and issue owners (HR, Procurement and Commercial) oversee our sustainability activity. The Audit Committee and the Risk Committee oversee the work being completed in respect of the TCFD project and disclosures.

In 2022, we recruited a Group Head of Sustainability and built our internal capabilities across our markets.

Key processes and controls are in place to manage specific sustainability risks across key topics including policies, audits, training and briefings.

Benchmarking against competitors and ESG Index ratings is being updated periodically.

Processes have been improved to respond to current legal disclosure requirements under SECR.

We worked with EY to assist with our TCFD disclosures, specifically to support on defining the business risks and the modelling of the risks' financial impact.

Alongside the ARA, we have issued our first standalone Sustainability Report, which will allow us to communicate in more detail on our sustainability targets and progress.

9. Information security and stability

Executive responsibility for this risk:

Chief Digital and Technology Officer

Link to strategy



Trend



Risk description

Cyber security continues to be a risk for SSP, heightened by the usage of third-party providers and legacy platforms. The Group is exposed to cyber security threats and disruption including:

- malicious activity resulting in compromise of systems and data
- service impact or financial loss
- potential fines
- reputational damage as a result of data loss.

Failure to have appropriate due diligence processes to identify and act on security issues internally and within our supply chain could potentially result in reputational damage; service disruption and data loss. As SSP does not rely on customer data in its core operations, service disruption and reputational damage are the primary concerns regarding risk and impact. Given SSP's regional business model, cyber attacks are more likely to be isolated rather than impacting the whole Group.

Risk trend

Third parties and franchise partners are increasingly adopting mature security assurance practices and SSP is under increased scrutiny and continued assessment of its security posture.

DDOS attempts continue to increase in terms of number and sophistication although during the year, the Group IT function has been generally successful in defending the Group from these attempts.

The lack of security monitoring, resource and skills within our regions increases the risk of compromise and security incidents but also means there is an additional reliance on UK-based security resource. This can result in an inconsistent approach to security across business.

Mitigating factors

Our Annual Cyber Security Programme continues to deliver improvements to SSP's overall security posture.

Our Cyber Security Strategy has been refreshed with a focus on 'fixing the basics' and 'enabling the future', including the planned introduction of a security governance framework.

SSP's security operations centre has been expanded to cover the APAC and Nordics region and is planned for implementation in Europe and North America in 2023. This provides increased detection and response capabilities for security incidents (spam, malware attacks, phishing emails, etc.).

A vulnerability management solution has been implemented, providing visibility of SSP's most vulnerable assets. Continuous improvement activities are being progressed, including a global Multi Factor Authentication rollout, firewall audits and security tooling maintenance.

Our internal cyber security awareness training has been refreshed. We have strengthened our IT team with a particular focus on improving our Cyber Security skills base.

10. Mobilisation of pipeline

Executive responsibility for this risk:

Regional CEOs

Link to strategy



Trend



Risk description

The Group has a significant pipeline of units to design, construct, fit out and open. This process is subject to a number of risks, particularly in new locations and markets, including:

- availability of materials: the process can be delayed depending on the availability of raw materials and key plant and equipment items
- construction labour and management availability: risk of staff and contractors shortages
- availability of staff: risk of staff shortages.

Risk trend

As a consequence of Covid-19, the Group's pipeline of new units is much higher than the historical average. We are also planning record capital expenditure for 2023.

Trying to achieve this in a tight labour market, with very high global inflation and significant delays to some capital items which need to be obtained from brand partners (such as fryers, ovens, refrigeration, etc) will be challenging in the short term.

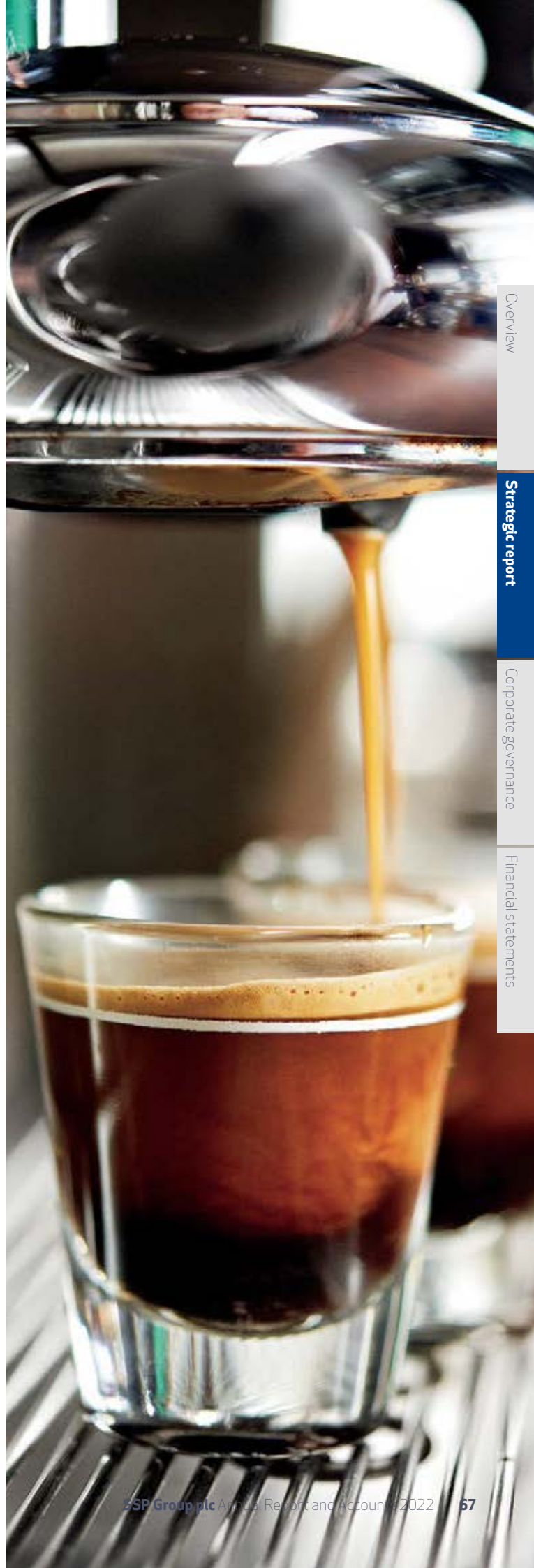
Mitigating factors

Most countries have highly experienced teams that can deliver these types of projects.

Unit mobilisation is a key topic on each of the trading calls with country and regional management and delays are actively monitored in this forum. Resources are redeployed across the Group where necessary.

Long lead time items are being ordered well ahead of planned unit construction.

Whilst capital expenditure might be higher than originally budgeted due to the global inflationary environment, this can be offset by increased contributions from clients, or potential renegotiations of commercial terms, e.g. extending contract terms.



Viability statement

SSP Group's operations are managed on a regional basis and are primarily focused on the airport and railway station food and beverage sales markets. As detailed on pages 12-15 ('Understanding our market'), the markets in which we operate benefit from a number of long-term structural growth drivers and we are confident that this will remain the case looking forward. Our business model is focused on meeting the food and beverage needs of our clients and customers in the complex and challenging environments in which we operate. As explained further on page 16, SSP has a number of competitive advantages that we believe place us in a strong position to capitalise on the future growth in our markets.

The UK Corporate Governance Code requires that the Board issue a Viability Statement confirming that it has a reasonable expectation that the Company can operate and meet its liabilities for the foreseeable future. The Board is required to assess this viability over a period of greater than twelve months, taking into account a number of key factors, including its principal markets, its business model and its strategy as outlined above, together with its current position and principal risks and uncertainties.

The Directors have assessed the Group's prospects and viability over a planning cycle ending in 2025. The Directors believe that forward planning over this time horizon is appropriate, particularly as this period encompasses what is anticipated to be a full recovery in passenger numbers across our principal markets following the impact of Covid-19, and covers the period in which the roll-out of the Group's secured new business pipeline is expected to be completed. This three-year period also aligns to the Group's annual strategic review exercise conducted within the business and reviewed by the Board.

The assessment process

The Directors perform an assessment of the Group's prospects through its annual strategic and financial planning process. This process is led by the CEO and the Deputy CEO and CFO in conjunction with the Executive Committee and the country management teams. The results of the assessment are then summarised within the strategic plan (the Medium Term Plan or 'MTP'), which is discussed and approved by the Board annually. The most recent MTP, which included detailed forecasts for the period from 2023 to 2025, was approved in July 2022.

In conjunction with the MTP, the Directors have assessed the prospects of the Group by reference to its current financial position, its recent and historical financial performance, its business model and strategy, and the principal risks and mitigating factors described on the preceding pages. The Board regularly reviews financial headroom and cash flow projections to ensure that the business retains sufficient liquidity to meet its liabilities in full as they fall due.

At 30 September 2022, the Group had c.£826m outstanding under its borrowing arrangements and c.£708m of available liquidity, including cash of c.£544m. The gross borrowings include US Private Placement notes of c.£379m with maturities between October 2025 and July 2031 and drawn bank facilities totalling approximately £380m. These bank facilities, which include a committed undrawn revolving credit facility of £150m, have a maturity date in January 2025, having been successfully extended for twelve months in August 2022. In their review of viability, the Directors have assumed that they would be able to negotiate a further amendment of these facilities during the 2023 financial year, which would extend the maturity date beyond the period of assessment.

Based on the Group's financing and available liquidity and assuming a further extension of its bank facilities as outlined above, the Directors have reviewed the financial forecasts and funding requirements looking forward. Their assessment of viability is outlined below.

Assessment of viability

For 2023, the Directors have reviewed a base case scenario which is based on the Board-approved 2023 Budget, adjusted to reflect the impact of current trading over the autumn. With revenue having recovered to over 90% of 2019 levels by September 2022, this base case scenario for 2023 reflects an expectation of a further slow but steady improvement in revenue compared to 2019 levels in most of our key markets. By 2024, the forecast assumes that like-for-like sales and operating profits have recovered to broadly 2019 levels, supplemented by the ongoing mobilisation of our secured new business pipeline.

With some uncertainty surrounding the economic and geopolitical environment over the next twelve months, as well as the ongoing impact from Covid-19, a downside scenario has also been modelled, applying severe but plausible assumptions to the base case. This downside scenario reflects a very pessimistic view of the travel markets for the next twelve months, assuming sales that are approximately 10% lower compared to 2019 levels than in the base case scenario. In 2024 and 2025, revenue is assumed to be lower in the downside scenario by approximately 8% compared to the base case.

In both the base case and the downside case the Group would continue to have sufficient liquidity headroom based on the cash and available facilities as described above.

Following its Rights Issue in 2021, the Group must comply with monthly covenants specifying a minimum level of liquidity of £150m and a maximum level of consolidated net debt on a pre-IFRS 16 basis of £800m. The Group will next be tested on its leverage covenant at March 2023, with a maximum leverage multiple of nine times EBITDA applicable, with further amended leverage tests then applied for the periods ending 30 June 2023 (maximum 5.0 times) and 30 September 2023 (maximum 3.5 times), before reverting to the original leverage covenant (maximum 3.25 times) from the testing period ending 31 March 2024. Similarly, the interest cover test will be re-instated for the testing period ending 31 March 2023 (minimum cover of 1.0 times EBITDA on a pre-IFRS 16 basis) before returning to the original covenant level (minimum 4.0 times) for the testing period ending 30 September 2023. In both its base case and its severe but plausible downside case scenarios, the Group would have headroom against all of these covenant tests at all testing dates during the period of assessment.

In addition to the uncertainty posed by the current macro-economic and geo-political environment, the Directors recognise that other risks exist which could have an impact on the viability of the Group. As a result, the Directors place a high degree of importance on maintaining an effective Group-wide risk management framework, which ensures a disciplined approach to risk taking. Such an approach ensures that the upside potential of all relevant risks is understood and capitalised upon as directed by the Board, whilst the downside is appropriately mitigated. The Group's risk management process and its effectiveness thereof are detailed on pages 58-61.

The Directors have also performed a robust assessment of the Group's principal risks, which can be found on pages 58-67. The risks are listed in order of priority. The risk descriptions explain why the related risks are important, and the Directors believe that the corresponding mitigating factors adequately address each risk, such that any residual risk falls within the Board's risk tolerance.

Governance and Assurance

As noted above, the Board reviews and approves the medium-term plan on which this Viability statement is based. The Board also considers the period over which it should make its assessment of prospects and the Viability statement. The Audit and Risk Committee supports the Board in performing this review. Details of the Audit and Risk Committee's activity in relation to the Viability statement are set out in the Audit and Risk Committee report in this Annual Report.

Viability statement

After reviewing the current liquidity position, financial forecasts and considering the uncertainties described above, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period of their assessment to September 2025.

Going concern

As a consequence of the work performed to support the Viability statement above, the Directors also considered it appropriate to adopt the going concern basis in preparing the financial statements and notes which are shown on pages 162-213.



"We've delivered a strong recovery and a return to operating profit for the year."

Group performance

	2022 £m	2021 £m	Year-on-year change vs 2021 (%)
Revenue	2,185.4	834.2	162%
Underlying operating profit/(loss)	31.7	(323.3)	109.8%
Operating profit/(loss)	91.5	(309.2)	129.5%

Underlying operating profit was £30.3m (2021: £209.0m loss) on a pre-IFRS 16 basis. Revenue in 2019 was £2,794.6m.

Revenue

Although Covid-19 continued to have a significant impact on the Group's trading performance during the year, revenue in our major markets continued to recover well. Total Group revenue of £2,185.4m increased by 162% compared to 2021 and averaged 78% of 2019 levels (up from 30% in the previous financial year).

During the first half year, trading strengthened during the autumn (October and November averaged 66% of 2019 levels) before the spread of the Omicron variant around the world and the subsequent government restrictions imposed during December and January inevitably had an impact on passenger numbers in many of our markets, with revenue in this period dropping back to 57% of 2019 levels. From February, as government restrictions were gradually lifted around the world, we saw sales continue to trend positively again, averaging 61% of 2019 levels in February and 74% in March.

During the second half year, Group revenue continued to strengthen, averaging 87% of 2019 levels in the third quarter and 92% across the fourth quarter, with the half as a whole averaging 90% of 2019 levels. This progressive improvement was driven by a continued strong recovery in passenger numbers in the majority of our markets, led by domestic and leisure travel across both the Air and Rail sectors, with business and commuter travel also recovering, albeit more slowly. This revenue performance includes the benefit from net contract gains and price increases compared to the same period in 2019.

Operating profit/loss

Underlying operating profit for the year was £31.7m, compared to an equivalent loss of £323.3m in 2021. On a pre-IFRS 16 basis, the Group reported an underlying operating profit of £30.3m (2021: underlying operating loss of £209.0m) and underlying EBITDA of £142.0m (2021: underlying EBITDA loss of £108.3m).

On a reported basis, the operating profit for the year was £91.5m, reflecting a net credit of £59.8m for the non-underlying operating items. The equivalent operating loss for the prior year was £309.2m.

Throughout the year, the impact on the underlying operating profit from the lower sales compared to 2019 continued to be mitigated by the extent of our operating cost reductions, other government support measures, and our ongoing success in negotiating rent concessions, principally via waivers of minimum guaranteed rents. During the second half year, as sales recovered to 90% of pre-pandemic levels, we saw a significant improvement in our underlying operating profit performance, reflecting the operating leverage in our business, as well as our ongoing management of inflationary cost pressures through productivity and pricing initiatives.

Non-underlying operating items

Items which are not considered reflective of the normal trading performance of the business, and are exceptional because of their size, nature or incidence, are treated as non-underlying operating items and disclosed separately.

The non-underlying operating items included in the net credit of £59.8m (2021: £14.1m) are summarised below:

- Impairment of property, plant and equipment and right-of-use assets: the Group carried out a review of impairment indicators at the period end and determined that certain cash generating units had a potential impairment of assets. Full impairment tests were therefore carried out on these cash generating units. This impairment review compared the value-in-use of individual cash-generating units, based on management's updated assumptions regarding future trading performance (taking into account the forecast recovery from Covid-19) to the carrying values of the associated assets. Following this review, an impairment charge of £18.2m (2021: £24.4m) has been recognised, which includes the impairment of right-of-use assets of £6.1m (2021: £12.5m). The £18.2m is net of the reversal of certain impairments recognised in 2020 and 2021 totalling £4.2m.
- Gain on de-recognition of leases: as a consequence of certain contract renegotiations and government intervention in certain jurisdictions, a number of previously impaired leases have now been rebased such that the minimum guaranteed rental commitments are now calculated on a 'per passenger' basis, i.e. the fixed minimum annual guarantees have been removed from the contracts. Accordingly, these lease payments now fall outside the scope of IFRS 16 and the leases have been derecognised in the period, resulting in a gain of £61.5m (2021: £2.3m).
- IFRS 16 rent credit: as part of its response to Covid-19, the Group renegotiated rent agreements with its clients, including a number of temporary waivers for the period up to the end of September 2022 totalling £23.0m (2021: £92.0m). In respect of these waivers, prior to 30 June 2022, the Group has applied the practical expedient issued by the International Accounting Standards Board as a part of the Amendment to IFRS 16 to record this as a reduction in rent expense (rather than a modification of a right of use asset) and as a non-underlying item within the consolidated income statement. Waivers obtained subsequent to 30 June 2022 have been recognised as a lease modification.
- Restructuring and site exit costs: the Group recognised a charge of £2.9m (2021: £21.3m) relating to its restructuring costs (primarily in respect of site exits) carried out during the year.
- Fees related to extension of bank facilities: in August 2022, the maturity date of the Group's main bank facilities was extended by one year from 15 January 2024 to 15 January 2025. In consideration for this extension, the Group incurred fees totalling £1.3m and this cost has been recognised as a non-underlying expense in the year. In the prior year, with effect from completion of its Rights Issue in April 2021, the Group's main bank facilities were extended from 15 July 2022 to 15 January 2024, secured alongside waivers and amendments to its principal covenants under both its main bank facilities and US private placement notes until 2024. In consideration for these extensions and amendments, the Group incurred fees totalling £5.4m, and this cost was recognised as a non-underlying expense in 2021.
- Other non-underlying expenses: in the current year these items, primarily relating to legal fees, amounted to £2.3m. In the prior year items totalling £2.7m comprised a recurring adjustment for the amortisation of acquisition-related intangible assets of £1.9m and other legal costs of £0.8m.

Regional performance

This section summarises the Group's performance across its four operating segments. For full details of our key reporting segments, please refer to note 3 on pages 175-176.

North America

	2022 £m	2021 £m	Year-on-year change vs 2021 (%)
Revenue	455.4	194.2	134.5%
Underlying operating profit/(loss)	18.4	(48.7)	137.8%
Operating profit/(loss)	17.3	(51.0)	133.9%

Underlying operating profit was £17.4m (2021: £31.4m loss) on a pre-IFRS 16 basis.
Revenue in 2019 was £533.4m.

Revenue of £455.4m increased by 134.5% compared to 2021, and averaged 85% of 2019 levels for the year. During the first quarter, the sales recovery in North America was strong, as the region benefited from improving domestic passenger numbers, which continued to strengthen through the December holiday period despite the emergence of Omicron. Sales then softened considerably in January, as the new Covid-19 variant led to flight cancellations and high sickness levels in several US states, followed by a sharp rebound in sales across February and March as case numbers reduced and demand for leisure travel increased. First half sales averaged 74% of 2019 levels.

During the second half, the recovery in North America continued to gather pace, with third quarter sales averaging 91% of 2019 levels and the fourth quarter strengthening to 98%, driven by a sustained recovery in domestic air travel, despite labour availability remaining a challenge in this market for much of the summer.

The underlying operating profit for North America was £18.4m and reported operating profit was £17.3m. Non-underlying operating items comprised an impairment charge of £6.4m, offset by IFRS 16 concession credits of £5.3m. On a pre-IFRS 16 basis, the underlying operating profit was £17.4m, which compared to an equivalent loss of £31.4m last year.

Continental Europe

	2022 £m	2021 £m	Year-on-year change vs 2021 (%)
Revenue	867.9	360.5	140.7%
Underlying operating profit/(loss)	22.6	(134.3)	116.8%
Operating profit/(loss)	82.0	(119.0)	168.9%

Underlying operating profit was £19.8m (2021: £85.7m loss) on a pre-IFRS 16 basis.
Revenue in 2019 was £1,036.9m.

Revenue of £867.9m increased by 140.7% compared to 2021 and averaged 84% of 2019 levels. Sales in Continental Europe recovered strongly last autumn, helped by the extended European summer holiday season, before Omicron impacted trading in the period from November to January as travel restrictions were re-imposed across our European markets. As restrictions were gradually lifted during February and March, sales began to strengthen again, leaving first half sales at 70% of 2019 levels on average.

During the third quarter, sales strengthened significantly to 93% of 2019 levels, initially boosted by very strong trading in our Spanish airports during the Easter holiday period and thereafter by a sustained recovery in leisure travel across the entire region. In the fourth quarter, sales averaged 95% of 2019 levels, driven by increasing numbers of both air and rail passengers over the summer holiday season.

The underlying operating profit for Continental Europe was £22.6m (2021: £134.3m loss) and reported operating profit was £82.0m (2021: £119.0m loss). Non-underlying operating items comprised an impairment charge of £5.9m, offset by a gain on lease disposal of £59.7m and an IFRS 16 rent concession credit of £5.6m. On a pre-IFRS 16 basis, the underlying operating profit was £19.8m, which compared to an underlying operating loss of £85.7m last year.

UK (including Republic of Ireland)

	2022 £m	2021 £m	Year-on-year change vs 2021 (%)
Revenue	614.9	190.0	223.6%
Underlying operating profit/(loss)	23.5	(52.2)	145.6%
Operating profit/(loss)	27.7	(57.4)	148.3%

Underlying operating profit was £25.9m (2021: £31.1m loss) on a pre-IFRS 16 basis. Revenue in 2019 was £840.5m.

Revenue of £614.9m increased by 223.6% compared to 2021 and averaged 73% of 2019 levels. In the early months of the year, UK sales continued to recover strongly, with steadily improving Rail commuter numbers and Air passenger numbers boosted by an extended European summer holiday season. While sales remained resilient in December despite the emergence of the Omicron variant, the re-imposition of working from home guidance at the end of the Christmas and New Year holiday period resulted in sales weakening considerably in January, before a steady recovery during February and March as Covid-19 restrictions were eased. Overall first half sales were 60% of 2019 levels.

In the second half, UK trading in both Air and Rail continued to strengthen, with the third quarter running at 82% of 2019 levels and the fourth quarter improving to 85%, despite the impact of the industrial action in the rail network over the summer.

The underlying operating profit for the financial year for the UK was £23.5m compared to a loss of £52.2m in the prior year, with a reported operating profit of £27.7m (2021: £57.4m loss). Non-underlying operating items comprised an impairment charge of £4.1m, offset by a gain on lease disposal of £0.7m and an IFRS 16 rent concession credit of £7.6m. On a pre-IFRS 16 basis, the underlying operating profit was £25.9m, which compared to an underlying operating loss of £31.1m last year.

Rest of the World

	2022 £m	2021 £m	Year-on-year change vs 2021 (%)
Revenue	247.2	89.5	176.2%
Underlying operating profit/(loss)	13.5	(51.1)	126.4%
Operating profit/(loss)	14.6	(33.7)	143.3%

Underlying operating profit was £13.8m (2021: £24.3m loss) on a pre-IFRS 16 basis. Revenue in 2019 was £383.8m.

Revenue of £247.2m increased by 176.3% compared to 2021 and averaged 64% of 2019 levels. Compared to our other three regions, the sales recovery in the Rest of the World markets during the first half of the year was much slower, impacted during the autumn by the continued lockdowns in one or two markets, notably Australia and Thailand, and thereafter by the emergence of Omicron and the re-imposition of significant travel restrictions in many other markets, notably India and China. First half sales for the region in aggregate were 43% of 2019 levels.

In the second half of the year sales recovered strongly in most of our markets, with the third quarter running at 75% of 2019 levels and the fourth quarter improving to 88%. Sales in China and Hong Kong have, however, remained at low levels throughout the second half, reflecting the ongoing lockdowns and travel restrictions in those markets. Furthermore, the loss of Chinese travellers has continued to negatively impact passenger numbers across the entire Asia Pacific region.

The underlying operating profit for the Rest of the World was £13.5m (2021: £51.1m) and reported operating profit was £14.6m (2021: £33.7m). Non-underlying operating items comprised an impairment charge of £1.8m and exceptional restructuring costs of £2.9m, offset by an IFRS 16 rent concession credit of £4.7m and a gain on disposal of leases of £1.1m. On a pre-IFRS 16 basis, the underlying operating profit was £13.8m, which compared to an equivalent loss of £24.3m last year.

Share of profit of associates

The Group's share of profits from associates was £6.6m (2021: £2.3m profit). On a pre-IFRS 16 basis, the Group's share of profits from associates was also £6.6m (2021: £1.7m profit).

Net finance costs

The underlying net finance expense for the year was £81.5m, which included interest on lease liabilities of £37.9m.

Reported net finance expense was £72.9m, including an adjustment of £8.6m relating to non-cash net debt modification gains primarily arising from the non-underlying unwind of prior year debt modification losses.

On a pre-IFRS 16 basis, underlying net finance costs remained consistent with the prior year at £43.6m (2021: £43.7m).

Taxation

The Group's underlying tax credit for the year was £0.9m (2021: £50.6m credit), representing an effective tax rate of 2.1% (2021: 12.9%) of underlying loss before tax. On a reported basis, the tax charge for the year was £15.3m (2021: £48.9m credit).

On a pre-IFRS 16 basis, the Group's underlying tax expense was £4.6m (2021: £30.6m credit), equivalent to a negative effective tax rate of 68.7% (2021: a positive effective tax rate of 12.1%) of the underlying loss before tax.

The Group's tax rate is sensitive to the geographic mix of profits and losses and reflects a combination of higher rates in certain jurisdictions, as well as the impact of losses in some countries for which no deferred tax asset is recognised. The tax rates for the current and the prior year compared to historical, pre-pandemic rates of around 22% are due to the impact of Covid-19 which has led to a significant change in that geographic mix.

The varying pace of recovery around the Group means that some countries have returned to taxable profits during the year more quickly than others. The small underlying tax credit for the year reflects a combination of tax charges for those countries, offset by the impact of the continued non-recognition of deferred tax credits for others. In addition, the Group's effective tax rate has benefited in the prior year from a credit of £13.0m in relation to the remeasurement of UK deferred tax assets. This follows the enactment of legislation in 2021 to increase the main rate of corporation tax in the UK to 25% from April 2023.

Non-controlling interests

The profit attributable to non-controlling interests was £20.1m (2021: loss of £5.0m). On a pre-IFRS 16 basis there was a profit attributable to non-controlling interests of £24.2m (2021: £2.1m), with the year-on-year change reflecting a significantly improved performance from our partly-owned operations in North America and in the Rest of the World.

Loss per share

The Group's underlying loss per share was 7.7 pence per share (2021: 46.5 pence per share), and its reported loss per share was 1.3 pence per share (2021: 51.3 pence per share). On a pre-IFRS 16 basis the underlying loss per share was 4.5 pence per share (2021: 31.9 pence per share).

Dividends

Under the terms of the current financing arrangements with the Group's lending group of banks and US Private Placement note holders, the Company is currently restricted from declaring or paying dividends until the expiry of certain restrictions that apply during the covenant waiver and amendment period. As such, no interim dividend was declared during the 2022 financial year and the Directors will not be recommending a final dividend for the year, which will result in no ordinary dividends for the year (2021: £nil).

The Board recognises the importance of dividends and other capital returns to shareholders and, given current planning assumptions, would anticipate the resumption of ordinary dividend payments, beginning with a payment in respect of the 2023 financial year.

Free cash flow

The table below presents a summary of the Group's free cash flow during the year:

	2022 £m	2021 £m
Underlying operating loss ¹	30.3	(209.0)
Depreciation and amortisation	111.7	100.7
Exceptional restructuring costs ³	(3.6)	(18.4)
Working capital	116.7	171.7
Net tax	(2.3)	1.1
Capital expenditure ²	(148.9)	(69.4)
Acquisition of subsidiaries, adjusted for net debt acquired and acquisition of non-controlling interest	(1.4)	(0.4)
Net dividends to non-controlling interests and from associates	(14.5)	(2.6)
Net finance costs	(40.5)	(32.9)
Other	4.5	1.1
Free cash flow	52.0	(58.1)

1 Presented on an underlying pre-IFRS 16 basis (refer to pages 76-79 for details).

2 Capital expenditure is net of capital contributions from non-controlling interests of £10.7m (2021: £5.2m).

3 Refer to the APMs section on pages 76-79 for further details.

The Group generated a free cash inflow of £52.0m, a significant improvement from the £58.1m outflow in the prior year, primarily reflecting the Group's return to operating profitability during the year, particularly during the second half year as sales recovered towards pre-pandemic levels.

The significant working capital inflow of £116.7m also benefited from the steady recovery in sales across the year (increasing from around 50% of 2019 levels in September 2021 to over 90% by September 2022) while we continue to benefit in several areas of the business from improved payment terms with both partners and clients.

Capital expenditure was £148.9m, a significant increase compared to the £69.4m in the prior year as we continued to restart our capital expenditure programmes across the Group.

Net finance costs paid of £40.5m were £7.6m higher than the prior year, mainly reflecting increased interest payments in respect of the Group's US Private Placement notes following the Rights Issue in 2021.

Net debt

Overall net debt decreased by £11.5m to £296.5m on a pre-IFRS 16 basis, with the reduction of £52.0m as a result of the free cash inflow in the year of offset by non-cash increases of £40.5m, including a £45.8m increase as a result of changes in foreign exchange rates following the weakening of Sterling during the year. On a reported basis under IFRS 16, net debt was £1,150.7m.

The table below highlights the movements in net debt in the year on a pre-IFRS 16 basis.

	£m
Net debt excluding lease liabilities at 1 October 2021 (pre-IFRS 16 basis)	(308.0)
Free cash flow	52.0
Impact of foreign exchange rates	(45.8)
Other non-cash changes ¹	5.3
Net debt excluding lease liabilities at 30 September 2022	(296.5)
Lease liabilities	(854.6)
Other	0.4
Net debt including lease liabilities at 30 September 2022	(1,150.7)

1 Other non-cash changes represent £3.1m of losses recognised on debt modifications and revised estimated future cash flows, offset by an effective interest rate gain of £13.7m and a charge of £5.3m relating to the repayment/modification of below market interest rate government loans.

Available liquidity

At 30 September 2022, the Group had available liquidity of £708.2m, including cash of approximately £543.6m and a committed undrawn revolving credit facility of £150.0m, and smaller undrawn local facilities totalling £14.6m.

Alternative Performance Measures

The Directors use alternative performance measures for analysis as they believe these measures provide additional useful information on the underlying trends, performance and position of the Group. The alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies' performance measures and are not intended to be a substitute for IFRS measures.

1. Revenue measures

As the Group operates in 35 countries, it is exposed to translation risk on fluctuations in foreign exchange rates, and as such the Group's reported revenue and operating profit or loss will be impacted by movements in actual exchange rates. The Group regularly presents its financial results on a constant currency basis in order to eliminate the effect of foreign exchange rates and to evaluate the underlying performance of the Group's businesses. The table below reconciles reported revenue to constant currency sales.

(£m)	North America	Continental Europe	UK	RoW	Total
2022 Revenue at actual rates by segment	455.5	867.9	614.9	247.2	2,185.4
Impact of foreign exchange	(38.0)	13.7	0.7	(3.8)	(27.0)
2022 Revenue at constant currency¹	417.5	881.6	615.6	243.4	2,158.4
2021 Revenue at constant currency ¹	207.2	360.5	190.1	93.1	850.9
Constant currency sales increase	101.5%	144.7%	224.0%	171.6%	158.7%

¹ Constant currency is based on average 2021 exchange rates weighted over the financial year by 2021 results.

2. Non-underlying profit items

The Group presents underlying profit/(loss) measures, including operating profit/(loss), profit/(loss) before tax, and earnings/(loss) per share, which exclude a number of items which are not considered

reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence. The table below provides a breakdown of the non-underlying items in both the current year and the prior year.

	Non-underlying items	
	IFRS 16 2022 £m	IFRS 16 2021 £m
Operating costs		
Impairment of goodwill	-	(26.4)
Impairment of property, plant and equipment	(12.1)	(11.9)
Impairment of right-of-use assets	(6.1)	(12.5)
Gain on lease disposal	61.5	2.3
IFRS 16 rent credit	23.0	92.0
Restructuring costs and site exits	(2.9)	(21.3)
Debt amendment expenditure and extension of bank facilities	(1.3)	(5.4)
Other legal costs	(2.3)	(0.8)
Amortisation of intangible assets arising on acquisition	-	(1.9)
	59.8	14.1
Finance expenses		
Debt modification loss and effective interest rate charge	8.6	(31.0)
Retrospective USPP interest charge	-	(1.2)
	8.6	(32.2)
Taxation		
Tax charge on non-underlying items	(16.2)	(1.7)
Total non-underlying items	52.2	(19.8)

Further details of the non-underlying operating items have been provided in the Financial Review section on page 71. Furthermore, a reconciliation from the underlying to the statutory reported basis is presented below:

	2022 (IFRS 16)			2021 (IFRS 16)		
	Underlying	Non-underlying Items	Total	Underlying	Non-underlying Items	Total
Operating profit/(loss) (£m)	31.7	59.8	91.5	(323.3)	14.1	(309.2)
Operating margin	1.5%	2.7%	4.2%	(38.8)%	1.7%	(37.1)%
Loss before tax (£m)	(43.2)	68.4	25.2	(393.1)	(18.1)	(411.2)
Loss per share (p)	(7.7)	6.4	(1.3)	(46.5)	(4.8)	(51.3)

3. Pre-IFRS 16 basis

The Group adopted IFRS 16 'Leases' on 1 October 2019 using the modified retrospective approach to transition. Following the year of transition, we have decided to maintain the reporting of our profit and other key KPIs like net debt on a pre-IFRS 16 basis. This is because the pre-IFRS 16 profit is consistent with the financial information used to inform business decisions and investment appraisals. It is our view that presenting the information on a pre-IFRS 16 basis will provide

a useful and necessary basis for understanding the Group's results. As such, commentary has also been included in the Business Review, Financial Review and other sections with reference to underlying profit measures computed on a pre-IFRS 16 basis.

A reconciliation of key underlying IFRS 16 profit measures to 'Pre-IFRS 16' numbers is presented below:

	Notes	Year ended 30 September 2022			Year end 30 September 2021		
		Underlying IFRS 16 £m	Impact of IFRS 16 £m	Underlying Pre-IFRS 16 £m	Underlying IFRS 16 £m	Impact of IFRS 16 £m	Underlying Pre-IFRS 16 £m
Revenue	3	2,185.4	-	2,185.4	834.2	-	834.2
Operating costs	5	(2,153.7)	(1.4)	(2,155.1)	(1,157.5)	(114.3)	(1,043.2)
Operating loss		31.7	(1.4)	30.3	(323.3)	(114.3)	(209.0)
Share of profit/(loss) of associates		6.6	-	6.6	2.3	0.6	1.7
Finance income	8	4.9	-	4.9	2.6	-	2.6
Finance expense	8	(86.4)	37.9	(48.5)	(74.7)	(28.4)	(46.3)
Loss before tax		(43.2)	36.5	(6.7)	(393.1)	(142.1)	(251.0)
Taxation		0.9	(5.5)	(4.6)	50.6	20.0	30.6
Loss for the period		(42.3)	31.0	(11.3)	(342.5)	(122.1)	(220.4)
Loss attributable to:							
Equity holders of the parent		(60.9)	25.4	(35.5)	(323.9)	(101.4)	(222.5)
Non-controlling interests		18.6	5.6	24.2	(18.6)	(20.7)	2.1
Loss for the period		(42.3)	31.0	(11.3)	(342.5)	(122.1)	(220.4)
Loss per share (pence)¹:							
- Basic	4	(7.7)		(4.5)	(46.5)		(31.9)
- Diluted	4	(7.7)		(4.5)	(46.5)		(31.9)

IFRS 16 increases the underlying operating profit, whereby the depreciation of the right-of-use assets of £170.0m is offset primarily by the reduced rent expense of £154.8m and a gain on lease disposals of £16.6m, resulting in a net charge to underlying operating loss of £1.4m. This loss, together with the interest charge on the lease liabilities of £37.9m, give the underlying loss before tax impact

of £36.5m. The impact of IFRS 16 on net debt is due to the recognition of the lease liability balance.

Pre-IFRS 16 underlying EBITDA is a key measure of profitability for the Group. A reconciliation to pre-IFRS 16 underlying operating loss for the period is presented below:

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Pre-IFRS 16 underlying EBITDA	142.0	(108.3)
Depreciation of property, plant and equipment	(97.9)	(90.9)
Amortisation of intangible assets	(13.8)	(11.7)
Adjustment for amortisation of intangible assets arising on acquisition	-	1.9
Pre-IFRS 16 underlying operating loss for the period	30.3	(209.0)

Furthermore, a reconciliation from pre-IFRS 16 underlying profit/(loss) for the period to the statutory loss for the period is as follows:

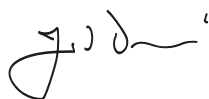
	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Pre-IFRS 16 underlying operating loss for the period	30.3	(209.0)
Depreciation of right-of-use assets	(170.0)	(245.7)
Fixed rent on leases	154.8	119.5
Gain on lease disposal	16.6	11.9
Non-underlying operating gain/(expense) (note 6)	59.8	14.1
Share of profit from associates	6.6	2.3
Finance expense	(81.5)	(72.1)
Non-underlying finance expense (note 6)	8.6	(32.2)
Taxation	(15.3)	48.9
Profit/(loss) after tax	9.9	(362.3)

Liquidity

Liquidity remains a key KPI for the Group. Available liquidity at 30 September 2022 was £708.2m, comprising cash and cash equivalents of £543.6m, undrawn revolving credit facility of £150.0m and smaller undrawn local facilities of £14.6m.

The Strategic Report, as set out on pages 6-79, has been approved by the Board.

On behalf of the Board



Jonathan Davies
Deputy Group CEO and CFO
5 December 2022



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Governance in the year

Strong leadership – new Group CEO

We were delighted to be joined by Patrick Coveney as Group CEO on 31 March 2022. Patrick's strong and strategic leadership and firm commitment to delivering sustainable value for our customers, colleagues, clients and other stakeholders has been clear since his arrival at SSP. Since joining, Patrick has visited c.20 countries around the world and has quickly developed a deep understanding of the business and the markets in which we operate and built strong relationships with our key stakeholders as well as with the rest of the Board.

→ More information on Patrick's induction, as well as the induction for our two new Non-Executive Directors, Apurvi Sheth and Kelly Kuhn, can be found on pages 108 and 109. Further details on Patrick's first eight months at SSP can be found in the strategy section on pages 8-11.

Reframing strategic ambitions

During the year, the Board and the Group Executive Committee spent time considering the articulation of our strategy to better reflect our focus on delivering a leading customer proposition aligned to our clients' needs and goals and developing a skilled and engaged workforce. At the same time, we continue to drive performance through our proven economic model, focused on growing like-for-like sales, winning new business, driving efficient conversion and generating a strong cash flow in order to deliver long-term sustainable growth. Sustainability is now a key element to our long-term success, encompassing our three core strategic priorities.

→ More information on our strategic framework can be found on page 19

Delivering sustainable success through improved governance

The Board believes that a robust governance framework supports future growth. Given the importance of our Sustainability strategy to the delivery of the overall strategy, during the period the Board approved an improved governance model which includes regular updates to the Board and Audit Committee on progress against targets and a dedicated management Sustainability Committee, chaired by our new Group Head of Sustainability and supported by topic specific working groups.

→ Full details of the steps we have taken in embedding our sustainability strategy can be found on pages 28-31 and in our inaugural Sustainability Report.

Engaging with our teams and stakeholders

Our colleagues are central to our continued sustainable resilience and success and, as restrictions on travel eased through 2022, both our Executive and Non-Executive Directors have welcomed the opportunity to once again meet with colleagues in person. These engagements complement our other channels of colleague engagement and develop the Board's understanding of our colleagues and our culture.

We are proud of our engagement with our broader stakeholder groups and, during the year, the Board led an independent assessment of the effectiveness of these engagement mechanisms. This assessment strengthened the Board's understanding of the views and concerns of our key stakeholders, ensuring that it is well placed to identify and respond to new issues as they arise.

→ Further details on our engagement with stakeholders can be found on pages 42-51 and details of the Board's interaction with colleagues can be found on pages 52.

Diversity and Inclusion

The Board remains committed to ensuring that the Group is an inclusive organisation, reflecting all aspects of diversity. This year the Board formally amended its Board Diversity Policy, committing to maintain at least 40% gender diversity on the Board and at least one woman in a senior board position.

Fostering an inclusive workplace, where colleagues can be themselves is an ongoing focus for the Board, and this year we continued to promote diversity throughout the organisation including through new initiatives such as our Group Inclusion Council.

→ Further details on our diversity and inclusion commitments can be found on pages 110 and 111.



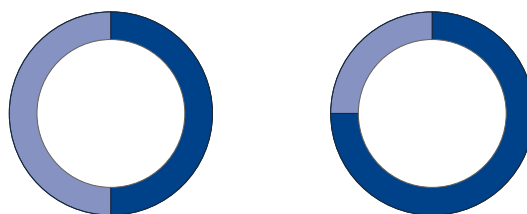
Governance in numbers

Board Independence as at 30 September 2022:



- Chair (Independent on appointment) 1
- Executive Directors 2
- Independent Non-Executive Directors 5

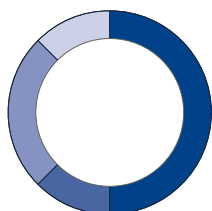
Board Gender Representation as at 30 September 2022



- Number of Board members**
- Male 4 (50%)
 - Female 4 (50%)

- Senior positions on the Board**
- Male 3 (75%)
 - Female 1 (25%)

Board Nationality as at 30 September 2022



- UK 4 (50%)
- Ireland 1 (12.5%)
- USA 2 (25%)
- Singapore 1 (12.5%)

Board Ethnicity Representation as at 30 September 2022

White British or other White (including minority-white groups) 87.5%



Asian/Asian British 12.5%



Board skills and experience

Executive & strategic leadership



Financial accounting, corporate finance



Consumer/retail



F&B



Travel/airports/rail



International experience



HR/People



Governance



Risk & compliance (including Health & Safety)



IT/Digital



Sustainability (including climate and diversity)



M&A



Independent Directors' Tenure as at 30 September 2022

	Expired term					Unexpired term								
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Carolyn Bradley (SID, Rem Chair)														
Mike Clasper (Chair)														
Judy Vezmar (ENED)														
Tim Lodge (Audit Chair)														
Kelly Kuhn														
Apurvi Sheth														



Mike Clasper,
Chair

“By leading with purpose, over the course of the last year the Board has demonstrated its resilience to a rapidly changing external environment. We have re-engaged with the business and our stakeholders, using our strong governance framework to enable SSP to deliver for its stakeholders.”

Meeting attendance

Director	Date appointed	Number of meetings attended ⁵	Number of additional meetings held
Mike Clasper	1 November 2019	9/9	3/3
Patrick Coveney ¹	31 March 2022	5/5	1/1
Simon Smith ²	20 November 2018	1/2	0/1
Jonathan Davies	16 June 2014	9/9	3/3
Carolyn Bradley	1 October 2018	9/9	3/3
Ian Dyson ³	4 April 2014	5/5	0/1
Tim Lodge	1 October 2020	9/9	2/3
Judy Vezmar	1 August 2020	9/9	3/3
Apurvi Sheth ⁴	1 January 2022	7/7	2/2
Kelly Kuhn ⁴	1 January 2022	7/7	2/2

1 Patrick Coveney was appointed to the Board on 31 March 2022.

2 Simon Smith resigned from the Board on 24 December 2021.

3 Ian Dyson resigned from the Board on 4 February 2022.

4 Kelly Kuhn and Apurvi Sheth were appointed to the Board on 1 January 2022.

5 Our usual September meeting was held at the beginning of the October. This was to accommodate the New York site visit and was included for consistency with prior years.

Dear Shareholder,

I am pleased to present this year’s Corporate Governance Report. It has been another busy year for the Board, as we welcomed Patrick Coveney as Group CEO and Kelly Kuhn and Apurvi Sheth as Non-Executive Directors. This year we continued to show resilience in the face of a number of ongoing economic and social challenges and this resilience has been underpinned by our continued focus on embedding the highest standards of governance. I would like to thank my Board colleagues for their considerable commitment and support during the year, particularly in the management of risks and opportunities facing the business and their insights as we have developed our strategy to grow in a volatile post-Covid world.

The strong performance delivered this year against a challenging backdrop is a testament to the dedication and hard work of our Group CEO, Deputy Group CEO and CFO and the Group Executive Committee and our colleagues around the world. In particular, on behalf of the Board, I would like to thank Jonathan Davies, Deputy Group CEO and CFO. His support has been invaluable in navigating a tumultuous year and providing the guidance needed to ensure a smooth leadership transition.

We were delighted to welcome Patrick Coveney to the business as Group CEO on 31 March 2022. Since joining, Patrick has immersed himself in the business, meeting with colleagues, clients and customers in both our established and our emerging markets – visiting nearly 20 countries in which we operate in his first eight months and with more visits planned in FY23. These visits, as part of our wider induction programme, have enabled Patrick to rapidly gain an in-depth understanding of the Group, the markets in which we operate and our culture. The Board has welcomed the way in which Patrick has already built strong relationships across our stakeholder groups, meeting with colleagues, clients, joint venture partners and brand partners.

➔ [For more information on the Group CEO’s induction, see page 109.](#)

We endeavour to promote a culture of integrity and openness and we believe that the Board has a critical role in developing a strong culture. Through the year we have supported the business as it has continued to promote an open and collaborative culture across the Group, where colleagues are valued irrespective of their background, empowered to fulfil their potential, and contribute to delivering our purpose and strategy.

Our People Strategy supports us in promoting this desired culture through the organisation in line with our values and purpose. It is focused on attraction and retention; inclusion and engagement; training and development; and safety and wellbeing. We are committed to providing career development paths throughout the organisation, from new recruits to senior management. We have also increased our focus on safety this year, with updated reporting into the Board and investment in a new and developed health and safety structure at the centre, with additional targeted resource, and increased momentum building across the Group. Our colleagues wellbeing is paramount, and we have also taken numerous actions to support our colleagues who are experiencing an increase in the cost of living with a mix of global, regional and local initiatives.

Diversity, Equity and Inclusion (DE&I) remains high on the Board agenda. I truly believe that a diversity of backgrounds, culture and business experiences help substantially to inform the strategic judgements that lead to long-term success. This has never been more salient than in today’s volatile and unpredictable world. We are

pleased to have exceeded the gender target set by the FTSE Women Leaders Review (formerly the Hampton Alexander Review) with 50% female board representation, and met the Parker Review ethnicity target for Board diversity. To build on this, we recently adopted a new Board Diversity Policy to ensure we maintain this progress, with new targets of at least 40% female representation as well as at least one woman holding a senior Board position. We have also met our 2025 target of 33% women in senior leadership. We recognise that nurturing a diverse and inclusive culture is about more than meeting targets and this year we have continued to promote a diverse and inclusive workplace in the broadest sense with new initiatives, such as the launch of our Group Inclusion Council. We recognise that there is always more to be done on this front and look forward to driving this agenda forward in FY2023.

As restrictions on travel eased in the spring, the Board has welcomed the opportunity to meet with colleagues face to face once again and to see and assess first-hand how our desired culture is embedded on the ground. The two-way dialogue with our colleagues on site visits has increased the Board's understanding of colleague sentiment and culture and is supported by the work carried out by Judy Vezmar, our ENED, who provides feedback to the Board after each interaction.

→ **For more information on culture see pages 96 and 97, our approach to safety and wellbeing on pages 22 and 23, our cost of living initiatives on page 121, our approach to DE&I on pages 110 and 111 and the ENED's activities on page 52.**

The Board is responsible for overseeing the delivery of the Group's Sustainability Strategy and, over the year, the Board has not only developed its targeted sustainability related discussions, but broadened its decision-making generally to take into account sustainability related matters.

We launched our sustainability targets last year with bold ambitions and the Board has been impressed by the strength and speed at which the business teams have embraced the strategy and its implementation through the business. Sustainability, our delivery against targets, consideration of climate impacts and our commitment to net zero by 2040 will continue to be a focal point for the Board as we look forward to FY23 and beyond.

→ **More details on our Sustainability Strategy can be found on pages 28-31 and in our dedicated Sustainability Report.**

Our updated articulation of our strategic priorities better reflects focus on delivering a leading customer proposition aligned to our clients' needs and goals, building a great place to work for our colleagues and delivering growth and performance for all our stakeholders. Understanding the concerns and needs of our stakeholders is central to our success. The Group maintains a continuous dialogue with stakeholders to ensure the Board understands their priorities and key drivers.

In the year, we undertook a rigorous assessment of our stakeholders and the effectiveness of our engagement mechanisms to make sure they were a robust way of identifying the key issues for each of our stakeholder groups. This process has allowed us to keep abreast of new issues and areas of focus. We have also continued to invest in our resources in order to better understand our stakeholders, including through the strengthening of the capability of our customer and sustainability teams.

→ **More information on stakeholder engagement can be found on pages 28-31 and more information on our strategy can be found on pages 18-29.**

Following a robust and inclusive recruitment process undertaken during the second half of the 2021 calendar year, on 1 January 2022, we welcomed Kelly Kuhn and Apurvi Sheth to the Board as Independent Non-Executive Directors. With their experience working in the food and beverage and travel sectors respectively, and extensive global expertise, they have brought added breadth of experience and diversity, adding huge value to the Board.

At our 2022 Annual General Meeting, Ian Dyson left the Board, having served for more than seven years, and we would like to thank him for his strong contribution, particularly as he led the Audit Committee through the last few challenging years. He was succeeded as Chair of the Audit Committee by Tim Lodge as part of our Board succession plan. Tim brings a wealth of recent and relevant experience with a strong financial and audit background and a keen focus on governance, risk and compliance. We believe that our refreshed Board has the right balance of skills, experience, and diversity to help drive the Company forward to promote long-term sustainable success.

Each year we undertake an annual Board evaluation to ensure that the Board as a whole, its committees and each Director are continuing to operate and perform effectively and to identify areas for continued development and future focus. We were pleased with the results of the internal review, which demonstrated that we continue to operate effectively and we welcomed the suggested areas for improvement, which we will consider and build into our future plans. Finally, we believe we have the right people in place on our Board, with a rich diversity of thought and skills, who are working together in mutual respect. Our inclusive approach enables constructive discussion and helps us ensure each decision we make is for the benefit of the long-term sustainable success of the Company.

→ **More information on our Board Evaluation can be found on pages 112 and 113 and on the skills and composition of our Board on page 83.**

Helen Byrne, our Group General Counsel and Company Secretary, has informed the Board of her intention to retire with effect from the conclusion of the 2023 AGM. Helen has guided us through many significant changes and challenges over many years, including our successful IPO in 2014. On behalf of the Board, I would like to thank her for her longstanding dedication and wise counsel to the Board and the business. Helen will be succeeded by Fiona Scattergood, Group Legal Director, as part of our internal talent succession planning.

→ **More information on our talent review and development processes can be found on page 107.**

I am pleased to now present the following Corporate Governance Report and look forward to building on our solid governance framework to support the business as it strives to meet its strategic aims of delivering long-term value creation for all stakeholders.



Mike Clasper
Chair of the Board
5 December 2022

The Board believes that good governance is key to supporting performance and the delivery of long-term sustainable success for the Company and its stakeholders. The page on the right and this Corporate Governance Report (which forms part of the Directors' Report), together with the Strategic Report (pages 6-79) describe how the Board has applied the main principles of good governance set out in the UK Corporate Governance Code 2018 (the 'Code') during the year under review. The Code can be found on the Financial Reporting Council's website at www.frc.org.uk.

Having carefully considered each provision, the Board considers that for the year ended 30 September 2022, the Company has complied with each provision set out in the Code with the exception of provision 38 relating to the alignment of Executive Director pension contributions to the workforce.

