DCC

INVEST IN WHAT THE WORLD NEEDS

Annual Report and Accounts 2024

We know what the world needs to Grow and Progress

THE WORLD NEEDS SOLUTIONS
for cleaner energy, lifelong health, and the technology to make progress happen.

WE INVEST AND REINVEST IN WHAT THE WORLD NEEDS
Future-focused businesses and people with the enterprise and innovation to make progress happen.

WE RETURN WHAT THE WORLD NEEDS
The world needs shared value that grows and grows. Our purpose and strategy generate value for our investors – and for our colleagues, our customers, the societies we serve and the planet.

We have been doing this for 30 years as a listed company.

Contents

Adjusted operating profit[1]

£682.8m +4.1%

2024	£682.8m
2023	£655.7m
2022	£589.2m

Adjusted EPS[1]

455.01p -0.3%

2024	455.01p
2023	456.27p
2022	430.11p

Carbon intensity

74.4gCO_2e/MJ

2024	74.4
2023	74.9
2022	76.4

Dividend per share

196.57p +5.0%

2024	196.57p
2023	187.21p
2022	175.78p

GROWTH AND PROGRESS

Operating profit

£529.4m +3.4%

2024	£529.4m
2023	£512.0
2022	£458.4m

EPS

330.24p -2.4%

2024	330.24p
2023	338.40p
2022	316.78p

Free cash flow

£681.1m

2024	£681.1m
2023	£570.4m
2022	£382.6m

Return on capital employed

14.3%

2024	14.3%
2023	15.1%
2022	16.5%

1. All references to 'adjusted operating profit' and 'adjusted earnings per share' included in the Strategic Report are stated excluding net exceptionals and amortisation of intangible assets. Other 'Alternative Performance Measures' ('APMs') are detailed on pages 253 to 257.

2. Return on capital employed excludes the impact of IFRS 16 Leases. See APMs on page 256 for further information.

Highlights of the Year

This year, DCC celebrates 30 years as a listed company.

Over that time, we have delivered safe and reliable products and services to millions of customers, we have provided rewarding careers to thousands of colleagues, and have generated a total return to shareholders of 6,413%.

30

Years as a Listed Company

6,413%

Total Shareholder Return since Listing

We are working with our suppliers and customers to deliver the lower carbon energy solutions that the world needs.

Our ambition is to double the profitability of our energy business between 2022 and 2030, while also halving the carbon produced by the energy we sell – reducing it from approximately 40 $mtCO_2e$ to 20 $mtCO_2e$.

Services, renewable and other income ('SRO') accounted for 35% of EBITA in DCC Energy this year, up from 28% in the prior year.

20m

Our Scope 3 carbon emissions reduction ambition between 2019 and 2030 is 20m tonnes CO_2e

35%

Proportion of services, renewables and other ('SRO') EBITA in DCC Energy this year

WE INVEST IN WHAT THE WORLD NEEDS

To Enable People and Businesses to **Grow and Progress**

£490m

Capital committed to acquisitions this year

17

Businesses acquired this year

Investing in entrepreneurial businesses that deliver products and services that the world needs is a key part of our business model.

In the year to 31 March 2024, we committed £490 million to acquiring 17 new businesses. Each of these businesses expands our capabilities and opportunities to deliver growth and progress.

This year, our investment was concentrated in the energy sector, enabling DCC Energy's transition to low carbon energy products and services.

OUR OPERATIONS

We are focused on growth and enabling progress.

We acquire, improve and grow diverse businesses that provide solutions for what the world needs.

We do this in 22 countries across four continents creating long-term value for our investors, our people and customers, society and the planet.

Employees

16,600

Countries

22

Over the past decade, DCC generated total returns of more than

124%

Compared to 76% for the FTSE 100 index

Continents

4

SUSTAINABILITY

We want to add value for everyone we deal with and we are clear on where we can do this.

Climate Change and Energy Transition

Our goal is net zero. We are committed to leading our customers in their energy transition by providing innovative and cleaner energy solutions, reducing carbon emissions.

Safety and Environmental Protection

Our goal is no accidents. Safety must be grounded in a culture that encourages every DCC employee and contractor to identify and raise concerns.

People and Social

Our goal is to provide a vibrant, diverse and innovative place to work and be a positive member of the communities we serve. DCC is a people business, and developing and investing in our people is a key strategic objective.

Governance and Compliance

Our goal is to operate in accordance with the highest standards of ethics, compliance and corporate governance.

What we do

We invest in growth and progress in three transformative sectors

DCC ENERGY

The trusted partner for commercial and industrial energy customers, reducing the complexity of the energy transition and delivering energy solutions across processes, heating and fleets.

DCC Energy is leading the transition for off-grid homes, making decarbonisation simple and affordable.

– READ MORE PAGES 22 TO 31

Volumes (litres)
15.2bn -2.2%

Adjusted operating profit
£503m +9.9%

Employees
8,789

DCC HEALTHCARE

A leading healthcare business, partnering with consumer brands to create and manufacture high quality health and beauty products, and supplying primary and secondary care providers with essential products and services.

– READ MORE PAGES 32 TO 39

Revenue
£859.4m +4.6%

Adjusted operating profit
£88.1m -4.0%

Employees
3,269

DCC TECHNOLOGY

A leading specialist distribution partner for global technology and appliance brands and customers, providing reach, simplicity and scale.