In FY21, the Board committed to aligning Executive Director pensions by the end of 2022. This has now been actioned and, with effect from 31 December 2022, the Deputy Group CEO and CFO will receive a payment in lieu of pension equal to 3% of salary in line with the rate for the majority of UK employees. The Group CEO's pension has been set at 3% of salary since his appointment in March 2022.

→ **More information on the pension arrangements for the Executive Directors can be found in the Directors' Remuneration Report on pages 120-144.**

Last year, we also commented on the form of Board Evaluation relating to individual Directors (regarding provision 21). This year as part of the internal board review, the Board carried out a specific review of the Chair, and the Chair held review sessions with each of the Directors.

→ **More information on the evaluation process can be found on page 112 and 113.**

The table opposite sets out where to find more information on how we have complied with the Code.

Corporate Governance Code summary	References for further details
Board leadership and Company purpose The Board's overarching role is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to the wider society. In doing so, a key focus is the development, promotion and monitoring of a culture throughout the organisation which is aligned to the Company's purpose, values and strategy.	A Board effectiveness – pages 112-113 B Culture, purpose, values and strategy – pages 18-33 and 96-97 Governance framework – pages 92-95 C Risk framework and principal risks and control – pages 58-69 D Stakeholder engagement – pages 42-52 E Workforce policies and practices – pages 22-23, and 45
Division of responsibilities The Board has a clear division of responsibilities between the leadership of the Board and executive leadership of the business. Committee terms of reference determine the authority of each of the Board's Committees. Governance arrangements are in place to ensure that the Board and Directors can meet their obligations under the Code.	F Role of Chair – page 93 G Independence and division of responsibilities – pages 92-93, 95 H Conflicts and time commitment – page 95 I How the Board operates – pages 94-95 For our Matters Reserved for the Board, Committee Terms of Reference and Division of Responsibilities overview see the Corporate Governance section of our website at www.foodtravelexperts.com
Composition, succession and evaluation The Board, with the support of the Nomination Committee, conducts regular reviews of its composition (and that of its Committees) and leads the process for appointments to ensure plans are in place for orderly succession to both the Board and the Executive Committee. The Board undertakes an annual review of its effectiveness and that of its Committees and individual Directors to ensure that the Board and its members continue to contribute effectively.	J Appointments and succession planning – pages 106-109 K Composition of the Board – pages 106-107 L Annual evaluation – pages 112-113
Audit, risk and internal control The Board, supported by the Audit Committee, is responsible for establishing appropriate risk management and internal control procedures to ensure that the Group is appropriately managed and that risks are appropriately identified and mitigated in the context of the business as a whole.	M External auditor and internal audit – pages 118-119 N Fair, balanced and understandable assessment of Company's position and prospects – pages 8-79 and 117 O Internal financial controls and risk management – pages 58-69, 115 and 118
Remuneration The Board, supported by the Remuneration Committee, ensures that the remuneration policies and practices are designed to support strategy and promote long-term sustainable success. Executive remuneration is set in alignment with Company purpose and values and is clearly linked to the successful delivery of the Company's long-term strategy.	P Alignment with strategy, purpose and values – pages 122-124, 126 and 129-130 Q Remuneration Policy – pages 140-150 R Performance Outcomes, use of discretion – pages 123-124, 125 and 127-131

Page references are to sections of the Corporate Governance Report unless noted otherwise.

Board of Directors

Our Board of Directors brings a wide range of experience, skills and background to the Group's decision-making. All Board members have considerable leadership experience at global businesses and institutions. Our Board members' biographies demonstrate the contribution each Director makes to the Board and our development and delivery of our strategic priorities.



Mike Clasper CBE

Chair
Nationality: British



Date of Appointment:
1 November 2019 as Non-Executive Director and 26 February 2020 as Chair

Key skills and contribution:

Mike is a highly capable industry leader with extensive sector experience, particularly in the airport and aviation services industries. Mike believes high corporate governance standards underpin a well-run, successful board and business, and that the Board should lead by example in driving culture. With a CBE for services to the environment, ensuring the continued sustainability of the Company is of upmost importance to Mike. His leadership and business insights have been and remain critical in guiding the Board and supporting the Business as the Group has navigated through the Covid-19 recovery phase, implementation of our sustainability targets and transition of executive leadership.

External appointments:

Chair of Bioss International Ltd, Trustee of Heart Cells Foundation, Advisory Board member for Arora International and member of The Vice Chancellor's Circle at the University of Sunderland.

Previous experience:

Mike was formerly CEO at BAA plc, Operational Managing Director at Terra Firma Capital Partners Limited and held various senior management roles at Procter & Gamble. He is also the former Chair of Coats Group plc, HM Revenue & Customs and Which? Limited and the former Senior Independent Director of Serco Group plc and ITV plc.



Patrick Coveney

Group CEO
Nationality: Irish



Date of Appointment:
31 March 2022

Key skills and contribution:

Patrick is a strong and strategic leader with extensive industry knowledge having spent 14 years as CEO at Greencore Group plc, a leading convenience food producer, as well as holding non-executive positions at various F&B companies. Through his executive career, Patrick has demonstrated a strong track record of delivering growth whilst embedding sustainability. Patrick's strong focus on colleagues, customers and culture alongside his proven ability to quickly develop strong relationships make him well placed to lead SSP to future success.

External appointments:

Patrick serves as a non-executive director of OFI Group Limited, Chair of Core Media and is President of the Institute of Grocers & Distributors.

Previous experience:

Patrick spent 14 years as Group CEO of Greencore Group plc, having joined in 2005 as CFO. Patrick has also held a non-executive director position on Glanbia plc. Prior to Greencore, he worked for nine years at McKinsey & Company in Europe and North America, latterly as Managing Partner for Ireland.



Jonathan Davies

Deputy Group CEO and CFO
Nationality: British



Date of appointment:
2004 as CFO and 1 September 2021 as Deputy Group CEO and CFO

Key skills and contribution:

Jonathan brings extensive financial, strategic and commercial experience to the Board with over 29 years working within retail and FMCG companies. Jonathan's tenure within the Group gives him a deep knowledge of the business, which along with his capital markets experience, enables him to provide clear financial, operational and strategic oversight to the Company as it looks to implement its strategy. This expertise has been vital as Jonathan has managed us through the pandemic and the transition to new leadership. His external non-executive role further augments his strong board-level experience.

External appointments:

Senior Independent Director and Chair of the Audit Committee of Assura plc.

Previous experience:

Jonathan began his career in Unilever plc's management development programme before joining OC&C as a start-up, where he was part of its rapid growth and development to become a leading international consulting firm. Jonathan then spent nine years at Safeway plc (with five years on the Executive Board as Finance Director).



Carolyn Bradley

Senior Independent
Non-Executive Director (SID)
Nationality: British



Date of Appointment:
11 October 2018 as a Non-Executive Director and 21 February 2019 as SID

Key skills and contribution:

Carolyn's extensive experience in executive and non-executive marketing and retail roles brings a strong consumer focus to the Board. Over the year, she has continued to drive the focus on stakeholder interests through her role as Senior Independent Director and Remuneration Committee Chair. Last year as Senior Independent Director, Carolyn provided strong support to the Chair in the recruitment process which led to the appointment of our new Group CEO and independent Non-Executive Directors.

External appointments:

Non-Executive Director at Majid Al Futtaim Retail LLC, The Mentoring Foundation and B&M European Value Retail S.A. and Chair of TheWorks.co.uk plc and Advisory Board member of Cambridge Judge Business School.

Previous experience:

Carolyn spent over 25 years at Tesco, in various operating, commercial and marketing roles. She was also formerly a Non-Executive Director of Legal & General Group plc and Senior Independent Director at Marston's plc. Carolyn was also formerly a Trustee and the Deputy Chair of Cancer Research UK (stepping down in October 2022).

- A** Audit Committee
- R** Remuneration Committee
- N** Nomination Committee
- Chair



Tim Lodge
Independent Non-Executive Director
Nationality: British



Date of appointment:
1 October 2020



Key skills and contribution:

Tim is an experienced former public company CFO with a strong financial, accounting and audit committee background. He has significant international commercial experience in businesses with complex global operations and supply chains in the food and beverage sector. Tim's recent and relevant financial knowledge and experience position him well to promote the strategic and financial resilience of the Company whilst creating shareholder value.

External appointments:

Non-Executive Director and Chair of the Audit Committee of Serco Group plc and Senior Independent Director at Arco Limited. Director of An African Canvas (UK) Limited, Trustee of Gambia School Support, and Chair of the Management Committee of The Worshipful Company of Cordwainers.

Previous experience:

Tim spent 26 years at Tate & Lyle plc in various finance roles, including six years as CFO. He subsequently held CFO roles with the COFCO International group. Tim has also been a Non-Executive Director and Audit Committee Chair at Arysza AG.



Judy Vezmar
Independent Non-Executive Director, Designated NED for Workforce Engagement
Nationality: American



Date of Appointment:
1 August 2020

Key skills and contribution:

Judy has extensive knowledge of running complex international businesses, bringing significant expertise to the Board in the field of data and analytics, which in turn supports the Board in its continued investment in technology and automation. Judy's strong people focus is the foundation for her role as Designated Non-Executive Director for Workforce Engagement, where she supports the Board in both promoting the employee voice in the boardroom and cascading the Company's culture from the Board throughout the business.

External appointments:

Non-Executive Director and Chair of the Remuneration Committee of Ascential plc.

Previous experience:

Judy was previously CEO of LexisNexis International. Prior to that, she held several executive leadership roles within the Xerox Corporation in the United States and Europe. Judy has also been a Non-Executive Director of Rightmove plc, serving on its Nomination, Audit and Remuneration Committees.



Kelly Kuhn
Non-Executive Director
Nationality: American



Date of appointment:
1 January 2022

Key skills and contribution:

Kelly brings substantial business experience from her previous executive roles within the travel sector. She combines sizeable international P&L expertise with commercial acumen and a strong consumer focus. Kelly's extensive experience in customer engagement across multiple markets is a valuable addition to the Board as it continues to deepen its relationships with stakeholders. The Board welcomes Kelly's strong background in executive sponsorship of responsible business efforts – including environmental as well as diversity, equity, and inclusion – as it continues to embed its new Sustainability and People Strategies.

External appointments:

Non-Executive Director and member of the Nomination and Remuneration Committees of ISS A/S. Advisor to CWT (formerly Carlson Wagonlit Travel) and the McChrystal Group. Member of various networks and advisory boards promoting women in the travel sector and diversity.

Previous experience:

Kelly spent 30+ years in various roles at CWT, including as Executive Vice President and Chief Customer Officer, President of the EMEA and Asia Pacific businesses, and President for the company's Military & Government division. She also served as President and Chief Operating Officer at both Navigant International and Arrington Travel Center before they were acquired by CWT and was previously a Non-Executive Director at LaSalle Hotel Properties.



Apurvi Sheth
Non-Executive Director
Nationality: Singaporean



Date of Appointment:
1 January 2022

Key skills and contribution:

Apurvi has extensive executive experience spanning more than 30 years across various international food and beverage companies. She has spent the majority of her career in Asia and India and has strong knowledge of the region and emerging markets where she has broad M&A experience, which adds great insight to our growth ambitions in this region. Apurvi's breadth of executive experience and focus on innovation and value creation complement the Board's existing skills and experience as it looks to deliver on its strategy and purpose. Apurvi is also passionate about the DE&I agenda and is a leader of Women's forums and a trainer in a local talent organisation.

External appointments:

Strategic Advisor to various companies in Southeast Asia and India, across a wide range of sectors including food and beverage, retail and technology.

Previous experience:

Apurvi spent 13 years in various roles at Diageo plc including Managing Director, Southeast Asia. She has also served as Marketing Director, APAC at PepsiCo International, Marketing Director of India at Coca-Cola and held various roles at Nestle SA. Apurvi previously served as a Non-Executive Director of Heineken Malaysia BHD.

Group Executive Committee

The Group Executive Committee is responsible for the day-to-day management of the Group and ensures all Board decisions are implemented effectively, including the implementation of the Group strategy. The Group Executive Committee identifies and executes strategic opportunities and regularly reviews the Group's operational performance and strategic direction.



Patrick Coveney
Group CEO

→ Read more about Patrick and Jonathan on page 88.



Jonathan Davies
Deputy Group CEO and CFO



Michael Svagdis
CEO SSP America

With 30 years of experience in the food and beverage industry and having joined SSP in 2014 as Chief Executive Officer, North America (covering the USA and Canada), Michael Svagdis leads a talented team driven by an unparalleled passion for bringing cool, authentic restaurants to airports that reflect a taste of place. In October 2020, Michael took on additional responsibility for SSP's business in South America.

Prior to SSP, Michael held various management and leadership roles at Compass Group plc, Eurest and Morrison Healthcare.

Michael has a degree in Business Management from Massachusetts Bay College, Massachusetts.



Jeremy Fennell
CEO Continental Europe

Jeremy is CEO of Continental Europe, covering the Nordics, Frabel, DACH and Spain. He joined SSP in October 2019 as CEO of the Nordics region, taking on responsibility for Frabel, DACH and Spain in July 2021.

Previously Jeremy spent over 10 years at Dixons Carphone, including four years as MD of Carphone Warehouse and had responsibility for the international airport chain Dixons Travel. Prior to this, Jeremy led the Dixons eCommerce business, developing a multichannel offer at Currys. Jeremy gained experience working in the Nordics as Category Director of market leader Elkjøp (with 400+ stores across the Nordics and Iceland).

Jeremy has a degree in Retail Management from Bournemouth University.



Miles Collins
Director of Group Finance

Miles is responsible for the Group Finance function, overseeing the Group's financial reporting, planning and analysis and investment appraisal. He joined SSP in 2006 and has gained extensive experience of the business through his roles in Group Finance and as CFO of the UK division.

Miles began his career at Arthur Andersen, before moving into food retail with Safeway plc, where he worked from 1992 to 2004 in a variety of finance roles. He then spent two years as Group Financial Controller of Lastminute.com.

Miles is a chartered accountant and holds a degree in law from Manchester University.



Sarah John
Corporate Affairs Director

Sarah is Corporate Affairs Director at SSP Group, with overall responsibility for Communications, Sustainability and Investor Relations. Sarah joined the business in 2015 as Director of Investor Relations and joined the Group Executive Team in 2021.

Prior to joining SSP, Sarah was Director of Strategy and Corporate Affairs for Compass Group PLC from 2003 until 2014. She has also held positions at ABN AMRO, including as Head of Equity Research, Dresdner Kleinwort Wassterstein and Price Waterhouse Coopers.

Sarah has a BA (Hons) Business Studies and is also a trained Executive Coach.



Richard Lewis
CEO SSP UK & Ireland

Richard is CEO of UK & Ireland. He joined SSP in September 2019 from Greene King plc where he was Chief Operating Officer. Prior to this, Richard held a number of different leadership positions with over eight years at Greene King, including Group Integration Director and Managing Director Retail.

Richard also has significant international experience, including through his role as COO of the Warehouse, New Zealand's largest non-food retail group. Before that, he held a variety of operational and commercial roles at both Sainsbury's and Woolworths in the UK.

Richard has a degree in Geography from the University of Salford.



Jonathan Robinson
CEO SSP Asia Pacific

Jonathan joined the Group Executive Committee as CEO, Asia Pacific with effect from 1 October 2022. Jonathan joined SSP in April 2016 as Group Business Development Director before moving to Hong Kong in March 2019 as Chief Development Officer, Asia Pacific and latterly CEO, Asia Pacific from February 2022.

Jonathan began his career in commercial development in Sainsbury's before spending over 10 years in WHSmith in various roles including Business Development Director and General Manager Qatar.

Jonathan holds a Diploma in Management from Birkbeck University of London and a BA in Communication Media from Manchester Metropolitan University.



Mark Angela
Chief Business Development and Strategy Officer, CEO India and EEME

With effect from 1 October 2022, Mark has been appointed as Chief Business Development and Strategy Officer, retaining leadership of India and EEME. In this new central role, Mark leads the evaluation of new markets, corporate development activities and drives strategy development. Mark joined SSP in February 2012 as CEO, UK & Ireland, moving to Group CCO in 2014, CEO Asia Pacific in 2019 and CEO, Rest of the World in 2022.

Mark began his career at Schroders before moving to ICI (now Astra-Zeneca) and Colgate-Palmolive in a variety of marketing and management positions. Mark then joined Greene King as Managing Director before spending four years as CEO of Pizza Express.

Mark holds a modern languages degree from Cambridge University.



Nathan Clements
Chief People Officer

Nathan joined as Chief People Officer in July 2021 with oversight of people, transformation and safety agendas. He co-chairs the Group Inclusion Council and is executive sponsor of our LGBT+ network.

Previously, Nathan has held senior HR leadership positions at WBA where he led a transformation to improve customer and colleague engagement and establish the DE&I agenda. Prior to this, Nathan held a number of senior HR roles at Daily Mail, Morrisons Supermarkets, B&Q and PepsiCo.

Nathan has a degree in Applied Biology from Liverpool John Moores University and a Postgraduate Certificates in Business Administration from the University of Bradford, School of Management, and Consulting and Change from the Tavistock Institute.



Angela Moores
Chief Customer Officer

Angela is the Chief Customer Officer. She joined SSP in 2013 as UK Commercial Director, before moving to Group Commercial Development Director with responsibility for rolling-out best practice initiatives across the business. Angela re-joined the UK team as UK and Group Commercial and Marketing Director before taking up her current role in 2021. Angela is the executive sponsor of our Menopause Network.

Prior to SSP, Angela held Commercial Directorships at PizzaExpress and Greene King PLC.

Angela has a Business Studies degree from Napier University, Edinburgh.



Mark Smith
Chief Digital and Technology Officer

Mark is Chief Digital and Technology Officer. He joined SSP Group in February 2018 as Group CIO. He is responsible for the Group's digital strategy and implementation of digital and technology solutions. Mark is the executive sponsor of our Women in Tech initiative.

Mark spent 10 years at Accenture, working with clients such as Selfridges, Dixons, Argos and Sainsbury's. He then moved to M&S as Head of HR Transformation before working at Tesco as CIO – Asia, with responsibility for technology across 2,500 stores across five countries.

Mark has a Computer Science degree from the University of Warwick.



Sukh Tiwana
Chief Procurement Officer

Sukh is Chief Procurement Officer with over 30 years of experience. He started his career with various finance and purchasing roles at Granada Group and, following its merger with Compass Group, was appointed Managing Director of Compass Purchasing.

In 2004, Sukh was appointed Group Commercial Director of SSP Group, responsible for purchasing, supply chain and leading group wide commercial negotiations. Sukh was appointed Chief Procurement Officer in 2022 and is also the co-chair of our Group Inclusion Council.

Sukh is a qualified CIMA Accountant and holds an MBA from Oxford Brookes University.



Helen Byrne
General Counsel and Company Secretary

Helen joined SSP Group as General Counsel & Company Secretary in March 2007, and leads the Group legal and company secretarial team which she established following her arrival at SSP.

Helen is a UK qualified lawyer and has extensive experience in providing legal and corporate governance advice at plc board and group-wide level, having previously been company secretary and general counsel for international companies Gullane Entertainment (formerly The Britt Allcroft Company) and HIT Entertainment.

Helen holds an LLB degree from Exeter University.

Division of responsibilities

At the date of this report, our Board comprised the Chair, five Independent Non-Executive Directors and two Executive Directors.

The roles of Chair, Senior Independent Director and Group CEO are separate and their responsibilities are well-defined, set out in writing and regularly reviewed by the Board (see www.foodtravelexperts.com).

The Chair and the Non-Executive Directors have a programme of meetings both amongst themselves and with various members of the executive team, and this includes both formal Board meetings and more informal gatherings where the Board can see our operations first-hand and engage with our workforce. The Board is supported by the General Counsel and Company Secretary, to whom all Directors have access for advice and corporate governance services.

The Executive Directors meet monthly as part of the Group Executive Committee to attend to the ongoing management of the Group. Any significant operational and market matters are communicated to the Non-Executive Directors on a timely basis outside of Board meetings.

The Risk Committee meets quarterly, the Sustainability Steering Committee monthly, and the other operational committees as necessary.

→ [Read more about how the Board operates on page 94.](#)

Governance framework

Board of Directors

- Determines the strategic development of the Group and oversees the implementation of the strategy
- Establishes and promotes the Group's purpose, values and strategy
- Ensures that the Company's obligations to its shareholders and stakeholders are understood and met
- Monitors the Group's culture and ensures that workforce policies and practices are consistent with the Company's values
- Maintains the Group's systems of risk management and internal control
- Sets the sustainability strategy and monitors performance against targets



General Counsel and Company Secretary

The General Counsel and Company Secretary supports the Chair and ensures the Directors have access to the information needed to perform their roles. She advises the Board on legal and corporate governance matters, including the UK Corporate Governance Code, UK Listing Rules and other statutory and regulatory requirements.



Board Committees



Executive and Operational Committees





Chair

The Chair is responsible for leading the Board and ensuring effectiveness in all aspects of its role. The Chair sets the Board's agenda and ensures that adequate time is given to key discussion points, in particular the strategic aims of SSP Group.



Group CEO

The Group CEO is responsible for overseeing the day-to-day operational management of the Group and for implementation of the strategic aims of the Group. The Group CEO acts as a liaison between the Board and operational management teams.



Deputy Group CEO and CFO

The Deputy Group CEO and CFO supports the Group CEO by providing day-to-day oversight of the Group's operations, controls and financial performance as well as supporting the Group CEO in all other areas.



Non-Executive Directors

The Non-Executive Directors provide independent oversight and constructive challenge to the executive management team, helping to develop proposals on strategy, scrutinising performance against agreed goals and objectives.



Designated Non-Executive Director for workforce engagement (ENED)

Our ENED is tasked with bringing the thoughts and concerns of our colleagues to the attention of the Board so that they can be taken into account in decision making.



Senior Independent Director (SID)

The SID's role is to deputise for the Chair. The SID serves as an intermediary between the Chair and the rest of the Board and, as necessary, the shareholders. The SID is also responsible for holding an annual meeting of the Non-Executive Directors and leads the evaluation of the Chair on behalf of the other Directors.

Nomination Committee

- Reviews the Board's structure, size and composition
- Leads the search and selection process for new directors and succession planning
- Monitors diversity and inclusion

→ See pages 104-113.

Audit Committee

- Monitors the integrity of financial reporting
- Reviews and advises on internal controls and risk management systems
- Oversees external and internal audit function

→ See pages 114-121.

Remuneration Committee

- Sets the executive remuneration policy
- Ensures the policy aligns with strategy and culture
- Reviews workforce remuneration policies

→ See pages 122-146.

Group Executive Committee

- Day-to-day operational management
- Develops and implements the Group's strategy

Risk Committee

- Reviews and advises on the risk and control environment
- Ensures operation of a robust and effective risk management and assurance framework
- Considers climate and other sustainability related risks

Investment Committee

- Oversees SSP's investment objectives
- Manages and implements SSP's investment policies
- Conducts post-investment reviews

Treasury Committee

- Agrees and implements the Group's treasury policies
- Oversees the Group's treasury activities

Disclosure Committee

- Oversees the disclosure of market sensitive information and other public announcements

Sustainability Steering Committee

- Oversees the implementation of the Group's sustainability policy and objectives



How the Board operates

The Board and its Committees have a scheduled forward agenda of meetings to ensure sufficient time is allocated to the topics to be discussed and to ensure the appropriate balance is given to strategic, operational, financial and governance matters. This year, and as recommended by the 2021 Board evaluation, the Board dedicated particular time to key issues affecting strategy such as sustainability with in-depth sessions scheduled through the year.

At each Board meeting, the Board receives updates from the Group CEO and Deputy Group CEO and CFO as well as presentations from the regional CEOs and other functional leads as appropriate. Papers are prepared by management and distributed in advance of meetings, using a secure portal, to allow Directors sufficient time to consider the matters independently in advance of the meeting. Directors unable to attend a meeting are encouraged to read and comment on the pre-circulated papers in advance of the meeting so that their thoughts can be considered by the Board. The Chair and the Company Secretary will follow up with the Director after the meeting to update them on the key matters discussed and decisions made at the meeting. From time to time, the Board will delegate authority to a sub-committee to approve certain matters.

Board meetings are held at Group business locations, when possible, to help all Board members gain a deeper understanding of the business. This gives senior management across the Group the chance to present to the Board, as well as to meet and interact with Directors on more informal occasions. Although not all activities were able to continue as planned due to the rise of the Covid-19 Omicron variant at the beginning of the financial year, the Board were eager to revisit the business as restrictions eased in the spring, visiting sites in London, Paris and New York, with travel to more global locations planned this year. These visits help inform and support the Board's understanding of the Group's colleagues and culture.

➔ **More information on the Board's monitoring of culture can be found on pages 96 and 97.**

Led by the Senior Independent Director, meetings between the Non-Executive Directors, both with and without the presence of the Chair and the Group CEO, are scheduled in the Board's annual programme.

Terms of Reference

The Board has a schedule of matters reserved for its decisions and formal terms of reference for its Committees. These are reviewed annually and are available to view on the Group's website at www.foodtravelxperts.com.

Matters not specifically reserved to the Board and its Committees under their terms of reference, or for shareholders in General Meeting, are delegated to the Group CEO and the Group Executive Committee. The Group CEO then reports back to the Board on activity carried out by the Group Executive Committee.



The significant matters reserved for the Board's decision include:

Strategy, culture and values

- Approval and regular review of the delivery of the Group's long-term business strategy and objectives
- Oversight of the Group's operations and review of performance on a regular basis
- Approval of the Group's purpose, values and overall governance framework and responsibility for setting the desired attitudes and behaviours through Group policies, employee standards and leading by example
- Assessing and monitoring the Group's culture and its alignment with the Group's purpose and values and responsibility for ensuring that any necessary corrective action is taken

Financial Reporting and controls

- Approval of operating and capital expenditure budgets
- Oversight of financial reporting and controls including approval of the Annual Report, financial statements, dividend policy and accounting policies and practices
- Ensuring maintenance of a sound system of internal control and risk management
- Approval of decisions regarding material legal proceedings

Capital structure, contracts and expenditure

- Approval of capital structure changes
- Approval of material agreements, acquisitions and disposals
- Approval of non-recurring projects and treasury matters

Appointments and remuneration

- Board and committee composition, size and structure, including any appointments to the Board (including appointment of the ENED)
- Ensuring adequate succession planning for the Board, committees, the Group Executive Committee and the Company Secretary
- Recommendations regarding the external auditor
- Determining the remuneration policy and outcomes for Executive Directors, Chair, and Group Executive Committee
- Approval of remuneration for Non-Executive Directors
- Approval of new share incentive plans or major changes to existing plans

Sustainability

- Development and oversight of the Group's sustainability strategy, targets and attainment

Corporate governance and policies

- Convening general meetings, approving circulars and press releases on significant matters
- Approval of delegations to the CEO, CFO and committees
- Conducting Board evaluation
- Reviewing stakeholder engagement mechanisms
- Approval of new policies, in line with purpose, values and strategy

Time commitments and Conflicts of interests

Additional external appointments may only be taken by Directors with the prior approval of the Board. In deciding whether to allow Non-Executive Directors to take on additional appointments, consideration is given to both the time commitment required as well as any potential conflicts that may arise. The Company recognises the benefit of our Executive Directors holding external directorships and business interests, however, given the time commitment necessary for their respective roles at SSP, our Executive Directors are not ordinarily allowed to take on more than one non-executive role.

→ Details of the Directors' external directorships can be found in their biographies on pages 88 and 87.

As set out on pages 112 and 113, the Board Evaluation process included an assessment of the time commitments required from the Board members to ensure that they have sufficient time to carry out their roles. The Board remains confident that each Director has sufficient time to dedicate to their role as has been demonstrated by the high levels of responsiveness and availability for the additional Board and Committee meetings over the financial year.

The Board has an effective procedure to identify potential conflicts of interest and maintains a register of conflicts of interest which is reviewed annually. Each Director is required to disclose to the Board any situation in which they have, or may have, an interest which conflicts with the interests of the Company.

Independence

The Chair was deemed independent on appointment, and the Chair and all other Non-Executive Directors who shall put themselves forward for reappointment at the 2023 AGM are considered by the Board to be independent in accordance with the criteria under provision 9 of the Code. In line with our medium-term Board succession planning, no independent director will ordinarily serve more than nine years on the Board to ensure continued independence.

The roles of Chair and Group CEO are held by separate individuals and have clearly defined responsibilities as set out on the Company's website.

During the year, the Board reviewed and approved Mike Clasper's appointment for a second term of three years.

→ More information on our Non-Executive Director succession planning can be found on page 107 and on the Chair's reappointment can be found on page 106.

Regulatory Disclosure

For information required to be in the Corporate Governance Statement under Rule 7.2.6 of the Disclosure Guidance and Transparency Rules see the Directors' Report on pages 145-148.

SSP's culture

Our business is a people business, and our diverse teams are at the heart of everything we do, serving our customers across six continents and 35 countries and interacting with our other key stakeholders throughout the year. Developing and maintaining a positive culture where our colleagues are unified by our purpose to be the best part of the journey for our customers, clients, brand partners and other key stakeholders is critical to the delivery of our strategy. In order to achieve our purpose, we want to create a culture of passion and pride that is rooted in an environment of strong corporate governance and a commitment to our sustainability responsibilities.

The Board places great importance on ensuring that a positive purposeful and inclusive culture is established throughout the Group, aligned across our regional businesses and demonstrated throughout our teams starting with the Board and Group Executive Committee and carried right through to our front of house teams in units around the world.

Our values play a key role in delivering our purpose, vision and strategy. They were developed in consultation with our teams across the world. They guide our culture, behaviours and decisions, helping ensure we act in the best interests of our stakeholders, the environment and our business.

How the Board monitors and assesses culture

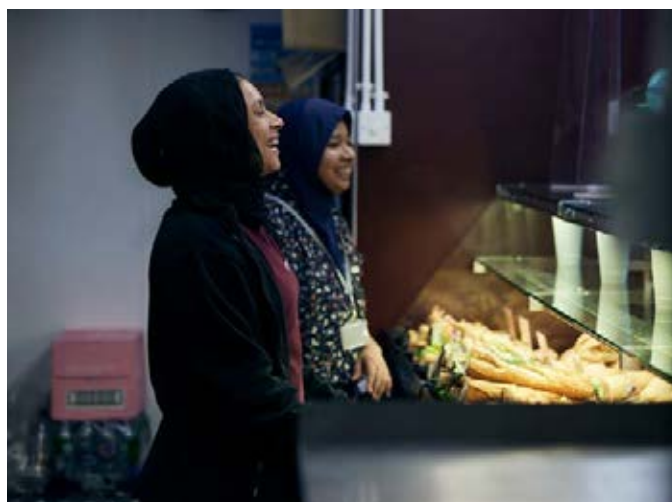
The Board is responsible for assessing and monitoring the culture of the Group and ensuring that workforce policies and practices are consistent with the Group's values. The Board does this through a range of channels from its monthly updates on people, sustainability and health and safety, which include updates on key issues, KPIs and progress against goals as well as insights gained through meeting colleagues during site visits. The ENED provides further insight into SSP's culture through her engagement with colleagues.

→ For more information on the ENED activity see page 52.

Similarly, the Executive Directors play an integral role, both in monitoring culture but also in the promotion of a positive culture through their behaviours. The Board's committees also each play a role in supporting the Board's promotion of the desired culture. The Nomination Committee for instance has a role to promote a diverse and inclusive culture and the Remuneration Committee makes sure our pay policies encourage positive behaviours that align with culture.

Whilst the Board reviews a wealth of data on various cultural indicators, over the next year, and after taking into account recommendations from the Board Evaluation process, the Board will consider the development of separate cultural reporting to support its responsibilities on culture. In addition to the existing channels, such dedicated reporting will aim to identify and provide a baseline for the metrics considered key to ensuring SSP has the right culture to deliver long-term sustainable success.

Operation of the Group's Risk Management Framework (see pages 58-61) and associated internal controls also play an important role in driving a culture of transparency and compliance. This is overseen by the Board, and the Audit and Risk Committees. As part of this framework, the Board maintains a suite of policies in order to support its work to promote and monitor culture throughout the organisation. The Board sees information about compliance with certain key policies including Diversity, Equity & Inclusion, Anti-Bribery and Corruption, our Code of Conduct and policies for preventing the facilitation of tax evasion. The Board also receives updates on health and safety and routinely monitors issues raised through the Group's speak-up procedures. All colleagues receive relevant training as part of their induction on joining the Group and continued refresher training during their time with the Company to ensure they operate in accordance with relevant Group policies.



We are one team

Working together and sharing our best ideas to fulfil our global potential



We are results focused

Delivering great food and service for our customers and outstanding results for our colleagues, clients, and shareholders



We all make a difference

Respecting each other, acting responsibly and sustainably and being accountable for the contributions that we make



We are bold

Seizing opportunities, innovating and quickly adapting every day



We celebrate success

Recognising and valuing everyone's achievement

Board

- Monthly updates on people, sustainability and health and safety, including KPIs and progress against goals
- Regular engagement with senior leadership
- Employee engagement insights through survey and ENED feedback
- Direct engagement with colleagues and other stakeholders through site visits
- Reviewing and approving key policies including modern slavery and code of conduct and diversity, equity and inclusion
- Regular updates on status and compliance with key policies

Audit Committee

- Promotes culture of openness and integrity through debate and challenge on matters presented to it
- Reviews and challenges the operation of the Group's risk management system and fraud detection mechanisms
- Oversees the internal controls framework
- Receives reports from the Group's speak-up facility
- Monitors compliance failures
- Ensures internal audit and external auditors have sufficient independence to operate effectively

Remuneration Committee

- Promotes positive behaviours and alignment with culture through pay and remuneration
- Reviews and monitors gender pay
- Sets targets for bonus and incentive plans that align with culture



How the Board monitors, assesses and promotes culture

Nomination Committee

- Oversees how the Group promotes diversity, equity and inclusion
- Responsible for Board succession and senior management talent and succession and ensuring the Board and Group Executive Committee has the right diversity of skills to promote desired culture

ENED

- Engages with broad spectrum of colleagues, through site visits and attending virtual and in-person listening groups
- Meets with executive management
- Attends workers' councils
- Reports to the Board on insights and views on culture and engagement

Executive Directors

- Lead by example to promote the desired culture through the organisation
- Hold in-person and online town hall meetings with the leadership teams across the business facilitating two-way engagement
- Held the first in-person leadership conference since 2019 for the senior global leadership team in October
- Visit sites regularly across all markets, meeting with colleagues at all levels of the organisation to listen to their feedback



Stakeholder engagement

The Board has a well-established programme of engaging with a wide range of stakeholders who are key to the successful delivery of the Group's strategy. An overview of the Group's key stakeholders and our engagement with them can be found on pages 42-51.

Stakeholders

Customers
Page 44



Brand partners
Page 48



Colleagues
Page 45



Suppliers
Page 49



Clients
Page 46



**Communities, NGOs
and Society**
Page 50



Investors
Page 47



**Government and
Regulators**
Page 51



The Board and each of our Directors consider the impact their decision-making will have on relevant stakeholders. Our case studies on pages 102 and 103 provide examples of how the Board considered the matters detailed in section 172 of the Companies Act 2006 during the year.

AGM Outcomes and Shareholder engagement

We were pleased to return to an in-person general meeting during the year, which, in addition to the ongoing engagement undertaken within the year set out on page 47, provides a valuable forum for the Board to engage with our shareholders.

While the majority of our resolutions at the AGM received high levels of support, those receiving lower approvals were the Directors' Remuneration Report (78.00%), authority for Directors to allot shares (79.97%), and authority of the Company to call general meetings on less than 14 days' notice (78.95%). Whilst we are pleased that the majority of shareholders voted in favour of these resolutions, it was important for us to understand the reasons behind the votes against.

The Company engages throughout the year, and ahead of each AGM, with shareholders and proxy voting agencies to understand their views and follows up on any significant votes against resolutions at the AGM. In accordance with provision 4 of the UK Corporate Governance Code, the Board provided an update to shareholders on the actions taken following the significant votes against the above resolutions on 22 July 2022 and sets out below its final summary on the issues.

Directors Remuneration Report

Prior to the publication of our 2021 Annual Report, we proactively consulted with shareholders to discuss the Remuneration Committee's proposed approach to determining the bonus outcome for the 2021 financial year. The broad sentiment across those with whom we engaged was that they were supportive of paying a bonus based on the performance achieved in challenging conditions, notwithstanding some negative feedback regarding our decision to pay a bonus for 2021 when Covid-19-related support had been received from the UK Government. Overall, the Remuneration Committee believes that it acted fairly and appropriately, and that the decisions taken in respect of 2021 were in the best interests of shareholders.

The Board, led by the Remuneration Committee Chair, will continue to actively engage with shareholders and advisory bodies on executive remuneration, and will consider any input provided as it makes its decisions going forward.

➔ Further information on how the Remuneration Committee considered the views of shareholders in remuneration outcomes can be found in the Remuneration Report on pages 120-144.

Authority to allot shares and call meetings at short notice

The resolution regarding share allotments sought approval in line with the Investment Association's Share Capital Management Guidelines. Engagement undertaken around the 2022 AGM indicated that a small number of overseas shareholders have adopted internal voting policies which set a lower allotment threshold compared to UK market practice. Similarly, the resolution regarding notice of meetings also conflicted with a very small number of overseas shareholders voting policies. Both resolutions continue to be supported by the majority of our shareholders and are in line with prevailing UK market practice. The Board considers these appropriate resolutions to retain flexibility for the Company in both its capital management, and in holding meetings in exceptional and time critical circumstances. In future, the Board will continue to give due consideration to allotment authorities and notice period lengths and monitor developments in market practice in this area.

Shareholder engagement generally

The Board seeks to maintain continuous, meaningful engagement with shareholders. It receives updates from the Corporate Affairs team and members of the Group Executive Committee regarding the key issues affecting shareholders, as well as reports on engagement activity both undertaken and planned. The Chair seeks regular engagement with major shareholders and, along with the Non-Executive Directors, is available to meet with major shareholders as required. The Remuneration Committee Chair communicates with major shareholders on remuneration matters throughout the year and on specific policy matters and the Audit Committee Chair is available for discussions on relevant matters.

A key part of the work of the Corporate Affairs team is to ensure that our shareholders, lenders and analysts have a strong understanding of our strategy, performance, purpose and culture. Set out in the timeline to the right is an overview of shareholder engagement throughout the year. This is in addition to the regular correspondence referred to above.

Key engagement with shareholders

October – November 2021
Remuneration Report engagement

December 2021
Full Year Results Roadshow

January – February 2022
Trading Update and pre-AGM engagement

March – April 2022
Meet the new Group CEO

May 2022
Half Year Results Roadshow

July 2022
Trading Update

September 2022
Pre-close follow up calls

Risk Management

- Review of Effectiveness of Risk Management and Internal Controls: The Board reviewed the Group's approach to risk management and internal control systems and the effectiveness of these systems.
- Annual Risk Assessment: The Board conducted an annual strategic and operational risk assessment, including considering action plans to mitigate risks.
- Digital and technology: The Board considered the Group's digital and technology strategy including progress of strategic programmes. This included updates from the Audit Committee on their review of the Group's approach to cyber security.

Strategy



Stakeholders



Governance, Legal and Regulatory

- Board Diversity and Succession Planning: On the recommendation of the Nomination Committee, the Board oversaw the arrangements for Board succession planning, reviewed Board composition and approved an update to both our Board Diversity Policy and Group Diversity, Equity & Inclusion Policy.
- The Board also approved the extension of term for the Chair and considered a number of Group Executive changes.
- Governance and Compliance: The Board received governance and compliance updates, including with respect to anti-bribery and corruption and speaking up, and approved the Modern Slavery Statement and Tax Strategy (which can be found on our website at www.foodtravelexperts.com).

Strategy



Stakeholders



People and culture

- People Strategy: The Board received updates on progress against the Group's People Plan for FY2022.
- Speaking Up: The Board monitored issues raised through the Group's Speak Up Policy.
- Employee Engagement: The Board discussed the Group's approach to employee engagement and received an update on the response to the Global Colleague Engagement Survey.
- People Data: The Board received an update on people data across the business.
- Share Plans: The Board approved the annual invitations for the all employee incentive plans and the grant of various awards under the long-term incentive plan and deferred bonus plan.

Strategy



Stakeholders



Sustainability

- Sustainability Strategy: The Board received updates on progress made in delivering the Group's Sustainability Strategy and targets and considered the Group's roadmap towards net zero.
- TCFD Disclosures: The Board received a briefing on our plan for TCFD compliance and reviewed and approved our climate-related scenario analysis prepared by an external consultancy.
- Sustainability Report: The Board approved our first standalone Sustainability Report to support our business strategy.

Strategy



Stakeholders



Stakeholders

Customers



Clients



Colleagues



Investors



Brand partners



Suppliers



Communities, NGOs and Society



Government and Regulators



Key milestones

	November 21 Appointment of Group CEO announced
	December 21 Full year results
	January 22 Appointment of new Non-Executive Directors
	February 22 Q1 Trading update
	February 22 AGM and Audit Committee Chair change
	March 22 Appointment of Group CEO
	April 22 Paris Board visit
	May 22 Approval of Customer Plan
	May 22 Half year Results
	July 22 Strategy Day
	July 22 Q3 Trading update
	August 22 Bank Debt Amend & Extend
	September 22 Approval of roadmap to net zero
	October 22 New York Board visit

Key Board activities

The principles underpinning Section 172 of the Companies Act 2006 (the 'Act') are embedded in the Board's decision-making. The Board recognises the importance of understanding the views of the Group's key stakeholders and having regard to those views in its discussions and decision-making processes. See page 42 for our section 172(1) statement.

Pages 42-51 provide examples of how stakeholder interests and the matters set out in Section 172 of the Act were considered in key Board discussions and decision-making in the 2022 financial year.

Key

- Consequences of decisions in the long term
- Interests of employees
- Need to foster business relationships
- Impact of operations on communities and the environment
- Reputation for high standards of business conduct
- Acting fairly between shareholders

Stakeholders

Customers		Brand partners	
Colleagues		Suppliers	
Clients		Communities, NGOs and Society	
Investors		Government and Regulators	

Strategic priorities

Leading customer proposition		Long-term growth and returns	
Skilled and engaged colleagues		Sustainability	

Appointment of Group CEO

See pages 82-83, 86 and 95-97 of the FY21 Annual Report for a discussion of the Board's consideration of the CEO appointment

→ For further details of the Group CEO's induction, see pages 8-10.

Approval of refreshed strategy



As we continue to recover from Covid and with our new Group CEO in place, the Board considered how our Group purpose and strategy promotes the long-term sustainable success and delivers long-term value for both our shareholders and our wider stakeholders.

In considering the strategy and purpose, the Board considered the interests and priorities of the Group's employees and developing a skilled and engaged workforce is now a core strategic priority for the Board. Delivering a customer proposition aligned to our clients' needs and goals is another core priority which reflects the Board's continued focus on fostering positive relationships with and creating value for our customers and clients.

Another key consideration when approving the rearticulated strategy was the impact of the Group's operations on the community and the environment. Operating within a sustainable framework is therefore embedded in the strategy, to ensure we continue to reduce negative impacts on the environment and bring value to the communities in which we operate.

Lastly, the Board discussed the importance of clearly articulating our strategy to our investors over the medium and long term, to allow them to make a better assessment of our prospects over those time horizons.

→ For further details of our strategy, see pages 18-31.

Link to stakeholders



Link to strategy



Approval of Customer Plan



In approving the first stage of our updated Customer Plan, the Board considered the views of key stakeholders including those gained through listening sessions. Delivering improvements to customer experience is a key factor in all Board discussions and was central in its approval of the Customer Plan which in turn seeks to further develop the Group's relationships with its customers.

In addition, the Board discussed the relationship between engaged customers and our ability to drive long-term growth and returns. Finally, by approving and delivering an improved customer proposition, the Board sought to further strengthen SSP's reputation among stakeholders for high standards of business conduct.

→ For further details of our Customer Plan, see pages 20 and 21.

Link to stakeholders



Link to strategy



Approval of net zero plan



The Board are committed to creating a more sustainable business and last year set an ambitious target: to become a net zero business by 2040. The Board recognises that achieving this goal will be challenging and during the year the Board undertook a deep dive on the subject. Following this exercise, the Board approved our new net zero plan and our strategy to achieve this ambitious goal.

Our net zero ambition is designed to ensure the Group's operations do not have a negative long-term impact. As part of our net zero plan, the Board will regularly review the Group's carbon dioxide equivalent (CO₂e) emissions, as well as other key sustainability metrics to ensure this ambition continues to deliver positive change on our environment and the communities in which we operate.

In considering our net zero plan the Board also considered the impact on our customers. We know that sustainability is important for many of our customers and as part of our net zero plan we intend to make it easier for them to make sustainable choices, addressing their growing concerns about the climate-impact of the food they are eating and the brands they choose.

Our investors also value sustainability and part of our net zero plan is to ensure our commitments stand up to scrutiny. As part of this aim, the Board approved a standalone sustainability report to increase our levels of disclosure and transparency and to maintain our reputation for high standards of business conduct.

→ For further details of our roadmap to net zero see pages 30 and 31 and in our Sustainability Report.

Link to stakeholders



Link to strategy



Bank Debt Amend & Extend



In August 2022, SSP Financing Limited (the Group's main financing company) agreed an amend and extend to its bank Senior Facilities Agreement, including extending the maturity date by 12 months to 15 January 2025, with the most recent amended covenant tests remaining in place. The amendment was considered in light of the need for the Board and management to keep flexibility over the best time to carry out a refinancing of the Group's debt. In considering whether this was in the best interests of the Company, the Board looked to the short- and long-term benefit that the Company would receive from having the amended financing arrangements in place, including the positive impact on Group employees, other stakeholders and SSP Group plc itself, from having increased financial security provided by such amendments in the current economic environment.

→ For further details of our approach to our financing arrangements, see pages 201-205.

Link to stakeholders



Link to strategy



Nomination Committee Report



Mike Clasper
Chair, Nomination Committee

“The Board believes diversity, in its broadest sense, provides the breadth of perspectives needed to allow it to make the best decisions and maximise opportunities for the success of the Company, and the benefit of all its stakeholders.”

Meeting attendance

Director	Date appointed as member	Number of meetings attended ¹	Number of additional meetings held ¹
Mike Clasper	1 November 2019	4/4	2/2
Carolyn Bradley	1 October 2018	4/4	2/2
Ian Dyson ²	4 April 2014	2/2	0/1
Tim Lodge	1 October 2020	4/4	2/2
Judy Vezmar	31 August 2021	4/4	2/2
Apurvi Sheth ³	1 January 2022	2/2	1/1
Kelly Kuhn ³	1 January 2022	2/2	1/1

1 The number of meetings a member was eligible to attend.

2 Stepped down as Chair and as a member of the Committee at the conclusion of the 2022 AGM.

3 Appointed with effect from 1 January 2022.

→ The Nomination Committee terms of reference can be found at www.foodtravelxperts.com

Dear Shareholder

I am pleased to present the report of the Nomination Committee for the financial year ended 30 September 2022, which provides an overview of the Committee's activities during the year under review.

This year we welcomed our new Chief Executive Officer, Patrick Coveney as well as two new independent Non-Executive Directors, Kelly Kuhn and Apurvi Sheth. Kelly also joined the Audit and Nomination Committees, and Apurvi joined the Remuneration and Nomination Committees. Both these executive and non-executive appointments were the result of two separate and robust recruitment programmes undertaken by the Committee in 2021, supported by Russell Reynolds.

In identifying candidates in the recruitment of both the Chief Executive Officer and the Non-Executive Directors, we reviewed the Board's structure, size and composition, to ensure the appointments supported the Board's diversity ambitions as well as enhancing and complementing the current skillset of the Board to support the Group's strategic priorities.

Ahead of their arrival, the Committee approved a structured and tailored induction programme for our new Chief Executive Officer and each of our new Non-Executive Directors. This covered one-to-one meetings with the Group Executive Committee and other key senior management and key advisers, in addition to briefings on the current financial and operational plan and all other relevant policies, procedures and governance materials and site visits.

→ More information on the Board induction process can be found on page 109.

We believe that the diverse skills and experiences brought by our new Non-Executives alongside the strategic leadership of our new Group CEO, ensures we have the right balance of skills, experience and knowledge to lead the Group to success.

The Board believes diversity, in its broadest sense, provides the breadth of perspectives needed to make the best decisions and maximise opportunities for the success of the Company and the benefit of all its stakeholders. SSP Group plc heads a diverse group, operating in 35 countries across the world. The diversity of our people is a key contributor to our success, and the Nomination Committee is responsible for developing and implementing our approach to diversity across the Group.

Last year, we adopted a formal Board Diversity Policy which acts as an outline, and a statement of intent, of our approach and targets for achieving a diverse Board. We are pleased to have achieved the targets set by the FTSE Women Leaders Review (formerly the Hampton Alexander Review) and the Parker Review, regarding gender and ethnic diversity respectively and we remain committed to continuous improvement. During the year the Nomination Committee updated its Board Diversity policy to support this aim, increasing our gender diversity target to maintain at least 40% female representation as well as at least one woman holding a senior Board position.

The Board recognises that a culture of inclusion is central to promoting a diverse workforce at all levels of the business. Our People Plan supported by our Group Diversity and Inclusion Policy, seeks to promote diversity at all levels of the organisation. We are delighted to have surpassed our target of 33% women in senior leadership positions well ahead of our 2025 target and in the year ahead will consider how we can stretch this target further (mindful of the new Listing Rule target of 40%, coming into effect in our next financial year). Whilst good progress has been made, the Board and the Group continue to promote diversity and during the year a Group Inclusion Council was launched, to help drive positive change, and steer and advise SSP on its global diversity and inclusion goals. The Group Inclusion Council is made up of 18 colleagues from each market in which we operate, and supported by our Chief People Officer, Chief Procurement Officer, Group Head of Talent & Inclusion, and Group DE&I Manager, who provide expert support and guidance.

→ **More information on our progress in delivery against our diversity policies and targets as well as details of other initiatives in place to promote diversity through the Group can be found on pages 110-111 and on pages 46-48 of our Sustainability Report.**

Each year, the Board undertakes a formal, rigorous review of the Board and its Committees, as well as of the Chair and the individual Directors, to ensure that they continue to be effective and that each of the Directors demonstrates commitment to their respective roles as well as having sufficient time to meet their commitments to the Company. The Board Evaluation process also allows the Chair to consider the composition and diversity of the Board and its Committees.

The review found that the Board has a good culture of trust and openness, with confidence in executive management. Each Director brings valuable insights and contributes to robust discussion and debate. Whilst the Board and its Committees continue to operate effectively, the evaluation allowed me to identify areas of focus for the coming year.

→ **More information on our Board evaluation including the process and the outcomes can be found on pages 112-113.**


Whilst our Board membership was recently updated, we remain proactive in maintaining a diverse range of skills, experiences, and perspectives. During the year we undertook a thorough review of the skills, tenure and diversity of the Board, to assess how the composition of both the current and future Board will lead the Group to long-term sustainable success. We also considered how we could enhance these skill capabilities both through our future succession plans and looked at how we can continue to develop the skills of our current Directors.

Following this rigorous review, we believe our Board has the appropriate breadth of skills and diversity we need to succeed. We recognise the needs of the Board may change over time and this annual review of skills and succession provides an opportunity for us to regularly assess whether our Board as a whole continues to have the right composition as it, and the environment in which it operates, continues to evolve. This process also allows us to look ahead for future challenges, incorporating them as we develop our future succession plans.

Our robust succession plans were fundamental in supporting the Committee's activity last year, ensuring stability of leadership as we led the recruitment process for a new Chief Executive Officer alongside a recruitment for two new Non-Executive Directors. A continued focus on succession planning will ensure we continue to have the optimal Board to deliver success.

→ **More information on our skills assessment and our Board succession plans can be found on pages 106-107.**

I am confident that the current Board has the correct balance of skills to deliver our purpose: to be the best part of the journey which supports our vision to be the best travel food and beverage provider in the world, delivering for all our stakeholders.