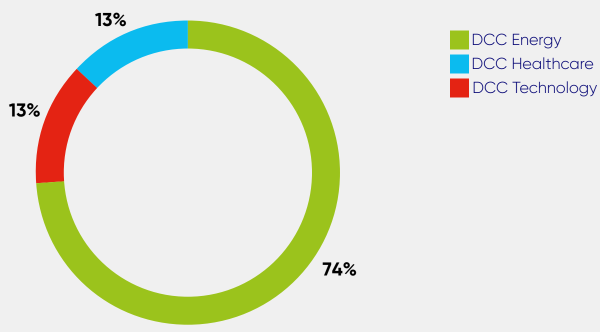
– READ MORE PAGES 40 TO 47

Revenue
£4.8bn -9.3%

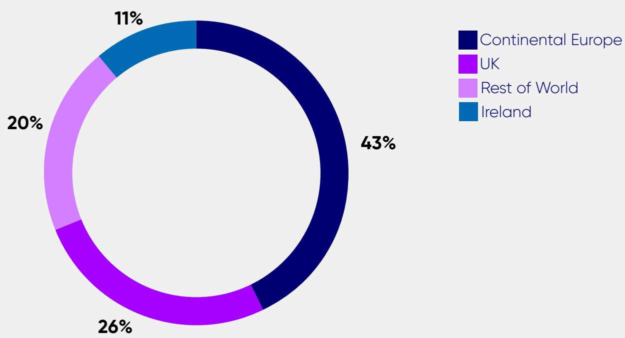
Adjusted operating profit
£91.7m -13.6%

Employees
4,562

Profit by division



Profit by geography



DCC reaffirmed its position as a leading enabler of growth and progress, delivering strong financial results and progress against strategic objectives.

MARK BREUER
Chair

THE WORLD NEEDS GROWTH AND PROGRESS

DEAR STAKEHOLDERS,
I am pleased to present, on behalf of the Board, DCC's Annual Report and Accounts for the year ended 31 March 2024.

In our 30th year as a listed company, DCC reaffirmed its position as a leading enabler of growth and progress, delivering another strong set of financial results and further progress against our strategic objectives.

Financial Performance

Adjusted operating profit increased by 4.1% to £682.8 million. Free cash flow conversion was 100%. The Group's return on capital employed remained strong at 14.3%.

This performance allowed the Board to recommend a final dividend to shareholders of 133.53p per share which, when added to the interim dividend paid in December, provides a total dividend of 196.57p, representing an annual increase of 5%.

DCC has now increased its dividend to shareholders in every one of the 30 years since the Company listed, growing its dividend at a compound annual rate of 13.2%.

Strategy

The fundamental components of DCC's strategy have remained very consistent over the years:

- We buy, integrate and reinvest in businesses in sectors that provide attractive long-term growth opportunities.

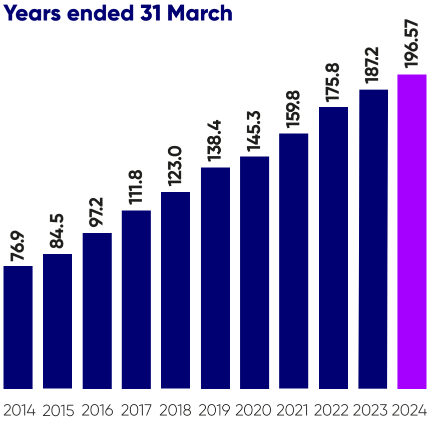
- We empower and support entrepreneurial management teams to grow and develop those businesses, principally organically and then through further capital deployment.
- We invest in our people, enabling them to grow and develop. And we bring in new talent to build the diverse teams needed to deliver our future success.
- We focus on creating growth that is sustainable. We concentrate our sustainability efforts in areas where we can make a real contribution, such as decarbonisation, safety and supply chain integrity. We want to ensure all our stakeholders benefit from dealing with DCC.
- This approach results in a growing, sustainable and cash-generative business that consistently provides returns on capital employed significantly ahead of our cost of capital.

These Group-wide priorities are directly reflected in the market-focused strategies of each of the Group's three divisions. DCC Energy, DCC Healthcare and DCC Technology each have a very clear set of strategic objectives and the resources in place to achieve them.

I was particularly pleased this year by the growth and progress achieved by DCC Energy, which increased its adjusted operating profit by almost 10% to £503 million, while also actively diversifying its activities away from fossil fuels, in line with its stated strategy.

DCC Technology and DCC Healthcare demonstrated remarkable resilience during the year, adapting to the evolving needs of their sectors, despite difficult conditions in some markets, and continuing to make improvements in their existing operations, which will position them well for growth this year.

Dividend (pence)
Years ended 31 March



> DCC's strong, liquid balance sheet and established M&A capability remain essential enablers of our strategy.

M&A Activity

DCC's strong, liquid balance sheet and established M&A capability, honed over nearly 400 acquisitions, remain essential enablers of our strategy.

Approximately £490 million was invested in 17 value-adding acquisitions during the year under review. Among the acquisitions made during the period were Progas in Germany, one of the leading liquid gas distributors in the country, and Next Energy in the UK. These are good examples of how the Group's M&A expertise is being utilised to support the implementation of DCC Energy's growth and decarbonisation strategy.

The Group's M&A capabilities are also utilised to divest businesses when appropriate. Opportunities to transfer businesses that are no longer aligned with the Group's strategic objectives and that will do well under new ownership are considered every year.

Sustainability

The Group's Scope 1, 2 and 3 greenhouse gas emissions all reduced during the year. Scope 1 and 2 emissions reduced by 13.6% in the year and we remain on track to reduce our Scope 1 and 2 emissions by 50% between 2019 and 2030. Scope 3 emissions reduced by 3.1%, reflecting the strategic shift being implemented by DCC Energy away from more carbon intensive forms of energy.

Our commitment to sustainability is not just about meeting environmental objectives: it is also about running our businesses safely, creating a more equitable and inclusive workplace, and sourcing from responsible suppliers. Key metrics on safety, employee engagement and supply chain integrity were all positive. However, these are areas where we want to continue to improve.

Above all, safety takes priority over every other objective that we might set.

Evolving Board Leadership

The role of the Board is to provide strong governance and strategic oversight, enabling the Group to continue delivering value for our shareholders and other stakeholders.

David Jukes, who was appointed a non-executive Director in March 2015 will retire from the Board and as Chair of our Remuneration Committee at the conclusion of our AGM on 11 July. As we announced in December last year, Katrina Cliffe will become Chair of the Remuneration Committee at that point. I would like to thank David for his very considerable contribution to the work of the Board and the Remuneration Committee.

Ensuring that the Board continues to have the expertise and experience needed to guide the evolution of the Group is a priority for me as Chair and an area where I continue to devote considerable time.

Thank You to Our Employees

Throughout the challenges of the last year, it was our people who made the difference and delivered the performance of the Group. I extend the gratitude of the Board to our 16,600 colleagues, led by Chief Executive Donal Murphy and his Group Management Team, for their unwavering commitment, hard work and resilience. Your dedication to our customers, your passion for innovation, and your commitment to DCC's values are the driving forces behind the Company's continued and future success.

Conclusion

I conclude by thanking our existing and new shareholders for your support for DCC throughout the year.

MARK BREUER
Chair
13 May 2024

DCC's purpose is to enable people and businesses to grow and progress. During the year, our people, our greatest asset, yet again demonstrated our purpose in action.

DONAL MURPHY
Chief Executive

OUR FUTURE FOCUS IS CLEAR

Q It has been another year of growth and progress for DCC. What were the key features of this?

Thanks to the exceptional work of my 16,600 colleagues, this was another year of growth and progress for DCC.

Our adjusted operating profit was up 4.1% to £682.8 million, with free cash flow conversion remaining strong at 100%.

The progress made by DCC Energy was a feature of the year. But it was also notable that DCC Healthcare returned to organic growth during the second half of the year.

I was very pleased that we achieved this growth while continuing to reduce our reliance on fossil fuels and achieving another reduction in total carbon emissions, in line with our strategic ambitions.

DCC became a publicly-listed company in 1994. As we reflect on three decades of growth and progress, I am confident that DCC's clear purpose and strategy, deep capabilities and values-driven culture position the Group well for further success.

> Our customers are at the heart of DCC Energy's strategy. We are committed to being a leader in energy transition, working closely with our customers on their unique transition needs.

Q Summarise the key points of DCC Energy's strategy and outline the progress you are making in its implementation?

Our vision is to double DCC Energy's profits while halving its carbon emissions between 2022 and 2030. We will achieve this by reducing the carbon intensity of the essential liquid fuels that we supply to our customers and by building a complementary decentralised electron-based business to enable our customers to manage the major shift to electrified solutions.

To reduce the carbon intensity of our liquid fuels, we will lead in the sales, marketing, and distribution of biofuel products. We will accelerate the growth of liquid gas as the lowest carbon intensity hydrocarbon for off-grid customers, while also increasing the percentage of renewable liquid gases in our mix. We will also maximise the returns from our traditional Mobility businesses, while growing the fleet services we provide.

To build our position in electrified solutions, we will continue to consolidate the highly fragmented solar installation market to become a pan-European leader in solar solutions, augmenting this with value-added products and services, emphasising repeat and recurring revenue opportunities. We will buy and build complementary commercial and industrial ('C&I') energy management and services businesses, aligned to local customer needs and preferences, which complement solar installation and support the customer's electrification journey. We will also continue to expand our domestic energy services offerings, including heat pump and hybrid solutions tailored to local market regulations and frameworks.

Our customers are at the heart of our strategy. By implementing our strategy, we will expand the range of products and services we are providing to our existing 1.7 million direct energy solutions customers to support them on their journey to net zero. We will also acquire new customers as we continue to consolidate the liquid gas market and the highly fragmented solar and energy management services sectors. With our combined offering, we will accelerate organic customer growth.

The net result of this is that we will grow our direct solutions customers to more than two million by 2030 and will significantly increase the lifetime value of our customers. This is why we are convinced that *Cleaner Energy in your Power* is a winning strategy both commercially and for the planet. We are committed to being a leader in energy transition, working closely with our customers on their unique transition needs.

We have made great progress during FY24 on implementing our strategy. The overall contribution of DCC Energy's profits from services, renewables and other areas where the carbon intensity is less than or equal to 10 kgCO_2e/GJ increased to 35% in FY24 from 28% in FY23, while the carbon intensity of DCC Energy's profits decreased by 12% over the prior year. We increased our sales of HVO in FY24 to 140m litres from 60m litres in the prior year.