Mike Clasper
Chair, Nomination Committee
5 December 2022

Main responsibilities of the Committee

The main responsibilities of the Nomination Committee are to:

- 1) Review the structure, size and composition of the Board (including its skills, knowledge, independence, experience and diversity);
- 2) Lead the process for appointments, making recommendations to the Board as part of succession planning for both Non-Executive and Executive Directors and senior management; and
- 3) Set measurable objectives for the diversity of the Board and senior management.

Composition, succession and evaluation

Board composition

The Board comprises the independent Chair, two Executive Directors and five other independent Non-Executive Directors. The Nomination Committee regularly evaluates the Board composition, including its diversity, tenure and skills.

→ Details of the backgrounds and experiences, as well as external appointments and tenure, can be found in the Board biographies on pages 88-89.

Board appointment process

The Committee is responsible for ensuring that the Company has a formal, rigorous and transparent procedure in place for Board appointments with due regard to diversity. Prior to making an appointment, the Nomination Committee will evaluate the balance of skills, knowledge, independence, experience and diversity on the Board and, in light of this evaluation, will prepare a description of the role and capabilities required, with a view to appointing the most suitable individual for the role.

In identifying suitable candidates, the Nomination Committee:

Considers the balance of skills and experience of the Board as a whole, to ensure the candidate has the requisite skills to support the delivery of purpose;

Uses open advertising or the services of external advisors to facilitate the search;

Considers candidates from different genders and a wide range of backgrounds and geographical locations; and

Considers candidates on merit and against objective criteria, ensuring that appointees have sufficient time to devote to the position, in light of other significant commitments.

The Company's Articles of Association provide that at every Annual General Meeting, each Director retires and seeks re-election. New Directors may be appointed by the Board but are subject to election by shareholders at the first AGM after their appointment. The Company appoints all Non-Executive Directors to the Board for an initial three-year term, subject to their re-election by shareholders at the first AGM following their appointment and their subsequent re-election each year. To ensure independence, the expectation is that Non-Executive Directors will serve for two three-year terms, with an option for a third term. Letters of appointment are provided to each Non-Executive Director and these are available for shareholders to view at the Company's registered office.

Kelly Kuhn and Apurvi Sheth were appointed to the Board on 1 January 2022 and Patrick Coveney was appointed on 31 March 2022. These appointments were the result of rigorous and robust recruitment processes undertaken last year and described in detail in the 2021 Annual Report. Russell Reynolds was engaged to assist with the recruitment process. Other than in relation to prior and ongoing Director recruitment processes, Russell Reynolds has no relationship with the Company or any of its Directors.

Renewal of Mike Clasper's appointment as Chair

Mike Clasper was appointed as Non-Executive Director of the Company in November 2019, before his appointment as Chair in February 2020. Ahead of the expiration of the Chair's first term, the Committee, led by the SID in his absence, considered his reappointment as Chair of the Company for a further three-year term. In doing so, the Committee considered Mike's skills and contribution, along with feedback from the Board evaluation and the SID's review of the performance of the Chair. The Board was satisfied that Mike's strong leadership cultivated good dynamics and an open and transparent Board culture and, following these discussions, approved his reappointment as Chair of the Company for a second term effective from 1 November 2022.

Skills review

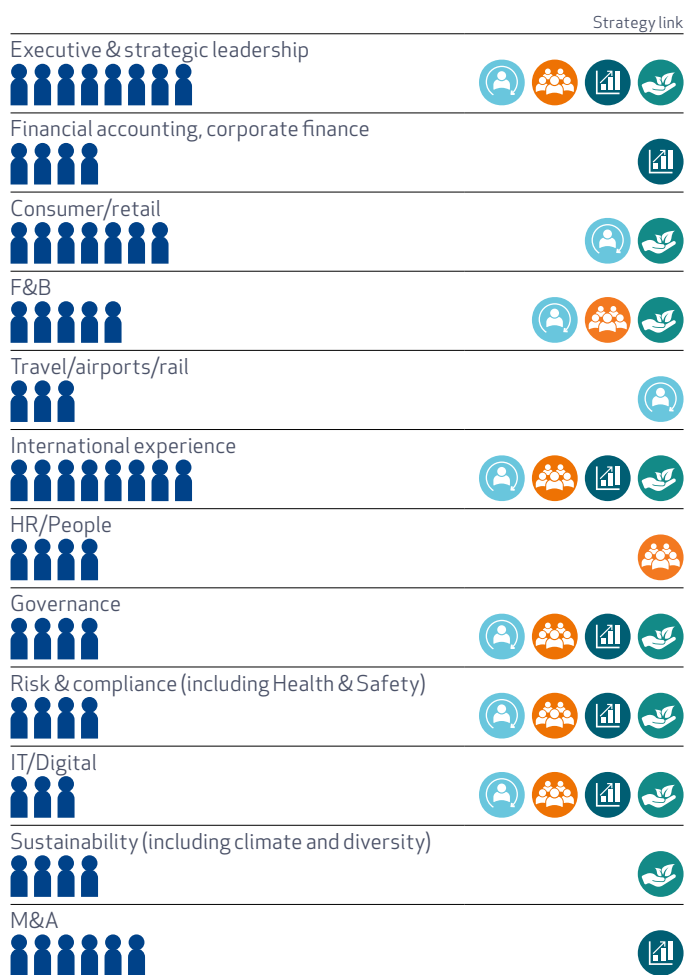
During the year, following the appointments of two new Non-Executive Directors, the Committee undertook a rigorous assessment of the skills of the Directors, to ensure the Board has the right balance of skills to support the Group's long-term success and deliver value for all stakeholders.

In addition to the skills, the Board also recognises the benefit of having a range of backgrounds and experiences to support diversity of thought and approach in decision-making.

→ More information on the skills and experiences of each Director can be found in the biographies on pages 88-89.

In agreeing the skills matrix set out opposite, the Committee considered which skills were necessary to deliver on strategy both in the short and long term. Strict objective criteria were set against each desired skill, with the Committee then assessing which of the Directors was considered to have this expertise.

Board skills and experience



The assessment of skills demonstrates the breadth and depth of experience across the Board, but also highlights areas where we may focus future recruitment. This skills matrix will be regularly reviewed and updated in line with evolving Group strategy and provides a structured way of identifying the Board's composition needs, supporting effective succession planning.

Induction and continued development

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. The Chair addresses the developmental needs of the Board with a view to further developing its effectiveness as a team, ensuring that each Director refreshes and updates his or her individual skills, knowledge and expertise.

The Directors receive training and development throughout their tenure. The Board and its Committees receive regular updates on relevant legal, regulatory and financial developments, changes in best practice and environmental, social and governance matters from subject experts, including the Group Auditor, General Counsel and Company Secretary and Deloitte, as advisors to the Remuneration Committee. During the 2022 financial year, the Board received specific training on the Market Abuse Regulation and TCFD, with a session on Diversity, Equity and Inclusion held after the year end.

All Directors have access to the advice and service of our General Counsel and Company Secretary.

Succession planning

The Nomination Committee is responsible for ensuring there are robust and effective succession plans in place for orderly succession to both Board and senior management positions.

During the year, the Committee reviewed its Board succession plan. Whilst the Board is satisfied that it currently has the correct balance of skills and experience, the review also considered the desired skills necessary to support the Group's strategy across the mid to long term, cognisant of the tenure of each Director. Following this review, the Nomination Committee approved its succession planning policy. The succession plan is written down, will be reviewed regularly and also has provisions for emergency planning in the case of an unexpected Board vacancy.

Short term/contingency	<p>The Board have planned emergency cover for senior Board positions for sudden and unforeseen departures, including the Chair, SID and Committee Chairs.</p> <p>In considering the contingency succession plan, the Board considered the requisite skills and experience to provide short-term cover and stability of leadership as well as any other requirements under the respective Committee's Terms of Reference and the Code.</p>
Medium term	<p>The Board's medium-term succession plan considers succession planning for the orderly replacement of current Board members to maintain independence.</p> <p>As well as assessing the appropriate tenure, the Board also assessed the time needed to consider, recruit and onboard a new Non-Executive Director in its medium-term succession plan.</p>
Long term	<p>The long-term succession plan for the Board considers how the size, skillset and diversity of the Board continues to be effective in delivery of long-term strategy as the needs of the Group evolve.</p>

The Nomination Committee also continued its focus on broader succession planning throughout the management team, supported by a talent review process and underlying development sessions with colleagues. Our regular review of the executive succession plan is supported by our talent review cycle, which assesses the readiness of internal candidates for all key roles across the business, as well as external candidates. During the year, the Committee was involved in the appointment of a number of internal candidates to senior management roles, ensuring that a fair and robust process was in place to select the best candidate for the role. The Committee was pleased to see that our talent review process supports the development and progression of internal candidates.

Directors induction

A formal, comprehensive, and tailored induction is given to all Non-Executive Directors following their appointment, including visits to key locations within the Group and meetings with members of the Group Executive Committee and other key senior executives. This is designed through discussion with the Chair and the General Counsel and Company Secretary and considers existing expertise and any prospective Board or Board Committee roles.

The general structure of induction involves the following:



Kelly Kuhn and Apurvi Sheth induction programme

Kelly Kuhn and Apurvi Sheth, who joined the Board on 1 January 2022 as Non-Executive Directors, received comprehensive inductions as set out below.

As well as receiving a suite of relevant documents including previous Board and Committee minutes, the induction included formal briefings with internal leadership and external advisors and site visits. These visits aim to provide an understanding of the business in action and an opportunity for the Directors to meet with a wider cross section of colleagues.

Topics covered	Sessions with
Group's purpose, values and strategy	Chair Deputy Group CEO and CFO Divisional CEOs Chief People Officer Chief Digital and Technology Officer
Financial position, risk management and internal controls and financing arrangements	Group Deputy CEO and CFO Internal audit partner External auditor
Stakeholders and sustainability	Corporate Affairs Director Chief People Officer
Governance, legal and regulatory	Group Company Secretary and General Counsel



Both Kelly and Apurvi have visited the business in London, Paris and New York as part of the Board's schedule where the whole Board had the opportunity to meet with local colleagues, clients and joint venture partners (New York). Kelly also visited other sites in London as well as Sweden and Denmark, whilst Apurvi spent additional time in India, Singapore and the UK businesses.

In Sweden, Kelly met with the Swedish senior management and our CEO – Continental Europe where she learnt more on their new upcoming concepts, and future constructions, as well as having a tour of Arlanda Airport and Stockholm Central Station to see our current units and meet colleagues. Kelly has also met with local colleagues and leadership teams with visits to rail and air businesses in Denmark and was shown further sites in London by the CEO – UK & Ireland.

Apurvi spent three days in Mumbai, where she visited the airport and spent time with colleagues in our units and met with local management. In Singapore, Apurvi has met with both the CEO – Asia Pacific and CEO – India and EEME, to develop her understanding of the key challenges and opportunities facing SSP in these regions. Apurvi has also visited sites in Singapore and in London.

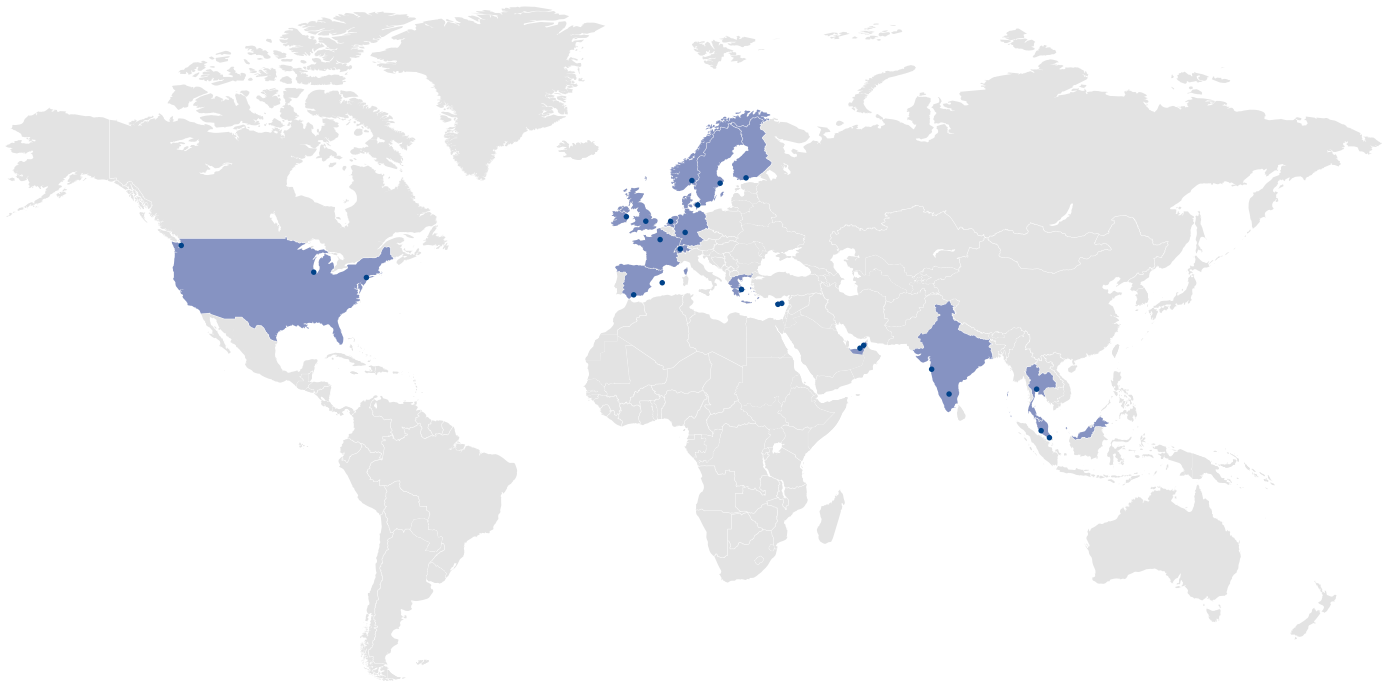
Throughout these visits, Kelly and Apurvi have taken the opportunity to talk to unit-based staff about their experience of working at SSP to further develop their understanding of SSP's culture and values.

"Since joining, my priority has been to better understand the business by talking directly to colleagues, clients and our partners across our global markets. The teams I've met have been extremely professional and passionate."

Patrick Coveney
Group CEO

CEO – Getting to know the business

Since joining the Board on 31 March 2022, Patrick has travelled extensively visiting countries across three continents. This intensive induction programme has allowed Patrick to quickly develop a detailed understanding of the business and has provided invaluable insights into the challenges and opportunities arising in the different markets in which we operate. During these visits, Patrick has had the opportunity to meet with a cross-section of both office based and operational staff through site visits, local town halls and, more informally, joining staff socials, allowing greater understanding of the organisational culture. As part of these visits, Patrick met with regional senior leadership teams as well as clients and joint venture partners. Patrick has also taken the opportunity to visit some units as part of general travel plans, as all our Directors are encouraged to do.



US

Since joining SSP, Patrick has had several trips to the US, visiting LaGuardia, JFK and Chicago Midway Airports. Through these visits Patrick has met with broad range of our colleagues and leadership teams in the US, as well as brand partners and clients. Patrick has also had the opportunity to sample our local offerings including at a tasting event in New York and a showcase in Chicago Midway.

Asia Pacific

Over the summer, Patrick visited some of our units in Thailand, Malaysia and Singapore, and while in Bangkok, Patrick had the opportunity to help the team make noodles and serve the customers. Whilst in the region, Patrick attended the APAC town hall attended by 150 colleagues across the region and visited the newly opened Malaysian head office, gaining great insight into the challenges and opportunities in both well established businesses (Thailand) and new ones (Malaysia).

Europe

Patrick has visited units across the UK & Ireland, the Nordics and Continental Europe. This included a visit to Frankfurt Airport and Frankfurt railway station units, talking to team members and sampling the customer offering. Onsite, Patrick received a demonstration of a pilot digital point of sale system, ahead of its wider roll-out. Patrick also met with the local leadership team to better understand the region's opportunities and challenges and joined the DACH team's summer party, a great opportunity to hear views of a range of colleagues.

EEME

Patrick has visited three of our EEME countries with trips to our businesses in Cyprus, Greece and UAE. This gave him a chance to see some of our joint venture businesses in operation and to meet local clients as well as many more colleagues, both back and front of house. Patrick even got to try his hand at making Levito Italian Pizza with guidance from their chef and kitchen team.

Diversity and Inclusion

The Nomination Committee is responsible for developing and implementing our approach to diversity across the Group.

One of the Group's core values is being a great place to work, where everyone can fulfil their potential. Our people are central to our success. Having a diverse, inclusive culture where everyone is welcomed and a workforce that reflects both the communities we operate in and the stakeholders we serve, is a fundamental part of our strategy for delivering long-term sustainable success.

During the year, the Board and Nomination Committee continued to drive this diversity agenda across the Group and are proud of the progress made. In promoting a diverse and inclusive culture, the Board is not only striving for gender parity but also driving initiatives to support colleagues from ethnic minorities, colleagues who are disabled or neurodiverse and colleagues from the Lesbian, Gay, Bisexual, Transgender and Queer (LGBT+) community.

The Board also recognises the importance of a diverse pipeline in maintaining progress against our goals. During the year, the Company partnered with WiHTL (Welcoming Everyone in Hospitality, Tourism and Leisure), a collaborative, multi-stakeholder group devoted to increasing diversity and inclusion across the sector. Through this partnership, we gain access to cross-industry development programmes for women and ethnic minorities, as well as an opportunity to collaborate with other like-minded companies in the sector.

The Board has also supported the launch of new initiatives within the Group, such as the creation of the Group Inclusion Council, Women's network, Women in Tech network, Menopause network and LGBT+ network, each of which have an Executive Sponsor, to drive further progress. In addition to these Group-wide initiatives, local initiatives provide further opportunity to embed diversity and inclusion in the workplace in a way that reflects the diversity of the markets we operate in. In Australia, we have partnered with the Western Australia Hospitality Disability Network and are proactively offering placements to neurodiverse colleagues.

The Board are alert to the recommendations of the FTSE Women Leaders Review to achieve a minimum of 40% women's representation in leadership teams by the end of 2025 (being the Group Executive Committee and its direct reports, including the Group CEO and Deputy Group CEO and CFO but excluding administrative and support staff). We have exceeded our current target of 33% by 2025 and, in the year ahead, the Board are committed to undertaking a review of our progress to date and to consider what further work is needed to enable us to achieve this target of 40% women representation in leadership by the end of 2025.

During the year the Group Executive Committee received training from external experts to ensure they remain up to date on ongoing developments in diversity. The Board received similar training following the year end and also approved an updated global Diversity, Equity & Inclusion Policy in November 2022, to further build upon the progress made during the year.

➔ For more information on actions taken during the year in delivery against our Group Diversity, Equity and Inclusion Policy, see page 22-23 of the Strategic Report and pages 46-48 of our Sustainability Report.

Diversity: Our progress

Women on the Board (including the Chair)

4/8

50%



2021: 29% (2/7)

Women on the Group Executive Committee¹

3/14

21%



2021: 23% (3/13)

Women on the GEC and Direct Reports²

30/84

36%



2021: 31% (22/70)

Women across all colleagues

18,153/
34,794

52%



2021: 53% (12,064/22,981)

Board members from an ethnic minority

1/8

12.5%



2021: 0% (0/7)

Leaders from an ethnic minority on the GEC¹

1/14

7.1%



2021: 7.7% (1/13)

¹ Group Executive Committee (including the Group CEO and the Deputy Group CEO and CFO). The number of women and persons from an ethnic minority has remained the same since last year, the change in percentage comes from an additional male appointment to the Group Executive Committee.

² Group Executive Committee (including the Group CEO and the CFO) and their direct reports (but excluding administrative and support staff).

All data as at 31 October 2022 as per our reporting obligation under the FTSE Women Leaders Review.

For gender diversity details as required by section 414C(8)(c) of the Companies Act see page 147.

Board Diversity Policy

The Group's Board Diversity policy seeks to promote a culture of diversity and inclusion and sets the measurable objectives by which the Board monitors progress against its diversity goals. During the year, the Board reviewed its policy and recommended a number of updates to the Policy in line with the latest recommendations of the FTSE Women Leaders Review (previously the Hampton-Alexander Review), as outlined below.

In the year ahead, the Board intends to further develop its Board Diversity Policy to ensure due consideration is given to diversity in its broadest sense, including to sexuality, neurodiversity and social backgrounds, as well as ensuring the application of the policy to each Board Committee.

Performance against our policy objectives is set out below.

Policy Objective (during the year)	Progress
The Board will ensure that it is made up of an appropriate mix of skills, experience and knowledge required to effectively oversee and support the management of the Group.	✓ As set out on pages 106-107, the Board and the Nomination Committee recently carried out a detailed skills review to assess experience on the Board against our strategy. This review will be refreshed next year as part of the regular cycle of agenda items.
Maintaining no less than 33% female representation on the Board.	✓ As at year end the Board included 50% female Directors.
Maintaining no less than one Director from a minority ethnic background.	✓ As at year end, the Board included one Director who identifies as 'Asian/Asian British'.
The Board will support and monitor the Group's plans and activities to review the diversity of its senior management and its pipeline and to explore the ways in which the overall diversity balance in the Group Executive Committee and senior leadership positions can be developed.	✓ The Nomination Committee receives updates from the Chief People Officer and Head of Inclusion on the wider group Diversity, Equity and Inclusion Policy and the discussion on this covers upcoming plans and activities to review diversity among senior management and how it can be improved. For example, during the year a mentoring programme was run for high potential female colleagues and a Women in Tech network was established.

Policy Objective update from 5 October 2022	Progress
Maintaining no less than 40% female representation on the Board.	✓ As at year end the Board included 50% female Directors.
Maintaining no less than one female in the role of either Chair, Senior Independent Director, Chief Executive or Chief Financial Officer	✓ As at year end the Board included a woman in the role of Senior Independent Director

→ For more details on our Board Diversity Policy, see our Group website at www.foodtravelxperts.com

New Listing Rules and Progress

Ahead of the proposed changes to the Listing Rules regarding inclusion and diversity reporting (LR 9.8.6R and LR 14.3), we are pleased to report that we have met the proposed new requirements of:

- at least 40% of the Board being female (50%)
- at least one senior Board position is held by a woman (SID)
- at least one member of the Board is from a non-white ethnic minority background (One Director).

Board Gender Representation as at 31 October 2022

	Number of Board members	% of the Board	Number of senior positions ¹ on the Board	Number in Executive Management ²	Percentage in executive management
Men	4	50%	3	11	79%
Women	4	50%	1	3	21%

Board Ethnicity Representation as at 31 October 2022:

	Number of Board members	% of the Board	Number of senior positions on the Board	Number in Executive Management*	Percentage in Executive Management
White British or other White (including minority white groups)	7	87.5%	4	13	93%
Asian/Asian British	1	12.5%	0	1	7%

1 Senior positions refers to the roles of Chair, CEO, CFO and Senior Independent Director.

2 Executive Management refers to the Group Executive Committee, including the Group CEO and Deputy Group CEO and CFO.

For the purposes of making the disclosures set out above, data was collected through self-reported submissions from the Board and Group Executive Committee.

Data is as at 31 October 2022 to align with the submission of data to the FTSE Women Leaders Review.

There have been no changes to the Board gender and ethnicity representation between the reference date and the date of this Report.

“Our people are central to our success and having a diverse, inclusive culture where everyone is welcomed and a workforce that reflects both the communities we operate in and the stakeholders we serve, is a fundamental part of our strategy for delivering long-term sustainable success.”

Mike Clasper
Chair

Board evaluation

The Chair is responsible, with assistance from the Nomination Committee, for ensuring that the Company has an effective Board with an appropriate combination of skills, experience and knowledge.

Each year, we undertake a formal, rigorous review of the Board and its Committees, as well as of the Chair and the individual Directors, to ensure that they continue to be effective and that each of the Directors demonstrates commitment to their respective roles as well

as having sufficient time to meet their commitments to the Company. The Board Evaluation process also allows the Chair to consider the composition and diversity of the Board and its Committees.

The 2022 Board evaluation was internally facilitated, with the 2021 review having been externally facilitated, in accordance with the Code. For additional rigour in the process, Independent Audit supported us on designing questionnaires and analysing the results.

The general structure of the Board evaluation process involves the following:

FY21 Year 1 – External

FY22 Year 2 – Internal

FY23 Year 3 – Internal

2022 Board Evaluation Process

1. Questionnaires were developed taking into consideration the Code and associated guidance and other best practice recommendations. The questionnaires sought to identify the strengths, weaknesses and challenges facing both the Board and its Committees, as well as building upon the findings of the 2021 evaluation.
2. The questionnaires were issued to Board members as well as other regular attendees of the Board and Committee meetings, including senior leaders and external advisors.
3. Responses were collated and draft reports of the findings and proposed recommendations were circulated to the Chair, Committee Chairs and Senior Independent Director as relevant for review.
4. The final reports on the Board, Committee and Chair's effectiveness were considered and necessary actions were agreed.

Individual Directors

The performance and contribution of individual Directors was assessed by the Chair, with the support of the Senior Independent Director, through individual meetings with each Director, supported by an assessment of the Directors' skills, their time commitment and independence. The Chair was satisfied that the Directors and the Board as a whole continues to contribute to the successful delivery of strategy.

Review of Chair's performance

The performance of the Chair was evaluated by Carolyn Bradley as Senior Independent Director who chaired a meeting of the Non-Executive Directors without the Chair present to gain feedback, in addition to feedback from other regular attendees of the Board including members of the executive committee and external advisors. The review found there was a strong appreciation for the high quality of chairing of Board meetings by Mike Clasper.

Review of Committee's performance

The evaluation found that all Board committees are functioning well:

Audit Committee – The Audit Committee was found to be functioning effectively with its focus, the high quality of discussion and debate, and good challenge facilitated by the right mix of skills and personalities being key strengths. The Committee agreed to continue its focus on enhancing risk management reporting to the Board.

Remuneration Committee – The review of the Remuneration Committee found quality of chairing, debate and the Committee's consideration of the executive remuneration strategy were all regarded highly.

Nomination Committee – The review found that the Nomination committee was functioning well with quality discussion and debate. It was agreed that it had managed the CEO transition very well. In the coming year, the Committee has agreed to focus is on enhancing their oversight of how the Board's diversity and inclusion goals are embedded into the organisation through DE&I data.

Outcomes of 2022 Evaluation

The review found that Board has a good culture of trust and openness, with confidence in executive management. The Board received high quality information, and the quality of Board papers had continued to improve over the past years.

Priorities	Recommended actions
Focusing on the right areas	– Allocate more time and resource to understanding the big trends, particularly changing client and customer needs, market shifts and how technology is driving the strategy.
Oversight of Culture	– Continue to evolve ways of monitoring the culture and behaviours throughout the organisation. – Continue to connect with the regional CEOs and the wider senior management team regularly.
Additional aspects of Board effectiveness	– Continue focus on succession planning despite the relatively short tenure of the Board to avoid the Board losing independence at the same time.

Progress on 2021 Evaluation

Priorities	Our progress
Focusing on the right areas	– The Board identified key strategic themes such as sustainability, and held deep dive sessions on these topics throughout the year. In addition, regional CEOs and other senior leaders have been invited to attend the Board when appropriate.
Managing the time	– Board and committee meetings in the year were scheduled over several days to allow further to time for discussion, as well as resuming in-person meetings this year and Board dinners to allow informal discussions.
Getting to know the people, the culture and the business	– Three of the meetings in the annual schedule were held at various site, allowing Non-Executive Directors to meet clients and colleagues, to deepen their understanding of SSP's culture, customers, brands, and business model.
Establishing grounded trust	– During the year, the Audit committee reviewed its internal audit arrangements. More information can be found on pages 118-119. – Private sessions of the Non-Executive Directors and auditors were routinely scheduled through the year.
Additional aspects of Board effectiveness	– Committee memberships reviewed, with Tim Lodge succeeding as Chair of Audit Committee following the 2022 AGM, and Kelly Kuhn and Apurvi Sheth joining the Audit Committee and Remuneration Committee respectively from 1 January 2022.

Audit Committee Report



Tim Lodge
Chair, Audit Committee

"I would like to thank Ian Dyson for the way he chaired the Audit Committee over the last few years particularly during Covid-19. In my first year as Chair of the committee we have continued to provide oversight and challenge to both executive management and the internal and external auditors. We have paid particular attention to the key judgements management have made in the preparation of the financial statements and have also reviewed and challenged the integrity of the Group's internal control and risk management systems in the context of a business reopening rapidly after its Covid-driven hibernation."

Meeting attendance

Director	Date appointed as member	Number of meetings attended	Number of additional meetings held
Ian Dyson ²	4 April 2014	1/1	–
Tim Lodge ³	1 October 2020	4/4	–
Carolyn Bradley	1 October 2018	4/4	–
Kelly Kuhn	1 January 2022	3/3	–

1 The number of meetings a member was eligible to attend.

2 Stepped down as Chair and as a member of the Committee at the conclusion of the 2022 AGM.

3 Appointed as Chair of the Committee at the conclusion of the 2022 AGM.

The Audit Committee terms of reference can be found at www.foodtravelexperts.com

Dear Shareholder

I am pleased to present the report of the Audit Committee (the 'Committee') for the year ended 30 September 2022.

During the year, the Committee has continued to play a key role in assisting the Board in discharging its oversight responsibility. Its focus has been on monitoring the integrity of the Group's financial reporting, internal control and risk management systems, reviewing the effectiveness of internal and external audit programmes, overseeing business conduct and ethics and ensuring that the Group's processes and controls prevent fraud and the facilitation of tax evasion.

During the last twelve months, our business has recovered strongly, and this has meant the risk associated with Covid-19 has declined compared with recent years. It has, however, been overtaken by the significant risks posed by the well documented inflationary environment and its concomitant impact on wages, product costs, capital expenditure and disposable incomes. Further details of these risks and their mitigating controls are set out on pages 58-67 of this Annual Report.

As the effects of Covid-19 have subsided, the Committee has worked with the Board and management to re-establish normal financial and operational controls and governance processes. These controls have been kept under regular review by our Risk Committee, our Internal Audit function and by the Committee. Our finance, compliance and business controls teams across the Group have had to continue to adapt to the post Covid-19 working environment of hybrid working, ensuring that the Group's compliance and business controls environment was maintained.

In addition, the Committee reviewed the BEIS consultation on "Restoring trust in audit and corporate governance" and subsequent proposals and the state of readiness across the SSP Group to address these.

As the Group has generally been recovering from Covid-19 there has been no specific groupwide impairment trigger in respect of the financial year ending 30 September 2022. However, in certain jurisdictions decisions have been made to exit underperforming units which has resulted in impairments. Together with the recoverability of goodwill, the Committee reviewed the exercise performed by management to determine the recoverability of these assets for all material cash-generating units (CGUs) and was satisfied that the judgments taken were appropriate. Review of going concern and viability assessment has also remained a key area of focus.

The Committee seeks to balance independent oversight of matters within its remit, with providing support and guidance to management. I am confident that the Committee, supported by members of senior management as well as the internal and external auditors, has carried out its duties effectively and to a high standard during the year.

I would like to thank Ian Dyson for his astute contributions to, and leadership of, the Audit Committee during the last 8 years, in particular his counsel during Covid-19. I would also like to add my welcome to Kelly Kuhn, who joined the committee with effect from 1 January 2022. For details of Kelly's background and experience, please see page 89.

Composition and meetings

The Committee held four meetings during the year and as at year end comprises myself and two other independent Non-Executive Directors, namely Carolyn Bradley and Kelly Kuhn. Attendance at these meetings is shown on page 114. As Chair, I have recent and relevant financial experience through my past roles as a Chief Financial Officer of publicly quoted and large private companies. The expertise and experience of the members of the Committee is summarised on pages 88-89. The General Counsel and Company Secretary, Helen Byrne, acts as Secretary to the Committee.

At the Committee's invitation, the Chair of the Board, non-member Non-Executive Directors, the Chief Executive Officer, the Deputy CEO and CFO and senior members of the SSP Group Finance and Business Controls departments attend meetings of the Committee, together with senior representatives from the internal and external auditors. The Committee holds private sessions with the internal and external auditors without management being present. Between meetings I keep in touch with the Chair of the Board, the Group Chief Executive Officer, the Deputy Group CEO and CFO and the General Counsel and Company Secretary. I also meet privately with both the internal and external auditors and provide regular updates to the Board on the key issues discussed at the Committee's meetings.

The committee receives independent assurance from the Group's Internal Audit function, which is outsourced to Deloitte, and also receives updates from the external auditors across a wide range of issues. The Committee is further supported by the Risk Committee which meets quarterly and is chaired by the Group Deputy CEO and CFO. I attended the Risk Committee in September 2022 to become more familiar with its workings.

The Audit Committee's performance evaluation was undertaken as part of the wider Board Evaluation process set out on pages 112-113. The evaluation concluded that the Committee was effective in fulfilling its responsibilities. It highlighted Members' interest in reviewing Internal Audit arrangements and undertaking periodic reviews to make sure that there is appropriate assurance over all types of risks across the business.

The terms of reference of the Committee can be found at www.foodtravelxperts.com.

Overview of the year

During the year, the Audit Committee has:

- reviewed the Group's risk assessment, with particular focus on the risks which were deemed to have increased, either in likelihood or impact, along with the supporting action plans to mitigate the risks. In 2022, the risks relating to availability of labour and wage inflation, and supply chain disruption and product cost inflation and the risk of a global recession caused by these inflationary risks continued to increase and now all represent the highest risks to the business. The Covid-19 risk has declined, as is now more limited to the emergence of a new variant which could cause further local and global lockdowns. Compliance with legislation (for example, GDPR, food safety, the Criminal Finances Act, the Task Force for Climate Change Disclosures, the Modern Slavery Act and the Bribery Act) all continue to be medium level risks for the Group.
- agreed the scope of both the external and internal annual audit programmes, reviewed the outputs and monitored the effectiveness of the internal and external audit process, and evaluated the internal audit strategic risk assurance process and its role;

- reviewed and monitored the external auditor's independence and objectivity; the policy on engagement with the external auditor to supply non-audit services has remained unchanged;
- overseen the relationship with the external auditor and made recommendations to the Board in relation to reappointment, remuneration and terms of engagement;
- selected the new external audit partner Lourens de Villiers to succeed Nicholas Frost;
- monitored the integrity of the Group's financial statements and continued to challenge the assumptions and judgements made by management in determining the financial results of the Group, including ensuring that the disclosures in the financial statements were appropriate, particularly Alternative Performance Measures (APMs) and the continued reference to pre-IFRS 16 numbers;
- overseen the process for determining whether the Annual Report and Accounts presented a fair, balanced and understandable assessment of the Group's position and performance, business model and strategy;
- evaluated and approved the going concern assumption and longer-term viability statements, especially taking into account the guidance issued by the Investment Association and the Financial Reporting Council (FRC); and
- the Committee reviewed the BEIS consultation on "Restoring trust in audit and corporate governance" and subsequent proposals and the state of readiness across the SSP Group to address these.

In addition to the above, the Committee reviewed the following matters during the year:

- assessments of impairment and reversals of impairment (where relevant) of goodwill, intangible assets and assets held within cash-generating units;
- updates on tax matters, including the Group's tax strategy;
- appropriateness of statements on going concern, liquidity and viability, reflecting the impact of the recovery of the business from Covid-19;
- the effectiveness of health and safety measures, including specifically an evaluation of the Group's controls in respect of allergens; and
- the Audit Committee's terms of reference and the Committee's overall performance and composition.

In my capacity as Audit Committee Chair, I visited the US business and held meetings with key commercial and financial management. As part of Kelly's induction process to the Board and Audit Committee she participated in a number of briefing sessions with Executive management, the external auditors and internal auditors. In addition she visited the Copenhagen, Stockholm and UK teams to enhance her understanding of the business. A fuller description of the operation of the Committee during the year is set out in this report. I will be available at the 2023 Annual General Meeting and welcome the opportunity to answer any questions from shareholders about the work of the Committee.

Financial reporting

As part of our work to ensure the integrity of financial reporting, the Committee focused on the following areas during the year:

Area	Background	Committee's activities and conclusions
Goodwill and intangible assets	<p>The Group has a significant goodwill balance, mainly representing the consideration paid in excess of the fair value of the identified net assets acquired in relation to the 2006 acquisition of the SSP business by EQT Partners, through the purchase of various Compass Group plc subsidiaries by various subsidiaries of SSP Group plc. The net assets acquired included intangible assets relating to the Group's own brands, and franchise rights in respect of third-party brands that were identified and valued at the date of acquisition. The goodwill and intangible assets balance also includes amounts recognised on acquisitions during the current and previous financial years.</p> <p>The Committee recognises that there is a risk that an asset can become impaired, for example, due to changes in market conditions. As a result, the Group monitors the carrying values of goodwill and intangible assets to ensure that they are recoverable and any specific indicators of impairment are discussed by the Executive Directors with both operational and financial management at Group and in country.</p> <p>No impairments of goodwill and intangible assets were recognised in FY22.</p>	<p>The Committee reviewed the goodwill impairment assessment prepared by management and challenged the key assumptions, including the ongoing recovery of the business from Covid-19 on the forecasted sales and EBITDA and the appropriateness of discount rates used.</p> <p>The forecasts used by the management continue to be appropriately conservative, reflecting the Group's best estimate of the recovery in passenger numbers in its key markets over the medium term. The discount rates have increased compared to the prior year, which is primarily a result of the underlying risk-free rates increasing.</p> <p>The Committee particularly challenged management and auditors regarding the forecasts for countries still most affected by Covid-19 but concluded the Board approved forecasts supported the goodwill balances in those countries.</p>
Cash-generating units impairment assessment	<p>Cash-generating units (CGUs) are required to be tested for impairment annually if there is a trigger for impairment. Covid-19 continued to be a specific trigger for impairment in the year. Management has determined a CGU to be a site, e.g. an airport or a rail station.</p> <p>Similar to the goodwill impairment assessment, management have exercised significant judgement during the process relating to discount rates, future growth rates and cash flows. Management have carefully considered the impact of Covid-19 in each CGU.</p> <p>A group wide impairment trigger has not been recognised in FY22 as the Group has generally been recovering from Covid-19. Specific impairment or reversal of impairment triggers have been recognised in certain jurisdictions, either where Covid-19 restrictions remain in place or alternatively where the recovery from Covid-19 has been more rapid than expected.</p> <p>Total impairments recognised related to fixed assets and ROU assets are £13.2m and £9.4m respectively, which primarily relates to units which the group has made the decision to exit. Total impairment reversals relating to fixed assets and ROU assets of £1.4 million and £2.9 million have been recognised.</p>	<p>The Committee challenged key judgements made by management. The discount rates have increased compared to the prior year, which is generally a result of the underlying risk free rates increasing.</p> <p>We reviewed the methodology and checked to see if the rates were in a similar range with a comparator group whilst adjusting for any Company specific factors. The updated discount rates were deemed to be reasonable.</p> <p>We also challenged the consistency of forecasting assumptions used in this exercise against those used for the goodwill impairment exercise. Whilst the CGU impairment exercise was carried out at a much more granular level and management have exercised judgement based on their knowledge of specific cash flows for each site, we noted that overall, the forecasting assumptions were consistent with forecasts used for the goodwill impairment and going concern exercises.</p> <p>The Committee challenged both management and the auditors regarding impairment reversals as the Covid-19 restrictions have been lifted and performance has improved faster than expected in some locations. The Committee was satisfied that there were no material impairment reversals as the future recovery remains in line with management's previous forecasts and the relatively short term nature of the groups contracts automatically limits the potential magnitude of impairment reversals.</p> <p>Further details on impairments have been set out in note 11.</p>
Taxation	<p>The Group operates, and is subject to income taxes, in a number of jurisdictions. Management is required to make judgements and estimates in determining the provisions for income taxes and the amount of deferred tax assets and liabilities recognised in the consolidated financial statements.</p> <p>The Committee recognises that management judgement is required in determining the amount and timing of recognition of tax benefits and an assessment of the requirement to make provisions against the recognition of such benefits.</p>	<p>The Committee reviewed the Group's tax strategy and received reports and presentations from the Group Head of Tax, setting out the tax strategy and highlighting the principal tax risks that the Group faces and the judgements underpinning the provisions for potential tax liabilities. The Committee also reviewed the results of the external auditor's assessment of provisions for income taxes and deferred tax assets and liabilities and having done so was satisfied with the key judgements made by management.</p>

Area	Background	Committee's activities and conclusions
Going concern and viability statement	<p>In order to support its going concern assessment, the Group carries out reviews of its available resources and cash flows regularly with a more detailed viability assessment carried out on an annual basis.</p> <p>In making the going concern assessment, the Directors have considered forecast cash flows and the liquidity available over the going concern period. In doing so they assessed a number of scenarios, including a base case scenario and a severe but plausible downside scenario.</p> <p>With some uncertainty surrounding the economic and geo-political environment over the next twelve months, as well as the ongoing impact from Covid-19, a downside scenario has also been modelled, applying severe but plausible assumptions to the base case. This downside scenario reflects a very pessimistic view of the travel markets for the remainder of the current financial year, assuming sales that are around 10% lower compared to 2019 levels than in the base case scenario.</p>	<p>The Committee challenged management's trading and liquidity forecasts for both the base case and the downside scenario, focusing on the reasonableness of the pace of recovery of passenger numbers, continued access to financing and the ability to meet its existing financial covenants. We noted that in both the base case and the downside case the Group would continue to have sufficient liquidity headroom based on the forecast cash and committed available facilities. Furthermore, in both its base case and its severe but plausible downside scenarios, the Group would have headroom against all of the applicable covenant tests at all testing dates during the period of assessment.</p> <p>After careful review, the Committee was satisfied and recommended to the Board that the Directors should continue to adopt the going concern basis of preparation, and that based on the current funding facilities available, the Directors could have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements.</p>
Alternative performance measures	<p>In addition to IFRS based performance measures, the Directors also use alternative performance measures ('APMs') to provide additional useful information on the underlying trends, performance and position of the Group (see pages 76-79). These measures are not defined nor specified under IFRS and therefore are not intended to be a substitute for the same. Furthermore, management have presented 'pre-IFRS 16' numbers and commentary together with the statutory numbers in the Financial Review and other sections. This is because the pre-IFRS 16 basis is consistent with the financial information used to inform business decisions and investment appraisals. In management's view presenting the information on a pre-IFRS 16 basis provides useful and necessary additional information to enhance the reader's understanding of the Group's results.</p>	<p>The Audit Committee noted the guidance issued by the FRC in relation to the use of APMs and considered whether the performance measures used provided meaningful insights for shareholders into the Group's results. The Committee also reviewed the treatment of items considered for separate disclosure in the Annual Report and Accounts, ahead of their approval by the Board. The Committee also continued to support the judgements made by the management regarding those items considered as exceptional and requiring separate disclosure.</p> <p>The Committee concluded that clear and meaningful descriptions had been provided for the APMs used and that the relationship between these measures and the statutory IFRS based measures was clearly explained. It was also concluded that the Committee supported the considered understanding of the financial statements, and that the APMs had been accorded equal prominence with measures that are defined by, or specified under, IFRS.</p> <p>The Committee reviewed the 'Pre-IFRS 16' disclosures added in the current year and concluded that these were reasonable to include in the Annual Report and Accounts for the year, noting that the Group continues to receive feedback from users of the financial statements that this information was useful and that similar companies continue to provide equivalent disclosures.</p>
Fair, balanced and understandable financial statements	<p>An intrinsic requirement of a Group's financial statements is for the Annual Report and Accounts to be fair, balanced and understandable. The coordination and review of the Group-wide input into the Annual Report is a sizeable exercise performed within an exacting timeframe, which runs alongside the formal audit process undertaken by the external auditor.</p>	<p>The process to ensure that the Committee, and then the Board, are satisfied with the overall fairness, balance and clarity of the document has been underpinned by:</p> <ul style="list-style-type: none"> – guidance issued to contributors at an operational level; – a verification process dealing with the factual content of the reports; and – a comprehensive review by the Directors and the senior management team.

Risk management and internal control

The Board has overall responsibility for risk management and internal control systems, and for reviewing their effectiveness. This process is overseen by the Committee on the Board's behalf. It is increasingly important that this is carried out in the context of the social, environmental and ethical matters relating to the Group's business.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable, but not absolute assurance against material misstatement, loss, fraud or breaches of law and regulations. The Board has established a clear organisational structure with defined authority levels. The day-to-day running of the Group's business is delegated to the Executive Directors of the Group. The Executive Directors meet with both operational and financial management on a weekly and monthly basis. Key financial and operational measures are reported on a weekly and monthly basis and are measured against both budget and forecasts in these meetings. A summary of the Group's risk management system is set out on pages 58-69.

The Group maintains Group and regional/country level risk registers which outline the key risks faced by the Group including their impacts and likelihood, along with relevant mitigating controls and actions. On an annual basis, regional and country management teams are required to update their local risk registers and risk maps to ensure that the key strategic, operational, financial, as well as emerging risks in each location are captured and prioritised according to likelihood and impact, and to identify the risk management activities for each risk. The regional and country risk registers are used in conjunction with input from the Executive Committee, to update the Group risk register. The Risk Committee and Executive Committee review the assessment of risks, as well as current and future mitigation activities at both the Group and regional/country levels. The Committee reviewed this process and a summary of the risk registers during the year.

Following this process, a summary of the principal risks and uncertainties which are currently judged to have the most significant impact on the Group's long-term performance is set out on pages 58-69.

The Committee reviewed the effectiveness of the Group's financial and other internal control systems through the Core Financial Controls assessment exercise, as well as through the reports of the internal and external auditors during the year. It subsequently reported on these matters to the Board to allow it to carry out its review (see page 112-113).

Internal audit

Deloitte LLP ('Deloitte') act as internal auditor to the Group, and the partner responsible reports directly to the Audit Committee, in addition to being a permanent attendee of the Risk Committee. Internal audit plays an important role in assessing the effectiveness of internal controls through a programme of reviews based on a continuing assessment of business risks across the Group.

Internal Audit is in regular dialogue with the regional Chief Financial Officers and the Deputy Group CEO and CFO, to discuss the output from the assurance work and acquire an update on the business risks across the Group. Where control deficiencies are noted through the assurance work performed, Deloitte will perform follow-up reviews and visits.

The Committee meets regularly with Deloitte to review and progress the Group's internal audit plan. The relevant audit plan and procedures are aimed at addressing risk management objectives and providing coverage of the risks identified in the regional and country risk registers. The internal audit plans are prepared in accordance with standards promoted by the Chartered Institute of Internal Auditors. The Committee monitors the effectiveness of Internal Audit plans in accordance with the Group's ongoing requirements.

The Committee considered the output from the 2022 annual internal audit programme of assurance work, reviewed management's responses to the matters raised and ensured that any action was timely and commensurate with its level of risk, whether real or perceived. The backlog of actions which grew during the Covid-19 hibernation is being cleared.

There were no significant weaknesses identified in the year that would materially impact the Group as a whole, but a number of recommendations were acted upon within the Group to strengthen controls or develop action plans to mitigate risk. The Committee remains satisfied that the Group's system of internal controls works well.

The Committee determines the adequacy of the performance of the internal audit process through the quality and depth of findings and recommendations. During 2022, the Committee also carried out a formal assessment of the internal audit process, using questionnaires completed by senior finance personnel both at Group and in country, along with key members of the business controls, legal and tax departments. The survey covered areas such as organisation, purpose and remit, process management, quality of the team, knowledge and expertise, and communication of results and recommendations. The survey indicated an overall satisfaction with the internal audit process, including Deloitte's interactions with the local teams as well as their understanding of the business and the issues it faces. The Committee discussed the results of the survey with Deloitte and was satisfied with the internal audit process. The results and feedback from the survey were incorporated into the next year's internal audit plan.

As set out in the last year's report, the Board evaluation noted that the outsourced internal audit arrangement with Deloitte was working, but it was recommended that the Company consider a review of the arrangements as well as a review of board reporting on operational risk and controls. Following further consideration, it was felt that a change of internal auditors while the business was still recovering from Covid-19 might create unacceptable risk in itself; However the internal audit arrangements will be reassessed during FY2023.

External audit

The effectiveness of the external audit process and independence of KPMG LLP (KPMG), the Group's external auditor, is key to ensuring the integrity of the Group's published financial information. Prior to commencement of the audit, the Committee reviewed and approved the audit plan to gauge whether it was appropriately focused. KPMG presented to the Committee its proposed plan of work, which was designed to ensure there are no material misstatements in the financial statements. The Committee considered the accounting, financial control and audit issues reported by the external auditor that flowed from their audit work. The Committee specifically asked KPMG to examine the use of APMs and whether this remained appropriate.

The Committee carried out an assessment of the external audit process during the financial year, including KPMG's role in that process. The Committee also considered the robustness of the audit process including, the level of challenge given to critical management judgements. This took account of the Committee's own discussions with the external auditor on the work performed around areas of higher audit risk. It also took account of discussions for the auditor's conclusions on those areas, and the depth of the auditor's understanding of the Group's businesses. Specifically the Committee challenged the auditors on whether they had done sufficient work on the half year 2022 impairment tests and was satisfied with the work done. This was supported by the results of discussions with individual Committee members and questionnaires completed by senior finance personnel both at Group and in country, along with key members of the legal and tax departments. The survey covered areas such as communication, the audit approach and scope, the calibre of the audit teams, technical expertise, and independence. The survey indicated overall satisfaction with the services provided by KPMG and the Committee was satisfied with KPMG's responses to the points raised in the survey. The results and feedback from the survey were incorporated in the next year's external audit plan.

KPMG was reappointed as external auditor following a tender process for the Group's external audit in 2015. The audit partner for the year ended 30 September 2022 was Nicholas Frost, who has been audit partner since year ended 30 September 2018 and 2022 is therefore his last year before mandatory rotation. Lourens De Villiers will replace Nicholas Frost, bringing significant listed company and sector-specific auditing experience. Lourens is working closely with Nicholas to enable a smooth handover of responsibilities.

Under the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (the 'CMA Order') the Group is required to put its external audit process out to tender again by no later than 2025 and intends to do so in line with those regulations. The Committee confirms it complies with the provisions of the CMA Order and that there are no contractual.

The proposed tender date is in the best interests of shareholders and the Company as KPMG has a detailed knowledge of our business, an understanding of our industry and continues to demonstrate that it has the necessary expertise and capability to undertake the audit.

KPMG fees

The total fees paid to KPMG in the year ended 30 September 2022 were £2.4 million, of which:

Audit services

- £0.6 million – audit of these financial statements
- £1.6 million – audit of financial statements of subsidiaries

Non-audit services

- £0.1 million – audit related services
- £0.1 million – assurance work for turnover certificates within the business

Further disclosure of the remuneration paid to KPMG can be found in note 5 on page 177.

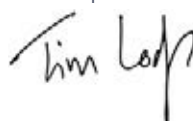
Auditor independence and non-audit services policy

The Committee reviews the formal policy governing the engagement of the external auditors to provide non-audit services on an annual basis. It sets out the circumstances in which the auditor may be engaged to undertake non-audit work for the Group. The Committee also oversees compliance with the policy and considers and approves requests to use the auditor for non-audit work.

Recognising that the auditor is best placed to undertake certain work of a non-audit nature, e.g. audit-related services, the engagements for non-audit services that are not prohibited are still subject to formal review by the Committee based on the level of fees involved, with reference to the 70% cap that applies. Non-audit services that are pre-approved are either routine in nature with a fee that is not significant in the context of the audit or are audit-related services. The Group's non-audit services policy remains in line with the latest ethical guidance and there were no changes made in 2022.

Details of fees payable to the external auditor are set out in note 5 on page 177. In 2022, non-audit fees represented approximately 9% of the audit fee. KPMG has provided services to certain Group companies and the non-audit fees in 2022 included £0.1m of fees for assurance work in relation to turnover certificates, which are needed to comply with certain local regulations.

The external auditor reported to the Committee on its independence from the Group and confirmed it had complied with the independence requirements as set out by the APB Ethical Standards for Reporting Accountants. The Committee is satisfied that KPMG has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained.