In liquid gas, not only did we drive strong organic growth and complete the development of the Avonmouth storage facility, but we also acquired two liquid gas businesses, a synergistic bolt-on in the US and the strategically important acquisition of Progas in Germany. And finally, during the period, we acquired nine energy management services businesses significantly scaling our energy transition capabilities.

Q AI has been a key theme this year. What does it mean for DCC?

Like all general-purpose technologies, AI means lots of things to different people. At DCC we have a clear AI strategy. We are pioneering the development of a unified centralised AI platform that embodies our commitment to innovation, customer engagement and operational excellence.

This year we completed a wide-ranging digital initiative across the Group where we identified clear innovation opportunities. AI's role in helping drive our innovation agenda is clear.

Unlike purely generative AI strategies, the DCC AI platform is designed to not only drive business performance but also to enhance our service offerings, ensuring that each operating company can leverage cutting-edge technology for functions such as price optimisation, customer retention, and distribution efficiency. The unique advantage of our approach lies in the centralisation of this technology. By consolidating AI development into a single, cohesive platform, we eliminate the need for each business unit to develop its own systems or hire specialised data science teams.

This not only improves efficiency but also fosters a culture of knowledge-sharing and continuous improvement. Moreover, by maintaining a standardised framework and methodology, we ensure that our AI initiatives are scalable and adaptable, capable of meeting the diverse needs of our global operations.

This strategic approach allows us to create new ways of working and innovative tools that are specifically tailored to enhance business outcomes. Our focus is on practical, actionable AI solutions that drive business value, rather than exploratory or generative AI technologies.

We have successfully built the platform and rolled out our initial models within our Healthcare division focused on enhancing revenue and increasing customer longevity.

Through this AI platform, DCC is setting a new standard for technological adoption in the industry. We are not just keeping pace with technological advancements—we are creating a future where our operations are smarter, our decisions faster, and our customers more satisfied.

Q You often say that people are the key to DCC's success. What is the Group doing in this area?

DCC's purpose is to enable people and businesses to grow and progress. During the year, our people, our greatest asset, yet again demonstrated our purpose in action. The strong performance in the year was as a result of the phenomenal capability, agility and commitment of our 16,600 colleagues who work across the 22 counties that DCC operates in. I'd like to say a big thank you to all my colleagues for delivering such a strong performance in a challenging macro environment.

Our people live our core values of Safety, Integrity, Partnership and Excellence every day. They ensure our customers receive the essential products and services that they require. They navigate challenging supply chain issues to ensure our suppliers are able to get their products to market. And they innovate to continuously enhance our operations.

Over recent years we have developed our people processes, focused on creating a culture of continuous learning and development across the Group. By investing in targeted training programmes, personalised coaching, and active career management, we are building a highly skilled and adaptable workforce that is equipped to tackle current challenges and propel our future growth.

The world is changing at a fast pace and the skills and competencies that our people need to grow and progress are also changing. At the core of our people strategy lies a dedication to continuous learning. We aim to offer a comprehensive and evolving system of training designed to equip our employees with the knowledge and skills necessary to excel in their roles and contribute to our organisational objectives. This system caters to the diverse needs of our workforce across various business segments, ensuring individuals possess the specific expertise required for success in their respective areas and develop the capabilities to innovate so we continue to grow the leadership positions we have in our respective markets.

Q It was another strong year for M&A activity in DCC. What were the highlights?

There were many highlights from an M&A perspective during the year which featured a series of acquisitions that have significantly enhanced our capabilities and our service offerings to customers. During the year we made great progress on our Energy division's energy management services ('EMS') strategy and service offerings. Since our results in May 2023, we have committed approximately £490 million to acquisitions, with a significant portion dedicated to adding services that assist in the decarbonisation of our customers. These acquisitions not only expanded our technological and service capabilities but also significantly strengthened our team with entrepreneurial and dedicated people, enriching our Group with their expertise and commitment to excellence.

In EMS in the UK, we've made substantial progress with the acquisition of Next Energy, which has been instrumental in advancing our energy transition capabilities for B2C customers in the market. We also made substantial progress in enhancing our energy transition capabilities in the UK for C&I customers through a number of acquisitions, including Centreco, a dedicated C&I solar installation business, eEnergy, a technology-led business that specialises in energy procurement and insights, and net zero consultancy DTGen. These acquisitions strengthen our portfolio of energy management services by providing comprehensive power generation solutions, catering to a diverse client base and focusing on the energy reliability needs of customers.

In France, the addition of Copropriétés Diagnostic, a provider of value-added services for energy efficiency and renovation projects, has expanded our offerings to customers in the market and complements our WeWise solar businesses.

In the Netherlands we acquired Isolatiespecialist, an insulation company that has strengthened our energy efficiency offerings in the Benelux region. In Scandinavia, the addition of Solcellekraft, a Norwegian solar PV installation business, expanded our reach in the residential and commercial solar market, supporting our customers in their energy transition journey.

In the liquid gas segment, we've added several strong businesses this year that have enhanced our customer reach. Notably, the acquisition of Progas, provides us with a substantial scale-up in the German market and aligns with our strategic ambition to provide comprehensive energy solutions to the German market, the largest energy market in Europe.

In our Technology division, we strengthened our position with two modest bolt-on acquisitions in France and the US, both of which are highly synergistic and expand our solutions offerings in important markets.

Our M&A activity is a critical component of DCC's strategy, and we remain dedicated to pursuing opportunities that complement our existing businesses, enhance our customer offerings, expand our geographic reach and deliver sustainable value to our stakeholders.

Q And how is DCC's overall approach to capital allocation evolving?

DCC has always focused on building a growing, sustainable and cash-generative business which consistently delivers returns on capital employed well in excess of our cost of capital. This has been successful over many years, because we always look to the future for growth opportunities:

- We seek out the growth potential in our sectors.
- We operate our businesses well and help them to grow and progress.
- And we allocate capital across our sectors to improve and scale our businesses.

We invest and reinvest in essential solutions that the world needs today and into the future. This underpins our sustainable growth and supports our purpose of enabling people and businesses to grow and progress.

We invest to grow our businesses organically, we invest in our sectors through M&A which strengthens and scales our business, and we invest in our people to enable them to grow and progress.

We operate and invest in sectors where we can see a very clear purpose, solving real needs and with macro trends that provide us with growth opportunities.

- In the Energy sector, we believe there is a real need for progress to cleaner energy solutions that are secure, affordable and sustainable.
- In Healthcare, we see the necessity for people to live longer and healthier lives.
- And in Technology, we bring to market the products and services to make a progressive world a reality.

By pursuing our Group strategy and deploying capital in the higher growth segments of our sectors, the size and shape of DCC will be very different by 2030. By 2030 we expect to have more than doubled the size of the Group from 2022 and approximately 70-75% of our profitability will come from Energy services and renewables, Healthcare and Technology. We will also position the Group to deliver a higher organic growth rate as we scale our business in these higher growth sectors.

Q 2024 marks DCC's 30th year as a listed company. As you look ahead, what are your key priorities for the Group?

DCC has a proven business model that has consistently delivered high growth and high returns over our 30 years as a public company. The DNA of the organisation and the foundations of our success were developed and fostered by our founder and former Chair and Chief Executive Jim Flavin. Our Group strategy has been largely consistent since we went public in 1994. Over our 30 years as a public company we have grown our adjusted operating profits by 14% CAGR, had free cash flow conversion of 99%, delivered unbroken dividend growth to our shareholders of 13% CAGR, all while maintaining high returns on capital employed. If you invested £100,000 in DCC plc when we floated 30 years ago your investment would be worth £6.4 million today.

We achieved this growth by driving the organic performance of our businesses, investing and reinvesting capital and leveraging the benefit and resilience of our diverse sectors. Operating across three growth sectors, we have clear priorities for capital allocation across the two pillars of organic capital expenditure and acquisitions.

In Energy, our ambition is to give all customers the power to choose a clean energy future today with inclusive and independent energy solutions. Energy transition is a phenomenal opportunity for DCC both organically and through acquisitions and one that I am really excited about.

In Healthcare, our ambition is to enable people to lead healthier lives, throughout their lives. For patient health, we enable healthcare providers to diagnose and treat illness with our products and services, helping to improve patient outcomes. For consumer health, we develop and manufacture nutritional products, enabling people to live well every day. Healthcare is a fast growing sector and one that DCC wants to scale in.

In Technology, our ambition is to make progress happen with enhanced technology solutions. We are focused on building out the specialist capability we have in this growth industry. We act as an enabler between global technology brands and the people and businesses who use their products. We create solutions that enhance experiences, save time and improve lifestyles.

We have a very clear purpose and strategy for the Group and for each of the sectors in which we operate. Most importantly, we have the platforms to drive high levels of organic growth and the cash flows to deploy capital to accelerate our growth. After 30 years as a public company, I believe we are only starting on our journey.

DONAL MURPHY
Chief Executive
13 May 2024

Watch Donal Murphy's interview on our website www.dcc.ie

A STRATEGY FIT FOR THE FUTURE

We invest in businesses with solutions that the world needs and with future growth potential.

We reinvest and optimise the performance of those businesses, providing the support they need to enable their future success.

WE LOOK AHEAD TO INVEST AND REINVEST IN FUTURE-FOCUSED BUSINESSES THAT CAN MAKE PROGRESS HAPPEN.

WE MAKE FUTURE-FOCUSED DECISIONS

WE LOOK FOR

GROWTH TRENDS
- Businesses that provide what the world needs today and in the future.

GROWTH POTENTIAL
- Talented, entrepreneurial, values-driven management teams.
- Opportunities for organic and inorganic development.

SUSTAINABLE GROWTH
- People, products and services that can deliver progress for investors, the societies we serve and the planet.
- A strategy that is integrated with the four pillars of our sustainability framework.

SUPPORTED BY OUR KEY ENABLERS

- Focus on Decarbonisation
- Excellence in Safety and Operations
- Development of Future-Focused Skills

In this Report, links to strategy are indicated with (S)

We invest and reinvest to deliver returns that are well in excess of our cost of capital and that add value for all of our stakeholders.

This future-focused strategy delivers long-term, sustainable value in line with our purpose.

WE GROW FUTURE-FOCUSED BUSINESSES

WE FOCUS ON

CAPITAL ALLOCATION

- Invest to generate returns well in excess of our cost of capital.
- Convert profits to cash.
- Reinvest cashflows to enable further sustainable growth.
- Remain an attractive buyer of new businesses.