Tim Lodge
Chair, Audit Committee
5 December 2022

Directors' Remuneration Report



Carolyn Bradley
Chair, Remuneration Committee

"The Committee is proud of the achievements of our leaders and colleagues as we accelerate out of one of the most challenging periods in our history. The business has had an exceptional year and central to the recovery has been the strength of our team."

Meeting attendance

Director	Date appointed as member	Number of meetings attended	Number of additional meetings held
Carolyn Bradley	1 October 2018	6/6	1/1
Ian Dyson ¹	4 April 2014	3/3	0/1
Apurvi Sheth ²	1 January 2022	3/3	0/0
Judy Vezmar	1 August 2020	6/6	1/1

¹ Ian Dyson resigned from the Board on 4 February 2022.

² Apurvi Sheth joined the Board on 1 January 2022.

The Remuneration Committee terms of reference can be found at www.foodtravelexperts.com

Statement by the Chair of the Remuneration Committee

Introduction

On behalf of the Board and the Remuneration Committee, I am pleased to present the Directors' Remuneration Report for the year ended 30 September 2022, which contains:

- the annual remuneration report, describing how the Directors' Remuneration Policy has been applied this year and how the policy will be implemented in the 2023 financial year.
- the Directors' Remuneration Policy, which was approved by shareholders at the 2022 AGM.

Exceptional performance and momentum in an important year

The business delivered a strong performance, during what was a very challenging year, with the advent of the Omicron variant resulting in a prolonged period of travel restrictions across certain parts of our business, immediately followed by the outbreak of war in Ukraine, as well as wide-ranging inflationary pressures.

The business responded rapidly to the recovery in passenger demand, with disciplined management of unit re-openings, whilst at the same time controlling the cost base tightly. On top of this, we have actively mitigated high levels of cost inflation, carefully balancing customer needs, resourcing pressures and profit protection. The result has been a strong conversion of revenue to profit, well ahead of the expectations at the start of the year. A close focus on cash preservation has delivered free cash flow of approximately £52m, despite investing c.£150m in capital expenditure during the year, leaving the business in a very healthy position, with over £700m of available liquidity and the Group returning to profitability.

The skill and judgement exercised by the leadership team, working in partnership with our clients and brand partners, together with the hard work and commitment of colleagues across the business, has enabled the company to deliver an exceptional trading performance during 2022.

As the Group recovered from the impact of Covid-19 on passenger numbers, we delivered good results and exceeded the targets set each quarter. Overall revenues in Q4 were 92% of 2019 levels, up from 30% across the 2021 financial year and compared to a 2022 Budget of 80% of 2019 levels. Looking across our different markets, by the fourth quarter, revenues were 95% of 2019 levels in both Continental Europe and North America. In the UK, sales also increased significantly, although industrial action in the rail network impacted revenues, which reached 86% of 2019 levels. In the Rest of the World, revenues returned to 86% of 2019 levels due in part to the continued restrictions on travel in China and Hong Kong.

This recovery in revenues, supported by ongoing management of inflationary cost pressures and pricing initiatives, meant that the Group returned to profitability, reporting EBITDA of £138m (on a pre-IFRS 16 basis at constant currency).

Beyond the immediate financial performance, we continued to make excellent progress on business development, extending and renewing contracts as well as winning new tenders to augment our existing strong pipeline. As a result, the Group is now planning to accelerate the mobilisation of our pipeline from 2023 onwards. In FY22 we have made considerable progress against our strategy and our unique competitive strengths position us well for sustainable growth and returns in future years.

Central to this recovery has been the strength of the management team. Patrick Coveney joined as Group CEO in March 2022 and Jonathan Davies, our Deputy Group CEO and CFO, provided excellent support through that transition and showed exceptional leadership in the first half of FY22. Patrick and Jonathan, together with the wider executive team, drove the strong recovery of the business through FY22. We were pleased to welcome colleagues back from furlough as well as many new colleagues to SSP this year. As a Committee, we would like to take this opportunity to thank our teams across all regions for their dedication and support in the re-opening of our business. The results achieved this year and presented in this report would not be possible without their commitment to the success of SSP.

Wider workforce context

Although the Group has continued to recover during FY22, we are acutely aware that high inflation means that this is a challenging time for many of our colleagues across the world who are experiencing a significant increase in the cost of living.

Our ability to re-open our business so successfully has been predicated on our knowledge of local pay market conditions as well as our ability to attract and retain colleagues in a highly competitive talent marketplace. We have taken numerous additional actions to support colleagues during this time, with a mix of global, regional and local initiatives to attract and retain key talent and skills in our business. In many locations the immediate focus has been on ensuring our colleagues are aware of the support, counselling and hardship assistance available via our wellbeing and Employee Assistance Providers.

As needed, we have made specific interventions, such as providing colleagues with free meals during their shifts and increasing employee discounts. For example, in the UK and Sweden we increased the employee discount and changed the plan in the UK so that these discounts are available to all UK colleagues from the first day of employment.

We have reviewed pay rates across many of our markets and increased these where needed in response to cost of living pressures and in line with local market benchmarks. Unlike other years this review was ongoing given the volatility of the market and the pressure on both us and our competitors to open both safely and swiftly. We also ran a month-long global mental health awareness campaign in May, equipping our managers with the tools and resources to have conversations with and support their teams.

As part of our digital transformation, we are also focusing on ensuring our HR Information System is improved to better enable access to very practical benefits, such as discounts on shopping and utilities, which is to be followed by a review of providers that offer the discounts most sought by our colleague base.

Board changes

Patrick Coveney joined SSP as Group CEO in March. The key terms of Patrick Coveney's remuneration arrangements on joining SSP were disclosed last year. This report includes full details of the awards granted during FY22 to replace awards from his former employer that he forfeited on joining SSP. These awards were granted on the basis that they should mirror the value of the remaining original awards, with performance conditions commensurate to the original awards. In addition, vesting periods are no shorter than the original awards. Patrick made a significant investment in SSP shares following his appointment and his shareholding is 227% of salary. Relocation support has also been provided.

Simon Smith left SSP on 24 December 2021. His post-employment shareholding requirement was enforced through trading restriction on his share account and subject to reporting obligations to the Company. During the year the Committee confirmed that Simon was compliant with the post-cessation shareholding requirement.

Remuneration for FY22

Annual Bonus

We hope that this will be the final year of the Committee determining remuneration outcomes against the backdrop of the pandemic. As we disclosed last year, the intention was to continue to evolve the framework we used for determining bonus outcomes in FY21 given the highly uncertain environment in which the Group continued to operate.

Similar to FY21, the bonus framework for Executive Directors was 80% based on an EBITDA target derived from revenues and targeted profit conversion, with 20% based on strategic objectives. Following positive feedback from shareholders to the approach applied in the 2021 financial year, the approach to measuring EBITDA performance was retained, as setting a fixed target range at the start of the year would have possibly resulted in targets being overly easy or overly stretching depending on the path of sales recovery. However, this approach was evolved for FY22 with the inclusion of two boundary conditions:

- A minimum level of absolute EBITDA performance that must be achieved before any bonus is paid for financial performance
- An additional absolute EBITDA performance gateway that must be achieved before any above-target bonus can be earned.

In line with good governance practice, this framework was then subject to a discretionary overlay to make sure that any bonus earned is appropriate.

Performance in FY22 against this framework has been exceptional. This year revenue growth was higher than anticipated at the start of the year which, using the framework mechanism based on pre-set profit conversion targets, translated into significantly higher EBITDA targets for the determination of any bonus outcome. Both profit conversion and EBITDA were close to the maximum targets set, with EBITDA of £138m, just below the maximum target of £142m. Full details of the target range are provided on page 126. As discussed above, this performance represents real recovery from the impact of the pandemic on the Group's financial position, including effective management control of costs and pricing in a high inflation environment. The Committee also reviewed the strategic objectives for each Executive Director and the progress made during the year. The resultant bonus outcomes were 94% and 96% of maximum for Patrick Coveney and Jonathan Davies respectively. Full details of our annual bonus outcomes are provided on pages 126 and 127.

The Committee reviewed this outcome in the wider context of the experience of the Group and its shareholders and wider stakeholders, including the support being provided to colleagues across our regions, as discussed above. No UK Government support related to furlough was received in relation to the year. Overall, the bonus outcomes were reflective of the exceptional financial and strategic progress made during the year.

This continues the strong alignment between bonus outcomes and our shareholders' and stakeholders' experience through the period of the Covid-19 pandemic – zero incentive outcomes for FY20 alongside pay reductions; applying significant downwards discretion for FY21 (and consulting widely with shareholders on appropriateness of a modest FY21 bonus payout); and for FY22, in our path to recovery appropriately rewarding exceptional performance.

2019 PSP awards

The EPS and TSR performance conditions for the November 2019 PSP awards, which were set prior to the pandemic, were not met over the three-year period to 30 September 2022, and these awards will therefore lapse in full.

Salary increases

The Committee normally reviews Executive Director salaries at the same time as all other colleagues, with any increases effective from 1 June. The wider workforce increases for salaried staff was set at a minimum of 3%, with colleagues paid on an hourly basis receiving, on average, increases well above this. In FY22 no increase was applied to Patrick Coveney due to his recent appointment as CEO. For Jonathan Davies, Deputy Group CEO and CFO, the Committee agreed to award an increase of 3% aligned to the minimum salary increase received by the wider UK population.

Remuneration for FY23

Annual bonus and RSP

For the coming year, given that the uncertainty around the impact of the pandemic has reduced, the Committee intends to revert to setting a normal fixed absolute target range at the start of the year, which will be disclosed in the 2023 Annual Report. Financial performance will be based on EBITDA performance as this is aligned to the Group strategy and our focus on profitability, while also incentivising investment in growth. The remaining 20% of the award will continue to be based on strategic objectives. After a detailed review during the year, this structure will also be used on a consistent basis across the Group leadership team.

In line with our approved Policy, Executive Directors will continue to receive Restricted Share Plan awards of up to 100% of salary, which are subject to the achievement of performance underpins as provided on page 130.

Pensions update

During the year a comprehensive review of pension arrangements for UK employees was completed. As we disclosed last year, the forward-looking approach to pension for Executive Directors was to align with the findings of this review. As a result of this review, a number of operational improvements were agreed, including the approach to employee communication and governance, although no structural changes were made to the pensions offering to colleagues at this time. Therefore, from 31 December 2022 Jonathan Davies' pension allowance will reduce from 21% to 3% of salary in line with the rate for the majority of UK employees. In line with our Policy, Patrick Coveney's pension has been set at 3% of salary since his appointment in March 2022.

Shareholder consultation

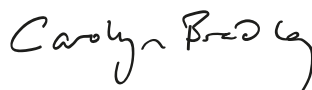
During FY22 the Committee also considered the result of the 2022 AGM, and the 78% vote for the Directors' Remuneration Report. Prior to the publication of our 2021 Annual Report, we proactively consulted with shareholders to discuss the Remuneration Committee's proposed approach to determining the bonus outcome for the 2021 financial year. We engaged with twenty of our largest shareholders, representing approximately 73% of our shareholder base. The broad sentiment across those with whom we engaged was that they were supportive of our approach to reward and bonuses for the year on the basis of the performance achieved by the management team in challenging conditions. Overall, the Committee believes that it acted fairly and appropriately in the context of SSP's performance, and that the decisions taken last year were in the best interests of shareholders and balanced the needs of all stakeholders.

Looking forward

This year has been one of significant recovery following the pandemic, and major progress of our strategy for future growth. The commitment and hard work of our colleagues has enabled us to deliver strong trading performance, to win new business across the world, and to invest in our people, our digital capabilities and sustainability. After zero incentive outcomes for FY20, and applying downward discretion for FY21, we are satisfied that the remuneration outcomes for FY22 are appropriate in the context of an exceptional year for the business.

The Committee remains committed to an open and transparent dialogue with shareholders on executive remuneration at SSP. I hope you will support us at the forthcoming AGM.

This Directors' Remuneration Report is approved by the Board on behalf of:



Carolyn Bradley
Chair, Remuneration Committee
5 December 2022

Remuneration at a glance

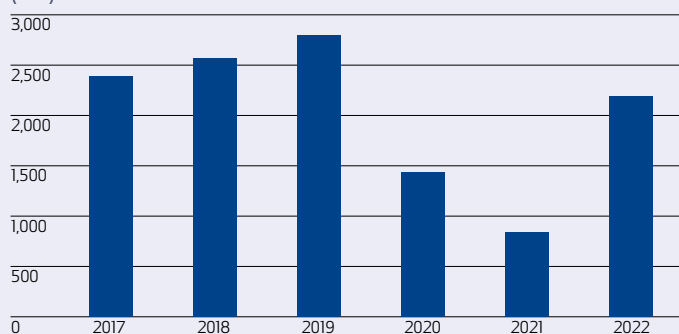
Remuneration outcomes for the year ended 30 September 2022

The table below provides a high level overview of what our Executive Directors earned in 2022.

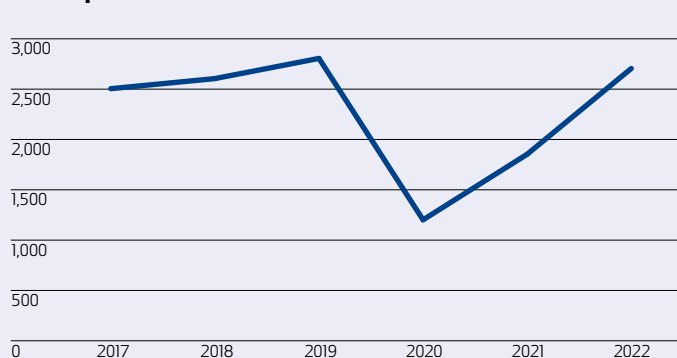
	Patrick Coveney ¹	Jonathan Davies
Fixed pay (salary, pension and benefits)	£498k	£652k
Annual bonus (total of cash and deferred shares)	£643k	£720k
PSP vesting (2019 award)	n/a	£0

¹ The above table shows Patrick Coveney's earnings from the date of his joining SSP on 31 March 2022 to the end of the financial year on 30 September 2022.

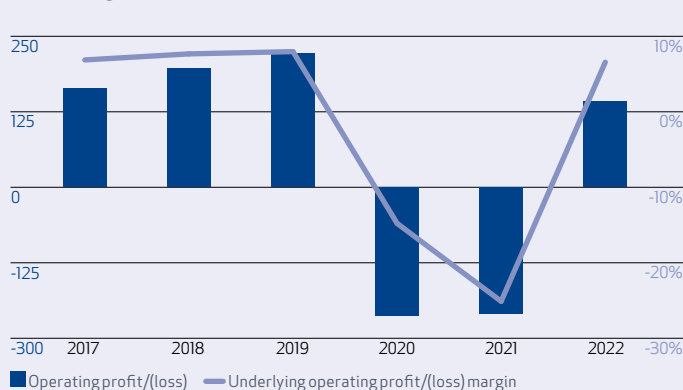
Annual revenue (£m)



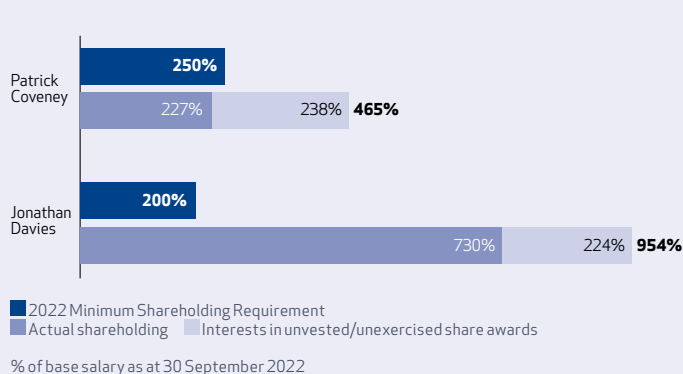
Units opened



Operating profit/(loss)



Equity exposure of our Executive Directors



Overview of implementation of Policy in 2023

A summary of the proposed packages for current Executive Directors in the 2023 financial year in comparison to packages for the 2022 financial year is set out below.

Element of remuneration	2023 financial year		2022 financial year	
	Patrick Coveney	Jonathan Davies	Patrick Coveney (from date of appointment)	Jonathan Davies
Base salary	£775,000 ¹	£515,000 ¹	£775,000	£500,000
Pension	3% of base salary	3% of base salary ²	3% of base salary	21% of base salary
Annual bonus maximum	175% of base salary	150% of base salary	175% of base salary	150% of base salary
Annual bonus targets	Profit and strategic	Profit and strategic	Profit and strategic	Profit and strategic
RSP annual award	100% of base salary	100% of base salary	100% of base salary	100% of base salary
Shareholding requirement	250% of base salary	200% of base salary	250% of base salary	200% of base salary

¹ As set out on page 125, Patrick Coveney's base salary was not reviewed as part of the June 2022 salary review as this was shortly after his joining on 31 March 2022. Jonathan Davies received a 3% salary increase, in line with the lower end of the salary increases of the wider UK population. The next salary review will take place for all colleagues in June 2023.

² As set out on page 125, Jonathan Davies pension will be aligned to the rate received by the wider workforce effective 31 December 2022.

Corporate governance code provision 40 disclosure

When considering the implementation of the Remuneration Policy for 2023, the Committee was mindful of the UK Corporate Governance Code and considers that the executive remuneration framework appropriately addresses the following factors:

Clarity	<ul style="list-style-type: none"> – The Committee is committed to providing open and transparent disclosures regarding our executive remuneration arrangements. – We continue to have regular dialogue with our shareholders. – We sought to explain our Remuneration Policy in a way that highlights its alignment to our strategic priorities as well as good governance practices under the UK Corporate Governance Code and investor guidance (for details of our strategic priorities see pages 18-31 of this report). – We continue to engage with the workforce, as appropriate, to explain the pay outcomes for the Executive Directors and their alignment with the broader Company pay outcomes. See page 52 for details.
Simplicity	<ul style="list-style-type: none"> – Remuneration arrangements for our executives and our wider workforce are simple in nature and well understood by both participants and shareholders. – Our restricted share plan, as approved by shareholders in 2021, is a simple model that aligns our senior management team to the experience of our shareholders through our recovery period.
Risk	<ul style="list-style-type: none"> – The Committee considers that the structure of incentive for Executive Directors and senior management arrangements does not encourage inappropriate risk-taking. – Our annual bonus is based on a balance of strategic and financial metrics. Targets are set to ensure that maximum can only be earned for delivering truly exceptional performance while not encouraging risk-taking. – Our RSP has more modest award levels relative to the prior PSP and is subject to performance underpins which ensure that there is no payment for failure. – Annual bonus deferral, the RSP post-vesting holding period and our in-employment and post-employment shareholding requirements provide a clear link to creating sustainable, long-term value for shareholders. – Malus and clawback provisions also apply to our incentive arrangements, and the Committee has overarching discretion to adjust formulaic outcomes to ensure that they are appropriate after assessing performance in the round.
Predictability	<ul style="list-style-type: none"> – The RSP, as approved by shareholders in 2021, increases the predictability of outcomes in line with recovery strategy and minimises the potential of unintended outcomes. – Our Policy contains details of opportunity levels under various scenarios for each component of pay.
Proportionality	<ul style="list-style-type: none"> – The Committee believes that the bonus and RSP incentivises management to take the right actions for sustainable value creation in the current environment. – The Committee considers business and individual performance from a range of perspectives. Poor financial performance is not rewarded.
Alignment to culture	<ul style="list-style-type: none"> – Any financial and strategic targets set by the Committee are designed to drive the right behaviours across the business. – The RSP model, as approved by shareholders in 2021, encourages our executives to focus on making the right decisions, in line with our recovery strategy, for the long-term sustainable performance of the business. – When developing the 2021 Remuneration Policy the Committee reviewed our approach to remuneration throughout the organisation to ensure that arrangements are appropriate in the context of our Values and approach to reward for the wider workforce. – In 2022 we have aligned Executive Director pensions with the wider workforce rate.

Annual report on remuneration

Single total figure of remuneration – Executive Directors

The following table provides a summary single total figure of remuneration for the 2021 and 2022 financial years for the Executive Directors.

All figures shown in £000	Salary and Fees ¹		Benefits		Pension		Annual Bonus		Long-term Incentives ²		Other		Total fixed remuneration		Total variable remuneration		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Executive Directors																		
Patrick Coveney ³	390	n/a	96	n/a	12	n/a	643	n/a	0	n/a	0	n/a	498	n/a	643	n/a	1,141	n/a
Jonathan Davies	505	464	41	18	106	98	720	187	0	0	0	0	652	580	720	187	1,372	767
Simon Smith ⁴	151	645	7	22	32	130	0	0	0	0	0	0	190	797	0	0	190	797
	1,046	1,109	144	40	150	228	1,363	187	0	0	0	0	1,340	1,377	1,363	187	2,703	1,564

1 Salary and fees – this represents the base salary and fees paid in respect of the relevant financial year.

2 Long-term incentives 2021 and 2022 – no shares vested under the 2018 and 2019 LTIP awards, therefore there is no value attributable to share price appreciation over the performance period.

The Committee did not exercise any discretion for the Executive Directors with regards to the vesting of the 2018 or 2019 LTIP awards.

3 Patrick Coveney – amounts of pay shown for Patrick Coveney shows remuneration earned from his appointment to SSP as Group CEO on 31 March 2022.

4 Simon Smith – amounts of pay shown for Simon Smith shows remuneration earned to the end of his employment on 24 December 2021.

Additional disclosures in respect of the single figure table

Base salary

Executive Director base salaries in the 2022 financial year

	From 1 June 2022	From 1 October 2021	Change
Patrick Coveney ¹	£775,000 per annum	n/a	n/a
Jonathan Davies ²	£515,000 per annum	£500,000 per annum	3%

1 Patrick Coveney joined SSP on 31 March 2022, therefore has no salary in October 2021 for comparison.

2 Jonathan Davies was appointed Deputy CEO alongside his role of CFO on 1 September 2021. His salary was increased from £467,600 to £500,000 effective 1 October 2021 to reflect his expanded role, as detailed in the 2021 Directors Remuneration Report.

The amount of remuneration received by Non-Executive Directors is set out on page 131.

Benefits

During the year, Patrick Coveney and Jonathan Davies received benefits totalling £96k and £41k respectively. These benefits included participation in the UK SIP, private medical insurance (for the executive and their family), life assurance, car allowance, company fuel card and home to work travel (including associated tax paid). In addition, a one-off reimbursement of costs incurred as a result of company commitments was provided to Jonathan Davies. Patrick Coveney's benefits for the first twelve months of his appointment include travel and accommodation costs associated with his relocation.

Details of shares held by Executive Directors under the UK SIP are set out below:

	Total SIP shares held at 1 October 2021	Shares acquired during financial year	Matching shares awarded during financial year	Matching shares forfeited during financial year	Shares sold during financial year	Total SIP shares held at September 2022
Jonathan Davies	5,033	615	308	0	0	5,956
Simon Smith ²	3,748	148	74	-702	-3,268	0

1 Simon Smith left SSP on 24 December 2021. The above table shows shares acquired and matching shares awarded to Simon under the UK SIP between October and December 2021 only.

Patrick Coveney joined SSP after the annual invitation to join UK SIP (Share Incentive Plan) and therefore has not been able to participate to date. The annual invitation for all eligible colleagues takes place each December.

Pensions

The table below sets out the pension arrangements for our Executive Directors that were in force during the year.

Director	Pension type	Pension level (% base salary)
Patrick Coveney ¹	Cash in lieu of pension	3%
Jonathan Davies ²	Cash in lieu of pension	21%

1 The Company pension allowance for Patrick Coveney is in line with the rate applicable to the wider workforce.

2 The pension allowance for Jonathan Davies will be in line with the rate applicable to the wider workforce effective 31 December 2022.

Annual bonus

The bonus structure for Executive Directors for the year ended 30 September 2022 assessed underlying operating profit as the financial target. Of the total bonus opportunity, 80% was determined by the financial target, with the remaining 20% opportunity determined by achievement of key strategic objectives.

As was the case in the 2021 financial year, confidence in accurate forecasts for the year ahead continued to be extremely limited and a wide range of possible scenarios existed. Against that backdrop, setting a fixed absolute performance target range for EBITDA remained challenging without the target potentially being either overly easy or overly stretching depending on the path of the sales recovery. Following positive feedback from shareholders to the approach applied in the 2021 financial year, we chose to continue with this approach as we were keen to retain a financially based mechanism and targets which aligned management to our financial objectives for the year. The bonus mechanism calibrated Group EBITDA based on optimising revenues and targeted profit conversion. The target profit conversion ratio applied was 20%, with maximum achieved for profit conversion above 30%. The Committee considered these to be stretching given the very challenging operating circumstances, particularly at low levels of sales, where the impact of fixed costs become increasingly hard to mitigate. In addition, two boundary conditions were added to the construct which were a minimum EBITDA performance threshold before any bonus award is made, and an additional EBITDA performance 'gateway' before an above target bonus can be earned.

The outcomes from this mechanism were then subject to a discretionary framework to ensure that the outcomes were fair and reasonable given the wider context for the Company and its stakeholders, including passenger numbers (PAX) and revenue achieved. The Committee also retained its overall discretion over pay outcomes. Based on the framework described above, Patrick Coveney and Jonathan Davies earned bonuses as set out in the table below. Further details of financial and strategic performance are set out below.

Annual bonus payout in the 2022 financial year	Patrick Coveney	Jonathan Davies
Maximum bonus opportunity	175%	150%
Bonus outcome (% of maximum)	94%	96%
Actual bonus – received as cash (£)	£321,338	£482,400
Actual bonus – deferred into shares (£) ¹	£321,338	£237,600

¹ Deferral policy: Executive Directors will be required to defer a minimum of 33% of any bonus received into the Group's shares, where they meet their minimum shareholding requirement, and 50% where they do not. Patrick Coveney will receive 50% of his total bonus as cash and the remaining 50% will be deferred into the Group's shares. Jonathan Davies will receive 67% of his total bonus as cash and the remaining 33% will be deferred into the Group's shares.

Our overall performance and recovery during the financial year was at the upper end of market expectations for 2022 which resulted in the bonus mechanic setting significantly higher targets for the determination of any bonus outcome. This also meant that the boundary conditions put in place to restrict bonus in the instance of slow recovery were not required to be utilised. Based on the agreed mechanism, the Group EBITDA performance achieved in the 2022 financial year was close to the maximum target, as a result of the EBITDA conversion being ahead of the target set.

As outlined in the Remuneration Committee Chair's Statement, performance in FY22 against this framework has been exceptional and represents real recovery from the impact of the pandemic on the Group's financial position, driven by effective management control of costs and pricing in a high inflation environment. Overall, the Committee believes this outcome reflects this outstanding level of performance achieved by the Group and the management team during the year.

A full breakdown of performance against financial and non-financial targets is set out below. In line with our Policy, we have assessed our Executive Directors' performance against strategic objectives based on the targets set at the start of the year.

Financial performance

The table below sets out a summary of performance against the financial targets. All figures shown below are based on constant currency.

	Targets set for the 2022 financial year (£m) ¹			2022 performance (£m)
	Threshold (30% of maximum)	Target/budget (50% of maximum)	Maximum (100% of maximum)	
EBITDA ²	95	100	142	138

¹ Target based on profit conversion ratios set at the start of the year and applied to actual revenues achieved from available passenger numbers at SSP sites for the 2022 financial year.

² EBITDA shown on an underlying (pre-exceptional) pre-IFRS 16 basis at constant currency. The additional EBITDA boundary conditions were £18m at threshold and a £48m performance 'gateway' for any above target bonus.

Strategic objectives

A summary of our Executive Directors' performance against strategic objectives and how they link to our overall Group Strategy, is shown below. For further details on the output of delivering the strategic objectives see the Strategic Report from page 18.

Patrick Coveney – Group CEO

Objective (20% maximum)	Link to Strategic Priorities	Targets (six months)	Performance assessment
Onboard	1, 2, 3 & 4	– Successfully complete formal onboarding programme, exiting this period with full Group CEO accountabilities in place	<ul style="list-style-type: none"> – Extensive onboarding programme completed, including significant immersion in the regional businesses and agendas, visiting teams and leaders across nearly 20 markets. – Extensive engagement with analysts, shareholders and institutional investors and has taken over as lead of our proactive investor engagement approach. – Significant time taken to also engage with clients, brands and joint venture partners (multi-market).
Lead	2 & 3	– Lead the smooth transition of group control from interim structure, during the first 3 months of employment. Ensure momentum and traction against key strategic objectives is maintained	<ul style="list-style-type: none"> – Strong relationship established with Deputy Group CEO and CFO, who has significantly supported the knowledge-building journey of the operating model, current activity and scheduled plan. This has ensured successful delivery of: <ul style="list-style-type: none"> – The re-opening programme, in line with reducing post Covid-19 restrictions; – Unlocking and supporting significant growth in new business wins across all markets in H2 – Ensured there is a clear plan around our current debt facilities, minimising interest rate exposure. – Established strong relationships with the Executive Team and built a greater sense of working as a unified operating team.
Plan	1, 2, 3 & 4	– Define future strategy	<ul style="list-style-type: none"> – Engaged extensively with internal and external partners to develop the strategy that will form the core framework for SSP's financial and future growth plans. – This includes confirmation of: <ul style="list-style-type: none"> – financial operating model – customer strategy – team and culture – digital/technology plans – sustainability agenda, goals and ambition

Taking into account performance against strategic objectives set for the first six months of his appointment, Patrick Coveney achieved 18% of bonus for this element.

Jonathan Davies – Deputy Group CEO and CFO

Objective (20% maximum)	Link to Strategic Priorities	Targets	Performance assessment
Recovery Strategy	1 & 3	– Manage re-opening programme and operating cost base through the recovery cycle	<ul style="list-style-type: none"> – Reopening programme managed very tightly, with percentage of units trading closely aligned with PAX and sales recovery. Ended the year with sales at c.90% versus 2019 with unit trading at a similar level – Targeted and achieved for all trading units to contribute to EBITDA profit.
	1 & 3	– Mobilise new business and manage overall capex programme	<ul style="list-style-type: none"> – Mobilisation of new business (unit numbers and capex) was ahead of budget. – Full year capex of £150m managed closely in line with Budget and market expectations.
	3	– Build pipeline of new business	– Pipeline of secured new business increased significantly during the year. Contract retention above historical levels.
Financing	3	– Refine current debt facilities	<ul style="list-style-type: none"> – Evaluation of financing options completed to secure lower cost/more flexible debt facilities. – Amend and extend completed in July.
Leadership	2	– CEO support	<ul style="list-style-type: none"> – Successfully supported the business for the period prior to the new CEO joining. – CEO induction and handover completed with all key stakeholders (internal and external) and with a high degree of effectiveness ensuring smooth and exceptionally effective transition process.

Taking into account performance against strategic objectives, Jonathan Davies achieved 20% of bonus for this element. The Committee considered that his performance was exceptional in terms of both his role driving the business prior to Patrick joining, financing objectives as well as his leadership effectiveness through the CEO transition.

Strategic Priorities: (1) Leading customer proposition, (2) Skilled and engaged colleagues, (3) Long-term growth and returns (4) Sustainability.

Strategic alignment of remuneration

Each year, the remuneration offer for our Executive Directors is reviewed to ensure the continued alignment to our strategic priorities and to ensure that it incentivises the right behaviours to deliver our purpose and values. This includes a review of the financial measure and strategic priorities that contribute to the payment of any bonus as well as confirmation that the RSP performance underpins remain aligned to our long-term strategy. The external market situation, our business recovery, and the experience of our shareholders are also considered in any pay-related decisions. As a FTSE listed company, we are always considerate of pay-for-performance practice and ensure this is applied across the breadth of our pay policy. Part of this review included consideration of how the Executive Directors' reward linked to our Sustainability goals as set out on page 28. Delivery of progress on the Sustainability Strategy is incentivised under the RSP awards made to Executive Directors and sustainability priorities are taken into account when setting annual bonus targets.

We also review and are mindful of the importance of the alignment of remuneration between our Executive Directors and other SSP colleagues. We have determined that the best approach to ensuring this alignment is to utilise the same bonus and long-term incentive plan structure for all eligible colleagues and therefore outcomes are applied on the same basis for the same performance outcome.

The bonus and long-term incentive outcomes received by our Executive Directors are communicated to our colleagues alongside the outcomes of the Group and business performance for their specific region. In recent years, due to the pandemic, we have opted for a more conservative stance for our Executive Directors than we have for our colleagues below this level who we needed to ensure remained rewarded and incentivised through what was a difficult period for our sector. However, we will continue to develop our approach to ensure continuous open dialogue. For example, Judy Vezmar, our designated Non-Executive director for Workforce Engagement (ENED), currently hosts meetings with a range of employees from across the business, to encourage open and honest two way conversations across a wide range of topics. These meetings are entirely flexible and can be used as a forum for employees to raise any topic they choose. For financial year 2023 we will ensure attendees of these sessions are clear that this includes any views or questions regarding Executive Remuneration and how it aligns with the wider pay policy. Feedback from these sessions is then relayed to the Board for discussion.

Scheme interests awarded during the financial year (audited)

The following awards were made to the Executive Directors in the 2022 financial year.

	Plan	Type of award	Date of award	Number of awards granted	Face value (£) at date of grant	Face value % of salary	End of performance underpin period
Patrick Coveney	RSP	Conditional Share Awards	11/04/2022 ¹	340,061	775,000	100%	30 September 2024
Jonathan Davies	RSP	Nil Cost Options	09/12/2021	194,955	467,600	93.5%	30 September 2024
Jonathan Davies	RSP	Nil Cost Options	25/02/2022 ²	12,040	32,400	6.5%	30 September 2024
Jonathan Davies ³	DSBP	Conditional Share Awards	25/02/2022	69,505	187,040	n/a	30 September 2024

1 The 11 April 2022 award was made to Patrick Coveney following his appointment as Group CEO.

2 The 25 February 2022 award was made to Jonathan Davies to reflect the salary increase that aligned to the expansion of his responsibilities and duties following his appointment as Deputy Group CEO and CFO, for which the RSP award level is 100% of salary.

3 Jonathan Davies received a bonus of £187,040 in the 2021 financial year. As detailed above, the bonus was wholly deferred into shares under the Deferred Share Bonus Plan (DSBP) and is subject to a three-year holding period from date of award.

The closing price on the day before grant was used to calculate the number of RSP shares over which each award was granted (£2.3985 for the 9 December 2021 award, £2.6910 for the 25 February 2022 award and £2.2790 for the 11 April 2022 award). RSP awards will vest subject to the confirmation of the performance underpins which will be assessed at the time the Group publishes its full year financial results for the 2024 financial year and completion of a three-year vesting period from date of grant. The performance underpins are the same as those summarised on page 130 for the December 2022 awards and link to our strategic priorities relating to long term growth and returns and sustainability. Following vesting, awards will be subject to an additional two-year holding period.

Buy-out awards for Patrick Coveney

In April 2022, to facilitate his recruitment as Chief Executive Officer, Patrick Coveney was granted share awards to replace deferred bonus and performance-based share awards granted to him by his former employer, Greencore, which he forfeited on joining SSP. Prior to Patrick joining it was agreed that his outstanding FY20 PSP awards would be very unlikely to vest and therefore no buy-out award would be granted in respect of this award.

These buy-out awards were granted in accordance with our Directors' Remuneration Policy. All awards were granted under the RSP, with the performance conditions for awards replacing PSP awards mirroring those of the forfeited awards. The buy-out awards are subject to vesting and holding periods so any shares that vest will be released no sooner than under the forfeited awards, with the vesting period for deferred bonus award having been extended by five months to April 2023 and 2025. The number of shares for the awards were set based on the average mid-market closing price of Greencore and SSP shares over the period of three dealing days immediately prior to the announcement of his appointment on 25 November 2021. Details are provided below.

	Share award replaced	Date of award	Number of awards granted	Face value (£) at date of grant	Vesting Date	End of holding period
Patrick Coveney	Deferred FY19 bonus	11/04/2022	41,469	£104,192	11/04/2023	n/a
	Deferred FY21 bonus	11/04/2022	106,933	£268,671	11/04/2025	n/a
	FY21 PSP award – tranche 2	11/04/2022	133,355	£335,056	08/01/2023	08/01/2026
	FY21 PSP award – tranche 3	11/04/2022	320,053	£804,134	08/01/2024	08/01/2026

The forfeited 8 January 2021 PSP award was subject to stretching absolute TSR growth targets, and a relative TSR underpin. The award was made up of three tranches to be assessed annually after one, two and three years. The buy-out awards have been structured to ensure that the performance conditions are equally stretching as those for the forfeited awards:

- The one-year performance period for the first tranche was completed prior to the grant of the buy-out awards and the absolute TSR growth hurdle was not met, so no buy-out award was granted.
- For the two year and three-year tranches, the buy-out award was granted using the same stretching absolute TSR growth hurdles, but applied to SSP from the original January 2021 grant date. Therefore, in accordance with the vesting schedule of the forfeited awards, tranche 2 of the award will vest if SSP achieve absolute TSR performance of 91.2% from 8 January 2021 to 7 January 2023, and tranche 3 of the award will vest if SSP achieve absolute TSR performance of 154% from 8 January 2021 to 7 January 2024. TSR performance will be measured on a one-month average basis.
- These awards were also subject to a relative TSR underpin, which has been replicated in the replacement SSP awards, whereby there will be a 50% reduction in the award if SSP's TSR performance is below median of SSP's comparator group used for legacy PSP awards (see page 134 for constituents).

The buy-out awards will lapse in the event that Patrick ceases to be employed by the Company due to his voluntary resignation or summary dismissal. All buy-out awards are subject to SSP's malus and clawback policies, and the Remuneration Committee's discretion to adjust vesting outcomes.

Implementation of Remuneration Policy in the year ending 30 September 2023

This section provides an overview of the Group's Remuneration Policy to the year ending 30 September 2023, as approved at the 2022 AGM on 4 February 2022. Patrick Coveney joined SSP and the Board on 31 March 2022.

Base salary	<p>Base salaries as at 1 October 2022: Patrick Coveney: £775,000 (from date of joining) Jonathan Davies: £515,000 Base salaries for Executive Directors will be reviewed in line with the Group's usual timetable, usually with effect from 1 June.</p>
Benefits	<p>Executive Director benefits will continue to include private healthcare (for the executive and their family), life assurance, car allowance or a company car, travel to and from work (including associated tax paid) and participation in the UK SIP. For the period to end March 2023, Patrick Coveney's benefits include travel and accommodation costs associated with his relocation.</p>
Pensions	<p>Patrick Coveney: 3% of base salary Jonathan Davies: 3% of base salary (from 31 December 2022) New appointments: aligned with the wider workforce</p>
Annual bonus	<p>Maximum opportunity: Patrick Coveney: 175% of base salary Jonathan Davies: 150% of base salary</p> <p>Targets: For the 2023 financial year, bonuses will continue to be based on 80% financial and 20% strategic objectives. The financial measure will revert to being a fixed target based on EBITDA. Specific financial targets and details of strategic objectives (linked to our Strategic Priorities) will be disclosed in the 2022/23 Annual Report when they are no longer considered to be commercially sensitive.</p> <p>Executive Directors will be required to defer a minimum of 33% of any bonus received into the Group's shares, where they meet their minimum shareholding requirement, and 50% where they do not.</p>
Restricted Share Plan	<p>The Committee intends to make the awards under the Restricted Share Plan in December 2022 as set out below: Patrick Coveney: 100% of base salary Jonathan Davies: 100% of base salary</p> <p>These awards will vest on the third anniversary of the date of grant. Vested awards will be subject to a two year holding period. If the Company does not meet one or more of the performance underpins over the relevant vesting period then the Committee would consider whether it was appropriate to adjust (including to zero) the level of pay-out under the award to reflect this. The performance underpins are:</p> <ol style="list-style-type: none"> 1. The Company has taken the right actions to strengthen its competitive advantages and position the group for long term sustainable growth 2. The Company has achieved the principal strategic and financial annual objectives over the 3 year period, notably: <ul style="list-style-type: none"> – revenue growth, given the available passengers numbers at SSP sites during the period – efficient conversion of revenue into profit and cash 3. The Company has made progress on SSP's Sustainability Strategy <p>In assessing the extent to which the performance underpins have been satisfied, the Committee will consider a range of quantitative and qualitative benchmarks to inform its decision. Should any of the underpins not be met, the Committee would consider whether a discretionary reduction in the number of shares vesting was required.</p>
Minimum Shareholding Requirement	<p>To align the interests of Executive Directors with those of shareholders, they are required to build and maintain significant holdings of shares in the Group over time. The minimum shareholding requirement for Executive Directors is:</p> <ul style="list-style-type: none"> – Group CEO: 250% of base salary – Deputy Group CEO and CFO: 200% of base salary <p>In addition to the above, Executive Directors will be required to maintain their full minimum shareholding requirement for one year post-cessation of employment, and hold 50% of the requirement for a second year.</p>

Non-Executive Director Remuneration

Single total figure of remuneration – Non-Executive Directors (audited)

All figures shown in £000	Salary and Fees		Benefits ²		Pension		Annual Bonus		Long-term Incentives		Other		Total fixed remuneration		Total variable remuneration		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Non-Executive Directors																		
Mike Clasper	275	273	-	-	-	-	-	-	-	-	-	-	275	273	-	-	275	273
Carolyn Bradley	72	71	-	-	-	-	-	-	-	-	-	-	72	71	-	-	72	71
Ian Dyson ¹	21	61	-	-	-	-	-	-	-	-	-	-	21	61	-	-	21	61
Kelly Kuhn ³	38	-	-	-	-	-	-	-	-	-	-	-	38	-	-	-	38	-
Tim Lodge	58	51	-	-	-	-	-	-	-	-	-	-	58	51	-	-	58	51
Apurvi Sheth ³	38	-	3	-	-	-	-	-	-	-	-	-	41	-	-	-	41	-
Judy Vezmar	51	51	2	-	-	-	-	-	-	-	-	-	53	51	-	-	53	51
	553	507	5	-	-	-	-	-	-	-	-	-	558	507	-	-	558	507

1 Ian Dyson did not stand for re-election at the 2022 AGM. Amounts shown reflect fees paid for the period of the year that he was a Director.

2 Benefits – this comprises the reimbursement of expenses for travel to and from Board meetings.

3 Kelly Kuhn and Apurvi Sheth were appointed to the board on 1 January 2022. Amounts shown reflect fees paid for the period of the year that they were Directors.

The Non-Executive Director fees for the year ended 30 September 2022 are set out below (unchanged to the fees set on 1 July 2019). It was considered appropriate that the review of fees was postponed until financial year 2023. The Company will review fees in accordance with the terms of the Non-Executive Director appointment letters and will undertake a review each year. A review may not result in an increase in fees.

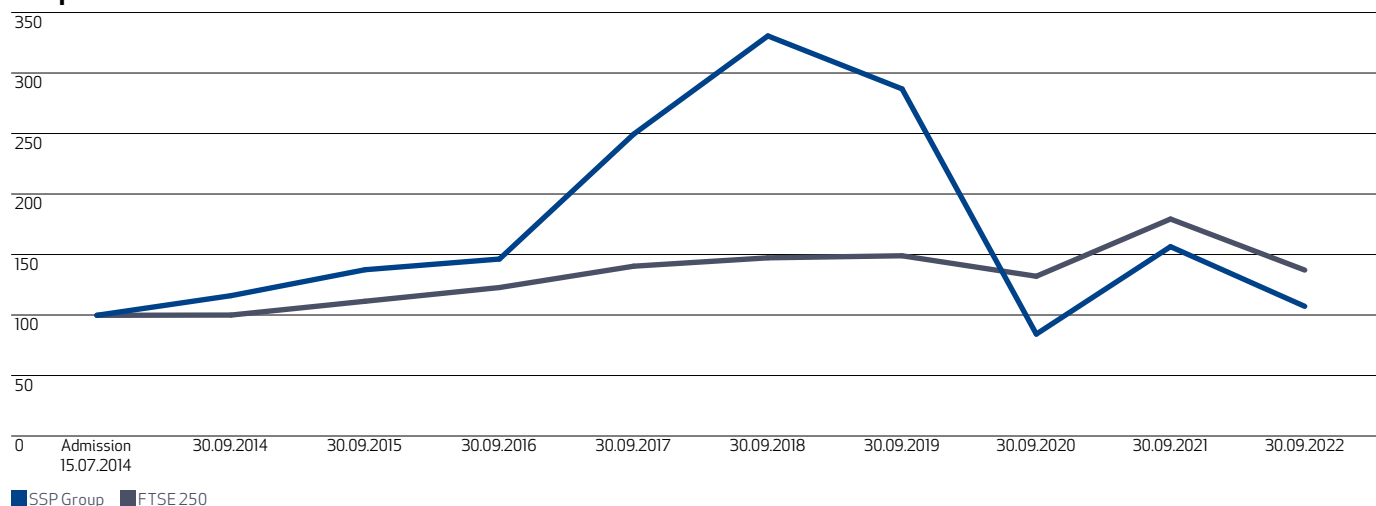
	2022 fees
Chair of the Board	£275,000
Board member	£51,000
Additional fee for Senior Independent Director	£10,000
Additional fee for Chair of Audit/Remuneration Committee ¹	£11,000

1 In addition to any additional fee for acting as the Senior Independent Director.

Historical TSR performance

As the Company is a constituent of the FTSE 250, the FTSE 250 Index provides an appropriate indication of market movements against which to benchmark the Company's performance. The chart below summarises the Company's TSR performance against the FTSE 250 Index over the period from Admission on 15 July 2014 to 30 September 2022.

TSR performance since admission



Chief Executive Officer remuneration outcomes

The table below summarises the Chief Executive Officer single figure for total remuneration, and the annual bonus payable and long-term incentive plan vesting levels as percentages of maximum opportunity for completed financial years following Admission.

Chief Executive Officer	2014	2015	2016	2017	2018	2019 ¹	2019 ²	2020	2021 ³	2022 ⁴	2022 ⁵
CEO Name	K. Swann	K. Swann	K. Swann	K. Swann	K. Swann	K. Swann	S. Smith	S. Smith	S. Smith	S. Smith	P. Coveney
Single figure of remuneration	£4.5m	£2.5m	£2.6m	£7.4m	£6.0m	£5.3m	£0.8m	£0.7m	£0.8m	£0.2m	£1.1m
Annual bonus payable (as a % of maximum opportunity)	100%	100%	100%	100%	100%	100%	98.6%	0%	0%	0%	94%
Long-term incentive vesting out-turn (as a % of maximum opportunity)	n/a	n/a	n/a	100%	100%	100%	100%	0%	0%	n/a	n/a

1 Reflects period spent in role as Group CEO from 1 October 2018 to 31 May 2019.

2 Reflects period spent in role as Group CEO from 1 June 2019 to 30 September 2019.

3 Due to Simon's resignation, no bonus was paid for the 2021 financial year.

4 Reflects period spent in role as Group CEO from 1 October 2021 to 24 December 2021.

5 Reflects period spent in role as Group CEO from 31 March 2022 to 30 September 2022.

No long-term incentive plan awards vested in 2014, 2015 or 2016. The award due to vest in the 2022 financial year will lapse as the performance conditions were not met.

Total remuneration for 2014 includes additional awards of cash and shares made on IPO by the Company and the previous majority shareholder.

Year-on-year change in pay for Directors compared to the average employee

	Year	SSP Group plc employees	Executive Directors		Non-Executive Directors						
			Patrick Coveney ¹	Jonathan Davies	Mike Clasper ²	Carolyn Bradley	Ian Dyson ³	Kelly Kuhn ¹	Tim Lodge ⁴	Apurvi Sheth ¹	Judy Vezmar ²
Base salary/fees	2022	8%	–	9%	1%	1%	(66%)	–	14%	–	0%
Benefits ⁵		(1%)	–	128%	–	–	–	–	–	–	n/a
Annual Bonus ⁶		n/a	–	285%	–	–	–	–	–	–	–
Base salary/fees	2021	2%	–	15%	90%	15%	13%	–	–	–	629%
Benefits		2%	–	6%	–	–	–	–	–	–	–
Annual Bonus		n/a	–	n/a	–	–	–	–	–	–	–
Base salary/fees	2020	0%	–	(12%)	–	(1%)	(12%)	–	–	–	–
Benefits		(8%)	–	10%	–	–	–	–	–	–	–
Annual Bonus		(100%)	–	(100%)	–	–	–	–	–	–	–

1 Director was appointed to the Board in the 2022 financial year and therefore has no prior year remuneration for comparison.

2 Director was appointed to the Board during the 2020 financial year and therefore the table is comparing a full years' earnings in 2021 against pro-rata remuneration in 2020.

3 Director left during the 2022 financial year and therefore table is comparing pro-rata remuneration with a full year total for the previous year.

4 Director was appointed as Audit Chair following the 2022 AGM and therefore now also receives the associated fee for this role.

5 Benefits percentage increased for this Director due to the return to business as usual post covid and a one-off reimbursement, further details provided on page 125.

6 No year-on-year percentage could be calculated for 2022 due to a return to bonus payment for the 2021 financial year after a nil bonus payment in 2020, therefore 'n/a' is shown.

Relative importance of the spend on pay

The table below shows the total spend on employee pay in the 2021 and 2022 financial years and the total expenditure on dividends.

	2022	2021	Percentage change
Total staff costs	£686.7m	£352.2m	95%
Dividends	£0m	£0m	0%

Increase in spend on employee pay is largely due to an increase in colleague numbers and a return to business as usual.

CEO Pay Ratio

In accordance with the Companies (Miscellaneous Reporting) Regulations 2018, the table below sets out the Group's CEO pay ratios for the year ended 30 September 2022. This compares the Chief Executive Officer's total remuneration with the equivalent remuneration for the employees paid at the 25th (P25), 50th (P50) and 75th (P75) percentile of SSP Group's workforce in the United Kingdom. The total remuneration for each quartile employee, and the salary component within this, is also outlined in the table below.

Year	Method	25th Percentile pay ratio	50th Percentile pay ratio	75th Percentile pay ratio
2022	Option B	50:1	36:1	36:1
	Base Salary	£26,435	£34,874	£36,010
	Total Pay and Benefits	£26,435	£37,465	£36,824
2021	Option B	37:1	31:1	22:1
2020	Option B	48:1	47:1	33:1

The pay ratios above are calculated using the actual earnings for UK employees. The CEO's Single Total Figure of Remuneration is £1,141,000 as shown on page 125.

SSP have chosen Option B, using the most recently submitted Gender Pay Gap data to identify the employees at the 25th, 50th, and 75th pay percentiles in our UK employee population. As SSP have a large number of hourly paid operations colleagues in the UK, of which a large portion work seasonal or part time hours, Option B was selected as it is the most practical way to produce the percentile calculations. As mentioned last year, furloughed colleagues were not able to be included in the Gender Pay Gap calculations resulting in a significant change in the population that the percentiles have been drawn from, which in turn has impacted the pay ratio figures.

Total remuneration for UK full-time equivalent employees for financial year 2022 has been calculated in line with the single figure methodology and reflects actual earnings received in the 2022 financial year. No elements of pay have been omitted. All payments have been calculated on a full-time equivalent basis.

As with last year, the median pay ratio is notably lower than it would be in a normal year. This is due to a three-month gap between the outgoing CEO leaving and the incoming CEO being appointed to role and the impact of furloughed colleagues not being included in Gender Pay Gap calculations. It is likely that any year-on-year change in the pay ratio will be driven by the aforementioned factors and not by changes to pay and benefits structures for UK employees. Pay rates for all employees are set by reference to a range of factors, such as market practice, experience, and performance in role.

Statement of Directors' shareholding and share interests (audited)

Shareholding guidelines require Executive Directors to build up over time a personal shareholding in the Company equivalent in value to 250% of base salary for the Group CEO and 200% of base salary for the Deputy Group CEO and CFO. Executive Directors are encouraged to retain vested shares earned under the Company's incentive plans until the shareholding guidelines have been met. The Chair and each Independent Non-Executive Director are expected to build and then maintain a shareholding in the Company equivalent in value to 100% of their annual gross fee.

The period over which the minimum shareholding must be built up is a three-year period, either from the date of admission (15 July 2014), or from the date of appointment if later. The table below shows details of the Directors' shareholdings as at 30 September 2022.

Following his appointment Patrick Coveney purchased a significant number of shares taking his shareholding to 227% of salary, which represents very significant progress towards meeting his shareholding guideline, taking into account that he has until March 2025 to formally meet the guideline of 250% of salary.

Director	Shareholding guidelines as a % of salary/fees	Shareholding as a % of salary/fee achieved ¹	Shares owned outright at 30 September 2022 ²	Interests in unvested PSP/RSP awards at 30 September 2022
Patrick Coveney ³	250%	227%	756,984	793,469
Jonathan Davies	200%	730%	1,620,189	496,415
Mike Clasper	100%	152%	180,080	0
Carolyn Bradley	100%	100%	31,031	0
Kelly Kuhn ³	100%	89%	19,500	0
Tim Lodge ³	100%	94%	25,160	0
Apurvi Sheth ³	100%	86%	19,000	0
Judy Vezmar ³	100%	89%	19,540	0

1 For the purposes of determining Director's shareholding requirements, the individual's salary/fee and the three-month average share price to 30 September 2022 (£2.320809) have been used. Further, the total shareholding used to calculate the shareholding percentage for Executive Directors excludes Matching Shares issued under the UK Share Incentive Plan that remain subject to holding conditions (842 for Jonathan Davies as at 30 September 2022).

2 'Shares owned outright at 30 September 2022' includes shares held by persons connected with a Director. It also includes Partnership Shares purchased, Matching Shares awarded and Dividend Shares purchased, under the UK Share Incentive Plan.

3 The Director has until the third anniversary of their date of appointment to meet their Minimum Shareholding Requirement.

Simon Smith's post-employment shareholding requirement was enforced through trading restriction on his share account and subject to reporting obligations to the Company. During the year the Committee confirmed that Simon was compliant with the post-cessation shareholding requirement.

Interests in Unvested PSP awards at 30 September 2022

Interests in unvested PSP awards refers to Performance Share Plan awards granted in November 2019. The performance conditions for each award are described in the table below.

Performance period	1 October 2019 to 30 September 2022	
Performance condition and weighting	Compound EPS growth (75%)	Relative TSR vs comparator group (25%)
Maximum target (100% vesting)	12% p.a.	Upper-quartile
Threshold target (25% vesting)	7% p.a.	Median

Vesting is calculated on a straight-line basis between maximum and threshold targets. There is no vesting for performance below the threshold target.

A three-month average share price prior to the start and end of the performance period will be used to calculate TSR. The TSR comparator Group is as follows:

Autogrill	Elior	InterContinental Hotels Group	Marston's	The Restaurant Group
Compass Group	First Group	JD Sports Fashion	Mitchells & Butlers	Tesco
Currys	Fraser's Group	JD Wetherspoon	N Brown Group	TUI AG
Dignity	Go-Ahead Group	J Sainsbury	National Express	WHSmith
Domino's Pizza Group	Halfords Group	Kingfisher	Next	Whitbread
Dunelm Group	Inchcape	Marks and Spencer Group	Ocado Group	

Following the year end, the Committee assessed the performance conditions for the PSP award with a performance period of 1 October 2019 to 30 September 2022. The threshold EPS and Relative TSR targets were not met. EPS growth over the period was negative and Relative TSR was positioned below median. These awards will lapse in full on 7 December 2022.

Interests in Unvested RSP awards at 30 September 2022

Interests in unvested RSP awards refers to Restricted Share Plan awards granted in June 2021, September 2021, December 2021, February 2022 and April 2022. The performance underpins for each award are as follows.

If the Company does not meet one or more of the performance underpins over the relevant vesting period then the Committee would consider whether it was appropriate to adjust (including to zero) the level of pay out under the award to reflect this. The performance underpins are:

1. The Company has taken the right actions to strengthen its competitive advantages and position the group for long term sustainable growth
2. The Company has achieved the principal strategic and financial annual objectives over the 3 year period, notably:
 - revenue growth, given the available passengers numbers at SSP sites during the period
 - efficient conversion of revenue into profit and cash
3. The Company has made progress on SSP's Sustainability Strategy

In assessing the extent to which the performance underpins have been satisfied, the Committee will consider a range of quantitative and qualitative benchmarks to inform its decision. Should any of the underpins not be met, the Committee would consider whether a discretionary reduction in the number of shares vesting was required.

Movement in Directors' shareholdings from 30 September 2022

At 5 December 2022, other than as set out below, there had been no movement in Directors' shareholdings and share interests from 30 September 2022.

Director	Shares owned outright at 5 December 2022	Shares owned outright at 30 September 2022	Change
Patrick Coveney	756,984	756,984	0
Jonathan Davies	1,619,527	1,619,347	180

Note: 'Shares owned outright' includes shares held by persons connected with a Director. It also includes Partnership Shares purchased, Matching Shares awarded and Dividend Shares purchased, under the UK Share Incentive Plan.

The Remuneration Committee in 2022

Consideration by the Directors of matters relating to Directors' remuneration

The Board entrusts the Remuneration Committee with the responsibility for setting the Remuneration Policy in respect of Executive Directors and senior executives and ensuring its ongoing appropriateness and relevance. In setting the remuneration for these groups, the Committee considers the pay and conditions of the wider workforce and roles in relevant geographies.

External advice

During the year ended 30 September 2022, the Committee received independent advice on executive remuneration matters from Deloitte. Deloitte received £91,950 in fees for these services. Deloitte is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the code of conduct in relation to executive remuneration consulting in the UK. During the year, Deloitte also provided the Company with internal audit services, tax services and risk management services.

The Committee appointed Deloitte to the role of independent advisor to the Committee in 2014. The Committee has reviewed the advice provided by Deloitte during the year and is comfortable that it has been objective and independent. The Committee has reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflict.

Statement of shareholder voting

Votes cast at the AGM in February 2022 in respect of the approval of the Directors' Remuneration Report and in respect of the approval of the Directors' Remuneration Policy are given below:

Resolution	Meeting	Votes for	% for	Votes against	% against	Total shares voted	% of issued share capital voted	Votes withheld
To approve the Directors' Remuneration Report for the year ended 30 September 2021	February 2022 AGM	451,353,039	78%	127,272,261	22%	578,625,300	72.68%	17,459,836

Prior to the publication of our 2021 Annual Report we pro-actively consulted with shareholders to discuss the Remuneration Committee's proposed approach to determining the bonus outcome for the 2021 financial year. We engaged with twenty of our largest shareholders, representing approximately 73% of our shareholder base. Eighteen of the twenty shareholders, representing approximately 70% of the shareholder base, corresponded with us either via calls or in writing.

The broad sentiment across those with whom we engaged was that they were supportive of our approach to reward and bonuses for the year on the basis of the performance achieved in challenging conditions. However the Committee noted that the proxy advisory agencies were not supportive of the approach taken. Following the vote, the Committee considered the voting outcome in context of the stakeholder views it was seeking to balance.

The Committee takes on board feedback from shareholders and advisory bodies on executive remuneration and considers any input provided as it makes decisions going forward.

Directors' Remuneration Policy

This part of the Directors' Remuneration Report sets out the Directors' Remuneration Policy as determined by the Remuneration Committee (the 'Committee'). In accordance with Section 439A of the Companies Act 2006, a binding shareholder resolution was approved for this policy at the Annual General Meeting of the Company in March 2021. The scenario charts have been updated to reflect the application of the policy for the 2021 financial year and references to prior financial years have been updated to aid understanding. Previous versions of the policy are in the 2014 and 2017 Annual Report and Accounts, which are available at www.foodtravelxperts.com in the Investors section.

Key principles of Remuneration Policy

The Remuneration Policy for the Directors of the Company is intended to help recruit and retain executives who can execute SSP's strategy by rewarding them with appropriate compensation and benefit packages. The policy seeks to align the interests of Executive Directors with the performance of the Company and the interests of its shareholders.

Our incentive arrangements are designed to reward performance against key financial and strategic performance objectives. Our aim is to reward management for delivering sustainable long-term performance and support the retention of critical talent.

Policy table

The table below describes the policy in relation to the components of remuneration for Executive Directors and, at the bottom of the table, the policy for the Non-Executive Directors.

Executive Directors

Base salary

A core element of the remuneration package used to recruit, reward and retain Executive Directors who can deliver our strategic objectives.

Operation	Maximum potential value	Performance metrics
Normally reviewed annually. The Remuneration Committee may however award an out-of-cycle increase if it considers it appropriate.	Salary increases in percentage terms will normally be in line with increases awarded to other head office employees in the relevant geography but may be higher in certain circumstances.	None
Base salaries are set by the Committee taking into account a number of internal and external factors including: <ul style="list-style-type: none"> – the individual's skills, experience and performance; – the size and scope of the Executive Director's role and responsibilities; – market positioning and inflation; and – pay and conditions elsewhere in the Group. 	<p>The circumstances may include but are not limited to:</p> <ul style="list-style-type: none"> – Where a new Executive Director has been appointed at a lower salary, higher increases may be awarded over an initial period as the Executive Director gains experience in the role; – Where there has been an increase in the scope or responsibility of an Executive Director's role; and – Where a salary has fallen significantly below market positioning. <p>There is no maximum increase or opportunity.</p>	

Pension

To provide an income following retirement and assist the Executive Director in building wealth for their future.

Operation	Maximum potential value	Performance metrics
<p>The Company operates an approved defined contribution pension arrangement, to which the Company may make contributions. A cash allowance may be provided in lieu of pension contributions.</p>	<p>Company contributions or cash allowance provided for Executive Directors will be in line with the rate applicable to the wider workforce. The definition of the wider workforce will be as determined by the Committee. For example, colleagues employed in the same country as the Director in question.</p> <p>Incumbent Executive Directors, appointed prior to the introduction of this remuneration policy, may continue to receive pension contributions or a cash allowance at the applicable rate under a previous remuneration policy.</p> <p>Pensions for incumbent Executive Directors will be aligned to the wider workforce rate by the end of 2022.</p> <p>Currently our Executive Directors receive pension contributions/cash allowance as follows:</p> <ul style="list-style-type: none"> – Group CEO, Patrick Coveney: 3% of base salary per annum. – Deputy Group CEO and CFO, Jonathan Davies: 3% of base salary per annum. Was 21% for the period to 31 December 2022. 	None

Benefits

To provide appropriate benefits as part of a remuneration package that assists in recruiting, rewarding and retaining Executive Directors.

Operation	Maximum potential value	Performance metrics
<p>Each Executive Director receives a tailored benefits package including (but not limited to) private health insurance for themselves, their spouse and dependent children, annual health screening, life assurance, and business travel.</p> <p>Travel benefits, including (but not limited to) car allowance, company car, driver, the cost of fuel for private mileage, and travel to and from work (including any associated tax and social security charges) may also be provided.</p> <p>In the event that an Executive Director is required by the Group to relocate, other benefits may include, but are not limited to, the costs of relocation, housing, travel and education allowances, subsistence costs and tax equalisation arrangements.</p> <p>Expenses incurred in the performance of duties for the Group may be reimbursed or paid for directly by the Company, as appropriate, including any tax or social security charges due on the expenses.</p> <p>The Executive Directors are eligible to receive other benefits (such as a colleague discount card) on the same terms as other eligible employees of the Group.</p> <p>Executive Directors may participate in All-Employee Share Plans on the same basis as other employees.</p>	<p>Car allowance of up to £13,000 per annum.</p> <p>The cost of insured benefits may vary from year to year depending on the individual's circumstances, and therefore the Committee has not imposed any overall maximum value on the benefit.</p> <p>Executive Directors who participate in All-Employee Share Plans can contribute up to the relevant limits set out in the country plan.</p>	None

Annual bonus

To reward performance on an annual basis against key annual objectives.

Operation	Maximum potential value	Performance metrics
Performance objectives will normally be determined by the Committee at the beginning of the financial year.	The maximum annual bonus opportunity is 200% of base salary per annum.	Performance is measured relative to targets in key financial, operational and/or strategic objectives over the financial year.
The Committee will assess performance against these objectives following the end of the relevant financial year.	For the 2023 financial year maximum annual opportunities are: – Group CEO, Patrick Coveney: 175% of salary per annum. – Deputy Group CEO and CFO, Jonathan Davies: 150% of salary per annum.	The measures selected and their weightings may vary each year according to the strategic priorities.
Awards are paid once the results for the year have been audited. If an Executive Director has not met their Minimum Shareholding Requirement, 50% of any bonus earned will normally be deferred into the Group's shares. If the Minimum Shareholding Requirement has been met, 33% of any bonus earned will normally be deferred into the Group's Shares. The remaining amount will be paid in cash.		Entitlement to bonus only starts to accrue at a minimum threshold level of performance. Below this level, no bonus will be paid.
The Committee may exercise its discretion to adjust bonus outcomes (up or down) where it believes that this is appropriate, including but not limited to where outcomes are not reflective of the underlying performance of the business or the level of payout does not reflect the experience of the Group's shareholders, employees or other stakeholders. Any application of the Committee's discretion would be within the limits of the overall Remuneration Policy.		To earn a maximum bonus there must be outperformance against stretching objectives.
The Committee may reduce bonus outcomes or clawback vested awards up to three years from the date of vest (in part or in full) in the event of: – a material misstatement in the Company's annual financial statements. – a material failure of risk management. – serious reputational damage to a member of the Group or relevant business unit. – an error in the calculation of any performance conditions which results in overpayment.		

Restricted Share Plan (RSP)

The RSP rewards our Executive Directors for driving the sustainable longer-term growth of the Company and shareholder value. Awards are share based to align the interests of Executive Directors with those of shareholders.

Operation	Maximum potential value	Performance metrics
Awards may be made to Executive Directors in the form of conditional share awards, nil cost options, forfeitable shares or equivalent rights.	The maximum award that may be made to Executive Directors is up to 100% of salary per annum under the rules of the plan in respect of any financial year of the Company.	Performance underpins may be based around the Group's key financial and/or strategic measures.
Awards will be subject to performance underpins, assessed over a period of three financial years.		The Committee may use different performance underpins for future awards if the Committee deems this to be appropriate.
Awards will normally be subject to a three year vesting period and any vested shares will normally be subject to a further post-vest holding period of two years.		If any of the underpins are not met the Committee would consider whether it was appropriate to scale back the number of shares that vest (including to nil).
Awards (other than forfeitable shares) may incorporate the right to receive (in cash or shares) the value of dividends that would have been paid on the award shares that vest between the grant and vesting of awards.		The Committee will normally disclose performance underpins in advance of each annual grant.
The Committee may exercise its discretion to adjust vesting outcomes where it believes that this is appropriate, including but not limited to: where vesting outcomes are not reflective of the underlying performance of the business, the underpins selected on award are no longer suitable, or the level of vesting does not reflect the experience of the Group's shareholders, employees or other stakeholders. Any application of the Committee's discretion would be within the limits of the overall Remuneration Policy.		The Committee would seek to consult with its major shareholders as appropriate on any proposed material changes.
The Committee may lapse unvested awards or clawback vested awards up to three years from the date of vest (in part or in full) in the event of: – a material misstatement in the Company's annual financial statements. – a material failure of risk management. – serious reputational damage to a member of the Group or relevant business unit. – an error in the calculation of any performance conditions which results in overpayment.		

Minimum Shareholding Requirement

Aligns the interests of Executive Directors with shareholders and encourages commitment to the company.

Operation	Maximum potential value	Performance metrics
Executive Directors are expected to build and maintain a holding in the Company's shares as follows: – Group CEO: 250% of base salary – Deputy Group CEO and CFO: 200% of base salary	N/A	N/A

Executive Directors have three years from the date of their appointment to the Board to build and maintain this holding.

Executive Directors will normally be expected to maintain their shareholding for a period of time post-cessation of employment. Normally this requirement will be for an Executive Director to maintain their full shareholding requirement for one year post-employment, and 50% of their shareholding requirement for a second year.

The Committee may waive this requirement for certain exceptional personal circumstances.

Non-Executive Directors Fees

To attract and retain Non-Executive Directors of the calibre required to oversee the development and execution of the Company's strategy.

Operation	Maximum potential value	Performance metrics
The Chair's fees are determined by the Committee.	N/A	N/A

The Non-Executive Directors' fees are determined by the Board.

The total fees for Non-Executive Directors, including the Chair, will not exceed the maximum stated in the Company's Articles of Association.

The level of fees are reviewed periodically and take into account the time commitment, responsibilities, market levels and the skills and experience required.

Non-Executive Directors normally receive a basic fee and an additional fee for specific Board responsibilities, including chairship or membership of Board committees or acting as the Senior Independent Director.

Non-Executive Directors are expected to build and maintain a holding in the Company's shares of 100% of their base fee. Non-Executive Directors have three years from the date of their appointment to the Board to build and maintain this holding. The Committee may waive this requirement for certain exceptional personal circumstances.

Additional fees may be paid to Non-Executive Directors on a per diem basis to reflect increased time commitment in certain limited circumstances.

Expenses incurred in the performance of non-executive duties for the Company may be reimbursed or paid for directly by the Company, as appropriate, including any tax and social security due on the expenses.

Non-Executive Directors may be provided with benefits to enable them to undertake their duties.

Notes to the tables on pages 136-139

The RSP will be operated in accordance with the plan rules. In accordance with the rules of the RSP, any performance underpin may be substituted or varied if the Committee considers it appropriate, provided that the amended performance underpin is in its opinion reasonable and not materially less difficult to satisfy. The plan rules also provide that the Committee may adjust awards (as it reasonably considers appropriate) in the event of any variation of the Company's share capital, capital distribution, demerger, special dividend or other event having a material impact on the value of shares.

Malus and clawback applies where stated in the above table. Other elements of remuneration are not subject to recovery provisions.

The Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) that are not in line with the policy set out above where the terms of the payment were agreed:

- (i) before the AGM on 3 March 2015 (the date the Company's first shareholder-approved Directors' Remuneration Policy came into effect);
- (ii) before the policy set out above came into effect, provided that the terms of the payment were consistent with the shareholder-approved Remuneration Policy in force at the time they were agreed; or
- (iii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company.

For these purposes, 'payments' include the Committee satisfying awards of variable remuneration and an award over shares is 'agreed' at the time the award is granted.

Performance measures and targets

Annual bonus

Annual bonus metrics and targets are selected to incentivise Directors to meet objectives for the year and are chosen in line with the following principles:

- The targets set for financial measures should be incentivising and appropriately stretching. Targets may be adjusted by the Committee to take into account significant capital transactions during the year.
- There should be flexibility to change the measures and weightings year-on-year in line with the needs of the business.
- The Committee retains the ability to adjust the targets and/or set different measures and alter weightings for the annual bonus if events occur (e.g. material divestment of a Group business, capital transactions or changes to accounting standards) which cause it to determine that an adjustment or amendment is appropriate so that the conditions achieve their original purpose.

Restricted Share Plan

Restricted Share Plan awards are subject to performance underpins. Underpins are chosen to ensure that the financial health and reputation of the Company are strong and that the Company is making progress on its strategic objectives.

For awards proposed in the 2023 financial year, the underpins will continue to be linked to the creation of sustainable growth and strategic objectives including progress made on the Company's Sustainability Strategy.

The Committee retains the ability to adjust any underpin measures if events occur (e.g., material divestment of a Group business, capital transactions or changes to accounting standards) which cause it to determine that an adjustment or amendment is appropriate so that the underpin conditions achieve their original purpose.

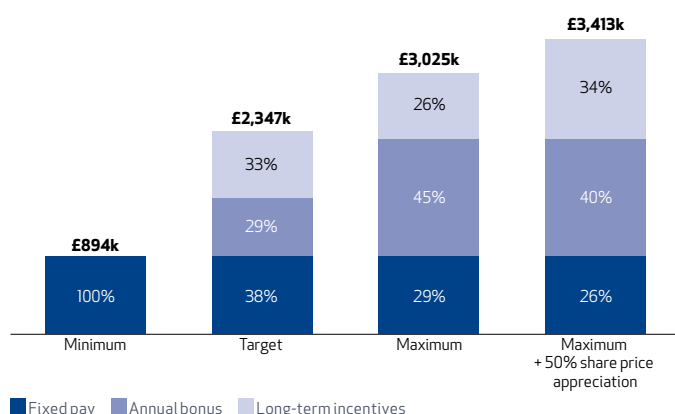
Remuneration arrangements throughout the Group

Differences in the policies for Executive Directors and other employees in the Group generally reflect differences in market practice taking into account role and seniority. The remuneration policies for Executive Directors and the senior executive team are generally consistent in terms of structure and the performance measures used. All eligible employees may participate in the Company's all-employee share plans in the relevant territory where they operate.

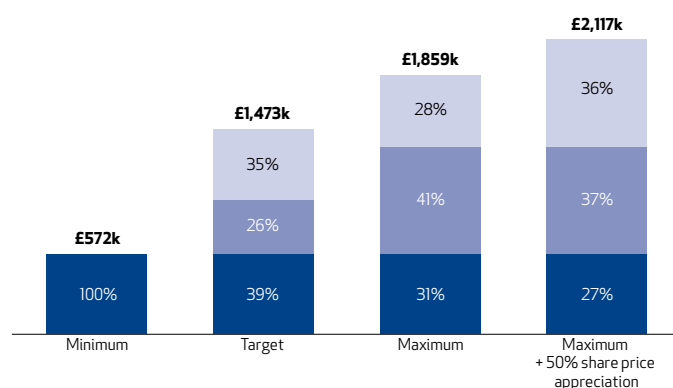
Illustrative scenario analysis

The following charts show the potential split between the different elements of the Executive Directors' remuneration under three different performance scenarios: 'Minimum', 'Target' and 'Maximum' (see table below).

Group CEO: Patrick Coveney



Deputy Group CEO and CFO: Jonathan Davies



Component		'Minimum'	'Target'	'Maximum'	'Maximum + 50% share price appreciation'
Fixed remuneration	Base salary	Annual base salary for the 2022 financial year*			
	Pension	Chief Executive Officer: 3% of salary; Deputy Group CEO and CFO: 3% of salary			
	Benefits	Taxable value of annual benefits provided in the year ended 30 September 2022			
Annual bonus	Maximum opportunity	Chief Executive Officer: 175% of salary; Deputy Group CEO and CFO: 150% of salary*			
	Vesting	0% of maximum opportunity	50% of maximum opportunity	100% of maximum opportunity	
Restricted share plan	Maximum opportunity	Chief Executive Officer: 100% of salary; Deputy Group CEO and CFO: 100% of salary*			
	Vesting	0% vesting	100% vesting	100% vesting	100% vesting + 50% share price appreciation

* Based on contractual base salary as at 1 October 2022.

Approach to recruitment remuneration

In the event that the Group appointed a new Executive Director, remuneration would be determined in line with the following principles:

- The Committee will take into account all relevant factors, including the calibre and experience of the individual and the market from which they are recruited, while being mindful of the best interests of the Group and its shareholders and seeking not to pay more than is necessary.
- So far as practical, the Committee will look to align the remuneration package for any new appointment with the Remuneration Policy set out in the policy table on pages 136-139.
- Salaries may be higher or lower than the previous incumbent but will be set taking into account the review principles set out in the policy table. Where appropriate the salaries may be set at an initially lower level, with the intention of increasing salary at a higher than usual rate as the Executive Director gains experience in the role. For interim positions, a cash supplement may be paid rather than salary (for example; a Non-Executive Director taking on an executive function on a short-term basis).
- To facilitate recruitment, the Committee may need to buy out terms or remuneration arrangements forfeited on joining the Company. Any buy-out would take into account the terms of the arrangements, in particular, any performance conditions and the time over which they would vest. The overriding principle would be that the value of any replacement buy-out awards should be no more than the commercial value of awards that have been forfeited. The form of any award would be determined at the time and the Committee may make buy-out awards utilising any of the Company's share plans under LR 9.4.2 of the Listing Rules (for buy-out awards only).
- The maximum variable pay opportunity in respect of recruitment (excluding buy-outs) comprises a maximum annual bonus of 200% of annual salary and a maximum RSP grant of 100% of annual salary, as stated in the policy table on pages 136-139. The Committee retains the flexibility to determine that, for the first year of appointment, any annual incentive award within this maximum will be subject to such terms as it may determine.

Where an Executive Director is appointed from within the Company or following corporate activity/reorganisation (for example, merger with another company), the normal policy would be to honour any legacy arrangements in line with the original terms and conditions.

Where the recruitment requires relocation of the individual, the Committee may provide for additional costs and benefits.

On the appointment of a new Chair or Non-Executive Director, the remuneration package will be consistent with the policy set out above.

Details of Directors' service contracts

Executive Directors

Executive Directors have rolling service contracts. None of the existing service contracts for Executive Directors makes any provision for termination payments, other than for payment in lieu of notice.

Patrick Coveney and Jonathan Davies's payment in lieu of notice would be calculated by reference to the base salary in respect of any unexpired portion of the notice period. This payment can be made in instalments over the notice period and can be reduced where alternative employment is commenced during the notice period.

The Executive Directors' service contracts contain provisions relating to salary, car allowance, pension arrangements, medical insurance, life insurance, business travel insurance, company car, holiday and sick pay, and the reimbursement of reasonable out of pocket expenses incurred by the Executive Directors while on company business.

The following service contracts in respect of Executive Directors who were in office during the year are rolling service contracts and therefore have no end date:

	Date of commencement of contract	Notice period for Director	Notice period for Company
Patrick Coveney	31 March 2022	9 months	12 months
Jonathan Davies	15 July 2014	9 months	12 months

Service contracts for new Executive Directors will be limited to nine months' notice for the Director and 12 months' notice for the Company.

Chair

The terms of the Chair's appointment broadly reflect the terms of the three-year appointments of the Non-Executive Directors. The Chair's appointment can be terminated at any time upon written notice, resignation or in accordance with the Articles of Association of the Company.

The Chair receives no benefits from the office other than fees and reimbursement of expenses incurred in performance of his duties, including any tax due on the expenses. He is not eligible to participate in Group pension arrangements.

Non-Executive Directors

All Non-Executive Directors have been appointed on an initial term of three years, subject to renewal thereafter. All are subject to annual re-election by shareholders.

The Non-Executive Directors have letters of appointment which can be terminated at any time upon written notice, resignation or in accordance with the Articles of Association of the Company. Non-Executive Directors receive no benefits from their office other than fees and reimbursement of expenses incurred in performance of their duties, including any tax due on the expenses. They are not eligible to participate in Group pension arrangements.

	Effective date of appointment letter	Current term expires
Mike Clasper	1 November 2019	31 October 2025
Carolyn Bradley	1 October 2018	30 September 2024
Judy Vezmar	1 August 2020	31 July 2023
Tim Lodge	1 October 2020	30 September 2023
Apurvi Sheth	1 January 2022	31 December 2024
Kelly Kuhn	1 January 2022	31 December 2024

Directors' service contracts are kept for inspection by shareholders at the Company's registered office.

Payments to departing Directors

In the event that the employment of an Executive Director is terminated, any compensation payable will be determined by reference to the terms of the service contract between the Company and the employee, as well as the rules of any incentive plans. The Committee may structure any compensation payments in such a way as it deems appropriate, taking into account the circumstances of departure. In the event of the Company terminating an Executive Director's contract, the level of compensation would be subject to mitigation if considered appropriate.

Payment in lieu of notice	In the event of termination by the Company of an Executive Director's employment, a payment in lieu of notice may be paid. This payment would be equal to a maximum of annual base salary and cash allowance in lieu of pension in respect of any unexpired portion of the notice period. This payment can be made in instalments over the notice period and can be reduced where alternative employment is commenced during the notice period.
Annual bonus	Executive Directors may, at the determination of the Committee, remain eligible to receive an annual bonus for the financial year in which they ceased employment. Any such bonus will be determined by the Committee, taking into account time in employment and performance.
Restricted Share Plan awards	On cessation of employment, any outstanding unvested awards will lapse unless the participant dies or is deemed to be a 'good leaver' by the Committee in its discretion. Where the participant is deemed to be a 'good leaver', any outstanding unvested awards will normally continue and will vest at the normal vesting date to the extent the original performance underpins have been satisfied. Vested awards will normally continue to be subject to the two year post-vesting holding period. Awards will normally, unless the Committee determines that an alternative proportion of the awards should vest, be pro-rated for the portion of the vesting period completed in employment. The Committee may, in exceptional circumstances, or if the participant dies, decide to allow awards to vest on cessation of employment subject to the Committee's assessment of performance against the original performance underpins at that time or the Committee's assessment of the likely satisfaction of the performance underpins over the original performance period. Awards will normally, unless the Committee determines that an alternative proportion of the awards should vest, be pro-rated for the portion of the vesting period completed in employment.
Payments in relation to statutory rights	The Company may pay an amount considered reasonable by the Remuneration Committee in respect of an Executive Director's statutory rights.
Payments required by law	The Company may pay damages, awards, fines or other compensation awarded to an Executive Director by any competent court or tribunal or other payments required to be made on termination of employment under applicable law.
Professional fees	The Company may pay an amount considered reasonable by the Remuneration Committee in respect of fees for legal and tax advice, and outplacement support for the departing Executive Director.

Award under LR 9.4.2

Were an award to be made under LR 9.4.2 then the leaver provisions would be determined at the time of award.

Takeovers and other corporate events

Under the RSP (or legacy awards made under the Company's Performance Share Plan), on a takeover or voluntary winding-up of the Company, awards will vest in accordance with the rules of the plan. Vesting would be determined by the Committee based on the proportion of the vesting period that has elapsed and the extent to which any performance conditions or underpins have been satisfied, although the Committee has the discretion to determine that such greater proportion as it considers appropriate of the awards should vest, including where it considers the level of shareholder returns is at a superior level.

In the event of a variation of share capital, demerger, capital distribution or any other event having a material impact on the value of the shares, the Committee may determine that outstanding awards shall vest on the same basis as set out above for a takeover. Alternatively, the Committee may (with the consent of the acquiring company) decide that awards will not vest on a corporate event but will be replaced by new awards over shares in the new acquiring company or another company determined by the acquiring company.

Bonuses may be paid in respect of the year in which the change of control or winding up of the Company occurs, if the Committee considers this appropriate. The Committee may determine the level of bonus taking into account any factors it considers appropriate.

Amendments

The Committee may make amendments to the terms of the Company's incentive plans in accordance with the rules of those plans. The Committee may make minor amendments to the policy set out above (for regulatory, exchange control, tax, administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

Consideration of conditions elsewhere in the Group

In making remuneration decisions, the Committee also considers the pay and employment conditions elsewhere in the Group. When reviewing and setting Executive Directors' remuneration, the Committee takes into account the pay and employment conditions of Group employees. The Group-wide pay review budget is one of the key factors when reviewing the salaries of the Executive Directors. The Group complies with local regulations and practices regarding employee consultation more broadly.

Consideration of shareholder views

The Committee consulted with the Group's largest shareholders when developing the above policy. In reviewing and setting remuneration, including that of Executive Directors, the Committee receives updates on investors' views, and may from time to time engage directly with investors and/or investor representative organisations on remuneration topics as appropriate. These lines of communication ensure that emerging best-practice principles are factored into the Committee's decision-making.

Statutory Disclosures

This section of the Annual Report includes additional information required to be disclosed under the Companies Act 2006 (the 'Act'), the 2018 UK Corporate Governance Code (the 'Code'), the Disclosure Guidance and Transparency Rules (the 'DTRs') and the Listing Rules of the Financial Conduct Authority (the 'LRs'). The Code can be found on the Financial Reporting Council's website at www.frc.org.uk.

The Company has chosen, in accordance with Section 414 C(11) of the Companies Act 2006, to include certain matters in its Strategic Report that would otherwise be required to be disclosed in this Directors' Report. Both the Strategic Report (pages 6-79) and Corporate Governance Report (pages 80-149) are incorporated into the Directors' Report by reference.

Taken together, the Strategic and Corporate Governance Reports, along with this Directors' Report, form the management report for the purposes of DTR 4.1.8R and are intended to provide a fair, balanced and understandable assessment of the development and performance of the Group's business during the year and its position at the end of the year, its business model, strategy, likely developments, and any principal risks and uncertainties associated with the Group's business.

The following specific information required to be included in the Directors' Report is included in other sections of this Annual Report:

Disclosures required under UK Listing Rule 9.8.4

Area for disclosure	Location of details in the Annual Report and Accounts
Detail of any long-term incentive plans	Pages 125-144 Note 25, page 199

There are no other disclosures to be made under Listing Rule 9.8.4.

Other statutory disclosures

Directors of the Group	Pages 84, 88-89
Dividends	Pages 74
Employee engagement and business relationships	Pages 22-23, 42-51, 52, 96-99, 102-103 and 149
Environmental, social and governance risks	Pages 54-67
TCFD Reporting	Pages 54-57
Future Developments	Pages 20-31, 44-51
Going Concern Statement	Pages 68-69, 167
Greenhouse Emissions	Pages 30-31, 66
Post balance sheet events	Page 207
Reporting under Section 172 of Companies Act 2006 and engagement with stakeholders	Pages 42-51, 102-103
Treasury and Risk Management	Note 28, Pages 201-205

Directors

The Directors holding office during the year can be found on page 84. The interests in shares and awards over ordinary shares in the Company held by Directors in office as at 30 September 2022 are shown in the Directors' Remuneration Report on page 134.

The appointment and replacement of Directors is governed by the Company's Articles of Association ('Articles'), the UK Corporate Governance Code, the Companies Act 2006 and related legislation.

Subject to the Articles, the Act and related legislation, any directions given by special resolution and any relevant statutes and regulations, the business of the Company will be managed by the Board who may exercise all the powers of the Company.

In line with market practice, the Company has made qualifying indemnity provisions which the Directors had the benefit of during the financial year ended 30 September 2022 and which remain in force at the date of this report. In addition, the Directors and officers of the Company and its subsidiaries are covered by Directors' and Officers' liability insurance maintained by the Company.

Shares

Share Capital

At 30 September 2022 there were 796,376,695 ordinary shares of 1¹⁷/₂₀₀ pence each in issue (comprised of 796,113,196 ordinary shares with one vote each and 263,499 ordinary shares held in treasury, which are non-voting), which are fully paid up and are quoted on the London Stock Exchange. Further information regarding the Company's issued share capital and movements in the financial year can be found in note 24 to the financial statements on pages 196-197.

Rights and obligations attaching to shares

There are no restrictions on the transfer of the Company's ordinary shares (or on the voting rights attaching to them) other than those under the Articles (see below), restrictions imposed from time to time by law (including insider trading law) or pursuant to the Company's securities dealing code. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

The rights attaching to the Company's ordinary shares are set out in the Articles, available on the Company's website at <https://investors.foodtravelxperts.com/investors/corporate-governance.aspx>. The Articles of Association of the Company may be amended by a special resolution of the shareholders.

Particular attention should be taken to the following:

- Transfers of ordinary shares – Articles 45-51 provide detail of how transfers of shares may be undertaken. They also set out the Directors' rights of refusal to effect a transfer and the action that Directors must take following such refusal.
- Votes of members – Articles 90-104 provide detail on the procedures surrounding voting including on a show of hands and on a poll.

Issuing shares

The Directors were granted authority to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company:

- (a) up to a nominal amount of £2,879,276; and
- (b) comprising equity securities up to a nominal amount of £5,758,552 such amount to be reduced by any allotments made under (a) above, in connection with an offer by way of a Rights Issue.

The authorities conferred on the Directors to allot securities under paragraphs (a) and (b) will expire on the date of the 2023 AGM, or close of business on 4 May 2023, whichever is sooner (the 'Expiry Date'). The Directors will be seeking a new authority at the 2023 AGM for the Directors to allot shares and to grant subscription and conversion rights to ensure that the Directors continue to have the flexibility to act in the best interests of shareholders when opportunities arise, by issuing new shares or granting such rights.

The Directors were also given authority to allot equity securities for cash, or to sell ordinary shares as treasury shares for cash subject to certain limitations, such authority to apply until the Expiry Date. The Directors will seek to renew this authority at the 2023 AGM.

Shares issued pursuant to share schemes

During the 2022 financial year, a total of 376,500 ordinary shares in the Company were issued to satisfy: (a) Matching Share awards under the Company's UK SIP and International SIP; and (b) the partial vesting of awards under the Company's Performance Share Plan ('PSP'). The relevant PSP awards were those that vested in December 2021, based on the exercise of the Remuneration Committee's discretion to apply a minimum guaranteed vest. It is noted that ordinary shares issued to satisfy awards under employee share schemes do not count against the allotment authorities granted by shareholders in accordance with the Act.

Details of the Group's employee share schemes and awards made during the financial year under the Restricted Share Plan ('RSP'), PSP and Deferred Bonus Scheme Plan and held by Executive Directors as at 30 September 2022 are set out in the Annual Report on Remuneration on pages 120-144.

Details of awards made during the year and held by employees as at 30 September 2022 under the RSP and PSP are disclosed in note 25 to the consolidated financial statements on page 199.

Awards over shares held by relevant participants under the Company's various share plans carry no rights until the shares are issued to participants or their nominees. The Trustees of the Company's employee benefit trusts ('Trustees') are entitled to vote on unallocated shares held in the trust fund from time to time but they may consider, in their absolute discretion, any recommendations made to them by the Company before doing so. The general policy of the Trustees is to abstain from exercising voting rights on unallocated shares held in trust (see note 25 for further details on the employee benefit trusts). In respect of allocated shares held by the Trustees as nominee (including the Trustees of the Company's Share Incentive Plans), they must seek instructions from participants on how they should exercise their voting rights before doing so on their behalf.

Buyback of shares

The Directors were granted authority to make market purchases of the Company's own shares on behalf of the Company up to a maximum of approximately 10% of the Company's issued share capital at the 2022 AGM. This authority was not used during the financial year. This standard authority is renewable annually and the Directors will seek to renew this authority at the 2023 AGM.

Profit Forecast

In its half-year results announcement on 24 May 2022 (HY Results), the Group made the following statements in respect of the year ending 2022, which are regarded as profit forecasts for the purposes of the Financial Conduct Authority's Listing Rule 9.2.18:

"Our current expectation is for sales in the second half of the year to be around 80-85% of pre Covid-19 levels and for full year sales to be in the region of £2.0bn to £2.1bn. Whilst the final profit outturn will be dependent on a number of external factors, including the trajectory of the recovery and inflationary cost pressures, we would expect the full year EBITDA margin (on a pre-IFRS 16 basis) to be between c.5% (at the lower end of the sales range) and c.6% (at the higher end). This is consistent with the previously indicated range of 25% to 30% profit conversion on the reduced sales compared to 2019." (HY Results, page 2).

"Our current expectation is for sales in the second half of the current financial year to be around 80-85% of pre Covid-19 levels and for full year sales to be in the region of £2.0bn to £2.1bn. Whilst the final profit outturn will be dependent on a number of external factors, including the trajectory of the recovery and inflationary cost pressures, we would expect the full year EBITDA margin (on a pre-IFRS 16 basis) to be between approximately 5% (at the lower end of sales range) to approximately 6% (at the higher end) which is consistent with the previously indicated range of 25% to 30% profit conversion on the reduced sales compared to 2019." (HY Results, page 7).

The Group provided updated revenue, EBITDA margin and EBITDA guidance in its Third Quarter Update announcement on 14 July 2022 (Q3 Update) and its Pre-Close Trading Update on 27 September 2022 (Pre-Close Update), both of which are regarded as a profit forecasts for the purposes of the Financial Conduct Authority's Listing Rule 9.2.18:

Q3 update: "For the current year, based on our performance to date and the current strength of the travel recovery, we now expect to deliver sales in the region of £2.1bn and EBITDA margin (on a pre IFRS 16 basis) in the region of 6%, which is at the upper end of our previous full year guidance range."

Pre-Close Update: "For the current full year, we now expect to deliver sales of approximately £2,170m and EBITDA of approximately £140m (on a pre-IFRS 16 basis), slightly ahead of our previous full year guidance."

The actual figures for the 2023 Financial Year were: £2,185.4m revenue, 6.5% EBITDA margin (on a pre-IFRS 16 basis) and £142m EBITDA (on a pre-IFRS 16 basis), exceeding the guidance issued in the Pre-Close Update by £15.4m (revenue), £2m EBITDA and 0.5% (EBITDA margin) and exceeding the guidance issued in the Pre-Close Update by 85.4 (revenue) and 0.5% (EBITDA margin).

Major Shareholdings

Information provided to the Company pursuant to the DTRs is published on a Regulatory Information Service and on the Company's website. As at 30 September 2022, the following notifications of major shareholdings of 3% or more have been received by the Company under DTR 5 (the percentages shown are the percentages at the time of the disclosure and have not been re-calculated based on the issued share capital at the year end).

No notifications have been received between 30 September 2022 and the date of this Report.

Name	Date of notification of interest	% of issued ordinary share capital
Schroders plc	07.11.14	4.99%
GIC Private Limited (Chase Nominees Limited)	02.11.17	3.16%
Old Mutual Global Investors (UK) Limited	02.07.18	9.71%
Artemis Investment Management LLP	10.12.19	5.06%
JP Morgan Asset Management (UK) Limited and JP Morgan Investment Management Inc	17.03.21	3.58%
Marathon Asset MGMT Limited	23.08.21	8.24%
Parvus Asset Management Europe Limited	09.12.21	5.19%
HSBC Holdings PLC	08.02.22	9.21%
APG Asset Management Limited	01.09.22	11.82%
BlackRock, Inc.	06.09.22	5.29%

So far as the Company is aware, no other person held a notifiable interest in the ordinary share capital of the Company.

The holdings and voting rights shown above are correct at the date of notification. It should be noted that these holdings may have changed since the Company was notified including as a result of share consolidations that took place in 2018 and 2019 and the Rights Issue that took place in April 2021.

As at 30 September 2022, the Company had no controlling shareholders. No shareholder holds ordinary shares which carry special rights relating to the control of the Company.

Employee engagement and business relationships

Understanding the views and values of all the Group's stakeholders, including employees, customers, investors and other business relationships is critical to the Group's success. Examples of how the Directors have engaged with employees and had regard to employee and other stakeholder interests and the effect of that regard, including on the principal decisions taken by the Company, are detailed throughout this report and specific examples can be found on pages 22-23, 42-51, 52, and 102-103.

Details of how information is communicated to employees (including as to participation in the Company's employee share plans) and how a common awareness of the financial and economic factors affecting the performance of the Company is achieved amongst the employee population can be found on pages 22-23, 42-51, 52, 96-97, 98-99 102-103 and 149.

Supplier payment policy

The country business teams within the Group are responsible for establishing appropriate policies with regard to the payment of their suppliers.

The Group's head office has a set of standard terms and conditions which is used throughout the Group, adapted for local law. It is Group policy that supplier arrangements should take place on the Group's standard terms and conditions wherever possible. In the event that they are not agreed, our operating companies will agree terms and conditions under which supply arrangements are made. It is Group policy that provided a supplier is complying with the relevant terms and conditions, including the prompt and complete submission of all specified documentation, payment will be made in accordance with agreed terms. It is also Group policy to ensure that suppliers know the terms on which payment will take place when business arrangements are agreed.

For the payment practices reporting period ended 31 March 2022, the average time to pay for our UK operating business was 47 days.

Change of Control Contracts

There are a number of contracts entered into by members of the Group that allow the counterparties to alter or terminate those arrangements in the event of a change of control of the Company. These arrangements are commercially sensitive and confidential, and their disclosure could be seriously prejudicial to the Group.

Other agreements

Other than a service contract between the Executive Directors and a Group company, no Director had a material interest at any time during the year in any significant contract with the Company or any of its subsidiaries. The Company does not have agreements with any Director, officer or employee that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the Company's employee share plans may cause options and awards granted under such plans to vest on a takeover.

Diversity Reporting under section 414C(8)(c) of the Companies Act

Details of the persons of each sex as at 30 September 2022 for the categories referred to under section 414C(8)(c) are set out below.

	Male	Female
Directors of SSP Group plc	4 (50%)	4 (50%)
Senior Managers	9 (75%)	3 (25%)
Employees of SSP Group	16,641 (48%)	18,153 (52%)

1 "Senior Managers" comprise the Group Executive Committee (excluding the Group CEO and the Deputy Group CEO and CFO).

2 For the all employee number we have included the numbers for all employees across the Group, not just SSP Group plc.

The Group's main credit facilities, being the committed bank facilities dated 16 June 2014 (as amended from time to time) entered into by SSP Financing Limited ('SSP Financing'), a wholly-owned subsidiary of the Company, contain a provision such that in the event of a change of control, if a lender so requires and has notified the agent within 10 business days of the agent notifying the lenders of the event, the commitment of that lender will be cancelled and all outstanding amounts, together with accrued interest under that commitment, will become repayable, on the date notified in writing by the agent that the relevant commitment has been cancelled (where such date must not be fewer than 10 business days after the date of the notice).

SSP Financing also entered into: (i) a note purchase agreement on 9 August 2018 (as amended from time to time) ('2018 NPA') in respect of a US\$175m issue of US Private Placement notes (the '2018 Notes'); and (ii) a note purchase agreement on 11 April 2019 (as amended from time to time) ('2019 NPA') in respect of a US\$199.5m and €58.5m issue of US Private Placement notes ('2019 Notes'). The 2018 NPA and 2019 NPA ('NPAs') each contain a change of control provision whereby if any one person or a group of persons acting in concert gain Control of the Company (as defined in the NPAs), then the Company and SSP Financing must give written notice of this to the holders of the 2018 Notes and 2019 Notes ('Notes'). The written notice shall contain an offer by SSP Financing to prepay the entire unpaid principal amount of the Notes held by each holder together with interest thereon.

Political Donations

The Company's policy is to not make political donations. Neither the Company nor its subsidiaries, during the financial year ended 30 September 2022, made any political donation to a political party, other political organisation or independent election candidate, or incurred any political expenditure or made any contribution to a non-UK political party. However, in view of the broad wording adopted in the Companies Act, and the Board's wish to avoid any inadvertent infringement of it, the Company will propose to shareholders at the 2023 AGM that a precautionary authority be granted of up to £25,000 in aggregate. Further details are included in the Notice of AGM.

Branches

The Company does not have any branches outside the UK.

Research and Development

The Group does not undertake material levels of research and development activity.

Disabled Employees

The Company gives full and fair consideration to applications for employment by disabled persons, bearing in mind the aptitudes of the applicant concerned. In the event of employees becoming disabled while in the course of their employment with the Company, every effort is made to ensure that their employment with the Group continues, and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, so far as possible, be identical to that of other employees.

Our markets have progressed further initiatives and activities to embrace diversity and help drive an inclusive business for our colleagues and customers. See page 48 of our Sustainability Report.

Auditor

The auditor, KPMG LLP, has indicated its willingness to continue in office, and a resolution that it will be reappointed will be proposed at the 2023 AGM.

Statement of disclosure of information to auditors

Insofar as each Director in office on the date of approval of this report is aware, there is no relevant audit information of which the Company's external auditor is unaware, and the Directors have taken all the steps which they ought to have taken as Directors, to make themselves aware of any relevant audit information and to establish that the Company's external auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Act.

AGM 2023

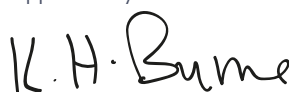
The AGM will be held in February 2023. Further details of the arrangements for the 2023 AGM are set out in the Notice of AGM, which, along with other relevant documentation, is enclosed with this Annual Report or available on the Group's website at www.foodtravelexperts.com. The Directors consider that each of the resolutions is in the best interests of the Company and the shareholders as a whole and recommend that shareholders vote in favour of all the resolutions.

The Notice of AGM specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be put to the AGM.

Electronic tagging

In accordance with European Single Electronic Format ('ESEF') requirement that UK-listed companies provide their primary financial statements in standardised machine-readable format, SSP's 2022 Annual Report and Accounts is published as an XHTML tagged document which can be found on www.foodtravelexperts.com.

Approved by the Board and signed on its behalf by:



Helen Byrne

General Counsel and Company Secretary
5 December 2022

Statement of Directors' Responsibilities in respect of the Annual Report and Accounts and the financial statements

The Directors are responsible for preparing the Annual Report and Accounts and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

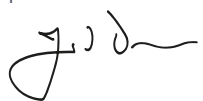
In accordance with Disclosure Guidance and Transparency Rule 4.1.14R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The auditor's report on these financial statements provides no assurance over the ESEF format.

Responsibility statement of the Directors in respect of the Annual Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and the Directors' Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.