OPTIMISING PERFORMANCE

- Proven processes for financial management and strategic development.
- Central support in key areas such as strategy, M&A, HR, sustainability and risk management.

- Support for Innovation and Use of Technology
- Market Leadership
- Financial Discipline

WE CREATE SUSTAINABLE VALUE

WE ENABLE PEOPLE AND BUSINESSES TO GROW AND PROGRESS.

DCC ENERGY

CLEANER ENERGY WORLD

Our ambition is to give all customers the power to choose a clean energy future today with inclusive and independent energy solutions.

– READ MORE ON PAGES 22 TO 31

DCC HEALTHCARE

HEALTHIER WORLD

Our ambition is to enable people to lead healthier lives, throughout their lives.

– READ MORE ON PAGES 32 TO 39

DCC TECHNOLOGY

PROGRESSIVE WORLD

Our ambition is to make progress happen in every industry we enter with enhanced technology solutions.

– READ MORE ON PAGES 40 TO 47

A DIVERSIFIED AND DEVOLVED BUSINESS

We operate in diverse sectors and geographies through agile and expert management teams. This creates resilience, drives a culture of excellence and leads to more opportunities for growth.

WE INVEST IN WHAT THE WORLD NEEDS TO GROW AND PROGRESS

OUR RESOURCES AND CAPABILITIES

People
A multinational, multicultural and skilled workforce of 16,600 colleagues, with shared values and a common purpose.

Partnerships
A trusted partner to millions of customers and the world's leading energy, healthcare and technology companies.

Financial
A strong and liquid balance sheet, enabling us to react quickly to commercial opportunities.

Infrastructure
Robust and agile operating platforms in a diverse range of markets.

Intellectual
Extensive expertise, know-how and other intellectual property, providing lasting competitive advantage.

WE ALLOCATE CAPITAL

The sectoral and geographic diversity of our businesses gives us optionality in capital allocation. Our compounding business model combines organic growth with leading M&A capability.

Sectors: We invest in three diverse, resilient and sustainable sectors where demand for products and services continues to grow.

– READ MORE
DCC ENERGY ON PAGES 22 TO 31
DCC HEALTHCARE ON PAGES 32 TO 39
DCC TECHNOLOGY ON PAGES 40 TO 47

Businesses: We invest and reinvest in a diversified range of businesses which provide solutions that the world needs.

This facilitates continued investment through economic cycles and access to multiple new growth trends.

Geographies: We have a diverse geographic footprint across 22 countries in four continents.

This facilitates access to new markets and growth trends and provides resilience to economic shocks.

WE SUPPORT BUSINESSES WITH EVERYTHING THEY NEED TO GROW

WE ENABLE GROWTH AND PROGRESS

WE REINVEST TO GROW

WE EMPOWER DIVERSE TEAMS

Our devolved structure supports our local management teams with central expertise:

- This gives entrepreneurs and innovators the resources they need to excel.
- It inspires a growth mindset and a culture of excellence, creativity and innovation and allows local teams to be more agile.

WE OPTIMISE PERFORMANCE

We promote a culture of best practice and high performance through:

- Our financial discipline, which creates efficiencies, stability and resilience to drive organic growth.
- Our expertise in strategy, M&A, risk, tax, treasury, compliance and sustainability.
- Our proven ability to operate and grow customer-focused sales, marketing and support services businesses.

WE CONNECT SUPPLIERS AND CUSTOMERS

By operating globally, locally:

- We ensure deep local knowledge and focus.
- Our suppliers stay closer to our customers.
- We better understand our customers' current and future needs.

THE SHARED VALUE WE CREATE

Suppliers
£18.3bn
Goods and services supplied

Employees
£958.2m
Employee payments

Investors
14.3%
Return on capital employed

Communities and the Environment
3.1%
Reduction in Scope 3 emissions

Governments and Regulators
£89.6m
Corporate taxes

– READ MORE
FINANCIAL REVIEW PAGE 52
SUSTAINABILITY REVIEW PAGE 60

GROWTH AND PROGRESS IN ENERGY MANAGEMENT SERVICES

Growing our energy management services ('EMS') business is a key element of our strategy for the energy sector. By combining skills from across the Group we are making rapid progress.

Energy Strategy Updated

We announced an updated strategy for our energy activities in May 2022, focused on the twin goals of continued growth and decarbonisation.

We provided a detailed update on that strategy at our DCC Energy Insights Day in September 2023.

A key component of that strategy is to build a comprehensive EMS business, providing a broader range of renewable energy products and services to our existing and new customers, aligned with macro trends of electrification and energy efficiency.

Progress Against Strategy

Since 2022, we have grown significantly in this area, largely by identifying, acquiring and successfully integrating new businesses into the Group. In many cases, the entrepreneurial management teams who established these businesses remain in place under DCC ownership. The support they receive in scaling their operations and the access their businesses can get to our existing large customer base are often key factors in their decision to join and remain with the Group.

Our EMS businesses now support customers with a wide range of energy services including solar, insulation, energy controls and monitoring, efficient heating systems and backup energy systems. Demand for these products and services is growing rapidly in many markets.

Before the financial year under review, we had committed £163 million in acquiring 10 EMS businesses. Over the course of the year to 31 March 2024, we accelerated the implementation of our strategy, committing a further £346 million of capital on nine acquisitions in the EMS sector. These included Alternative Energy Solutions in Ireland, Centreco, DTGen and Next Energy in the UK, and SLER40 and Copropriétés Diagnostic in France. These new businesses are being integrated into our EMS platform and in turn provide exciting opportunities for further growth.