Jonathan Davies
Deputy Group CEO and CFO
5 December 2022



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Independent auditor's report to the members of SSP Group plc

1 Our opinion is unmodified

We have audited the financial statements of SSP Group plc ("the Company") for the year ended 30 September 2022 which comprise the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement, the company balance sheet and the company statement of changes in equity, and the related notes, including the accounting policies in notes 1 and 33.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the Directors on 20 September 2006. The period of total uninterrupted engagement is for the 17 financial years ended 30 September 2022. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality:	£11.5m (2021:£9.5m)
Group financial statements as a whole	0.7% (2021: 0.6%) of total Group revenue
Coverage	78% (2021: 83%) of total Group revenue

Key audit matters		vs 2021
Recurring risks	Recoverability of goodwill and indefinite life intangible assets	↔
	Recoverability of site assets	↓
	Going Concern	↔
	Recoverability of parent's investment in subsidiary undertaking	↔

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
<p>Recoverability of goodwill and indefinite life intangible assets</p> <p>Goodwill and indefinite life assets £656.0m (2021: £640.5m)</p> <p>Refer to page 116 Audit Committee Report, Note 1.16 Accounting policies and Note 12.</p>	<p>Forecast based assessment</p> <p>The recoverable amount of goodwill and indefinite life intangible assets is inherently judgemental due to the subjectivity and uncertainty involved in selecting the appropriate key assumptions, such as the discount and long-term growth rates, and preparing future discounted cash flows.</p> <p>SSP Group plc is subject to a number of internal and external factors, which may influence its trading in the short term, as well as the Group's long-term strategy. These primarily include passenger travel trends (including climate change considerations and the ongoing impact of COVID-19), economic and political uncertainty, tendering and competition.</p> <p>The effect of these matters is that, as part of our risk assessment for audit planning purposes, we determined that the carrying value of goodwill and indefinite life intangible assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.</p> <p>In conducting our final audit work, we concluded that reasonably possible changes to the value in use calculation would not be expected to result in material impairment. The financial statements (note 12) disclose the sensitivity estimated by the Group.</p>	<p>Our procedures included:</p> <p>Our sector experience – We compared our understanding of business performance and broader market trends with the Group's forecasts and considered whether these had been appropriately captured in the impairment models.</p> <p>Our valuation expertise – We used our understanding of similar companies and our experience to assist us in assessing appropriateness of the impairment review methodology and assumptions. In addition, we engaged our corporate finance specialists to support the assessment of the discount rate assumptions used by the Group.</p> <p>Benchmarking assumptions – We challenged and compared the Group's assumptions to externally derived data, industry norms and our expectation based on our knowledge and experience of the Group, in relation to key inputs such as passenger footfall trends and associated projected market growth, revenue growth rates, and inflation.</p> <p>Sensitivity analysis – We used KPMG's proprietary data analytics software tool to prepare multiple scenarios sensitising key assumptions in combination to assess their impact on the recoverability of the assets.</p> <p>Historical comparison – We evaluated the historical accuracy of the Group's forecasts by comparing budget to actual results.</p> <p>Comparing valuations – We compared the results of discounted cash flows against the Group's market capitalisation, after adjusting for its net debt to assess the reasonableness of the value in use calculations.</p> <p>Assessing transparency – We also considered the adequacy of the Group's disclosure of the key risks and sensitivity around the outcome, and whether that disclosure reflected the risks inherent in the valuation of goodwill and indefinite life intangible assets.</p> <p>Assessing consistency – We ensured consistency of forecast financial information with other forecasting exercises across the Group including goodwill and intangible asset impairment assessment and going concern cash flow forecasts.</p> <p>We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our results</p> <p>We found the Group's conclusion that there is no impairment of goodwill and indefinite life intangible assets to be acceptable (2021: acceptable).</p>

	The risk	Our response
<p>Recoverability of site assets Property, plant and equipment ('PPE') – specific CGUs within the overall balance of £472.3m (2021: £388.7m)</p> <p>ROU assets – specific CGUs within the overall balance of £746.8m (2021: £1,002.9m)</p> <p>Refer to page 116 Audit Committee Report, Note 1.16 Accounting policies and Note 11.</p>	<p>Forecast based assessment Revenue is primarily linked to passenger footfall through transit hubs, which have not yet recovered to pre-COVID-19 levels. The continuing effects of the COVID-19 pandemic during the period, including the Omicron variant outbreak, have impacted passenger volumes, which in turn has adversely impacted business performance.</p> <p>Assessing the recoverability of site assets relies on a number of assumptions around future trading performance, such as future sales growth rates and discount rates, that involve a high degree of estimation uncertainty.</p> <p>Site level performance and forecasts are localised and therefore the risk over recoverability of site assets varies across countries.</p> <p>Our risk assessment this year, conducted at a country level, identified that risk was associated with PPE and ROU assets in the UK and Spain.</p> <p>The effect of these matters is that, as part of our risk assessment for audit planning purposes, we determined that the carrying value of site assets had a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality as a whole. In conducting our final audit work, we reassessed the degree of estimation uncertainty to be less than materiality.</p>	<p>Our procedures included: Our sector experience – We used third-party industry reports and government sources, as well as our experience and understanding of the retail and travel sectors, to challenge the key assumptions used to develop the Group's forecasts and whether these had been appropriately and consistently captured in the impairment models.</p> <p>Our valuation expertise – We used our understanding of similar companies and our experience to assist us in assessing appropriateness of the impairment review methodology and assumptions. In addition, we engaged our corporate finance specialists to support the assessment of the discount rate assumptions used by the Group.</p> <p>Sensitivity analysis – We prepared multiple alternate scenarios sensitising key assumptions individually and in concert to assess their impact on the recoverability of the assets.</p> <p>Historical comparison – We evaluated the historical accuracy of the Group's forecasts by comparing budget to actual results.</p> <p>Testing application – We tested the completeness of site assets included in the Group's CGU impairment exercise, including the impact of newly created ROU assets, assets acquired and/or disposed during the period.</p> <p>We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our results We found the site assets balance, and the related impairment charge, to be acceptable (2021: acceptable).</p>

	The risk	Our response
<p>Going concern Refer to page 117 of the Audit Committee report and note 1.2 to the Group financial statements.</p>	<p>Disclosure quality The financial statements explain how the Board has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the Group and parent Company.</p> <p>That judgement is based on an evaluation of the inherent risks to the Group's and Company's business model and how those risks might affect the Group's and Company's financial resources or ability to continue operations over a period of at least a year from the date of approval of the financial statements.</p> <p>The risk most likely to adversely affect the Group's and Company's available financial resources over this period is the recovery of global passenger footfall.</p> <p>There are also less predictable but realistic second order impacts, such as supply chain disruption, changes in consumer travel patterns, or the impact of climate change, which could result in a rapid reduction of available resources.</p> <p>The risk for our audit was whether or not those risks were such that they amounted to a material uncertainty that may have cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to have been disclosed.</p> <p>The risk of a material uncertainty arising has diminished in the year, following the rights issue in 2021 and improvements in the underlying business. Nonetheless, there remains heightened risk surrounding compliance with covenants and economic uncertainty.</p>	<p>Our response: Considering whether these risks could plausibly impact the liquidity or covenant compliance within the going concern period by assessing the directors' sensitivities over the level of available financial resources and covenant thresholds indicated by the Group's financial forecasts taking account of severe, but plausible, adverse effects that could arise from these risks individually and collectively.</p> <p>Our procedures also included: Historical comparison: We considered the historical accuracy of the Group's cash flow forecasts by assessing the accuracy of previous forecasts against actual performance.</p> <p>Funding assessment: We obtained and inspected evidence of available funding to ascertain the level of liquidity at the year end and for the going concern period, the duration of availability of financing and associated covenant testing requirements. We have assessed management's projections, including management's severe but plausible downside scenario, to support whether the covenants will be met over the forecast period.</p> <p>Sensitivity analysis: We considered sensitivities over the level of available financial resources indicated by the Group's financial forecasts, taking account of plausible but realistic adverse scenarios which could arise from these risks individually and collectively.</p> <p>Our sector experience: We assessed and challenged the key assumptions in the forecasts used by the Directors by benchmarking these against external forecasts and our sector knowledge.</p> <p>Assessing transparency: We considered whether the going concern disclosure in note 1.2 to the financial statements gives a full and accurate description of the Directors' assessment of going concern.</p> <p>Our results: We found the going concern disclosure in note 1.2, which did not include a material uncertainty, to be acceptable (2021: which did not include a material uncertainty, to be acceptable).</p>

	The risk	Our response
Recoverability of parent's investment in subsidiary undertaking Investment in subsidiary – £1,201.9m (2021: £1,198.3m) Refer to Note 33 Accounting policies and Note 34.	Low risk, high value The carrying amount of the parent company's investment in subsidiary represents 81% (2021: 78%) of the company's total assets. Its recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to its materiality in the context of the parent company financial statements, this is considered to be the area that had the greatest effect on our overall parent company audit.	Our procedures included: Tests of detail – We compared the carrying amount of the investment book value to the underlying aggregate recoverable amount of the Group's CGUs, after adjusting for net debt. Our procedures over those CGUs are described in our recoverability of goodwill and indefinite life intangible assets KAM above. Test of detail – We compared the carrying amount of the investment to the market capitalisation for the Group (after adjusting for net debt). We performed the tests above rather than seeking to rely on any of the Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our results We found the Company's conclusion that there is no impairment in its investment in subsidiary to be acceptable (2021: acceptable).

3 Our application of materiality and an overview of the scope of our audit

Materiality for the group financial statements as a whole was set at £11.5m (2021: £9.5m), determined with reference to a benchmark of total group revenue, normalised by averaging over the last four years due to fluctuations in the business cycle, of £1,735.0m (2021: three-year group revenue of £1,687.3m), of which it represents 0.7% (2021: 0.6% of three-year averaged group revenue).

We consider an average of four years' group revenue to be the most appropriate benchmark for the year ended 30 September 2022. In the year ended 30 September 2021, materiality was based on an average of group revenue for the three years to 30 September 2021. This has been amended in this year's audit due to the continuing impact of COVID-19 on the Group's performance during the year.

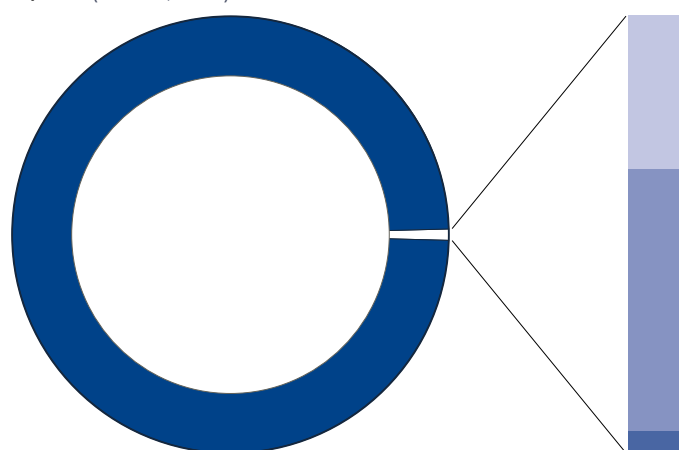
Materiality for the parent company financial statements as a whole was set at £4.6m (2021: £2.9m), determined with reference to a benchmark of company total assets, of which it represents 0.3% (2021: 0.2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 65% (2021: 65%) of materiality for the financial statements as a whole, which equates to £7.5m (PY: £6.1m) and £3m (PY: £1.9m) for the parent company. We applied this percentage in our determination of performance materiality based on the level of identified misstatements during prior periods.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.58m (2021: £0.48m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Normalised Group revenue £1,735m (2021: £1,687m)



● Total benchmark
○ Group materiality

Group materiality £11.5m (2021: £9.5m)

£11.5m
Whole financial statements materiality
(2021: £9.5m)

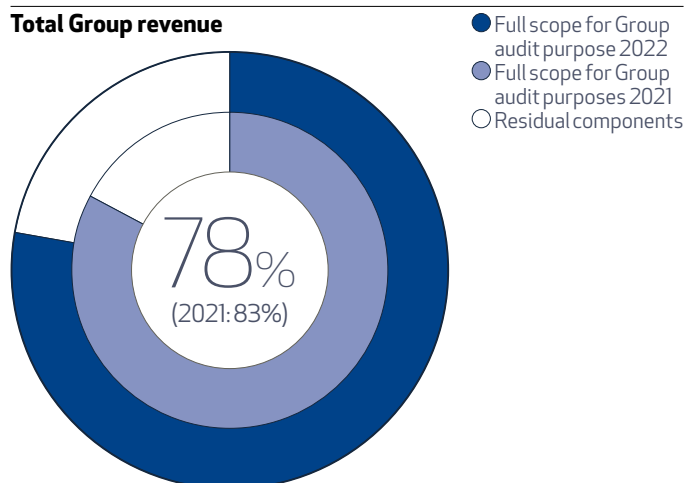
£4.8m
Range of materiality at 15 components (£1.7m to £6.9m)
(2021: £1.0m to £4.8m)

£0.58m
Misstatements reported to the audit committee
(2021: £0.48m)

Scope

Of the Group's 93 (2021: 93) reporting components, we subjected 15 (2021: 17) to full scope audits for Group purposes. The components within the scope of our work accounted for the percentages illustrated below.

Total Group revenue



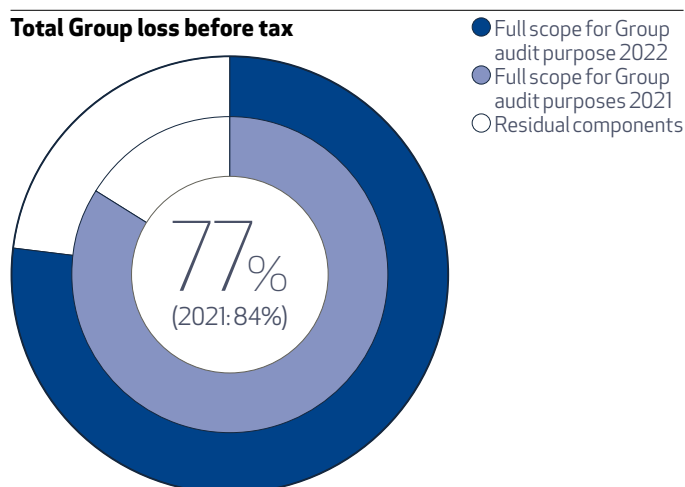
The remaining 22% (2021: 17%) of total Group revenue, 23% (2021: 16%) of total Group loss before tax and 18% (2021: 15%) of total Group assets is represented by 75 (2021: 75) reporting components, none of which individually represented more than 4% (2021: 3%) of any of the total group revenue, group loss before tax or total Group assets. For these residual components, we performed an analysis at an aggregated Group level to re-examine our assessment that there were no significant risks of material misstatement with these.

The Group audit team instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back. The Group audit team approved the component materialities, which ranged from £1.7m to £6.9m (2021: £1.0m to £4.8m), having regard to the mix of size and risk profile of the group across the components.

The work on 12 of 15 (2021: 14 of 17) components was performed by component auditors and the rest, including the audit of the parent company was performed by the group audit team. The scope of the audit work performed was predominately substantive, as we placed limited reliance upon the Group's internal control over financial reporting.

The Group team undertook visits to overseas components in the US, Spain, and India, and held virtual conference meetings with all other non-UK component auditors (2021: virtual meetings held with all non-UK component auditors). At these visits and meetings, the findings reported to the Group audit team were discussed in more detail, and any further work required by the Group audit team was then performed by the component auditor.

Total Group loss before tax



4 The impact of climate change on our audit

Due to the nature of the Group's operating sites and revenue streams, there is a possibility that climate change risks, opportunities, and the Group's own commitments and changing regulations could have a significant impact on the Group's business and operations. There is a possibility that climate change risks, both physical and transitional, could affect financial statement balances, through estimates such as the valuation of goodwill.

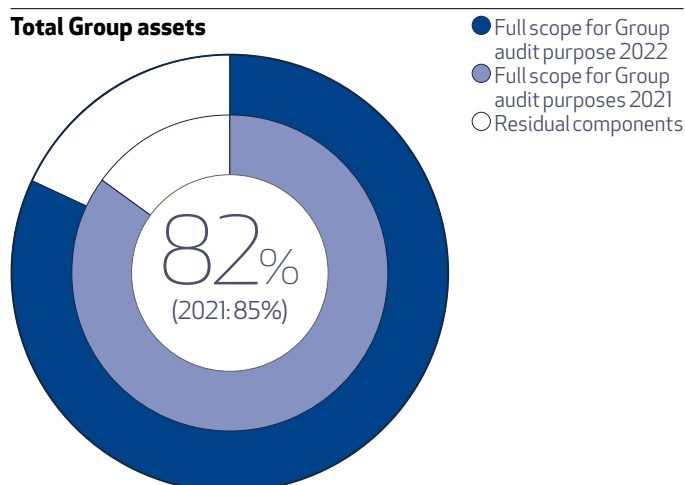
As part of our audit, we performed a risk assessment of the impact of climate change risk on the financial statements and our audit approach. As a part of this, we held discussions with our own climate change professionals to challenge our risk assessment. In doing this we performed the following:

Understanding management's processes: We made enquiries to understand management's assessment of the potential impact of climate change risk on the Group's Annual Report and Accounts and the Group's preparedness for this. As a part of this we made enquiries to understand management's risk assessment process as it relates to possible effects of climate change on the Annual Report and Accounts.

Valuations: We considered how the Group considers the impact of climate change risk, both in terms of impacts on input costs and changes in passenger footfall through transport hubs.

We did not identify the impact of climate risk as a separate Key Audit matter, given the nature of the Group's operations and knowledge gained of its impact on critical accounting estimates during our risk assessment procedures and testing, including the relatively short term nature of many of the Group's assets.

Total Group assets



Audit procedures in relation to Key Audit Matters

In our key audit matter relating to the valuation of goodwill, as set out in section 3 of this report, we determined that climate change could affect projections of footfall and input costs. We have assessed the impacts of these risks within our assessment of forecast cash flows overall.

Other audit procedures

During the course of our audit, we considered the Group's processes around climate change related disclosures in the Annual Report and read the disclosures in the Strategic Report and Directors' Report and considered its consistency with the financial statements and our audit knowledge.

We held discussions with our own climate change professionals to challenge our risk assessment.

5 Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

An explanation of how we have evaluated management's assessment of going concern is set out in the related key audit matter in section 2 of this report.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that basis for the going concern period; and
- the related statement under the Listing Rules set out on page 68 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6 Fraud and breaches of laws and regulations – ability to detect identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks"), we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of the Directors, management, legal counsel, and members of the Internal Audit function as to whether they are aware of any instances of fraud, and as to the Group's high-level policies and procedures to prevent and detect fraud;
- Reading Board and committee minutes;
- Using analytical procedures to identify any unusual or unexpected relationships;
- Inspection of internal audit reports issued during the year and whistle-blower logs; and
- Considering the Group's results against performance targets and the Group's remuneration policies, key drivers for remuneration, and bonus levels.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication to our global component teams of all relevant fraud risks identified at the Group level, and requests to our component audit teams to report to the Group audit team any instances of fraud which could give rise to a material misstatement at the Group level.

As required by auditing standards, and having considered the impact of the Group's results against performance targets, we perform procedures designed to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the recoverability of goodwill and indefinite life intangible assets and site assets. Further detail in respect of these matters is set out in the key audit matter disclosures within section 2 of this report.

On this audit, we do not believe that there is a fraud risk related to revenue recognition based on the following assessment:

- The accounting for the majority of the Group's sales is non-complex, with a strong correlation to cash receipts and limited opportunities for manual intervention in the sales process to fraudulently manipulate revenue.
- There is limited judgement in the accounting for sales which further limits management's opportunity to fraudulently manipulate revenue.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying and testing journal entries and other adjustments for all full scope components based on specific risk-based criteria and comparing identified entries to supporting documentation. These included entries posted by unusual or unauthorised users, those posted to unexpected account combinations and those with unusual posting descriptions.
- Assessing significant accounting estimates for bias.

Identifying and responding to risks and material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the Financial Statements from our general commercial and sector experience, through discussions with the Directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations risks throughout our team and remained alert to any indication of non-compliance throughout the audit. This included communication from the Group to all component audit teams of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably. Firstly, the Group is subject to laws and regulations that directly affect the Financial Statements, including financial reporting legislation (including related company legislation, distributable profits legislation, and taxation legislation (direct and indirect)). We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is also subject to many other laws and regulations, where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's permission to operate in geographic locations where non-adherence to laws could prevent trading in these locations. We identified the following areas as being most likely to have such an effect:

- Consumer product laws such as product safety, quality standards and communication of allergens, reflecting the nature of the Group's operations;
- Employee health and safety, reflecting the nature of the group's operating locations; and
- Data privacy laws, reflecting the customer data held by the group.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed an instance of non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely it is that the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omission, misrepresentation, or override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance of fraud and cannot be expected to detect non-compliance with all laws and regulations.

7 We have nothing to report on the other information in the Annual Report and Accounts

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement on page 68 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Risk Management and Principal Risk disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the Viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability statement, set out on page 69 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance report relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

8 We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9 Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 149, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.

10 The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Frost

(Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
6 December 2022

Consolidated Income Statement

for the year ended 30 September 2022

	Notes	2022 Underlying ¹ £m	2022 Adjustments £m	2022 Total £m	2021 Underlying ¹ £m	2021 Adjustments £m	2021 Total £m
Revenue	3	2,185.4	-	2,185.4	834.2	-	834.2
Operating costs	5	(2,153.7)	59.8	(2,093.9)	(1,157.5)	14.1	(1,143.4)
Operating profit/(loss)		31.7	59.8	91.5	(323.3)	14.1	(309.2)
Share of profit of associates	14	6.6	-	6.6	2.3	-	2.3
Finance income	8	4.9	-	4.9	2.6	-	2.6
Finance expense	8	(86.4)	8.6	(77.8)	(74.7)	(32.2)	(106.9)
(Loss)/profit before tax		(43.2)	68.4	25.2	(393.1)	(18.1)	(411.2)
Taxation	9	0.9	(16.2)	(15.3)	50.6	(1.7)	48.9
(Loss)/profit for the year		(42.3)	52.2	9.9	(342.5)	(19.8)	(362.3)
(Loss)/profit attributable to:							
Equity holders of the parent		(60.9)	50.7	(10.2)	(323.9)	(33.4)	(357.3)
Non-controlling interests	24	18.6	1.5	20.1	(18.6)	13.6	(5.0)
(Loss)/profit for the year		(42.3)	52.2	9.9	(342.5)	(19.8)	(362.3)
Loss per share (pence):							
- Basic	4	(7.7)	-	(1.3)	(46.5)		(51.3)
- Diluted	4	(7.7)	-	(1.3)	(46.5)		(51.3)

1 Presented on an underlying basis, which excludes non-underlying items as further explained in note 6.

Consolidated Statement of other Comprehensive Income for the year ended 30 September 2022

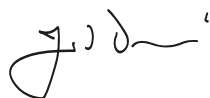
	Notes	2022 £m	2021 £m
Other comprehensive income/(expense)			
<i>Items that will never be reclassified to the income statement:</i>			
Remeasurements on defined benefit pension schemes	22	8.5	3.5
Tax charge relating to items that will not be reclassified		(1.2)	(1.1)
<i>Items that are or may be reclassified subsequently to the income statement</i>			
Net gain/(loss) on hedge of net investment in foreign operations		(56.3)	22.3
Other foreign exchange translation differences		45.6	(22.0)
Foreign exchange reclassified to income statement on disposal of subsidiary		-	(0.5)
Effective portion of changes in fair value of cash flow hedges		(0.1)	0.5
Cash flow hedges – reclassified to income statement		1.4	2.6
Tax credit/(charge) relating to items that are or may be reclassified		3.6	(2.1)
Other comprehensive income for the year		1.5	3.2
Profit/(loss) for the year		9.9	(362.3)
Total comprehensive income/(expense) for the year		11.4	(359.1)
Total comprehensive (expense)/income attributable to:			
Equity holders of the parent		(19.6)	(350.3)
Non-controlling interests	24	31.0	(8.8)
Total comprehensive income/(expense) for the year		11.4	(359.1)

Consolidated Balance Sheet

as at 30 September 2022

	Notes	2022 £m	2021 £m
Non-current assets			
Property, plant and equipment	11	469.3	388.7
Goodwill and intangible assets	12	701.7	684.1
Right-of-use assets	13	736.3	1,002.9
Investments in associates	14	17.0	12.0
Deferred tax assets	15	89.0	93.2
Other receivables	17	85.5	69.7
		2,098.8	2,250.6
Current assets			
Inventories	16	37.0	23.7
Tax receivable		1.5	15.3
Trade and other receivables	17	142.0	118.4
Cash and cash equivalents	18	543.6	773.6
		724.1	931.0
Total assets		2,822.9	3,181.6
Current liabilities			
Short-term borrowings	19	(68.8)	(304.2)
Trade and other payables	20	(719.3)	(519.1)
Tax payable		(18.5)	(24.9)
Lease liabilities	21	(216.5)	(299.9)
Provisions	23	(24.6)	(17.7)
		(1,047.7)	(1,165.8)
Non-current liabilities			
Long-term borrowings	19	(771.1)	(777.0)
Post-employment benefit obligations	22	(10.8)	(14.9)
Lease liabilities	21	(638.1)	(872.9)
Other payables	20	(1.4)	(7.2)
Provisions	23	(35.9)	(21.5)
Derivative financial liabilities	28	-	(2.1)
Deferred tax liabilities	15	(6.9)	(9.5)
		(1,464.2)	(1,705.1)
Total liabilities		(2,511.9)	(2,870.9)
Net assets		311.0	310.7
Equity			
Share capital	24	8.6	8.6
Share premium	24	472.7	472.7
Capital redemption reserve	24	1.2	1.2
Other reserves	24	(9.0)	7.7
Retained losses		(248.5)	(249.9)
Total equity shareholders' funds		225.0	240.3
Non-controlling interests	24	86.0	70.4
Total equity		311.0	310.7

These financial statements were approved by the Board of Directors on 5 December 2022 and were signed on its behalf by:



Jonathan Davies
Deputy Group CEO and CFO

Consolidated Statement of Changes in Equity

for the year ended 30 September 2022

	Share capital £m	Share premium £m	Capital redemption reserve £m	Merger relief reserve £m	Other reserves £m	Retained earnings/ (losses) £m	Total parent equity £m	Non-controlling interests £m	Total equity £m
Balance at 30 September 2020	5.8	472.7	1.2	206.9	3.1	(559.6)	130.1	71.9	202.0
Covid waiver extension amendment	-	-	-	-	-	0.2	0.2	-	0.2
Loss for the year	-	-	-	-	-	(357.3)	(357.3)	(5.0)	(362.3)
Other comprehensive income/ (expense) for the year	-	-	-	-	4.6	2.4	7.0	(3.8)	3.2
Capital contributions from non-controlling interests (note 24)	-	-	-	-	-	-	-	10.3	10.3
Dividends paid to non-controlling interests (note 24)	-	-	-	-	-	-	-	(4.6)	(4.6)
Acquisition of shares in partly owned subsidiary from non-controlling interest (note 24)	-	-	-	-	-	-	-	(0.4)	(0.4)
Transaction with non-controlling interest	-	-	-	-	-	(0.4)	(0.4)	0.4	-
Subsidiary disposal	-	-	-	-	-	-	-	3.8	3.8
Rights Issue (note 24)	2.8	-	-	454.1	-	-	456.9	-	456.9
Reclassification to retained losses (note 24)	-	-	-	(661.0)	-	661.0	-	-	-
Share-based payments	-	-	-	-	-	1.8	1.8	-	1.8
Tax on share-based payments	-	-	-	-	-	(0.2)	(0.2)	-	(0.2)
Other movements	-	-	-	-	-	2.2	2.2	(2.2)	-
At 30 September 2021	8.6	472.7	1.2	-	7.7	(249.9)	240.3	70.4	310.7
(Loss)/profit for the year	-	-	-	-	-	(10.2)	(10.2)	20.1	9.9
Other comprehensive income/ (expense) for the year	-	-	-	-	(16.7)	7.3	(9.4)	10.9	1.5
Capital contributions from non-controlling interests (note 24)	-	-	-	-	-	-	-	3.4	3.4
Dividends paid to non-controlling interests (note 24)	-	-	-	-	-	-	-	(18.8)	(18.8)
Share-based payments	-	-	-	-	-	4.0	4.0	-	4.0
Tax on share-based payments	-	-	-	-	-	0.1	0.1	-	0.1
Other movements	-	-	-	-	-	0.2	0.2	-	0.2
At 30 September 2022	8.6	472.7	1.2	-	(9.0)	(248.5)	225.0	86.0	311.0

Consolidated Cash Flow Statement

for the year ended 30 September 2022

	Notes	2022 £m	2021 £m
Cash flows from operating activities			
Cash flow from operations	26	434.5	129.4
Tax (paid)/refund		(2.3)	1.1
Net cash flows from operating activities		432.2	130.5
Cash flows from investing activities			
Dividends received from associates	14	4.3	2.0
Interest received		2.2	2.0
Purchase of property, plant and equipment	11	(146.0)	(65.7)
Purchase of other intangible assets	12	(13.6)	(8.9)
Acquisition in the year, net of cash and cash equivalents acquired		(1.4)	-
Disposal of subsidiary		-	(0.1)
Net cash flows from investing activities		(154.5)	(70.7)
Cash flows from financing activities			
Equity funding from shareholders	24	-	474.9
Equity raising expenses ¹	24	-	(16.5)
Fees paid as part of the Group's debt modifications		(1.3)	(1.3)
Receipt of bank loans	27	1.0	28.0
Repayment of borrowings	27	(4.9)	(1.6)
Loans taken from non-controlling interests	27	8.6	-
(Repayment)/Drawdown on Covid Corporate Financing Facility	27	(300.0)	175.0
Payment of lease liabilities – principal	21	(137.0)	(61.4)
Payment of lease liabilities – interest	21	(37.9)	(28.4)
Acquisition of shares in partly owned subsidiary from non-controlling interest	24	-	(0.4)
Interest paid excluding interest on lease liabilities		(42.7)	(34.9)
Dividends paid to non-controlling interests	24	(18.8)	(4.6)
Capital contributions from non-controlling interests		10.7	5.2
Net cash flows from financing activities		(522.3)	534.0
Net (decrease)/increase in cash and cash equivalents		(244.6)	593.8
Cash and cash equivalents at beginning of the year		773.6	185.0
Effect of exchange rate fluctuations on cash and cash equivalents		14.6	(5.2)
Cash and cash equivalents at end of the year		543.6	773.6

¹ The Group incurred £18.0m of costs in relation to its April 2021 Rights Issue, of which £1.5m was unpaid at 30 September 2021.

1. Accounting policies

1.1 Basis of preparation

SSP Group plc (the Company) is a company incorporated in the United Kingdom under the Companies Act 2006. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the Group) and equity-account the Group's interest in its associates. These financial statements have been prepared in accordance with UK-adopted International Accounting Standards ('IAS') and with the requirements of the Companies Act 2006 (the 'Act').

The financial statements are presented in Sterling, which is the Company's functional currency. All information is given to the nearest £0.1 million.

The financial statements are prepared on the historical cost basis, except in respect of financial instruments (including derivative instruments) and defined benefit pension schemes for which assets are measured at fair value, as explained in the accounting policies below.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.2 Going concern

These financial statements are prepared on a going concern basis.

The Board has reviewed the Group's financial forecasts as part of the preparation of its financial statements, including cash flow forecasts prepared for a period of twelve months from the date of approval of these financial statements ("the going concern period") and taking into consideration a number of different scenarios. Having carefully reviewed these forecasts, the Directors have concluded that it is appropriate to adopt the going concern basis of accounting in preparing these financial statements for the reasons set out below.

As at 30 September 2022, the Group had available liquidity of £708.2 million, including cash of £543.6 million and a committed undrawn revolving credit facility of £150.0 million, as well as smaller undrawn local facilities totalling £14.6 million.

In making the going concern assessment, the Directors have considered forecast cash flows and the liquidity available over the going concern period. In doing so they assessed a number of scenarios, including a base case scenario and a severe but plausible downside scenario.

With some uncertainty surrounding the economic and geo-political environment over the next twelve months, as well as the ongoing impact from Covid-19, a downside scenario has also been modelled, applying severe but plausible assumptions to the base case. This downside scenario reflects a very pessimistic view of the travel markets for the remainder of the current financial year, assuming sales that are around 10% lower compared to 2019 levels than in the base case scenario.

Following its Rights Issue in 2021, the Group must comply with monthly covenants specifying a minimum level of liquidity of £150 million and a maximum level of consolidated net debt on a pre-IFRS 16 basis of £800 million. The Group will next be tested on its leverage and interest cover covenants at March 2023, with a maximum leverage multiple of nine times EBITDA and a minimum interest cover multiple of one times EBITDA (both on a pre-IFRS 16 basis) at that date. The leverage covenant is then tested again at June 2023 (with a maximum multiple of five times EBITDA) and at September 2023, where the test moves to a 3.5 times maximum multiple. The interest cover covenant will also be tested again at September 2023, with a minimum four times threshold applicable. In both its base case and its severe but plausible downside case scenarios, the Group would have headroom against all of these covenant tests at all testing dates during the next twelve months.

Based on the scenarios modelled, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The Directors have therefore deemed it appropriate to prepare the financial statements for the year ended 30 September 2022 on a going concern basis.

1. Accounting policies continued

1.3 Changes in accounting policies and disclosures

During the year ended 30 September 2022, the Group adopted the Interest Rate Benchmark Reform – Phase 2 amendments to IFRS 7, IFRS 4 and IFRS 16 ('IBOR' reform). In accordance with the transition provisions, the amendments have been applied retrospectively, to hedging relationships and instruments. Comparative amounts have not been restated and there was no impact on opening reserves on adoption at 1 October 2021.

1.4 New accounting standards not yet adopted by the Group

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

Reference to the Conceptual Framework (Amendments to IFRS 3)

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

Onerous Contracts – Cost of fulfilling a Contract (Amendments to IAS 37)

Annual Improvements to IFRS Standards 2018-2020

IFRS 17 'Insurance Contracts'

Classification of liabilities as current or non-current (Amendments to IAS 1)

Disclosure of Accounting Policy (Amendments to IAS 1 and IFRS Practical Statement 2)

Definition of Accounting Estimate (Amendments to IAS 8)

Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single transaction

1.5 Basis of consolidation

The financial statements of the Group consolidate the results of the Company and its subsidiary entities, together with the Group's attributable share of the results of associates. All intercompany balances and transactions, including unrealised profits and losses arising from intragroup transactions, have been eliminated in full.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control is the power to direct the relevant activities of the subsidiary that significantly affect the subsidiary's return so as to have rights to the variable return from its activities.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Associates

An associate is an undertaking in which the Group has a long-term equity interest and over which it has the power to exercise significant influence.

Associates are accounted for using the equity method and are initially recognised at cost (including transaction costs). The Group's interest in the net assets of associates is reported as an investment on the consolidated balance sheet and its interest in their results are included in the consolidated income statement below the Group's operating profit. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the total comprehensive income and equity movements of equity-accounted investees, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the Group's investment is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee.

Investments in associates are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The impairment review compares the net carrying value with the recoverable amount, where the recoverable amount is the higher of the value in use, calculated as the present value of the Group's share of the investees' future cash flows and the fair value less costs of disposal.

1.6 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement, except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised directly in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentation currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve or non-controlling interest, as appropriate. When a foreign operation is disposed of, such that control, joint control or significant influence is lost, the entire accumulated amount in the foreign currency translation reserve, net of amounts previously attributed to non-controlling interests, is recycled to the income statement as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while still retaining significant influence or joint control, the relevant proportion of the cumulative amount is recycled to the income statement.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in other comprehensive income. Foreign currency differences arising on the retranslation of a hedge of a net investment in a foreign operation are recognised directly in equity, in the translation reserve, to the extent that the hedge is effective. When the hedged part of a net investment is disposed of, the associated cumulative amount in equity is recycled to the income statement as an adjustment to the profit or loss on disposal.

1.7 Classification of financial instruments issued by the Group

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability.

1.8 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses and doubtful debts. The allowance for doubtful debts is recognised based on an expected loss model which is a probability weighted estimate of credit losses.

The Group applies the simplified approach and records lifetime expected credit losses for trade and other receivables. The basis on which expected credit losses are measured uses historical cash collection data for periods of at least 24 months wherever possible. The historical loss rates are adjusted where macro-economic, industry specific factors or known issues to a specific debtor are expected to have a significant impact when determining future expected credit losses. Trade and other receivables are fully written off when each business unit determines there to be no reasonable expectation of recovery.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits and liquid investments, and short-term deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

1. Accounting policies continued

Other financial assets

Other financial assets comprise money market funds that are not readily convertible to cash. These are held on the balance sheet at amortised cost.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Where a modification to the terms of existing borrowings has taken place, the difference between the current carrying amount of borrowings and the modified net present value of future cash flows is taken to the income statement.

1.9 Derivative financial instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the income statement. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the cash flow hedging reserve. Any ineffective portion of the hedge is recognised immediately in the income statement.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in other comprehensive income are recycled into the income statement in the same period or periods during which the asset acquired or liability assumed affects profit or loss, i.e. when interest income or expense is recognised.

For cash flow hedges, other than those specified above, the associated cumulative gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the hedged forecast transaction affects profit or loss.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the income statement.

The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves).

1.10 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

– Freehold buildings	50 years
– Leasehold buildings	the life of the lease
– Plant and machinery	3 to 13 years
– Fixtures, fittings, tools and equipment	3 to 13 years

1.11 IFRS 16 Leases

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred and any lease payments made at or before the lease commencement date, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset in a similar economic environment with similar terms and conditions. The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate or a change in the Group's assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset. Variable lease payments are recognised as an expense in the income statement in the period they are incurred. For short-term leases and low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

1.12 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value as are the identifiable assets and liabilities acquired. The excess of the fair value of consideration transferred over the fair value of net assets acquired is accounted for as goodwill. Any goodwill that arises is tested annually for impairment.

Non-controlling interests arising from acquisition are accounted for based on the proportionate share of the fair value of identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

1.13 Acquisitions and disposals of non-controlling interests

Acquisitions and disposals of non-controlling interests that do not result in a change of control are accounted for as transactions with owners in their capacity as owners and, therefore, no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. Any difference between the price paid or received and the amount by which non-controlling interests are adjusted is recognised directly in equity and attributed to the owners of the parent company.

1.14 Goodwill and intangible assets

Goodwill

Goodwill is allocated to groups of cash-generating units (CGUs) as this is the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill is not amortised but is tested annually for impairment, or when impairment triggers have been identified, at the level at which it is allocated when accounting for business combinations. Goodwill is stated at cost less any accumulated impairment losses.

Indefinite life intangible assets

Indefinite life intangible assets relate to brands recognised on acquisition of the SSP business in 2006. Indefinite life intangible assets are treated as having an indefinite life as there is no foreseeable limit to the period over which they are expected to generate net cash inflows. In particular, they are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support provided. The nature of the food and beverage industry is such that obsolescence is not a common issue, with the Group's major brands being originally created over 20 years ago.

These assets are tested annually for impairment or when impairment triggers have been identified, at the level at which they are allocated when accounting for business combinations.

Definite life and software intangible assets

Definite life intangible assets, consisting mainly of brands and franchise agreements and software, that are acquired/purchased by the Group are stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally generated brands is recognised in the income statement as an expense is incurred.

Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets (between 3 and 15 years) unless such lives are indefinite. Other intangible assets are amortised from the date they are available for use.

1.15 Inventories

Inventories comprise goods purchased for resale and consumable stores and are stated at the lower of cost and net realisable value. Cost is calculated using the 'first in first out' method.

1.16 Impairment excluding inventories and deferred tax assets

Financial assets

A financial asset not carried at fair value through the income statement is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired (with a charge to the income statement) if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has had a negative effect on the estimated future cash flows of that asset, which can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated in each period at the same time.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (or group of units) on a pro rata basis. Any subsequent reduction in an impairment loss in respect of goodwill is not reversed.

For other assets, any subsequent reduction in an impairment loss is reversed only to the extent the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1. Accounting policies continued

1.17 Employee benefits

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting the amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. Net interest expense and other expenses related to defined plans are recognised in the income statement.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the income statement. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the employing company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under a short-term cash bonus if the employing company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of service and non-market-based vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, with a corresponding adjustment to equity reserves, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of service and non-market-based vesting conditions. The impact of changes to the original estimates, if any, is recognised in the income statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

1.18 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at an appropriate rate.

1.19 Segment information

Segment information is provided based on the geographical segments that are reviewed by the chief operating decision-maker. In accordance with the provisions of IFRS 8 'Operational segments', the Group's chief operating decision-maker is the Board of Directors. The operating segments are aggregated if they meet certain criteria. Segment results include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses, finance income, finance charges and income tax. No disclosure is made for net assets/liabilities as these are not reported by segment to the chief operating decision-maker.

1.20 Revenue

Revenue represents amounts for retail goods and catering services supplied to third-party customers (predominantly passengers) excluding discounts, value-added tax and similar sales taxes.

Sale of goods

Revenue is recognised at the point that control of the goods is passed to the customer. This is deemed to be at the point of sale of food, beverage and retail goods.

Provision of catering services

Revenue is recognised over time, as the services are provided to the customer.

1.21 Supplier income

The Group enters into agreements with suppliers to benefit from promotional activity and volume growth. Supplier incentives, rebates and discounts are recognised within cost of sales as they are earned.

1.22 Underlying items

Underlying items are those that, in management's judgement, need to be disclosed by virtue of their size, nature or incidence, in order to draw the attention of the reader and to show the underlying business performance of the Group more accurately. Such items are included within the income statement caption to which they relate, and are separately disclosed either in the notes to the consolidated financial statements or on the face of the consolidated income statement.

Non-underlying items

The Group makes reference to non-underlying items in presenting the Group's statutory profitability measures. Non-underlying items are non-recurring items of expense or income which are not incurred in the ordinary course of business (for example arising as a result of the impact of Covid-19). Examples of non-underlying items include restructuring expenses and impairment of goodwill, property, plant and equipment and right-of-use assets.

1.23 Finance income and expense

Finance income comprises interest receivable on funds invested and net foreign exchange gains that are recognised in the income statement. Finance expense comprises interest payable, finance charges on shares classified as liabilities, unwinding of the discount on lease liabilities, the unwinding of the discount on provisions and net foreign exchange losses that are recognised in the income statement. Interest income and interest expense are recognised in the income statement as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

1.24 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. No provision is made for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the temporary difference can be utilised.

1.25 Share capital

Where the Company purchases its own share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.

Where such shares are subsequently sold or reissued, any consideration received net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

1.26 Government grants

Income received in the form of government grants is accounted for under IAS 20 'Government grants' and recognised in the income statement in the period in which the associated costs for which the grants are intended to compensate are incurred. The grant income is recognised as a reduction in the corresponding expense in the income statement.

Where a government or a government guaranteed bank loan has been received with below-market interest rates, the loan is accounted for initially at fair value discounted at market rates with the difference between the cash received and the fair value at market rates being recognised as deferred income. The unwind of the discount and the deferred income are released to and netted in finance charges in the income statement, on a straight-line basis over the duration of loan.

Other than the changes discussed in 1.3, the accounting policies adopted are consistent with those of the previous year.

2. Significant accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make estimates, judgements and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. These estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

Impairment of goodwill and indefinite life intangible assets

The Group recognises goodwill and indefinite life intangible assets that have arisen through acquisitions. These assets are subject to impairment reviews to ensure that the assets are not carried above their recoverable amounts. For goodwill and indefinite life intangible assets, reviews are performed annually as well as when there is a specific trigger for impairment. There were no specific impairment triggers in the year.

The recoverable amounts of CGUs or groups of CGUs have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions consistent with the most up-to-date budgets and plans that have been formally approved by the Board. The key assumptions used for the value-in-use calculations and associated sensitivities are set out in note 12 to these financial statements.

Critical accounting judgements

Current and deferred tax

The evaluation of recoverability of deferred tax assets requires judgements to be made regarding the availability of future taxable income. Management therefore recognises deferred tax assets only where it believes it is probable that such assets will be realised, taking account of historic evidence of taxable profits, current levels of profitability and forecasts prepared for budgets and the Group's Medium Term Plan (as referred to on page 68 in the viability statement in the risk management section of the Strategic Report).

Other sources of estimation uncertainty

Current and deferred tax

The Group is required to determine the corporate tax provision in each of the many jurisdictions in which it operates. During the ordinary course of business, there are transactions and calculations for which the ultimate determination is uncertain. As a result, the Group recognises tax liabilities based on estimates of whether additional taxes will be due. The recognition of tax benefits and assessment of provisions against tax benefits requires management judgement. In particular, the Group is routinely subject to tax audits in many jurisdictions, which by their nature are often complex and can take several years to resolve. Provisions are based on management's interpretation of country-specific tax law and the likelihood of settlement, and have been calculated using the single best estimate of likely outcome approach. Management takes advice from in-house tax specialists and professional tax advisors, and uses previous experience to inform its judgements. To the extent that the outcome differs from the estimates made, tax adjustments may be required in future periods.

3. Segmental reporting

SSP operates in the food and beverage travel sector, mainly at airports and railway stations.

Management monitors the performance and strategic priorities of the business from a geographic perspective, and in this regard has identified the following four key 'reportable segments': North America, Continental Europe, UK and the Rest of the World (RoW). North America includes operations in the United States, Canada and Bermuda; Continental Europe includes operations in the Nordic countries Western Europe and Southern Europe; the UK includes operations in the United Kingdom and the Republic of Ireland; and RoW includes operations in Eastern Europe, the Middle East, Asia Pacific, India and Brazil. These segments comprise countries which are at similar stages of development and demonstrate similar economic characteristics.

The Group's management assesses the performance of operating segments based on revenue and underlying operating profit. Interest income and expenditure are not allocated to segments, as they are managed by a central treasury function, which oversees the debt and liquidity position of the Group. The non-attributable segment comprises of costs associated with the Group's head office function and the depreciation of central assets. Revenue is measured in a manner consistent with that in the income statement.

	North America £m	Continental Europe £m	UK £m	RoW £m	Non-attributable £m	Total £m
2022						
Revenue	455.4	867.9	614.9	247.2	-	2,185.4
Underlying operating profit/(loss)	18.4	22.6	23.5	13.5	(46.3)	31.7
Non-underlying items (note 6)	(1.1)	59.4	4.2	1.1	(3.8)	59.8
Operating profit/(loss)	17.3	82.0	27.7	14.6	(50.1)	91.5
2021						
Revenue	194.2	360.5	190.0	89.5	-	834.2
Underlying operating loss	(48.7)	(134.3)	(52.2)	(51.1)	(37.0)	(323.3)
Non-underlying items (note 6)	(2.3)	15.3	(5.2)	17.4	(11.1)	14.1
Operating loss	(51.0)	(119.0)	(57.4)	(33.7)	(48.1)	(309.2)

Disclosure in relation to net assets and liabilities for each reportable segment is not provided as these are only reported on and reviewed by management in aggregate for the Group as a whole.

Additional information

Although the Group's operations are managed on a geographical basis, we provide additional information in relation to revenue, based on the type of travel locations as follows:

	2022 £m	2021 £m
Turnover		
Air	1,433.7	456.7
Rail	615.2	281.1
Other ¹	136.5	96.4
	2,185.4	834.2

¹ The majority of Other turnover relates to revenue from motorway units.

The following amounts are included in underlying operating profit or loss:

	North America £m	Continental Europe £m	UK £m	RoW £m	Non-attributable £m	Total £m
2022						
Depreciation and amortisation¹	(62.6)	(123.7)	(42.0)	(40.3)	(13.1)	(281.7)
2021						
Depreciation and amortisation ¹	(58.6)	(171.4)	(55.8)	(50.9)	(9.7)	(346.4)

¹ Excludes amortisation of acquisition-related intangible assets and accelerated depreciation as detailed in note 6.

3. Segmental reporting continued

A reconciliation of underlying operating profit/(loss) to loss before and after tax is provided as follows:

	2022 £m	2021 £m
Underlying operating profit/(loss)	31.7	(323.3)
Non-underlying operating profit (note 6)	59.8	14.1
Share of profit from associates	6.6	2.3
Finance income	4.9	2.6
Finance expense	(86.4)	(74.7)
Non-underlying finance income/(expense) (note 6)	8.6	(32.2)
Profit/(loss) before tax	25.2	(411.2)
Taxation	(15.3)	48.9
Profit/(loss) after tax	9.9	(362.3)

The Group's customer base primarily represents individuals or groups of individuals travelling through airports and railway stations. It does not rely on a single major customer; therefore, additional segmental information by customer is not provided.

4. Earnings per share

Basic earnings per share is calculated by dividing the result for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the result for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year adjusted by potentially dilutive outstanding share options.

Underlying earnings per share is calculated the same way except that the result for the year attributable to ordinary shareholders is adjusted for specific items as detailed in the below table.

	2022 £m	2021 £m
Loss attributable to ordinary shareholders	(10.2)	(357.3)
Adjustments:		
Non-underlying operating profit (note 6)	(59.8)	(14.1)
Non-underlying finance (income)/expenses (note 6)	(8.6)	32.2
Tax effect of adjustments	16.2	1.7
Less non-underlying profit attributable to non-controlling interest	1.5	13.6
Underlying loss attributable to ordinary shareholders	(60.9)	(323.9)
Basic weighted average number of shares	796,050,446	696,983,219
Dilutive potential ordinary shares	-	-
Diluted weighted average number of shares	796,050,446	696,983,219
Earnings per share (pence):		
- Basic	(1.3)	(51.3)
- Diluted	(1.3)	(51.3)
Underlying earnings per share (pence):		
- Basic	(7.7)	(46.5)
- Diluted	(7.7)	(46.5)

The number of ordinary shares in issue as at 30 September 2022 was 796,113,196 (2021: 795,736,696) which excludes treasury shares. The Company also holds 263,499 treasury shares (2021: 263,499).

Potential ordinary shares can only be treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share. As the Group has recognised a loss for the period, none of the potential ordinary shares are considered to be dilutive.

5. Operating costs

	2022 £m	2021 £m
<i>Cost of food and materials:</i>		
Cost of inventories consumed in the period	(610.2)	(234.8)
<i>Labour cost:</i>		
Employee remuneration	(686.7)	(352.2)
<i>Overheads:</i>		
Depreciation of property, plant and equipment ¹	(97.9)	(90.9)
Depreciation of right-of-use assets	(170.0)	(245.7)
Amortisation of intangible assets	(13.8)	(9.8)
Non-underlying operating profit	59.8	14.1
Derecognition of leases under IFRS 16	16.6	11.9
Rentals payable under leases	(299.3)	(96.4)
Other overheads	(292.4)	(139.6)
	(2,093.9)	(1,143.4)

¹ Capped to the life of the related unit lease where relevant.

The Group's rentals payable consist of fixed and variable elements depending on the nature of the contract and the levels of revenue earned from the respective sites. £284.4m (2021: £83.4m) of the expense relates to variable elements, and the remaining £14.9m (2021: £13.0m) is rent from short-term leases. These payments are not capitalised under IFRS 16.

Employee remuneration is shown net of government grants received in the year of £8.7m (2021: £71.0m). These grants relate to support packages made available by several national governments in response to the Covid-19 pandemic primarily in Canada, Ireland and Germany. Other forms of government support for operating expenditure totalled £13.7m (2021: £46.0m). This is primarily attributable to state aid schemes to support uncovered fixed costs in Germany and Switzerland (£3.3m) and France (£6.2m), business rates relief in the UK (£1.7m), and rent relief in Norway (£1.2m).

Non-underlying items within operating costs are detailed in note 6.

Auditor's remuneration:

	2022 £m	2021 £m
Audit of these financial statements	0.6	0.6
Audit of financial statements of subsidiaries pursuant to legislation	1.6	1.5
Audit related services	0.1	0.2
Other assurance services	0.1	0.8
	2.4	3.1

Amounts paid to the Company's auditor and its associates in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required to be disclosed on a consolidated basis.

6. Non-underlying items

	Total non-underlying items 2022 £m	2021 £m
Operating costs		
Impairment of goodwill	-	(26.4)
Impairment of property, plant and equipment	(12.1)	(11.9)
Impairment of right-of-use assets	(6.1)	(12.5)
Depreciation	-	-
IFRS 16 rent credit	23.0	92.0
Restructuring and site exits	(2.9)	(21.3)
Debt amendment expenditure	(1.3)	(5.4)
Other legal costs	(2.3)	(0.8)
Derecognition of lease under IFRS 16	61.5	2.3
Amortisation of intangible assets arising on acquisition	-	(1.9)
	59.8	14.1
Finance expenses		
Effective interest rate and net gains/(losses) on debt modifications	8.6	(31.0)
Retrospective interest charge on US Private Placement notes as part of the December modification	-	(1.2)
	8.6	(32.2)
Taxation		
Tax charge on non-underlying items	(16.2)	(1.7)
Total non-underlying items	52.2	(19.8)

Impairment of goodwill

Goodwill is not amortised but is tested annually for impairment, by calculating the value-in-use of groups of cash-generating units to determine the recoverable amount. In the prior year, goodwill impairments of £26.4m were identified, comprising write downs in Rail Gourmet, Switzerland and Germany. Further information is provided in note 12.

Impairment of property, plant and equipment and right-of-use assets

The continuing impact of Covid-19 and national restrictions imposed in response to the pandemic are considered an impairment trigger. The recoverable amounts of all CGUs have been calculated and reviewed against the carrying value of assets held, resulting in impairments of £12.1m (2021: £11.9m) for property, plant and equipment and net £6.1m (2021: £12.5m) for right-of-use assets. Further detail is provided in note 11.

IFRS 16 rent credit

During the year, the Group successfully negotiated several rent waivers with clients, totalling £23.0m (2021: £92.0m), as part of its response to the Covid-19 pandemic. The Group applies the practical expedient issued as a part of the Amendment to IFRS 16 (which was extended up until 30 June 2022) to record these in the income statement in the period they are received, rather than as lease modifications.

Restructuring and site exits

The Group has recognised a charge of £2.9m (2021: £21.3m) relating to its restructuring programmes during the year.

Debt amendment expenditure

As part of the Group's debt refinancing, £1.3m of lender and professional fees were incurred during the year (2021: £5.4m).

Derecognition of lease under IFRS 16

The Group has recognised a gain of £61.5m (2021: £2.3m) relating to previously impaired right-of-use asset values on the derecognition of the leases.

Amortisation of intangible assets

Underlying operating profit excludes non-cash accounting adjustments relating to the amortisation of intangible assets arising on acquisition of the SSP business in 2006.

Interest expense from amendment and extension of borrowings

As part of the Group's debt refinancing, non-substantial modifications to the bank facility debt and US Private Placement notes occurred. As a result of the modifications, one-off charges of £3.1m were recognised in the income statement (2021: £43.9m loss). The overall credit of £8.6m comprises the £3.1m debt modification charge offset by the unwind of similar adjustments from prior years (£13.7m) and non-underlying foreign exchange losses of £2.0m.

As part of the December 2021 modification to the US Private Placement notes, a one-off additional retrospective interest charge of £1.2m was incurred.

Further details are provided in note 19.

7. Staff numbers and costs

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	2022 Number of employees	2021 Number of employees
Operations	26,704	19,459
Sales and marketing	124	121
Administration	2,220	1,511
	29,048	21,091

The increase in the average number of employees year-on-year reflects the impact of redundancies in the prior year arising out of the Group's restructuring programme to reduce its cost base in response to reduced trading levels resulting from Covid-19 restrictions, and the rebuilding of the workforce in the current year as units have been re-opened.

The aggregate payroll costs of the Group were as follows:

	2022 £m	2021 £m
Wages and salaries	(591.4)	(296.3)
Social security costs	(78.2)	(45.6)
Other pension costs	(12.6)	(8.5)
Share-based payments (note 25)	(4.5)	(1.8)
	(686.7)	(352.2)

8. Finance income and expense

	2022 £m	2021 £m
Finance income:		
Interest income	3.9	2.3
Other net foreign exchange gains	-	0.3
Other	1.0	-
Total finance income	4.9	2.6
Finance expense:		
Total interest expense on financial liabilities measured at amortised cost ¹	(45.4)	(39.3)
Lease interest expense	(37.9)	(28.4)
Debt modification loss	(3.1)	(43.9)
Effective interest rate adjustments	13.7	14.8
Changes to estimated future cash flows on US Private Placement notes	-	(1.9)
Net change in fair value of cash flow hedges utilised in the year	(1.4)	(2.6)
Unwind of discount on provisions	(0.3)	(0.8)
Net interest expense on defined benefit pension obligations	(0.1)	(0.2)
Other net foreign exchange losses	(3.3)	-
Other	-	(4.6)
Total finance expense	(77.8)	(106.9)

1 Total interest expense on financial liabilities measured at amortised cost includes a one-off retrospective interest charge on the US Private Placement notes of £1.2m, which has been included in non-underlying items.

Non-underlying items within finance income and expense are detailed in note 6.

9. Taxation

	2022 £m	2021 £m
Current tax (expense)/credit:		
Current year	(13.1)	(3.4)
Adjustments for prior years	1.5	5.0
	(11.6)	1.6
Deferred tax (expense)/credit:		
Origination and reversal of temporary differences	(5.8)	37.9
Recognition of deferred tax assets not previously recognised	2.7	-
Changes in tax rates	-	13.0
Adjustments for prior years	(0.6)	(3.6)
	(3.7)	47.3
Total tax (expense)/credit	(15.3)	48.9
Effective tax rate	60.7%	11.9%

Reconciliation of effective tax rate

The tax expense (2021: credit) for the year is different to the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%) applied to the profit (2021: loss) before tax for the year. The differences are explained below:

	2022 £m	2021 £m
Profit/(loss) before tax	25.2	(411.2)
Tax (expense)/credit using the UK corporation tax rate of 19.0% (2021: 19.0%)	(4.8)	78.1
Losses on which no deferred tax was recognised	(15.6)	(38.8)
Non-deductible expenses	(2.1)	(7.4)
Secondary irrecoverable taxes	(1.7)	(0.4)
Effect of change in UK tax rate	-	13.0
Non-deductible goodwill impairment	-	(5.0)
Effect of rates in foreign jurisdictions	0.2	14.7
Temporary differences on which no deferred tax was recognised	0.3	(7.8)
Adjustments for prior years	0.9	1.4
Recognition of deferred tax assets not previously recognised	2.7	-
Tax impact of share of profits of non-wholly owned subsidiaries ¹	4.8	1.1
Total tax (expense)/credit	(15.3)	48.9

¹ This relates to the fact that certain subsidiaries in the US are not wholly-owned and whose profits or losses are taxed at the level of the subsidiaries' shareholders. Therefore the Group is not subject to tax on the profits or losses attributable to its non-controlling interests.

The Group's tax rate is sensitive to the geographic mix of profits and losses and reflects a combination of higher rates in certain jurisdictions, as well as the impact of losses in some countries for which no deferred tax asset is recognised.

The change in the effective tax rates for the current and prior years compared to historic rates of around 22% is due to the continued impact of Covid-19 which has led to a significant change in the Group's geographic mix of profits and losses compared to prior years. In particular, the tax rates in the current year and prior year have been negatively impacted by higher levels of losses in countries for which no deferred tax asset has been recognised, as well as the impairment of goodwill in 2021, for which no tax deduction is available.

In the UK, legislation was passed in 2021 to increase the main rate of corporation tax from 19% to 25% with effect from 1 April 2023. While this will result in an increase to the Group's effective tax rate in future years, the Group's effective tax rate benefited in the prior year from a credit of £13.0m on remeasurement of UK deferred tax assets.

Factors that may affect future tax charges

The Group expects the tax rate in the future to continue to be affected by the geographical mix of profits and the different tax rates that will apply to those profits, as well as the Group's ability to recognise deferred tax assets on losses in certain jurisdictions.

10. Dividends

No dividend for the 2022 financial year is proposed (2021: no dividend proposed) and no interim dividend was paid (2021: no dividend paid).

11. Property, plant and equipment

	Land, buildings and leasehold improvements £m	Equipment, fixtures and fittings £m	Total £m
Cost			
At 1 October 2020	301.3	914.0	1,215.3
Additions	15.7	50.0	65.7
Disposals	(19.8)	(37.2)	(57.0)
Reclassifications ¹	11.3	(11.5)	(0.2)
Effects of movements in foreign exchange	(11.0)	(27.0)	(38.0)
Other movements ²	–	3.1	3.1
At 30 September 2021	297.5	891.4	1,188.9
Additions	18.0	128.0	146.0
Disposals	(4.4)	(48.9)	(53.3)
Reclassifications ¹	18.3	(18.3)	–
Effects of movements in foreign exchange	49.8	45.1	94.9
Other movements ²	–	4.0	4.0
At 30 September 2022	379.2	1,001.3	1,380.5
Depreciation			
At 1 October 2020	(183.8)	(594.3)	(778.1)
Charge for the year	(26.6)	(64.3)	(90.9)
Impairments	(4.8)	(7.1)	(11.9)
Disposals	19.8	37.2	57.0
Effects of movement in foreign exchange	6.8	16.9	23.7
At 30 September 2021	(188.6)	(611.6)	(800.2)
Charge for the year	(31.7)	(66.2)	(97.9)
Impairments	(1.3)	(10.8)	(12.1)
Disposals	4.2	47.1	51.3
Effects of movement in foreign exchange	(30.2)	(22.1)	(52.3)
At 30 September 2022	(247.6)	(663.6)	(911.2)
Net book value			
At 30 September 2022	131.6	337.7	469.3
At 30 September 2021	108.9	279.8	388.7

1 Reclassifications arise from costs capitalised as work in progress assets that are initially allocated to equipment, fixtures and fittings and subsequently on completion of the assets are reallocated to the correct classification.

2 Included in other movements is £4.0m (2021: £3.1m) in respect of increases to the restoration costs provision (see note 23).

Impairment of property, plant and equipment and right-of-use assets

The Group tests assets for impairment when an impairment trigger is identified. The assessments triggered by the impact of Covid-19 were undertaken at year end resulting in cumulative impairment charges of £12.1m (2021: £11.9m) to property, plant and equipment and net £6.1m (2021: £12.5m) to right-of-use assets. The impairment primarily relates to units which the group has made the decision to exit.

The Group has identified each operating site, such as an airport or rail station, as a cash-generating unit (CGU) for the purpose of the impairment review, on the basis that within one site the units are interdependent because the market dynamics (and thus cash inflows and outflows) in one unit could impact other units.

The recoverable amount of a CGU is determined from value-in-use calculations. The key assumptions for these calculations are discount rates and cash flow forecasts. The cash flow forecast period is based on length of the lease term of contracts held within a site. The values applied to the key assumptions in the value-in-use calculations are derived from a combination of internal and external factors, based on past experience together with management's future expectations about business performance. The pre-tax discount rates used reflect the time value of money and are based on the Group's weighted average cost of capital, adjusted for specific risks relating to the country in which the CGU operates. Inputs into the discount rate calculation include a country risk-free rate and inflation differential to the UK, country risk premium, market risk premium and company specific premium.

12. Goodwill and intangible assets

	Goodwill £m	Indefinite life intangible assets £m	Definite life intangible assets £m	Software £m	Total £m
Cost					
At 30 September 2020	658.8	58.0	69.1	101.0	886.9
Additions	-	-	-	8.9	8.9
Disposals	-	-	-	(0.4)	(0.4)
Reclassifications	-	-	-	0.2	0.2
Effects of movement in foreign exchange	(18.7)	-	(0.9)	(1.9)	(21.5)
At 30 September 2021	640.1	58.0	68.2	107.8	874.1
Additions	-	-	-	13.6	13.6
Business acquisitions	0.8	-	-	-	0.8
Disposals	-	-	-	(0.7)	(0.7)
Reclassifications	-	-	-	(0.5)	(0.5)
Effect of movements in foreign exchange	17.5	-	0.6	6.3	24.4
At 30 September 2022	658.4	58.0	68.8	126.5	911.7
Amortisation					
At 30 September 2020	(33.0)	-	(61.2)	(61.5)	(155.7)
Charge for the year	-	-	(2.5)	(9.2)	(11.7)
Impairments	(26.4)	-	-	-	(26.4)
Disposals	-	-	-	0.4	0.4
Effect of movements in foreign exchange	1.8	-	0.4	1.2	3.4
At 30 September 2021	(57.6)	-	(63.3)	(69.1)	(190.0)
Charge for the year	-	-	(1.0)	(12.8)	(13.8)
Disposals	-	-	-	0.4	0.4
Effect of movements in foreign exchange	(2.8)	-	(0.3)	(3.5)	(6.6)
At 30 September 2022	(60.4)	-	(64.6)	(85.0)	(210.0)
Net book value					
At 30 September 2022	598.0	58.0	4.2	41.5	701.7
At 30 September 2021	582.5	58.0	4.9	38.7	684.1

Indefinite life intangibles comprise SSP's brands, which are protected by trademarks and for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of these brands and the level of marketing support provided. The nature of the food and beverage industry is that obsolescence is not a common issue, with our major brands being originally created over 20 years ago. Although performance has been impacted by Covid-19, this is a short-term impact and the Group anticipates all brands will return to previous trading levels in the near future.

12. Goodwill and intangible assets continued

Goodwill and indefinite life intangible assets are allocated to groups of cash-generating units (CGUs). Details of goodwill and indefinite life intangible assets allocated to groups of CGUs are provided in the table below:

	Goodwill		Indefinite life intangible assets	
	2022 £m	2021 £m	2022 £m	2021 £m
UK & Ireland	104.1	104.1	55.5	55.5
Rail Gourmet	25.6	25.6	-	-
North America	17.3	14.4	-	-
France	62.7	61.4	2.5	2.5
Belgium	8.8	7.9	-	-
Spain	46.7	45.7	-	-
Germany	32.6	31.9	-	-
Switzerland	27.3	23.9	-	-
Finland	21.5	21.0	-	-
Norway	74.9	77.3	-	-
Sweden	47.8	50.2	-	-
Denmark	24.6	24.1	-	-
Greece	4.8	4.7	-	-
Egypt	13.8	14.3	-	-
Hungary	0.9	1.1	-	-
Australia	10.6	9.8	-	-
Hong Kong	31.5	26.3	-	-
China	0.7	0.6	-	-
Thailand	11.6	10.8	-	-
India	30.2	27.4	-	-
	598.0	582.5	58.0	58.0

The Group tests annually for impairment, or more frequently if there are indicators that goodwill might be impaired. No impairments to goodwill or indefinite life useful assets were recognised in 2022. In 2021 impairment charges of £26.4m were booked in relation to Rail Gourmet, Germany and Switzerland.

The recoverable amounts of a group of CGUs (i.e. a country) have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions consistent with the most up-to-date budgets and plans that have been formally approved by the Board.

The key assumptions for these calculations are shown below:

	2022		2021	
	Terminal growth rate	Discount rate	Terminal growth rate	Discount rate
North America	2.0%	12.5%	2.0%	11.3%
Continental Europe	2.0%-3.0%	9.8%-16.1%	2.0-3.0%	8.6-11.9%
UK & Ireland	2.0%	12.6%	2.0%	10.4%
Rest of the World	2.0%-6.0%	9.1%-20.1%	2.0-6.0%	9.4-21.1%

The values applied to the key assumptions in the value-in-use calculations are derived from a combination of internal and external factors, based on past experience together with management's future expectations about business performance. The discount rates reflect the time value of money and are based on the Group's weighted average cost of capital, adjusted for specific risks relating to the country which represents a group of CGUs. Inputs into the discount rate calculation include a country risk-free rate and inflation differential to the UK, country risk premium, market risk premium and company specific premium.

Sensitivity analysis

Whilst management believe the assumptions are realistic, it is possible that additional impairments would be identified if any of the above sensitivities were changed significantly. A sensitivity analysis has been performed on each of these key assumptions with the other variables held constant. An increase in the discount rate by 3% would result in additional impairments of £11.0m, a reduction in the growth rate by 2% would result in additional impairments of £3.0m, and a reduction in EBITDA on a pre-IFRS 16 basis of 10% in each forecast year would result in additional impairments of £1.8m.

13. Right-of-use assets

	Concessions contracts £m	Land, buildings and leasehold improvements £m	Equipment, fixtures and fittings £m	Total £m
At 1 October 2020	1,239.2	30.8	1.2	1,271.2
Additions	112.9	0.2	-	113.1
Depreciation charge in the period	(239.6)	(5.5)	(0.6)	(245.7)
Remeasurement adjustments	(79.8)	1.7	-	(78.1)
Impairments	(12.3)	(0.2)	-	(12.5)
Currency translation	(48.2)	(1.0)	-	(49.2)
Covid-19 waiver extension amendment	4.1	-	-	4.1
At 30 September 2021	976.3	26.0	0.6	1,002.9
Additions	110.4	7.1	-	117.5
Depreciation charge in the period	(163.3)	(6.3)	(0.4)	(170.0)
Remeasurement adjustments	(254.2)	(2.3)	-	(256.5)
Impairments	(6.1)	-	-	(6.1)
Currency translation	46.3	2.2	-	48.5
At 30 September 2022	709.4	26.7	0.2	736.3

Impairment of right-of-use assets and sensitivity analysis

Details of the impairment methodology and sensitivity analysis for right-of-use assets are provided in note 11.

14. Investments in associates

The Group uses the equity accounting method to account for its associates, the carrying value of which was £17.0m as at 30 September 2022 (2021: £12.0m). The following table summarises the movement in investments in associates during the year:

	2022 £m	2021 £m
At 1 October	12.0	12.2
Share of profits for the year	6.6	2.3
Dividends received	(4.3)	(2.0)
Currency adjustment	2.2	(0.5)
Other ¹	0.5	-
At 30 September	17.0	12.0

¹ The carrying amount of Cyprus Airports (F&B) Limited (49.98%) as at 30 September 2022 is £0 (2021: £0) due to unrecognised share of accumulated losses of the associate. In 2022, Cyprus Airports (F&B) Limited generated profits exceeding the accumulated losses brought forward and the Group recognised its share in the amount of £1.2m. Cyprus Airports (F&B) Limited also paid out dividends in the amount of £1.7m, and as a result the associate's value as 30 September 2022 remains negative.

The financial information of the Group's associates included in their own financial statements required by IFRS 12 'Disclosure of Interest in Other Entities' has not been presented as all the Group's associates are immaterial individually. Details of the Group's interests in associates are shown in note 43.

15. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2022 £m	2021 £m	2022 £m	2021 £m
Intangible assets	0.7	1.7	(9.4)	(9.0)
Property, plant and equipment	11.3	12.7	-	(0.9)
Provisions	2.7	1.9	-	-
Tax losses carried forward	65.3	56.5	-	-
Pensions	0.2	1.0	-	-
ROU assets and lease liabilities	8.6	18.1	-	-
Other	3.4	4.5	(0.7)	(2.8)
Deferred tax assets/(liabilities)	92.2	96.4	(10.1)	(12.7)
Set-off	(3.2)	(3.2)	3.2	3.2
Deferred tax assets/(liabilities)	89.0	93.2	(6.9)	(9.5)

Deferred tax assets are reviewed at each reporting date, taking into account the future expected profit profile and business model of each relevant company or country, evidence of historic taxable profits and any potential legislative restrictions on use. In considering their recoverability, the Group assesses the likelihood of their being recovered within a reasonably foreseeable timeframe, being typically a minimum of five years, and using the Group's Medium-Term Plan, consistent with the basis used for the viability assessment and for impairment testing.

Movement in net deferred tax during the year:

	30 September 2021 £m	Recognised in income statement £m	Recognised in reserves £m	Currency adjustment £m	30 September 2022 £m
Intangible assets	(7.3)	(1.4)	-	-	(8.7)
Property, plant and equipment	11.8	(0.3)	-	(0.2)	11.3
Provisions	1.9	(0.1)	0.9	-	2.7
Tax losses carried forward	56.5	5.8	2.8	0.2	65.3
Pensions	1.0	0.5	(1.2)	(0.1)	0.2
ROU assets and lease liabilities	18.1	(9.5)	-	-	8.6
Other	1.7	1.3	-	(0.3)	2.7
	83.7	(3.7)	2.5	(0.4)	82.1

Unrecognised deferred tax assets and liabilities

Unrecognised deferred tax assets and liabilities in these financial statements are attributable to the following:

	Gross value of temporary differences		Assets		Liabilities	
	2022 £m	2021 £m	2022 £m	2021 £m	2022 £m	2021 £m
Property, plant and equipment	7.5	4.6	1.5	0.9	-	-
Tax losses	726.8	624.7	177.5	145.3	-	-
Provisions and other temporary differences	98.0	85.2	29.2	25.5	-	-
	832.3	714.5	208.2	171.7	-	-

The above deferred tax assets have not been recognised either because of uncertainty over the future profitability of the relevant companies within the Group to which the deferred tax assets relate, or because the deferred tax assets relate to tax losses which are subject to restrictions on use or forfeiture due, for example, to time restrictions or change in ownership rules. Of the total unprovided deferred tax on tax losses, £12.1m of this (2021: £9.0m) will expire at various dates between 2023 and 2027.

The largest proportion of the unrecognised deferred tax assets relate to carried forward losses in overseas territories, principally the US, France and Germany, where there is a history of losses for tax purposes and where the use of those losses is not considered probable in the near future.

There are unremitted earnings in overseas subsidiaries of £37.0m (2021: £25.0m) which would be subject to additional tax of £6.6m (2021: £4.6m) if the Group chooses to remit those profits back to the UK. No deferred tax liability has been provided on these earnings because the Group is in a position to control the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

16. Inventories

	2022 £m	2021 £m
Food and beverages	30.5	20.1
Other	6.5	3.6
	37.0	23.7

17. Trade and other receivables

	2022 £m	2021 £m
Trade receivables	32.2	27.2
Other receivables ¹	154.5	128.2
Prepayments	11.9	30.4
Accrued income	28.9	2.3
	227.5	188.1
Of which:		
Non-current (other receivables)	85.5	69.7
Current	142.0	118.4

¹ Other receivables include long-term security deposits of £45.9m (2021: £35.9m) relating to some of the Group's concession agreements, sales tax receivable of £11.9m (2021: £13.4m), purchasing income of £18.9m (2021: £7.8m) and £28.5m (2021: £29.9m) due from non-controlling interest equity shareholders in certain of the Group's US subsidiaries which relate to capital contributions owed in return for their equity stakes. These contributions are used towards unit fixed asset buildouts and are received in accordance with the cash requirements of the subsidiary. Capital contributions owed by the Group company which is the immediate parent of these subsidiaries are eliminated on consolidation.

The value of contract assets was not material at the reporting date.

18. Cash and cash equivalents

	2022 £m	2021 £m
Cash at bank and in hand	401.9	735.4
Cash equivalents	141.7	38.2
	543.6	773.6

19. Short-term and long-term borrowings

	2022 £m	2021 £m
Current liabilities		
Bank loans	(46.2)	(6.5)
US Private Placement notes	(22.6)	-
Covid Corporate Financing Facility (CCFF)	-	(297.7)
	(68.8)	(304.2)
Non-current liabilities		
Bank loans	(409.0)	(434.6)
US Private Placement notes	(362.1)	(342.4)
	(771.1)	(777.0)

Bank loans held through the Group's UK subsidiary SSP Financing Limited

As at 30 September 2022, the Group had Facility A borrowings of £111.5m and Facility B borrowings of £268.7m. Both Facility A and Facility B debt mature on 15 January 2025 and accrue cash-pay interest at the relevant benchmark rate plus a margin, which was 3.5% per annum as at 30 September 2022.

As at 30 September 2022, the Group's revolving credit facility remained undrawn. This £150m committed facility expires on 15 January 2025. When drawn, this facility accrues cash-pay interest at the relevant benchmark rate plus a margin which was 3.0% per annum as at 30 September 2022. A commitment and utilisation fee also applies to this facility.

The Group did not hold any interest rate swaps as at 30 September 2022 (see note 28 for details of the Group's interest rate profile). Under its financing agreements, the Group must comply with two key financial covenants on an ongoing basis: Net Debt Cover, being the ratio of Net Debt to EBITDA; and Interest Cover, being the ratio of EBITDA on a pre-IFRS 16 basis to Interest Expense. These covenants are normally tested biannually, however were waived again for the year ended 30 September 2022 and replaced with monthly Minimum Liquidity and Consolidated Maximum Net Debt covenants.

Bank loans are shown net of unamortised arrangement fees totalling £2.5m as at 30 September 2022 (2021: £2.5m).

2022 debt modifications

On 5 August 2022, a non-substantial modification to the Senior Facilities occurred whereby the debt maturity was extended by a further 12 months to 15 January 2025. There was no change to the margins, which remained at 3.5% per annum for the Term Loans and 3.0% per annum for the Revolving Credit Facility, but the previously agreed conditional amortisation payments were modified with the amount repayable increased from 5.85% to 11.7% of Facility A should certain criteria be met by 31 December 2022. In addition, a new unconditional repayment of 11.7% was required to be made 30 June 2023, but only if the conditional 31 December 2022 payment had not been made. Finally, the further conditional payment due by 31 December 2023 was increased from 5.85% to 11.7% and made unconditional. Together these amended amortisation payments match the value of two annual amortisation payments originally due in July 2020 and July 2021 which had previously been waived.

For non-substantial debt modifications under IFRS 9, the difference between the modified future cash flows, discounted at the original effective interest rate applied, and the current carrying value of the debt is recognised as a gain or loss in the income statement with the other side applied to the reduction being unwound through the effective interest rate.

As a result of the August 2022 modification, a one-off charge of £3.1m was recognised in the income statement.

Bank loans – held through subsidiaries in France, Spain and India

A number of the Group's subsidiaries, in France, Spain and India have local facilities. These are summarised as follows:

France

As at 30 September 2022, a number of subsidiaries in France had total borrowings of EUR 51.9m (£45.6m) (2021: EUR 55.0m or £47.3m). This debt is subject to monthly amortisation payments with £19.2m due for final repayment in March 2026 and accruing cash-pay interest at 2.14% per annum; and £26.3m due for final repayment in December 2027 and accruing cash-pay interest at 0.01% per annum.

In 2021 the majority of the borrowings were guaranteed by the French government, which allowed the subsidiary concerned to obtain a below-market interest rate, and was accounted for as a government grant under IAS 20 – Accounting for Government Grants and Disclosures. The loan was recognised initially at fair value, discounted at market rates with the difference between the cash received and the fair value at market rates being recognised in deferred income. The discount is unwound and the deferred income is released and netted together in finance charges in the income statement over the duration of the loan. In FY2022, amendments were signed on all the borrowings, which were no longer carrying a below-market rate, and as such the government grant accounting was reversed. The net impact to the income statement was Enil during the year ended 30 September 2022 (2021: Enil). The carrying amount of the borrowings was £45.6m (2021: £44.2m).

Spain

Select Service Partner S.A.U. had borrowings of £6.3m (EUR 7.1m) as at 30 September 2022 (2021: EUR 9.0m). This debt is subject to monthly amortisation payments with final maturity in May 2024 and accrues cash-pay interest at the relevant benchmark rate plus a margin of 1.6% per annum. Select Service Partner S.A.U. also had access to a EUR 10.0m revolving credit facility, which was undrawn at 30 September 2022 and expired shortly after in October 2022.

Other borrowings

As at 30 September 2022, the Group subsidiaries concerned had borrowings of £4.0m in India, but loans previously held by Switzerland and Greece had been repaid full or cancelled.

US Private Placement (USPP) notes

As at 30 September 2022, the Group had US Private Placement ("USPP") notes totalling £379.4m. USPP notes are shown net of unamortised arrangement fees, totalling £2.4m as at 30 September 2022 (2021: £2.4m).

On 15 December 2020 and 12 March 2021, as part of the debt refinancing, testing waivers were granted on the USPP notes which remained in force as at 30 September 2022. In addition to the coupon detailed below, an additional variable fee and credit rating fee continue to be applicable. The variable fee was 1% as at 30 September 2022 (1% as at 30 September 2021) which was non-cash pay until 31 March 2022 and cash pay thereafter; and the credit rating fee was 1.5% as at 30 September 2022 (2.0% as at 30 September 2021) of which 1.0% was non-cash pay until 31 March 2022, with the balance cash pay, and it became cash pay in its entirety from 1 April 2022.

The following notes were drawn as at 30 September 2022:

Drawn	Currency	Amount in currency	Coupon	Maturity
Oct 2018	USD	40,000,000	4.35%	Oct 2025
Oct 2018	GBP	21,000,000	2.85%	Oct 2025
Jul 2019	USD	66,500,000	4.06%	Jul 2026
Oct 2018	USD	40,000,000	4.50%	Oct 2028
Oct 2018	GBP	21,000,000	3.06%	Oct 2028
Oct 2018	USD	40,000,000	4.60%	Oct 2030
Jul 2019	EUR	58,500,000	2.11%	Jul 2031
Dec 2019	USD	66,500,000	4.25%	Dec 2027
Dec 2019	USD	66,500,000	4.35%	Dec 2029

Covid Corporate Financing Facility (CCFF)

As at 30 September 2022, the Group had no Commercial Paper issuances through the CCFF, having repaid £175.0m on 1 February 2022 and £125.0m on 2 February 2022 as a result of the closure of the scheme.

20. Trade and other payables

	2022 £m	2021 £m
Trade payables	(93.0)	(84.8)
Other payables*	(185.6)	(155.2)
Other taxation and social security	(30.8)	(31.2)
Accruals	(407.8)	(249.8)
Deferred income	(3.5)	(5.3)
	(720.7)	(526.3)

* Including non-current payables amounting to £1.3m (2021: £7.2m).

Other payables include capital creditors of £12.8m (2021: £34.9m), accrued holiday pay of £24.5m (2021: £16.4m), employee related costs of £89.4m (2021: £60.0m) and sales tax of £21.8m (2021: £11.9m).

The value of contract liabilities was not material at the reporting date.

21. Lease liabilities

	2022 £m	2021 £m
Beginning of the period	(1,172.8)	(1,349.3)
Additions	(117.5)	(113.2)
Interest charge in the period	(37.4)	(28.4)
Payment of lease liabilities	174.9	89.8
Remeasurement adjustments	353.4	180.4
Currency translation	(55.2)	51.8
Change in accounting policy	-	(3.9)
At 30 September	(854.6)	(1,172.8)
Of which are:		
Current lease liabilities	(216.5)	(299.9)
Non-current lease liabilities	(638.1)	(872.9)
At 30 September	(854.6)	(1,172.8)

Covid-19 practical expedient

The Group has applied "Covid-19 Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16" issued on 31 March 2021 which was extended up until 30 June 2022. This practical expedient allows the impact on lease liabilities of temporary rent reductions/waivers affecting rent payments due on or before June 2022, to be recognised in the income statement in the period they are received, rather than as lease modifications, which would require the remeasurement of the lease liability using a revised discount rate with a corresponding adjustment to the right-of-use asset.

The Group has applied this practical expedient to all Covid-19 rent reductions/waivers that meet the requirements of the amendment. This has resulted in an exceptional item in the form of a credit in the income statement of £23.0m for the year ended 30 September 2022 (2021: £92.0m). This is also reflected in the remeasurement adjustment line in the movement of the lease liability above.

There have been no deferred fixed rent payments in the current year (2021: £2.3m).

Other information relating to leases

Note 28 presents a maturity analysis of the undiscounted payments due over the remaining lease term for these liabilities.

The total cash outflow for leases in the year was £463.9m (2021: £195.0m), with £174.9m (2021: £89.8m) being the payment of lease liabilities. The remaining rent payments are not capitalised under IFRS 16, with £14.9m (2021: £13.0m) relating to short-term leases and £284.4m (2021: £92.2m) to variable leases. There was an immaterial cash outflow for low-value leases.

The Group received an immaterial amount of income from subleasing right-of-use assets during the year.

As at 30 September 2022, the Group had £nil (2021: £4.6m) of leases which had been committed to but which had not yet started. Such leases are not included in the Group's lease liabilities as at 30 September 2022.

The following table summarises the impact that a reasonable possible change in incremental borrowing rate ("IBR") would have had on the lease liability additions and modifications recognised during the year:

	Increase/(decrease) in lease liability recognised £m
Increase in IBR of 1%	(1.4)
Decrease in IBR of 1%	1.2

22. Post-employment benefit obligations

Group

The Group operates a number of post-employment benefit schemes including both defined contribution and defined benefit schemes. In respect of the defined contribution schemes, amounts paid during the year were £11.9m (2021: £7.5m) across the Group. There are no contributions outstanding at the balance sheet date. The principal defined contribution scheme is called the 'SSP Group Pension Scheme'.

The Group operates a combination of funded and unfunded defined benefit schemes across Europe, the respective net plan liabilities of which are presented below:

	2022 £m	2021 £m
Funded schemes (see (a) below)	(1.0)	(3.7)
Unfunded schemes (see (b) below)	(9.8)	(11.2)
	(10.8)	(14.9)

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk. The plans are administered by pension funds that are legally separate from the Group and are required to act in the best interests of the plan participants. The Group expects to pay £1.1m in contributions to its defined benefit plans in 2023. As at 30 September 2021, the weighted average duration of the defined benefit obligation was 15.3 years (2021: 15.1 years).

Information disclosed below is aggregated by funded and unfunded schemes.

(a) Funded schemes

The Group operates funded schemes in the UK and Norway. In the UK, the Group participates in the Railways Pension Scheme (RPS) via the Rail Gourmet UK Limited Shared Cost Section (RG section), which is a final salary scheme and provides benefits linked to salary at retirement or earlier date of leaving service. The RG section covers permanent managerial, administrative and operational staff of Rail Gourmet UK Limited and is closed to new entrants.

The RG scheme was subject to its last full actuarial valuation by a qualified actuary as at 31 December 2019. These results have been used by a qualified independent actuary in the valuation of the scheme as at 30 September 2021 for the purposes of IAS 19 'Employee Benefits'.

From 1 July 2021, as agreed with the Trustees as part of the 2019 Valuation, the employing company contributions decreased to 20.40% (with members paying 13.60%). In 2021, it was agreed with the Trustees of the RPS that, from 1 December 2021 until 1 May 2022, the employing company contributions would be 23.8% of pensionable pay (with members paying 10.80%). From 1 May 2022, the employing company contributions were set at 22.10% of pensionable pay (with members paying 12.2%).

The most recent funding triennial valuation of the RG scheme, as at 31 December 2019, showed a funding level of 108.9%. Accordingly, the contributions that are being paid by the employing company are in respect of future service of current members. The annual update as at 31 December 2021 showed a funding level of 114%.

The next full valuations of all sections of the Railways Pension Scheme will take place as at 31 December 2022. In preparation for this, the Scheme Actuary is consulting with Employers on the methodology and assumptions that will be used for the valuations as required under the Rules and statutory scheme funding legislation.

Major assumptions used in the valuation of the funded schemes on a weighted average basis are set out below:

	2022	2021
Discount rate applied to scheme liabilities	5.0%	1.8%
Rate of increase in salaries	3.6%	3.1%
Rate of increase in pensions in payment	2.2%	1.8%
Inflation assumption ¹	3.3%	2.7%

¹ The RG scheme uses Retail Price Index (RPI) as a basis for inflation. In 2020, the UK Government announced that RPI will be aligned with the Consumer Price Index with Housing costs (CPIH) by 2030. The impact on defined benefit obligation liabilities of using CPIH is immaterial as at 30 September 2022.

At the balance sheet date, scheme members were assumed to have the following life expectancies at age 65:

	2022	2021
Male pensioner now aged 65	20.9	21.0
Female pensioner now aged 65	23.0	23.3
Male pensioner now aged 45	23.5	23.5
Female pensioner now aged 45	26.8	26.8

Sensitivity analysis

Changes at the reporting date to one of the relevant actuarial assumptions by 1.0%, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

As at 30 September 2022	Defined benefit obligation	
	Increase £m	Decrease £m
Discount rate applied to scheme liabilities	3.4	(4.1)
Rate of increase in salaries	(1.1)	1.0
Rate of increase in pensions in payment	(0.6)	0.6
Inflation assumption	(1.1)	1.5
Mortality rates (change of 1 year)	(0.7)	0.7

Although the analysis does not take account of the full distribution of cash flows expected under the plans, it does provide an approximation of the sensitivity.

The major categories of assets in the funded schemes and their percentage of the total scheme assets were:

	2022	2021
Equities, of which:	43.8%	33.5%
– actively traded	14.2%	37.7%
Property and infrastructure	26.0%	19.8%
Fixed interest investments	29.1%	42.9%
Cash	1.1%	3.8%
Total assets related to:		
– RG scheme	85.8%	86.9%
– Norway	14.2%	13.1%

Property investments are held at fair value, which has been determined by an independent valuer.

The fair value of the scheme assets and the present value of the scheme liabilities of the funded schemes were:

	2022 £m	2021 £m
Fair value of scheme assets	38.1	41.9
Present value of funded liabilities	(31.4)	(45.6)
Surplus	6.7	(3.7)
Withholding tax payable ¹	(2.7)	–
Net pension asset/(liability)	4.0	(3.7)

¹ The Group has recognised a pension surplus for the RG scheme on an accounting basis. This surplus is presented net of a withholding tax adjustment of £2.7m (2021: £nil) which represents the tax that would be withheld on the surplus amount.

The following amounts have been recognised in balance sheet for each scheme:

	2022 £m	2021 £m
– RG scheme		
Pension assets	30.0	36.4
Pension liabilities	(25.0)	(38.7)
Net defined benefit assets recognised in balance sheet¹	5.0	(2.3)
– Norway	14.2%	13.1%
Pension assets	5.3	5.4
Pension liabilities	(6.3)	(6.8)
Net defined benefit liabilities recognised in balance sheet	(1.0)	(1.4)
Total net defined benefit assets/(liabilities) recognised in balance sheet	4.0	(3.7)

¹ The balance is included within Other receivables as at 30 September 2022 (2021: £nil).

	2022 £m	2021 £m
Current service cost (reported in employee remuneration)	(0.3)	(0.4)
Net interest on pension scheme liabilities (reported in finance income and expense)	(0.1)	(0.1)
Total amount charged	(0.4)	(0.5)

22. Post-employment benefit obligations continued

Changes in the present value of the scheme liabilities are as follows:

	2022 £m	2021 £m
Scheme liabilities at the beginning of the period	(45.6)	(46.6)
Current service cost	(0.3)	(0.4)
Past service cost	-	-
Employee contributions	(0.0)	(0.1)
Interest on pension scheme liabilities	(0.8)	(0.6)
Remeasurements:		
– arising from changes in demographic assumptions	-	-
– arising from changes in financial assumptions	14.1	0.2
– arising from changes in experience adjustments	(0.5)	0.2
Benefits paid	1.5	1.9
Currency adjustment	0.2	(0.2)
Scheme liabilities at the end of the period	(31.4)	(45.6)

Changes in the fair value of the scheme assets are as follows:

	2022 £m	2021 £m
Scheme assets at the beginning of the period	41.9	39.8
Interest income	0.7	0.5
Employer contributions	0.5	0.4
Employee contributions	0.0	0.1
Remeasurement:		
– arising from changes in financial assumptions	(3.1)	3.3
– arising from changes in experience adjustments	(0.1)	(0.2)
Benefits paid	(1.5)	(1.9)
Curtailement	(0.1)	(0.1)
Currency adjustment	(0.2)	-
Scheme assets at the end of the period	38.1	41.9

The following amounts have been recognised directly in other comprehensive income:

	2022 £m	2021 £m
Remeasurements	7.7	3.5

(b) Unfunded schemes

The principal unfunded scheme of the Group operates in Germany. To be eligible for the general plan, employees must complete five years of service and the normal retirement age for this plan is 65. Employees in Germany are also provided with a long service (Jubilee) award, which provides a month's gross salary after the employee has worked a certain number of years of service. All unfunded schemes are valued in accordance with IAS 19 and have been updated for the period ended 30 September 2022 by a qualified independent actuary.

There have been no changes to scheme contributions to preserve equity in the year.

The major assumptions (on a weighted average basis) used in these valuations were:

	2022	2021
Rate of increase in salaries	2.3%	2.2%
Rate of increase in pensions in payment and deferred pensions	1.2%	0.9%
Discount rate applied to scheme liabilities	3.8%	0.9%
Inflation assumption	2.1%	1.6%

At the balance sheet date, scheme members were assumed to have the following life expectancies at age 65:

	2022	2021
Pensioner now aged 65	22.9	22.7
Pensioner now aged 40	24.5	24.3

Sensitivity analysis

Changes at the reporting date to one of the relevant actuarial assumptions by 1.0%, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

As at 30 September 2022	Defined benefit obligation	
	Increase £m	Decrease £m
Discount rate applied to scheme liabilities	0.7	(0.8)
Rate of increase in salaries	(0.4)	0.3
Rate of increase in pensions in payment	(0.4)	0.3
Inflation assumption	(0.7)	0.6
Mortality rates (change by 1 year)	(0.2)	0.2

Although the analysis does not take account of the full distribution of cash flows expected under the plans, it does provide an approximation of the sensitivity.

The present value of the scheme liabilities of the unfunded schemes was:

	2022 £m	2021 £m
Net pension liability	(9.8)	(11.2)

The movement in the liability during the period was as follows:

	2022 £m	2021 £m
Deficit in the schemes at the beginning of the period	(11.2)	(11.8)
Current service cost	(1.0)	(0.6)
Contributions	0.6	0.5
Interest on pension scheme liabilities	(0.1)	(0.1)
Remeasurements:		
– arising from changes in financial assumptions	0.8	0.1
– arising from changes in demographic assumptions	1.3	–
– arising from changes in experience adjustments	(0.4)	(0.1)
Currency adjustment	0.2	0.8
Deficit in the schemes at the end of the period	(9.8)	(11.2)

The following amounts have been charged in arriving at profit for the year in respect of these schemes:

	2022 £m	2021 £m
Current service cost (reported in employee remuneration)	(0.1)	(0.6)
Interest on pension scheme liabilities (reported in finance income and expense)	(0.1)	(0.1)
Total amount charged	(0.2)	(0.7)

The following amounts have been recognised directly to other comprehensive income:

	2022 £m	2021 £m
Remeasurements	0.8	–

23. Provisions

	Restoration costs £m	Restructuring and site exit costs £m	Other £m	Total £m
At 1 October 2021	(17.2)	(3.5)	(18.5)	(39.2)
Created in the year	(9.0)	(2.9)	(13.0)	(24.9)
Exchange differences	–	(0.4)	(1.7)	(2.1)
Reclassification				
Unwind of discount	(0.4)	–	(0.3)	(0.7)
Utilised in the year	3.9	2.2	0.3	6.4
At 30 September 2022	(22.7)	(4.6)	(33.2)	(60.5)
Represented by:				
Current	(3.4)	–	(21.2)	(24.6)
Non-current	(19.3)	(4.6)	(12.0)	(35.9)
	(22.7)	(4.6)	(33.2)	(60.5)

Provision for restoration costs represents estimates of expected costs to be incurred in restoring a site to its original condition when it is vacated at the end of the lease term. These provisions will be utilised at the end of the lease terms, which typically vary between one and ten years in length.

Provisions for restructuring charges and site exit costs are estimated amounts due to be incurred as part of the Group's response to Covid-19. Further details are provided in note 6.

Other provisions include the estimated cost of an ongoing free travel provision provided to employees of Travellers Fare Limited, a historic acquisition (now part of Select Service Partner UK Limited). The benefit is a lifetime benefit and has been calculated using life expectancies and discounted to a present value using a suitable discount rate. The remaining amount represents probable expected costs in legal and related matters and are not material individually. Litigation provisions amounted to £13.3m in aggregate at 30 September 2022 (2021: £6.0m).

24. Capital and reserves

Share capital and share premium

	Number of shares	Share capital £m	Share premium £m
Issued, called up and fully paid:			
Ordinary shares of £0.01085 each			
At 30 September 2021	795,736,696	8.6	472.7
Ordinary shares issued in relation to the Group's share incentive plans	376,500	–	–
At 30 September 2022	796,113,196	8.6	472.7

Ordinary shares

The ordinary shareholders are entitled to receive notice of, attend, and speak at and vote at general meetings of the Company. Ordinary shareholders have one vote for each ordinary share held by them.

Employee benefit trust

The SSP Group plc Share Incentive Plan was established in 2014, in connection with the Company's UK Share Incentive Plan (UK Trust). The SSP Group plc Share Plans Trust was established in 2018, in connection with the Company's share option plans including the Performance Share Plan (Share Plan Trust). Details of the Company's share plans are set out in the Directors' Remuneration Report on page 138 as part of the Annual Report on Remuneration.

As at 30 September 2022, the Trustees of the UK Trust and the Share Plan Trust respectively held 36,114 (2021: 19,207) and 515,806 (2021: 454,382) ordinary shares of the Company with a combined value of £1.0m (2021: £1.3m).

Reserves

Details of reserves (other than retained earnings) are set out below:

	Capital redemption reserve £m	Translation reserve £m	Cash flow hedging reserve £m	Merger relief reserve £m	Total £m
At 30 September 2020	1.2	7.3	(4.2)	206.9	211.2
Excess proceeds over share capital of the April 2021 Rights Issue, net of fees incurred	-	-	-	454.1	454.1
Reclassification to retained earnings	-	-	-	(661.0)	(661.0)
Net gain on hedge of net investments in foreign operations	-	22.3	-	-	22.3
Other foreign exchange translation differences	-	(18.2)	-	-	(18.2)
Foreign exchange reclassified to income statement on disposal of subsidiary	-	(0.5)	-	-	(0.5)
Deferred tax charge on gains arising on exchange translation differences	-	(1.3)	-	-	(1.3)
Effective portion of changes in fair value of cash flow hedges	-	-	0.5	-	0.5
Cash flow hedges – reclassified to income statement	-	-	2.6	-	2.6
Tax charge on cash flow hedges	-	-	(0.8)	-	(0.8)
At 30 September 2021	1.2	9.6	(1.9)	-	8.9
Net gain on hedge of net investments in foreign operations	-	(56.3)	-	-	(56.3)
Other foreign exchange translation differences	-	34.7	-	-	34.7
Deferred tax credit on gains arising on exchange translation differences	-	2.8	-	-	2.8
Effective portion of changes in fair value of cash flow hedges	-	0.2	(0.3)	-	(0.1)
Cash flow hedges – reclassified to income statement	-	-	1.4	-	1.4
Tax credit on cash flow hedges	-	-	0.8	-	0.8
At 30 September 2022	1.2	(9.0)	-	-	(7.8)

Capital redemption reserve

The capital redemption reserve relates to the cancellation of the deferred ordinary shares in 2015.

Translation reserve

The translation reserve comprises all foreign exchange differences arising since 1 October 2010, the transition date to IFRS, from the translation of the financial statements of subsidiaries with non-Sterling functional currencies, as well as from the translation of liabilities that hedge the Group's net investment in foreign subsidiaries.

Cash flow hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of the Group's interest rate swaps.

24. Capital and reserves continued

Merger relief reserve

Rights Issue 2021 and subsequent reclassification to retained losses (prior financial year)

On 22 April 2021 the Company completed a Rights Issue which was effected by the Company's placing agent subscribing for shares in a subsidiary of the Company for an amount broadly equal to the proceeds of the placing, and then transferring those shares to the Company in exchange for the allotment of the Company's new shares to investors.

The excess of the gross proceeds raised over the nominal value of the shares issued of £472.1m, and the issue costs and other related fees incurred from the placing of £18.0m, are both netted and recorded in the merger relief reserve, in accordance with Section 612 of the Companies Act 2006.

Subsequent to this recognition, the Company reclassified the full amount of the merger relief reserve to retained earnings, as it relates to realised profits as a result of receiving qualifying consideration on the issue of shares.

Non-controlling interests

	2022 £m	2021 £m
At 1 October	70.4	71.9
Share of profit/(loss) for the year	20.1	(5.0)
Dividends paid to non-controlling interests	(18.8)	(4.6)
Capital contribution from non-controlling interests	3.4	10.3
Purchase of non-controlling interest in subsidiary	-	(0.4)
Transaction with non-controlling interest	-	0.4
Disposal of subsidiary	-	3.8
Other	-	(2.2)
Currency adjustment	10.9	(3.8)
At 30 September	86.0	70.4

The Group has two subsidiaries with a material non-controlling interest, Mumbai Airport Lounge Services Private Ltd ('MALS') and Travel Food Services Chennai Private Ltd ('Chennai'). The principal place of business for both subsidiaries is India. See note 43 on page 215 for further details of registered office and ownership percentages of each of these companies.

Summarised financial information, before inter-company eliminations, is as follows:

	MALS 2022 £m	MALS 2021 £m	Chennai 2022 £m	Chennai 2021 £m
Income statement				
Revenue	19.5	6.6	16.8	4.9
Profit after tax	3.5	0.6	2.7	0.2
NCI share of profit	3.9	0.5	2.0	0.1
Total comprehensive income/(loss)	6.0	0.7	5.2	(0.1)
Balance sheet				
Non-current assets	24.8	25.6	19.7	18.2
Current assets	28.9	27.8	32.7	23.4
Current liabilities	(13.0)	(18.0)	(17.8)	(11.9)
Non-current liabilities	(17.7)	(18.5)	(14.7)	(14.3)
NCI share of equity	17.5	13.2	10.2	7.9
Cash flow				
Net increase/(decrease) in cash and cash equivalents	4.4	(2.0)	2.6	(5.8)

25. Share-based payments

The Group has granted equity-settled share awards to its employees under the Performance Share Plan (PSP), the Restricted Share Plan (RSP), the UK Share Incentive Plan (UK SIP) and the International Share Incentive Plan (International SIP).

Details of the terms and conditions of each share-based payment plan and the Group's TSR comparator group are provided on page 138 and page 134 respectively, as part of the Annual Report on Remuneration.

Restricted Share Plan

The RSP awards are subject to performance underpins. For Executive Directors these are outlined on page 138. Should any of the underpins not be met, the Remuneration Committee would consider whether a discretionary reduction in the number of shares vesting was required.

Performance Share Plan

The PSP awards are based on two independent performance conditions, which are assessed independently. 25% of the award is based on SSP's total shareholder return (TSR) relative to a comparator group and 75% of the award is based on an earnings per share (EPS) performance condition.

Expense in the year

The Group incurred a charge of £4.5m in 2022 (2021: £1.6m) in respect of the PSP and RSP.

	2022 Number of shares	2021 Number of shares
Outstanding at 1 October	5,247,974	5,931,814
Granted during the year	3,360,575	2,979,246
Exercised during the year	(273,177)	(227,815)
Lapsed during the year	(1,220,918)	(3,435,271)
Outstanding at 30 September	7,114,454	5,247,974
Exercisable at 30 September	359,753	371,526
Weighted average remaining contracted life (years)	6.9	6.4
Weighted average fair value of awards granted (£)	2.36	3.06

1 This includes the dividend equivalent shares which have been awarded in line with the terms of the rules of the PSP.

The exercise price for the PSP and RSP awards is £nil.

Details of awards granted in the year

The RSPs granted during the year have been valued with reference to the share price at the date of the award. Equity-settled awards are measured at fair value at grant date. The fair value of awards granted is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will actually vest.

No PSPs were granted during the year, or during the prior year.

UK Share Incentive Plan

The UK Share Incentive Plan ('UK SIP') is a share matching scheme which entitles participating employees to be given up to two free ordinary shares (matching shares) for each SSP Group plc ordinary share purchased (partnership shares). Both the partnership and matching shares are placed in trust for a three-year period. The UK SIP has been in place since December 2014.

For each 12-month plan period from January 2016 to December 2021, the actual entitlement to matching shares was fixed at one matching share for every two partnership shares purchased. For the period from January 2015 to December 2015, the actual entitlement was fixed at one matching share for every one partnership share purchased. The Group incurred a charge of £0.1m in respect of the matching element of the UK SIP in 2022 (2021: £0.1m).

International Share Incentive Plan

The International Share Incentive Plan ('ISIP') is a share matching scheme which entitles participating employees to be given up to two free ordinary shares (matching shares) for each SSP Group plc ordinary share purchased (partnership shares). Both the partnership and matching shares are placed in trust for a three-year period. The ISIP has been in place since September 2015.

For each 12-month plan period from November 2016 to October 2022, the actual entitlement to matching shares was fixed at one matching share for every two partnership shares purchased. For the period from November 2015 to October 2016, the entitlement was fixed at one matching share for every one partnership share purchased. The Group incurred a charge of £0.1m in respect of the matching element of the ISIP in 2022 (2021: £0.1m).

26. Cash flow from operations

	Note	2022 £m	2021 £m
Profit/(loss) for the year		9.9	(362.3)
Adjustments for:			
Depreciation of property, plant and equipment	11	97.9	90.9
Depreciation of right-of-use assets	13	170.0	245.7
Amortisation	12	13.8	11.7
Derecognition of leases under IFRS 16		(78.1)	(14.2)
Non-cash change in lease liabilities	6	(23.0)	(92.0)
Impairments		18.2	50.8
Share-based payments	25	4.5	1.8
Finance income	8	(4.9)	(2.6)
Finance expense	8	77.8	106.9
Pension costs		0.6	-
Disposal of subsidiary		-	3.7
Share of profit of associates	14	(6.6)	(2.3)
Taxation	9	15.3	(48.9)
		295.4	(10.8)
(Increase)/decrease in trade and other receivables		(45.9)	7.6
Increase in inventories		(13.3)	(0.2)
Increase in trade and other payables (including provisions)		198.3	132.8
Cash flow from operations		434.5	129.4

27. Reconciliation of net cash flow to movement in net debt

	Cash and cash equivalents £m	Bank and other borrowings £m	US Private Placement notes £m	Leases £m	Total gross debt £m	Net debt £m
At 1 October 2020	185.0	(535.2)	(341.1)	(1,349.3)	(2,225.6)	(2,040.6)
Net increase in cash and cash equivalents	593.8	-	-	-	-	593.8
Cash inflow from other changes in debt	-	(28.0)	-	-	(28.0)	(28.0)
Cash inflow from drawing of CCFF	-	(175.0)	-	-	(175.0)	(175.0)
Cash outflow from other changes in debt	-	1.6	-	-	1.6	1.6
Cash outflow from payment of lease liabilities	-	-	-	89.8	89.8	89.8
Lease amendments	-	-	-	34.9	34.9	34.9
Currency translation (losses)/gains	(5.2)	12.1	13.0	51.8	76.9	71.7
Other non-cash movements ¹	-	(14.3)	(14.3)	-	(28.6)	(28.6)
At 30 September 2021	773.6	(738.8)	(342.4)	(1,172.8)	(2,254.0)	(1,480.4)
Net decrease in cash and cash equivalents	(244.6)	-	-	-	-	(244.6)
Cash inflow from other changes in debt	-	(9.6)	-	-	(9.6)	(9.6)
Cash outflow from repayment of CCFF	-	300.0	-	-	300.0	300.0
Cash outflow from other changes in debt	-	4.9	-	-	4.9	4.9
Cash outflow from payment of lease liabilities	-	-	-	174.9	174.9	174.9
Lease amendments	-	-	-	198.5	198.5	198.5
Currency translation (losses)/gains	14.6	(9.5)	(49.7)	(55.2)	(59.2)	(44.6)
Other non-cash movements ¹	-	(2.2)	7.4	-	5.2	5.2
At 30 September 2022	543.6	(455.2)	(384.7)	(854.6)	(1,694.5)	(1,150.9)

¹ Other non-cash movements relate to debt modification losses, revised estimated future cash flows and effective interest rate of £5.2m (2021: £31.0m) (see note 19), offset against government grant accounting on below-market interest rate loans received of £nil (2021: £1.1m) and capitalised fees of £nil (2021: £1.3m) recognised against debt in the period.

28. Financial instruments

(a) Fair values of financial assets and liabilities

All financial assets and financial liabilities are carried at amortised cost, except for derivatives which are held at fair value through the income statement.