Our growth to date in this area has been achieved by blending strategic clarity, knowledge of the markets where we operate, and a strong commitment to partnership with core DCC skills in areas like M&A and risk management.

Commercial & Industrial Customers

A key customer segment for our EMS business is large commercial and industrial ('C&I') customers. These customers often want to benefit from the cost savings generated by energy management programmes and then reduce the carbon emissions from their remaining energy needs.

In the year under review we launched *WeWise*, a European-wide network of DCC EMS businesses, providing a consistent experience for C&I customers with operations across Europe. We are continuing to invest in enhancing our customer proposition through more integrated services and digitisation.

Our aim is to become the leading EMS partner for C&I customers in Europe.

Supporting Consumers

Our devolved operating model also allows us to ensure that we tailor our EMS services to meet individual market conditions. This is particularly relevant in the B2C market segment, where energy transition trends vary significantly from market to market.

Our French and Dutch businesses now offer high-quality domestic retrofit services through their EMS businesses, SLER40 and Isolatiespecialist. We were also very pleased to recently incorporate significant additional domestic retrofit capability in the UK market through the acquisition of Next Energy. Next Energy brings deep expertise in utilising a range of funding arrangements to help domestic customers achieve significant housing upgrades in a market that currently has low energy efficiency.

Over the course of the year under review, our EMS business made a significant difference in helping customers with their energy transition needs. We installed 150 MWp of solar systems and distributed 1.9 TWh of renewable power.

Investing in the Future

We are excited by the opportunity to use our growing EMS capabilities to help existing and new customers transition to modern energy systems. The Group's long-established expertise in acquiring, integrating and supporting the growth of companies that provide a broad range of products and services to large numbers of businesses and consumers means we are very well placed to continue our growth in the EMS sector.

SUPPORTING INNOVATION AND THE USE OF TECHNOLOGY

Supporting innovation and the use of technology is an enabler of our strategy. This year we undertook a wide-ranging digital initiative across the Group where we identified numerous innovation opportunities. AI's role in helping drive our innovation programme is clear.

Optimising Performance through Technology

We continuously look for ways to optimise the performance of our businesses, so we can deliver increased efficiency and better service for our suppliers and customers.

We have a strong track record of delivering innovative but highly practical technology solutions in our operations, blending the skills and experience of colleagues from across the Group.

The rapid development of AI-powered tools is expected to unlock further improvements in our operations over the coming years.

The following is a sample of the projects our teams progressed over the course of the year under review:

- **Butagaz in France** built and deployed an AI-driven model that helps identify liquid gas customers most at risk of changing to another supplier, allowing Butagaz to target their retention efforts where it matters most. As with any business, retaining existing customers is important, but with a focus on transitioning those customers to low-carbon energies, it's essential for Butagaz to trigger engagement before they make a choice to move.
- With a large customer and employee base, **Certas Energy UK** is continuously streamlining administrative processes to deliver efficiencies and better performance. Their in-house centre of excellence for robotic process automation ('RPA') has delivered tens of thousands of hours of productivity by automating processes such as reconciling fuel deliveries, invoice processing and undertaking tax compliance checks.
- With a global customer base, **Medi-Globe in Germany** needs to generate technical documentation for their medical devices in many languages. An AI-based platform is now supporting their team in content creation and translation, saving time in the product launch cycle.
- With a high penetration of online customers in the primary care sector in the UK, **Williams Medical Supplies** is working with a centrally led DCC team to deploy proprietary AI models to drive organic growth through increased cross-sell. Cross-sell recommendations have historically been driven by agent knowledge and basic data linkages. The new approach uses advanced AI tools to look more broadly at statistical correlations, trend-based patterns, and customer cohorts to dynamically suggest products with the highest propensity of uptake from the customer.

- An automated and data-driven approach that optimises engagement with large ecommerce platforms such as Amazon is critical to commercial success in many businesses. **DCC Technology** has developed deep expertise in this area, using advanced analytics and data science. This expertise has enhanced the sales and marketing performance of businesses across the division, including Almo, which was acquired by DCC Technology in 2021, and has since expanded its ecommerce support to new customers like Walmart and Home Depot.
- Powered by integration technology and robotics, **Exertis Ireland** built a platform to actively identify soon-to-expire support contracts and then automatically present an easy renewal option to their customers. Not only did this enhance the customers' experience, it also provided a value-add service to technology vendors, enabling them to grow their support penetration. In addition to eliminating substantial manual effort, renewal rates have increased by over 10%.

DEVELOPING FUTURE-FOCUSED SKILLS

The development of future-focused skills is one of the enablers of our strategy. We continue to invest in improvements in this area to ensure that our people – our greatest asset – are enabled to grow and progress.

Developing Skills for Today and Tomorrow

We are clear on the areas where we want to grow and progress as a business. And we are clear on the skills and capabilities that we need to support this growth and progress. These include not just professional skills but also the experience, agility and resilience needed to anticipate and respond to evolving market conditions.

Building a Culture of Continuous Development

We also strive to foster a culture of continuous development for our people generally, ensuring we have the talent and capabilities we need, now and in the future. We aim to offer a comprehensive and evolving suite of leadership and management programmes, designed to complement our tailored business development programmes that support the varied requirements of our workforce across different business sectors.