The fair values of all financial assets and financial liabilities by class, together with their carrying amounts shown in the balance sheet, are as follows:

	Carrying amount 2022 £m	Fair value 2022 £m	Carrying amount 2021 £m	Fair value 2021 £m
Financial assets measured at amortised cost				
Cash and cash equivalents	543.6	543.6	773.6	773.6
Trade and other receivables	186.7	186.7	155.4	155.4
Total financial assets measured at amortised cost	730.3	730.3	929.0	929.0
Non-derivative financial liabilities measured at amortised cost				
Bank loans	(455.2)	(446.1)	(441.1)	(432.1)
Covid Corporate Financing Facility (CCFF)	-	-	(297.7)	(300.0)
US Private Placement notes	(384.7)	(379.4)	(342.4)	(329.6)
Lease liabilities	(854.6)	(854.6)	(1,172.8)	(1,172.8)
Trade and other payables	(689.9)	(689.9)	(495.1)	(495.1)
Total financial liabilities measured at amortised cost	(2,384.4)	(2,370.0)	(2,749.1)	(2,729.6)
Derivative financial liabilities				
Interest rate swaps	-	-	(2.1)	(2.1)
Total derivative financial liabilities	-	-	(2.1)	(2.1)

Bank loans

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. Bank loans are categorised as level 2 financial liabilities, whereby inputs which are used in the valuation of these financial liabilities and have a significant effect on the fair value are observable, either directly or indirectly.

Lease liabilities

Fair value is based on the present value of the future lease payments, discounted at the rate implicit in the lease or, where this is not known, the incremental borrowing rate.

Finance lease liabilities

Fair value is based on the present value of the future lease payments, discounted at the rate implicit in the lease or, where this is not known, the incremental borrowing rate.

Other non-derivative financial instruments (excluding bank loans)

Due to the short-term nature of non-derivative financial instruments (excluding bank loans), the fair value is approximate to the carrying value.

Derivative financial instruments

Derivative financial instruments relate to interest rate swaps and are valued using relevant yield curves and exchange rates as at the balance sheet date.

Fair value hierarchy

All derivative financial liabilities are categorised as level 2 under which the fair value is measured using the inputs other than quoted prices observable for the liability, either directly or indirectly.

28. Financial instruments continued

(b) Credit risk

Concentrations of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse, with two external debtors representing more than 10% of the total balance. The Group has no other significant concentration of debtors with no other debtor representing more than 10%. The ageing of trade receivables at the balance sheet date was as follows:

	2022 £m	2021 £m
Total trade receivables	44.3	37.3
Less: loss allowance	(12.1)	(10.1)
	32.2	27.2
Of which:		
Not yet due	22.5	16.5
Overdue, between 0 and 6 months	10.7	9.4
Overdue, more than 6 months	11.1	11.4
Loss allowance	(12.1)	(10.1)
	32.2	27.2

The movement in the loss allowance in respect of trade receivables during the year was as follows:

	2022 £m	2021 £m
At 1 October	(10.1)	(9.5)
Charged in the year	(4.0)	(4.4)
Reversed in the year	2.2	3.2
Utilised in the year	0.6	0.5
Currency adjustment	(0.8)	0.1
At 30 September	(12.1)	(10.1)

Expected credit losses

The Group applies the simplified approach and records lifetime expected credit losses for trade receivables. Loss allowances have been recognised for trade receivables that have been identified as credit impaired. The Group has assessed customer balances in relation to their operating sector (such as air or rail), receivable ageing and other indicators of risk to recoverability.

(c) Credit quality of cash at bank and short-term deposits

The credit quality of cash at bank and short-term deposits has been assessed by reference to Moody's external ratings as follows:

	2022 £m	2021 £m
High grade	220.7	296.7
Upper medium grade	211.5	372.1
Medium grade	35.4	41.7
Non-investment grade	12.9	11.9
Unrated	51.2	38.4
	531.7	760.8
Cash in hand and in transit	11.9	12.8
	543.6	773.6

(d) Financial risk management

The main financial risks of the Group relate to the availability of funds to meet business needs, the risk of default by counterparties to financial transactions, and fluctuations in interest and foreign exchange rates. In this regard, the treasury function is mandated by the Board to manage the financial risks that arise in relation to underlying business needs. The function has clear policies and operating parameters, and its activities are regularly reviewed by the Board to ensure compliance. The function does not operate as a profit centre and speculative transactions are not permitted.

Financial instruments, including derivatives, are used on occasion to manage the main financial risks arising during the course of business. These risks are liquidity risk and market risk and are discussed further below.

Liquidity risk

The Group's objective in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. In order to achieve this, the treasury department maintains an appropriate level of funds and facilities to meet each year's planned funding requirement.

In August 2022, the Group secured the extension to January 2025 of its bank facilities that were previously due to mature in January 2024. Further detail on this is provided within note 19.

Furthermore, the Group has not paid or announced any dividends in the year.

The following are the remaining contractual maturities of financial liabilities at the reporting date.

	2022					
	Carrying amount £m	Contractual cash flows £m	1 year or less £m	1 to <2 years £m	2 to <5 years £m	>5 years £m
Non-derivative financial liabilities						
Bank loans	(455.2)	(516.6)	(111.1)	(39.3)	(365.9)	(0.3)
US Private Placement notes	(384.7)	(486.2)	(53.5)	(16.5)	(147.1)	(269.1)
Lease liabilities	(854.6)	(1,014.7)	(226.9)	(184.3)	(372.8)	(230.7)
Trade and other payables	(689.9)	(689.9)	(688.6)	(0.5)	-	(0.8)
	(2,348.4)	(2,707.4)	(1,080.1)	(240.6)	(885.8)	(500.9)
	2021					
	Carrying amount £m	Contractual cash flows £m	1 year or less £m	1 to <2 years £m	2 to <5 years £m	>5 years £m
Non-derivative financial liabilities						
Bank loans	(441.1)	(471.2)	(21.7)	(85.9)	(341.8)	(21.8)
Covid Corporate Financing Facility (CCFF)	(297.7)	(300.0)	(300.0)	-	-	-
US Private Placement notes	(342.4)	(443.5)	(21.7)	(23.0)	(30.2)	(368.6)
Lease liabilities	(1,172.8)	(1,288.8)	(299.9)	(229.4)	(506.2)	(253.3)
Trade and other payables	(495.1)	(495.1)	(487.9)	(0.1)	(2.8)	(4.3)
Derivative financial liabilities						
Interest rate swaps used for hedging	(2.1)	(1.9)	(1.9)	-	-	-
	(2,751.2)	(3,000.5)	(1,133.1)	(338.4)	(881.0)	(648.0)

28. Financial instruments continued

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. These are discussed further below.

Currency risk

Although the functional currency of the Group is Sterling, the Group's operating cash flows are transacted in a number of different currencies. The Group's policy in managing this financial currency risk is to use foreign currency denominated borrowings to ensure that interest costs arise in currencies that reflect the operating cash flows, thereby minimising net cash flows in foreign currencies. As the mix of foreign currency cash flows generated by the business changes over time, there may be a requirement to restructure borrowings (via financial instruments or other treasury products) to maintain this hedge. The Board reviews financial currency risk at least once a year.

The Group uses currency denominated borrowings to hedge the exposure of a portion of its net investment in overseas operations (with non-Sterling functional currency) against changes in value due to changes in foreign exchange rates. An economic relationship has been identified as both the net investment in overseas operations, and the currency denominated borrowings used as the related hedging instrument, are subject to currency risk, and changes in foreign exchange rates would cause their values to move in opposite directions.

As at 30 September 2022, the fair value of bank loans and US Private Placement debt used as hedging instruments was £579.2m (2021: £522.9m). Of this, £206.7m was in respect of Euro exposure, £317.7m in respect of the US Dollar exposure, £32.0m in respect of Norwegian Krone exposure and £22.8m for Swedish Krona exposure.

There were no reclassifications from foreign currency translation reserve and net investment hedge ineffectiveness was £nil during the year.

No sensitivity analysis is provided in respect of currency risk as the Group's currency exposure mainly relates to translation risk as discussed above.

The currency profile of the cash balances of the Group at 30 September 2022 was as follows:

	2022 £m	2021 £m
Cash at bank and in hand		
Sterling	298.0	548.0
Other currencies	245.6	225.6
	543.6	773.6

Interest rate risk

A number of historic interest rate swaps taken out to hedge interest rate exposure from variable rate term loan facilities matured during the year and were not replaced. The interest rate and currency profile of the Group's bank loans at 30 September 2022 before adjustments for unamortised bank fees of £4.9m (2021: £4.9m) and government grants of £nil (2021: £5.4m) received in the form of beneficial interest rates, was as follows:

	Floating-rate liabilities		Fixed-rate liabilities		Total	
	2022 £m	2021 £m	2022 £m	2021 £m	2022 £m	2021 £m
Currency						
Sterling	(138.4)	(51.8)	(42.0)	(428.6)	(180.4)	(480.4)
Euro	(161.6)	(64.8)	(96.9)	(192.7)	(258.5)	(257.5)
US Dollar	(31.7)	(9.8)	(286.0)	(253.8)	(317.7)	(263.6)
Swedish Krona	(22.8)	(9.0)	-	(15.0)	(22.8)	(24.0)
Norwegian Krone	(32.0)	(12.3)	-	(20.7)	(32.0)	(33.0)
Swiss Franc	-	-	-	(0.4)	-	(0.4)
Indian Rupee	(4.0)	(2.8)	-	-	(4.0)	(2.8)
	(390.5)	(150.5)	(424.9)	(911.2)	(815.4)	(1,061.7)

Interest rate swaps

All interest rate swap contracts exchanging floating-rate interest amounts for fixed interest amounts were designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. An economic relationship between the interest rate swaps and floating-rate liabilities has been identified, as both are subject to changes in interest rates that would cause their values to move in opposite directions. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to the income statement over the period that the floating rate interest payments on debt affect the income statement.

The fair value of the interest rate swaps was £2.1m as at 30 September 2021.

In 2022, a charge of £0.1m (2021: credit of £0.5m) was recognised in other comprehensive income representing the effective portion of changes in the fair value of the interest rate swaps in the year. There was no ineffectiveness recognised in the income statement in either year.

In 2022, a credit of £1.4m (2021: credit of £2.6m) in other comprehensive income arose on the reclassification of the cumulative changes in fair value of the interest rate swaps to the income statement (see note 8).

IBOR reform

During the year the transition from GBP LIBOR was completed and from January 2022 onwards our GBP denominated Term Loans have referenced Sterling Overnight Index Average (SONIA) based indices. We are expecting to transition from using the USD LIBOR rate to the Secured Overnight Financing Rate (SOFR) in respect of our USD denominated Term Loans for interest periods commencing after October 2022 onwards. The Group continues to monitor the market and the output from various industry groups managing the transition to new benchmark interest rates and will look to implement changes if appropriate in the future.

Sensitivity analysis (prior financial year)

A change of 50 basis points in interest rates at the balance sheet date would have increased/(decreased) equity by the amounts in the table below. This is driven by changes in the carrying value of derivative financial instruments. At 30 September 2021, these were in fully effective hedge relationships and the movement would have had no impact on the income statement.

This calculation assumes that the change occurred at the balance sheet date and has been applied to risk exposures existing at that date. In addition, all other variables, in particular, foreign currency rates, have been assumed to remain constant.

	2022 £m	2021 £m
Equity		
Increase	-	0.9
Decrease	-	(0.9)

(e) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development. The Group's capital is represented by the share capital and reserves (as set out in note 24), retained earnings, and net debt (see below). The funding requirements of the Group are met by a mix of long-term borrowings, medium-term borrowings, short-term borrowings (under its RCF) and available cash.

In March 2021 the Group secured a further amendment from its lending group of banks and US Private Placement noteholders to waive existing financial covenants covering Net Debt Cover and Interest Cover and replace them with two new interim covenant tests, each tested monthly, with the first of these based on the Group demonstrating a minimum level of liquidity and the second based on the Group not exceeding a maximum level of debt.

As mentioned in the liquidity section, during the year the Group completed a further 12-month extension to January 2025 of its bank facilities that were previously due to mature in January 2024.

29. Commitments

Capital commitments at the end of the financial year, for which no provision has been made, are as follows:

	2022 £m	2021 £m
Contracted for but not provided	124.9	67.5

Capital commitments relate to where the Group has contractually committed to acquire and/or build tangible assets that are not yet incurred as at 30 September 2022.

30. Related parties

Related party relationships exist with the Group's subsidiaries, associates (note 14), key management personnel, pension schemes (note 22) and employee benefit trust (note 24).

Subsidiaries

Transactions between the Company and its subsidiaries, and transactions between subsidiaries, have been eliminated on consolidation and are not disclosed in this note. Where the Group does not own 100% of its subsidiary, significant transactions with the other investors in the non-wholly owned subsidiary ('investor'), other than those listed in note 24, are disclosed within this note (in the table below). Sales and purchases with related parties are made at normal market prices.

Associates

Significant transactions with associated undertakings during the year, other than those included in note 14, are included in the table below.

Related party transactions

	2022 £m	2021 £m
Sales to related parties	(0.2)	–
Purchases from related parties	(2.5)	(0.5)
Management fee income	1.9	1.4
Other income	1.9	0.3
Other expenses ¹	(8.4)	(7.5)
Amounts owed by related parties at the end of the year	6.4	4.1
Amounts owed to related parties at the end of the year	(14.7)	(6.6)

¹ The majority of other expenses relates to £6.50m rent from Midway Partnership LLC (2021: £7.0m).

² The majority of amounts relates to £10.1m loans received from non-controlling interest shareholders in Brazil, Thailand and Bahrain (2021: £6.4m).

Bank guarantees

The Group has provided a number of guarantees to third parties and has given guarantees to partners of consolidated non-wholly owned subsidiaries in respect of obligations of its non-wholly owned subsidiaries, relating to, for example, concession agreements, franchise agreements and financing facilities. In addition, certain subsidiaries benefit from guarantees provided by the Group's non-controlling interest partners to similar third parties (in respect of obligations of the subsidiaries). These guarantees are consistent with those provided in the normal course of business in respect of the Group's wholly owned subsidiaries. At 30 September 2022 the value of the guarantees given by the various Group companies in respect of both wholly owned and other subsidiaries was £135.9m (2021: £119.0m). The Group does not expect these guarantees to be called on and as such no liability has been recognised in the financial statements.

Remuneration of key management personnel

The remuneration of key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'. The Group considers key management personnel to be the Chief Executive Officer, Deputy Group CEO and CFO, Non-Executive Directors and the Group Executive Committee.

	2022 £m	2021 £m
Short-term employee benefits	(9.1)	(7.4)
Post-employment benefits	(0.5)	(0.6)
Share-based payments	(2.5)	(0.4)
	(12.1)	(8.4)

31. Business combinations

Business combinations

The Group made no significant business combinations during the year ended 30 September 2022 or the prior year.

32. Post balance sheet events

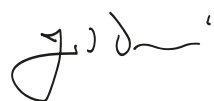
There were no significant subsequent events after the reporting date.

Company Balance Sheet

As at 30 September 2022

	Notes	2022 £m	2021 £m
Fixed assets			
Investments	34	1,202.0	1,199.3
		1,202.0	1,199.3
Current assets			
Debtors due within one year	35	288.4	300.9
Liabilities falling due within one year			
Creditors	36	(14.6)	(19.8)
Net current assets		273.8	281.1
Net assets		1,475.8	1,480.4
Capital and reserves			
Called up share capital	37	8.6	8.6
Share premium account	37	472.7	472.7
Treasury shares	37	-	(1.7)
Capital redemption reserve	37	1.2	1.2
Merger relief reserve	37	-	-
Profit and loss account	37	993.3	999.6
Total equity shareholders' funds		1,475.8	1,480.4

These financial statements were approved by the Board of Directors on 5 December 2022 and were signed on its behalf by



Jonathan Davies
Deputy Group CEO and CFO

Registered number: 5735966

Company Statement of Changes in Equity

As at 30 September 2022

	Share capital £m	Share premium £m	Capital redemption reserve £m	Merger relief reserve £m	Treasury shares £m	Profit and loss account £m	Total equity £m
At 1 October 2020	5.8	472.7	1.2	206.9	(1.7)	351.3	1,036.2
Loss for the year	-	-	-	-	-	(14.5)	(14.5)
Rights Issue	2.8	-	-	454.1	-	-	456.9
Reclassification to retained earnings	-	-	-	(661.0)	-	661.0	-
Share-based payments	-	-	-	-	-	1.8	1.8
At 30 September 2021	8.6	472.7	1.2	-	(1.7)	999.6	1,480.4
Loss for the year	-	-	-	-	-	(8.7)	(8.7)
Reclassification to retained earnings	-	-	-	-	1.7	(1.7)	-
Share-based payments	-	-	-	-	-	4.1	4.1
At 30 September 2022	8.6	472.7	1.2	-	-	993.3	1,475.8

Notes to Company Financial Statements

33. Accounting policies

SSP Group plc (the Company) is a company incorporated in the UK.

These statements present information about the Company as an individual undertaking and not about its Group. The separate financial statements are presented as required by the Companies Act 2006.

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) under the historical cost accounting rules.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards and has set out below where advantage of the FRS 101 disclosure exemptions has been taken:

- the cash flow statement and related notes;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- disclosures required in respect of financial instruments;
- disclosures in respect of share based payments; and
- the effects of new but not yet adopted standards.

Where relevant, equivalent disclosures have been given in the consolidated financial statements. The principal accounting policies adopted are the same as those set out in note 1 to the consolidated financial statements except as noted below. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's balance sheet and related notes.

The Company uses Sterling as its presentational and functional currency and all values have been rounded to the nearest £0.1m unless otherwise stated.

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own income statement. The loss for the financial year (2021: loss) is disclosed in note 37 to these accounts. The Company has no other recognised gains or losses in the current or preceding year and, therefore, no statement of comprehensive income is presented.

Going concern

SSP Group plc is the ultimate parent company of the SSP Group. As part of the Group's adoption of the going concern basis, the Board has reviewed the Group's trading forecasts, incorporating different scenarios to reflect the uncertainty surrounding the economic and geo-political environment over the next twelve months, as well as the ongoing impact from Covid-19. Having carefully reviewed these forecasts, the Directors have concluded that it is appropriate to adopt the going concern basis of accounting in preparing these financial statements for the reasons set out on page 167 relating to the consideration of the Group's going concern basis.

Investments

Investments in subsidiaries are stated at cost less provision for impairment losses.

Impairment

The carrying values of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. When a subsequent event or change in circumstances causes the recoverable amount of an asset to increase, the previously recognised impairment loss is reversed through the income statement.

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of temporary differences between the treatment of certain items for taxation and accounting purposes. Tax is recognised in the profit and loss account except where it relates to items taken directly to equity, in which case it is recognised in equity. Deferred tax is recognised in respect of all temporary differences between the treatment of items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 101.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Share-based payment compensation

The Company has granted equity-settled share awards to Group employees. Equity-settled awards are measured at fair value at grant date. The fair value of awards granted to employees of the Company is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will actually vest. The cost of awards to employees of subsidiary undertakings is accounted for as an additional investment.

34. Investments in subsidiary undertakings

	Shares in Group undertaking £m
Cost	
At 1 October 2021	1,199.3
Additions	2.7
At 30 September 2022	1,202.0
Net book value	
At 30 September 2022	1,202.0
At 30 September 2021	1,199.3

Impairment

The Directors have assessed whether the Company's fixed asset investments require impairment under the accounting principles set out in FRS 101. In making this assessment, the relationship between the Company's market capitalisation and the carrying value of its investments has been considered, in addition to the disruption attributable to the Covid-19 pandemic and the effect of this on future trading.

The assessment did not result in any impairment in 2022 (2021: £nil).

35. Debtors

	2022 £m	2021 £m
Due within one year		
Amount receivable from Group undertakings	287.8	300.7
Other debtors	0.6	0.2
	288.4	300.9

36. Creditors

	2022 £m	2021 £m
Due within one year		
Amounts payable to Group undertakings	-	(2.3)
Accruals and deferred income	(6.6)	(12.0)
Trade and other payables	(4.8)	(2.4)
Other taxation and social security	(3.2)	(3.1)
	(14.6)	(19.8)

37. Capital and reserves

Share capital and share premium

	Number of shares	Share capital £m	Share premium £m
Issued, called up and fully paid:			
Ordinary shares of £0.01085 each			
At 30 September 2021	795,736,696	8.6	472.7
Ordinary shares issued in relation to the Group's share incentive plans	376,500	-	-
At 30 September 2022	796,113,196	8.6	472.7

37. Capital and reserves continued

Reserves

	Treasury shares £m	Capital redemption reserve £m	Merger relief reserve £m	Profit and loss account £m	Total £m
At 1 October 2020	(1.7)	1.2	206.9	351.3	557.7
Loss for the year	–	–	–	(14.5)	(14.5)
Excess of proceeds over share capital of the April 2021 Rights Issue, net of fees incurred	–	–	454.1	–	454.1
Reclassification to retained earnings	–	–	(661.0)	661.0	–
Share-based payments	–	–	–	1.8	1.8
At 30 September 2021	(1.7)	1.2	–	999.6	999.1
Loss for the year	–	–	–	(8.7)	(8.7)
Reclassification to retained earnings	1.7	–	–	(1.7)	–
Share-based payments	–	–	–	4.1	4.1
At 30 September 2022	–	1.2	–	993.3	994.5

Capital redemption reserve

The capital redemption reserve relates to the cancellation of the deferred ordinary shares in 2015.

Merger relief reserve

Rights Issue 2021 (prior financial year)

On 22 April 2021 the Company completed a Rights Issue which was effected by the Company's placing agent subscribing for shares in a subsidiary of the Company for an amount broadly equal to the proceeds of the placing, and then transferring those shares to the Company in exchange for the allotment of the Company's new shares to investors.

The excess of the gross proceeds raised over the nominal value of the shares issued of £472.1m, and the issue costs and other related fees incurred from the placing of £18.0m, were both netted and recorded in the merger relief reserve, in accordance with Section 612 of the Companies Act 2006.

Subsequent to this recognition, the Company reclassified the full amount of the merger relief reserve to retained earnings, as it relates to realised profits as a result of receiving qualifying consideration on the issue of shares.

Profit and loss account

The Company's loss for the financial year was £8.7m (2021: loss of £14.5m).

Dividends

No dividend for the 2022 financial year is proposed (2021: £nil) and no interim dividend was paid (2021: £nil).

38. Directors' remuneration

The remuneration of the Directors of the Company is disclosed in note 30 to the Group accounts and in the Annual Report on Remuneration on page 125. Details of RSP and DSPB awards made to Executive Directors are given on page 128.

39. Related parties

The Company has identified the Directors of the Company and the Group Executive Committee as related parties for the purpose of FRS 101. Details of the relevant relationships with these related parties are disclosed in note 30 to the Group accounts.

The Company has no transactions with or amounts owed to or from partly owned subsidiary undertakings. All holdings in partly owned undertakings are held through indirectly held wholly owned subsidiaries of the Company.

40. Contingent liabilities

The Company is a member of a VAT group and consequently is jointly liable for the VAT group's liability. The Company's contingent liability at 30 September 2022 was approximately £7.2m (2021: £2.0m).

In addition, the Company is a guarantor for the Group's main bank facilities and US Private Placement borrowings. The borrowings under the facilities at 30 September 2022 were £759.6m (2021: £1,003.3m).

The Company has also provided guarantees in relation to certain operating liabilities of operating subsidiaries. All such liabilities are expected to be paid by the relevant subsidiary in the normal course of business.

41. Other information

The fee for the audit of the Company's annual financial statements was £0.6m (2021: £0.6m).

The average number of persons employed by the Company (including Directors) during the year was 69 (2021: 57).

Total staff costs (excluding charges for share-based payments) were £12.1m (2021: £10.4m).

43. Group companies

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, associates and other investments (held directly and indirectly by the Company) at the year end are as disclosed below.

Group companies included in the consolidation are those companies controlled by the Group. Control exists when the Group has the power to direct the activities of an entity so as to affect the return on investment. In certain cases an entity may be consolidated when the percentage of shares held may be less than 50% as the Group has the power to control such activities.

Part A – Subsidiaries

Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)	Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)
Subsidiaries (all of which are included in the Group consolidation):			Cyprus		
Australia			SSP Catering Cyprus Limited	67 Limassol Avenue, Lamda Vision, Vision Tower 1st Floor, 2121 Aglantzia, Nicosia, Cyprus, P.O.Box 14144, CY-2154 Aglantzia, Nicosia, Cyprus	Holding and Management Services company
SSP Australia Airport Concessions Pty Ltd	Holding company		SSP Louis Airport Restaurants Limited	67 Limassol Avenue, Lamda Vision, Vision Tower 1st Floor, 2121 Aglantzia, Nicosia, Cyprus, P.O.Box 14144, CY-2154 Aglantzia, Nicosia, Cyprus	Holding company 60%
SSP Australia Airport F&B Pty Ltd			Denmark		
SSP Australia Catering Pty Limited³			SSP Denmark ApS	Lufthavnsboulevarden 14, 1. sal, 2770, Kastrup, Denmark	
WA Airport Hospitality Pty Limited			Egypt		
Austria			SSP Egypt for Restaurants JSC	Cairo International Airport, Airmall Building, 1st Floor, Cairo, Egypt	
SSP Österreich GmbH			Estonia		
Office Park 3/Top 144, 1300 Wien-Flughafen, Austria			Select Service Partner Eesti A/S	Endla 45, 10142 Tallinn, Estonia	
Bahrain			Finland		
SSP Bahrain WLL		51%	Select Service Partner Finland Oy	Helsinki Airport, Vantaa, FI-01530, Finland	
Falcon Tower, Office 614, Building No 60, Road 1701, Block 317, Diplomatic Area, Manama, Kingdom of Bahrain			France		
Belgium			Bars et Restaurants Aéroport Lyon Saint Exupéry SAS	Immeuble l'Arc, BP 197, Lyon Saint Exupéry Aéroport, 69125, Colombier-Saugnieu, France	
SSP Aérobel SPRL			Les Buffets Boutiques et Services des Autoroutes de France SNC	5, rue Charles de Gaulle, Immeuble Equalia 94140, Alfortville, France	Inactive company
Rue des Frères Wright, 8 Boite 12, 6041 Charleroi, Belgium			Select Service Partner SAS	5, rue Charles de Gaulle, Immeuble Equalia 94140, Alfortville, France	Holding and Management Services company
SSP Belgium SPRL			SSP Aéroports Parisiens SASU	5, rue Charles de Gaulle, Immeuble Equalia 94140, Alfortville, France	
Korte Ambachtstraat 4, 9860, Oosterzele, Belgium			SSP Caraïbes SASU	5, rue Charles de Gaulle, Immeuble Equalia 94140, Alfortville, France	
Bermuda			SSP France Financing SAS	Immeuble le Virage, 5, Allée Marcel Leclerc, CS60017 13417 Marseille Cedex 08, France	Holding company
Bermuda Travel Concessions, LLC		51%	SSP Paris SASU	5, rue Charles de Gaulle, Immeuble Equalia 94140, Alfortville, France	
4 Burnaby Street, Hamilton, Bermuda HM 11			SSP Province SAS	5, rue Charles de Gaulle, Immeuble Equalia 94140, Alfortville, France	
Brazil			Germany		
SSP DFA Restaurantes Brasil Ltda		50% ¹	SSP Deutschland GmbH	The Squire 24, 60549 Frankfurt am Main, Germany	
Rua Goethe, 54 – Botafogo Rio de Janeiro - RJ, 22281-020			SSP Financing Germany GmbH	The Squire 24, 60549 Frankfurt am Main, Germany	Holding company
Cambodia			Station Food GmbH	The Squire 24, 60549 Frankfurt am Main, Germany	
Select Service Partner (Cambodia) Limited	Inactive company	49% ¹⁷			
No 4B, Street Vat Ang Taming, Sangkat Kakab, Khan Poh Sen Chey, Phnom Penh					
Canada					
SSP Canada Airport Services Inc.					
30th Floor, 360 Main Street, Winnipeg MB R3C 4G1, Canada					
SSP Canada Food Services Inc.					
McLachlan Brown Anderson Solicitors, 938 Howe Street, 10th Floor, Vancouver BC V6Z 1N9, Canada					
SSP Québec Food Services Inc.					
2200-1010 rue Sherbrooke O Montréal (Québec) H3A2R7, Canada					
China					
Select Service Partner Hainan Co. Limited⁶					
2/F, Departure Halls, Passenger Terminal Building, Haikou Meilan International Airport, Hainan, Haikou 571126, China					
SSP Shanghai Co. Limited⁶					
Intl Airside and Intl Departure Area Landside, 3/F, Pudong Int'l Airport Terminal, No.6000, Yingbin Road, Pudong New District, Shanghai, China					

Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)	Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)
Greece			Mauritius		
Select Service Partner Restaurants Hellas SA Athens International Airport, Building 17 Office 2/06-01, 19019 Spata, Greece			Travel Food Services Global Private Ltd Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius	Inactive company	49% ¹⁰
Hong Kong			Netherlands		
Select Service Partner Asia Pacific Limited Unit 1702-05, Wing On Kowloon Centre, 345 Nathan Road, Yau Ma Tei, Kowloon, Hong Kong, S.A.R. China	Holding and Management Services company		Rail Gourmet Netherlands BV Herikerbergweg 238, Luna ArenA, 1101 CM Amsterdam, the Netherlands	Holding company	
Select Service Partner Hong Kong Limited Unit 1702-05, Wing On Kowloon Centre, 345 Nathan Road, Yau Ma Tei, Kowloon, Hong Kong			SSP Nederland BV Leidseveer 2, 3511 SB, Utrecht, Netherlands		
SSP China Development Limited⁵ Unit 1702-05, Wing On Kowloon Centre, 345 Nathan Road, Yau Ma Tei, Kowloon, Hong Kong	Holding company	3	Norway		
Hungary			Select Service Partner AS Henrik Ibsens veg 7, 2060 Gardermoen, Norway		
SSP Hungary Catering Kft Budapest Ferenc Liszt International Airport, Terminal 2B, 1185 Budapest, Hungary			SSP Norway Financing AS Henrik Ibsens veg 7, 2060 Gardermoen, Norway	Holding company	
India			Oman		
BLR Lounge Services Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ¹⁰	Gourmet Foods LLC PO Box 3340, Ruwi, Sultanate of Oman, 112, Oman	Holding company	24.01% ¹²
Mumbai Airport Lounge Services Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		21.756% ¹⁵	Philippines		
Semolina Kitchens Private Limited 504, Regus, Level-5, Caddie Commercial Tower, Hospitality District Aerocity Delhi New Delhi 110037 India	Inactive company	49% ¹⁰	Select Service Partner Philippines Corporation JME Building No. 35, Calbayog Street, Barangay, Highway Hills, City of Mandaluyong, NCR, Second District, Philippines	Holding company	52%
TFS (R&R Works) Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ¹⁰	SSP-Mactan Cebu Corporation⁶ Terminal 1 Mactan Cebu International Airport, Pusok, Lapu-Lapu City, Cebu 6015, Philippines		26% ¹⁸
Travel Food Services Chennai Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ¹⁰	Russia		
Travel Food Services (Delhi) Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ¹⁰	Select Service Partner Russia LLC⁶ Russian Federation, Moscow region, Khimki, Melnikov Ave., 13, floor 1, premises 011, Room. 4	Inactive company	
Travel Food Services (Delhi Terminal 3) Private Limited New Udaan Bhawan, Opposite Terminal 3, IGI Airport, New Delhi, 110 037, India		29.4% ¹¹	Singapore		
Travel Food Services Kolkata Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ¹⁰	Select Service Partner (Singapore) Pte Limited 112 Robinson Road, #05-01, 068902, Singapore		
Travel Food Services Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ¹	Spain		
Ireland			Foodlase, SLU Camino de la Zarzuela, 19-21, 2ª plta., 28023, Madrid, Spain		
RG Onboard Services (Ireland) Limited 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland	Inactive company		Select Service Partner SAU Camino de la Zarzuela, 19-21, 2ª plta., 28023, Madrid, Spain		
Select Service Partner Ireland Limited 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland			Select Service Partner Spain Financing SLU Camino de la Zarzuela, 19-21, 2ª plta., 28023, Madrid, Spain	Holding company	
Israel			SSP Airport Restaurants SLU Camino de la Zarzuela, 19-21, 2ª plta., 28023, Madrid, Spain		
Select Service Partner Israel Ltd Derech Menachem Begin 132, Azrieli One Center, Round Building, 6701101, Tel Aviv, Israel			Sweden		
Luxembourg			Scandinavian Service Partner AB Arlanda Airport, P.O Box 67, S-19045, Stockholm Arlanda, Sweden		
SSP Luxembourg SA Aéroport de Luxembourg, L-1110 Luxembourg			SSP Newco AB Arlanda Airport, P.O Box 67, S-19045, Stockholm Arlanda, Sweden	Inactive company	
Malaysia			SSP Sweden Financing AB Arlanda Airport, P.O Box 67, S-19045, Stockholm Arlanda, Sweden	Holding company	
Select Service Partner Malaysia SDN C-2-3A, TTDI Plaza, Jalan Wan Kadir 3, Taman Tun Dr Ismail, 60000 Kuala Lumpur		74.551% ²³	Switzerland		
			Rail Gourmet Holding AG Bahnhofstrasse 10, CH-6300, Zug, Switzerland	Holding company	
			Select Service Partner (Schweiz) AG Shopping center/Bahnhofterminal, 8058 Zurich-Flughafen, Switzerland, PO Box: Postfach 2472		
			Taiwan		
			SSP Taiwan Limited 1F, No.13, Ln. 84, He 1st Rd, Keelung City, Jhongjheng District, 202, Taiwan, Republic of China	Inactive company	

43. Group companies continued

Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)	Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)
Thailand			United States of America		
Select Service Partner Co. Limited⁶ 88 The Parq Building, 11th Fl. Ratchadaphisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok Metropolitan Thailand		49% ¹	ATL Dine and Fly, LLC 1210 Peachtree Street, NE, Atlanta, GA 30361, United States	Inactive company	
United Arab Emirates			CBC SSP America DAL, LLC CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States		49% ¹
SSP Emirates LLC Mussafah, SH MBX Area ME11, Building 85, Mezzanine floor, Hamed Al-Kurby Building, P.O. Box 133357 Abu Dhabi, United Arab Emirates		51% ²¹	CBC SSP America DFW, LLC CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States		49% ¹
United Kingdom			Creative PTI, LLC CT Corporation System, 160 Mine Lake Court, Suite 200, Raleigh NC 27615-6417, United States		62.8% ¹⁷
Bellevue Holdings Limited Jamestown Wharf, 32 Jamestown Road, London, United Kingdom, NW1 7HW ('SSP Group Head Office')	Inactive company		Flavor of ATL, LLC CT Corporation System, 289 S Culver Street, Gwinnett, Lawrenceville GA 30046, United States	Inactive company	
Bellevue Limited SSP Group Head Office	Inactive company		Good Coffee PDX, LLC Chefstable LLC, 819 Se Grant St, Portland OR 97214, United States		70%
Millie's Cookies (Franchise) Limited SSP Group Head Office	Inactive company		Harry's Airport²⁰ 111 Monument Circle, Suite 2700, Indianapolis, IN 46204, United States		51%
Millie's Cookies Limited SSP Group Head Office	Agency company		Jackson Airport Concessions, LLC CT Corporation System, 1200 S. Pine Island Road, Plantation FL 33324, United States	Inactive company	
Millies Limited SSP Group Head Office	Inactive company		LBC PDX, LLC 780 Commercial Street, SE, Suite 100, Salem, Oregon, 97301, United States		70%
Millie's Cookies (Retail) Limited SSP Group Head Office	Agency company		Mack II SSP ATL, LLC 289 S. Culver Street, Lawrenceville, GA 30046, United States	Inactive company	
Procurement 2U Limited SSP Group Head Office	Procurement company		Select Service Partner LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States	Inactive company	
Rail Gourmet Group Limited SSP Group Head Office	Holding company		SSP America AZA, LLC CT Corporation System, 3800 N Central Avenue, Suite 460, Phoenix AZ 85012, United States	Inactive company	
Rail Gourmet UK Holdings Limited SSP Group Head Office	Holding and Management Services company		SSP America BNA, LLC 300 Montvue Road, Knoxville, Tennessee 37919, United States	Inactive company	
Rail Gourmet UK Limited SSP Group Head Office			SSP America BOS, LLC CT Corporation System, 155 Federal Street, Ste 700, Boston MA 02110, United States		60%
Select Service Partner Limited SSP Group Head Office	Agency company		SSP America CID, LLC CT Corporation System, 400 E Court Ave, Des Moines IA 50309, United States		90%
Select Service Partner Retail Catering Limited SSP Group Head Office	Inactive company		SSP America CVG, LLC 306 W Main Street, Suite 512, Frankfort KY 40601 United States	Inactive company	
Select Service Partner UK Limited SSP Group Head Office			SSP America DAL, LLC 701 Brazos Street, Ste 720, Austin TX 78701, United States	Inactive company	
SSP Air Limited SSP Group Head Office	Agency company		SSP America DEN, LLC The Corporation Company, 1675 Broadway – Suite 1200, Denver CO 80202, United States	Inactive company	
SSP Asia Pacific Holdings Limited SSP Group Head Office	Holding company		SSP America DFW, LLC CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States		51%
SSP Bermuda Holdings Limited SSP Group Head Office	Holding company		SSP America DFWI, LLC CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States	Inactive company	90%
SSP Euro Holdings Limited SSP Group Head Office	Holding company		SSP America EWR, LLC Corporation Trust Centre, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		60%
SSP Financing Limited SSP Group Head Office	Holding and Treasury company		SSP America Gladco, Inc CT Corporation System, 600 N 2nd Street, Suite 401, Harrisburg, PA 17101-1071, United States		
SSP Financing No. 2 Limited SSP Group Head Office	Financing company	³	SSP America GSP, LLC 2 Office Park Court, Suite 103, Columbia SC 29223, United States	Inactive company	
SSP Financing UK Limited SSP Group Head Office	Holding and Management Services company				
SSP Group Holdings Limited SSP Group Head Office	Holding company	⁴			
SSP South America Holdings Limited SSP Group Head Office	Holding company				
Whistlestop Airports Limited SSP Group Head Office	Inactive company				
Whistlestop Foods Limited SSP Group Head Office	Inactive company				
Whistlestop Operators Limited SSP Group Head Office	Inactive company				

Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)	Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)
SSP America HOU, LLC 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States	Inactive company		SSP America PIE, LLC CT Corporation System, 1200 South Pine Island Road, Plantation, FL 33324, United States		80%
SSP America Houston, LLC CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States	Inactive company		SSP America PVD, LLC 450 Veterans Memorial Parkway, Suite 7A, East Providence RI 02914 United States	Inactive company	
SSP America Hudson BNA Concessions, LLC 300 Montvue Road, Knoxville, Tennessee 37919, United States	Inactive company		SSP America RDU, LLC CT Corporation System, 160 Mine Lake Court, Suite 200, Raleigh NC 27615-6417, United States		62.8%
SSP America IAH²⁰ CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States		70.7%	SSP America SAN, LLC 330 N Brand Blvd., Glendale, California, United States		70%
SSP America IAH ITRP, LLC 1999 Bryan St, Suite 900, Dallas, Texas 75201, United States	Inactive company		SSP America SAT, LLC 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201, United States	Inactive company	
SSP America, Inc. 330 N Brand Blvd., Glendale, California, United States			SSP America SEA, LLC CT Corporation System, 711 Capitol Way S, Ste 204, Olympia, WA 98501-1267, United States		51%
SSP America IND, LLC 150 West Market Street, Suite 800, Indianapolis, IN 46204, United States		70%	SSP America SEA II, LLC CT Corporation System, 711 Capitol Way S, Ste 204, Olympia, WA 98501-1267, United States	Inactive company	
SSP America IND HC, LLC 334 North Senate Avenue, Indianapolis, IN 46204, United States	Inactive company		SSP America SFB, LLC 1200 South Pine Island Road, Plantation FL 33324, United States		55%
SSP America JFK, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		82%	SSP America Sky Gamerz ATL, LLC 289 S. Culver Street, Lawrenceville, GA 30046, United States	Inactive company	51%
SSP America KCGI JFK T7, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		55%	SSP America Sky Gamerz SEA, LLC 711 Capitol Way S, Suite 204, Olympia WA 98501, United States	Inactive company	80%
SSP America KCI, LLC 120 South Central Avenue, Clayton, MO 63105, United States	Inactive company		SSP America SFO, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		65%
SSP America LGA, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801 United States		70%	SSP America SJC, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		55%
SSP America MCO, LLC CT Corporation System, 515 East Park Avenue, Tallahassee, FL 32301, United States		65%	SSP America SLC, LLC 1108 East South Union Avenue, Midvale, UT 84047, United States		60%
SSP America MCO II, LLC CT Corporation System, 1200 South Pine Island Road, Plantation, FL 33324, United States	Inactive company		SSP America SMF, LLC 330 N Brand Blvd., Glendale, California, United States		60%
SSP America MDW, LLC CT Corporation System, 208 SO Lasalle Street, Suite 814, Chicago, IL 60604, United States		51%	SSP America SNA, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States	Inactive company	
SSP America Milwaukee, LLC CT Corporation System 301 S. Bedford Street, Suite 1, Madison WI 53703, United States		61.5%	SSP America STS LLC 1209 Orange Street, Wilmington, DE 19801	Inactive company	
SSP America MSN, LLC CT Corporation System 301 S. Bedford Street, Suite 1, Madison WI 53703, United States		90%	SSP America Tampa, LLC CT Corporation System, 1200 S Pine Island Road, #250, Plantation FL 33324, United States		52%
SSP America MSP, LLC 1010 Dale Street N, St Paul, MN 55117-5603, United States		80%	SSP America Texas, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		
SSP America MSY, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States	Inactive company		SSP America Texas, Inc. CT Corporation System, 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201-3136, United States	Holding company	
SSP America OAK, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		65%	SSP America (USA), LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States	Holding company	³
SSP America OKC, LLC 1833 South Morgan Road, Oklahoma City, OK 73128, United States	Inactive company		SSP D&B DFW, LLC 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201, United States		60%
SSP America PDX, LLC CT Corporation System, 780 Commercial Street SE, Suite 100, Salem OR 97301, United States		80%	SSP Four Peaks PHX, LLC CT Corporation System, 3800 N Central Avenue, Suite 460, Phoenix AZ 85012, United States		69.885% ¹⁹
SSP America PHX, LLC 3800 N. Central Avenue, Suite 460, Phoenix, AZ 85012, United States		77.65%	SSP Hudson SAT, LLC 1999 Bryan Street, Suite 900, Dallas County, Dallas TX 75201, United States	Inactive company	
SSP America PHX T3, LLC 3800 N. Central Avenue, Suite 460, Phoenix, AZ 85012, United States		57.65%			

43. Group companies continued
Part B – Associates

Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)
Belgium		
Railrest SA⁶ Rue De France 95, Be-1070 Brussels, Belgium		49%
Cyprus		
Cyprus Airports (F&B) Limited Larnaca International Airport, P.O.Box 43024 6650, Larnaca, Cyprus		29.988% ⁹
SSP Catering Cyprus Ltd 67 Limassol Avenue, Lamda Vision Tower 1st Floor, 2121 Aglantzia, Nicosia, Cyprus, P.O.Box 14144, CY-2154 Aglantzia, Nicosia, Cyprus		
France		
Epigo SAS Continental Square I, Batiment Uranus, 3 place de Londres, Aeroport Paris-Charles de Gaulle, 93290, Tremblay-en-France, France		50% ²
Epigo Présidence Sarl Continental Square I, Batiment Uranus, 3 place de Londres, Aeroport Paris-Charles de Gaulle, 93290, Tremblay-en-France, France	Management Services company	50% ²
India		
FLFL Travel Retail Bhubaneswar Private Limited⁵ Knowledge House, Shyam Nagar, Off. JVLR. Jogeshwari (East), Mumbai, 400 060, India		21.609% ¹⁴
FLFL Travel Retail Guwahati Private Limited⁵ Knowledge House, Shyam Nagar, Off. JVLR. Jogeshwari (East), Mumbai, 400 060, India		21.609% ¹⁴
FLFL Travel Retail Lucknow Private Limited⁵ Knowledge House, Shyam Nagar, Off. JVLR. Jogeshwari (East), Mumbai, 400 060, India		21.609% ¹⁴
FLFL Travel Retail West Private Limited⁵ Knowledge House, Shyam Nagar, Off. JVLR. Jogeshwari (East), Mumbai, 400 060, India		21.609% ¹⁴
GMR Hospitality Limited BCCl, Times Internet Building, Second Floor, Plot No. 391, Udyog Vihar Phase - III Gurugram Gurgaon 122016 India	Inactive company	14.7% ²⁴
Muffin Design Solutions Private Limited No F-7 NVT Arcot Vaksanna Sarjapur, Attibelle Road, Sarjapur, Bangalore, KA 562125, India	Design and architectural services	25%
Travel Food Works Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		49% ²
Travel Retail Services Private Limited Block A, South Wing, 1st floor, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai, 400018 India		44.1% ²¹³
Qatar		
Qatar Airways SSP LLC⁵ Second Floor, Building No: 272, Street No. 310, Al-Matar St., Area No. 45, P.O Box: 47644, Doha		49%
United States of America		
Midway Partnership, LLC⁶ CT Corporation System, 208 SO Lasalle Street, Suite 814, Chicago, IL 60604, United States		50% ²¹⁸
PLTR-SSP @ KCI, LLC CSC-Lawyers Incorporating Service Company, 221 Bolivar Street, Jefferson City, MO 65101, United States		50% ²¹⁸
SSP America BTR, LLC Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle DE 19801, United States		51% ²
SSP Hudson Pie Concessions, LLC Corporation Service Company, 1201 Hays Street, Tallahassee, FL 32301		50% ²

Part C – Other Investments

Name	Principal activity (catering and/or retail concessions unless otherwise stated)	Class and percentage of shares held (100% ordinary shares* unless otherwise stated)
KCorp Charitable Foundation²² Shop 1, Floor G, Rashid Mansion, Dr Annie Besant Road, Lotus Junction, Worli, MUMBAI Maharashtra 400018 India		N/A ²

Notes

- * Ordinary shares includes references to equivalent in other jurisdictions.
- SSP has control over the relevant activities of these entities including establishing budgets and operating plans, appointment of key management personnel and ongoing review of performance and reporting procedures, and as such meets the consolidation requirements of IFRS 10 'Consolidated Financial Statements'.
 - SSP does not have control as defined by IFRS 10 'Consolidated Financial Statements'.
 - Includes 100% of preference shares.
 - Holding held directly by the Company.
 - This undertaking has a 31 March year end.
 - These undertakings have a 31 December year end.
 - 100% of the shares are held by Select Service Partner Co. Limited (Thailand).
 - 50% of the shares are held by Select Service Partner Philippines Corporation.
 - 49.98% of the shares are held by SSP Louis Airports Restaurants Limited.
 - 100% of the shares are held by Travel Food Services Private Ltd.
 - 60% of the shares are held by Travel Food Services Private Ltd.
 - 49% of the shares are held by Travel Food Services Global Private Ltd.
 - 90% of the shares are held by Travel Food Works Private Ltd.
 - 49% of the shares are held by Travel Retail Services Private Ltd.
 - 44.4% of the shares are held by Travel Food Services Private Ltd.
 - 91% of the shares are held by the other shareholder as bare nominee.
 - 100% of the shares are held by SSP America RDU, LLC.
 - 50% of the Class A shares are held by SSP America, Inc.
 - 90% of the shares are held by SSP America PHX, LLC.
 - The principal place of business of the unincorporated entities in the USA is 20408 Bashan Drive, Suite 300, Ashburn, VA 20147, USA.
 - 2% of the shares are held by the other shareholder as bare nominee.
 - This company has no share capital but it has corporate members which include Travel Food Services Private Ltd, Travel Food Services Chennai Private Ltd, Travel Food Services Kolkata Private Ltd, Travel Food Services (Delhi) Private Ltd and Travel Retail Services Private Ltd.
 - 50.1% of the ordinary shares and 100% of the preference shares are held by SSP Asia Pacific Holdings Limited and 49.9% of the ordinary shares are held by Travel Food Services Private Ltd.
 - 30% of the ordinary shares are held by Travel Food Services Private Ltd

Subsidiary undertakings exempt from audit

The following subsidiaries, all of which are incorporated in England and Wales, are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of that Act.

Company	Company Registration Number
Rail Gourmet Group Limited	06180162
SSP Asia Pacific Holdings Limited	06180177
SSP Bermuda Holdings Limited	11815274
SSP Euro Holdings Limited	08654008
SSP Financing No. 2 Limited	09113371
SSP Group Holdings Limited	05736092
SSP South America Holdings Limited	11508434

ABC	Anti-bribery and corruption
AGM	Annual General Meeting
APAC	Asia Pacific
APM	Alternative performance measure
AI	Artificial Intelligence
Articles	the Company's Articles of Association
BEIS	The Government Department for Business, Energy and Industrial Strategy
BK	Burger King
c.	circa
CCFF	Covid Corporate Financing Facility
CO ₂ e	Carbon dioxide equivalent
CGU	Cash generating unit
CSA	Control Self-Assessment
DACH	Germany, Austria and Switzerland
DE&I	Diversity, Equity & Inclusion
DSPB	Deferred Share Bonus Plan
DTR	Disclosure Guidance and Transparency Rules
EBITDA	Earnings before interest, tax, depreciation and amortisation
EEME	Eastern Europe and Middle East
ENED	Non-Executive Director for Workforce Engagement
ESEF	European Single Electronic Format
ESG	Environmental, Social, and Governance
F2F	Farm to Fork
F&B	Food and Beverage
FAWC	Farm Animal Welfare Council
FDA	Food and Drug Administration
FLSA	Fair Labour Standards Act
FRC	Financial Reporting Council
FTE	Full time equivalents
FY21	Full year 2021
FY22	Full year 2022
GAP	Group Authorisation Policies
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative

H&S	Health and Safety
HY	Half Year
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
ISA (UK)	International Standards on Auditing (UK)
KPIs	Key performance indicators
LFL	Like-for-like
LGBT+	Lesbian, Gay, Bisexual, Transgender plus
M&A	Mergers and acquisitions
M&S	Marks and Spencer
MSAs	Motorway Service Areas
MTP	Medium term plan
NED	Non-executive director
NGO	Non-government organisation
NGFS	Network of Central Banks and Supervisors for Greening the Financial System
NPA	Note Purchase Agreement
OAT	Order at Table
Pre-IFRS 16 underlying EBITDA	EBITDA adjusted for the impact of IFRS 16 and any non-underlying items
PSP	Performance Share Plan
PY	Prior year
RSP	Restricted Share Plan
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets Initiative
SDGs	UN's Sustainable Development Goal
SEDEX	Supplier Ethical Data Exchange
TCFD	Task Force on Climate-related Financial Disclosures
TFS	Travel Food Services Private Limited
UAE	United Arab Emirates
UK&I	United Kingdom and Ireland
UNHCR	UN Refugee Agency
USPP	US Private Placement
WiHTL	Welcoming Everyone in Hospitality, Tourism and Leisure

Company Information

Forward-looking statements

Certain information included in this Annual Report and Accounts is forward looking and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements.

Forward-looking statements cover all matters which are not historical facts and include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans, expected expenditures and divestments, risks associated with changes in economic conditions, the strength of the food and support services markets in the jurisdictions in which the Group operates, fluctuations in food and other product costs and prices and changes in exchange and interest rates. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as 'believes', 'estimates', 'anticipates', 'expects', 'forecasts', 'intends', 'plans', 'projects', 'goal', 'target', 'aim', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology. Forward-looking statements in this Annual Report and Accounts are not guarantees of future performance. All forward-looking statements in this Annual Report and Accounts are based upon information known to the Company on the date of this Annual Report and Accounts. Accordingly, no assurance can be given that any particular expectation will be met and readers are cautioned not to place undue reliance on forward-looking statements, which speak only at their respective dates.

Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Nothing in this Annual Report and Accounts shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

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