Tailored Training for Targeted Skills

We provide targeted training programmes that address the unique needs of colleagues in specific roles.

We have a number of leadership and management programmes in place. A leading example of this is our Business Leadership Programme, operated in partnership with Hult Ashridge Business School in the UK. This programme is designed to support individual development as well as deepening and broadening the strategic perspectives that stimulate growth and innovation. It targets experienced leaders who are identified during our annual talent processes. 117 senior colleagues from across the Group have participated in this programme over the last five years.

Creating a Coaching Culture

Building a feedback culture starts with better conversations at all levels within the Group. To support this, we have rolled out a coaching programme to enhance the coaching and feedback culture across our businesses.

Over the last 12 months, over 120 people from across the Group have joined this programme.

Empowering Career Progression

Employee growth is linked to career progression. We prioritise active career management through regular performance reviews coupled with open discussions about career aspirations. This approach fosters communication, empowers our employees to take ownership of their professional development, and allows them to chart their path within the Group.

Investing in People, Securing the Future

Through our commitment to continuous learning, our coaching culture, and active career management, we are cultivating a future-focused workforce. This investment ensures we remain equipped to navigate future challenges and capitalise on new opportunities.

DCC ENERGY

THE WORLD NEEDS CLEANER ENERGY FOR EVERYONE

The world needs cleaner energy to progress to net zero and to enable sustainable progress. We bring decarbonisation closer by focusing on solutions that work for our customers.

TREND

Demand for Clean Energy

Global energy demand will outstrip supply to 2030. At the same time customer desire for renewables is rising.

70%

of energy consumed by 2050 will be electricity and renewables[1]

£3.6trn

of investment required every year to meet the Paris Agreement 2050 net zero target[1]

Demand for Clean Mobility

Customer desire for electric mobility will continue to rise above clean energy supply; therefore a multi-energy model is needed.

3.4m

operational public charging points needed within the EU by 2030[2]

37%

of global GHG emissions comes from fossil fuel[3]

DCC PROGRESS

£346m

capital committed on 9 EMS acquisitions in FY24

505

EV chargers across DCC's network

90

retail sites supplying HVO

Source: 1 International Energy Agency, 2 McKinsey, 3 International Energy Agency

DCC ENERGY BUSINESSES

Ambition:

TO GIVE ALL CUSTOMERS THE POWER TO CHOOSE A CLEAN ENERGY FUTURE

We will deliver this through our two businesses:

ENERGY SOLUTIONS

We bring decarbonisation closer to our customers and focus on:

Commercial and industrial

We are the trusted partner of commercial customers, reducing the complexity of transition and delivering energy solutions across processes, heating and fleets.

Domestic

We will lead the transition for off-grid homes, making decarbonisation simple and affordable.

Key brands

ENERGY MANAGEMENT SERVICES ('EMS')

AEI*, Centreco*, Copropriétés Diagnostic*, DTGen*, eEnergy, Freedom Heat Pumps*, Hafod*, Isolatiespecialist*, Next Energy*, Protech*, Secundo Photovoltaik*, Solcellekraft*, WeWise*

TRADITIONAL AND LOWER CARBON

Benegas*, Brogan*, Bronberger & Kessler*, Butagaz*, Butler Fuels*, Campus*, Carlton Fuels*, Certas*, DCC Energi*, Emo Oil*, Energie Direct*, Flogas*, Gaz de Paris*, Gulf, Hicksgas*, Jones*, Northeast Oil*, Pacer Propane*, Pacific Coast Energy*, Progas*, Propane Central*, QStar*, San Isabel Services Propane*, Saveway Petroleum*, Scottish Fuels*, Shell, Swea*, TEGA*, Texaco, Top Oil* (in Austria), United Propane Gas*

ENERGY MOBILITY

We are the leading multi-fuels network focused on:

Retail network

We operate a network of retail forecourts on motorways and in urban areas providing fuel and EV charging.

Fleet Services

Multi-fuel bunkering and value add services for small/mid-sized fleets.

Key brands

RETAIL BRANDS

Certa*, Esso, Great Gas*, Gulf, QStar*, Shell, Spritkonig.

FUEL CARD BRANDS

Allstar, BP, Certas*, Diesel Direct, Esso, Fastfuels, Gulf, QStar*, Shell, TruXtop*, UK Fuels.

* DCC-owned brands.

PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2024

Volume (litres)

15.2bn -2.2%

2024	15.2bn
2023	15.5bn
2022	15.9bn

Adjusted operating profit

£503.0m +9.9%

2024	£503.0m
2023	£457.8m
2022	£407.1m

Adjusted operating profit per litre

3.31ppl

2024	3.31ppl
2023	2.95ppl
2022	2.57ppl

Return on capital employed

18.7%

2024	18.7%
2023	19.0%
2022	18.6%

Operating cash flow

£769.8m

2024	£769.8m
2023	£573.9m
2022	£518.4m

10-year adj. operating profit CAGR

16.4%

2024	16.4%
2023	15.7%
2022	18.8%

DCC Energy recorded operating profit of £503.0 million, up 9.9% (+10.8% constant currency). Organic profit growth was 5.9%, driven by a very strong Energy Solutions performance. In successfully executing our strategy, DCC Energy's share of operating profit from services, renewables and other ('SRO') products increased to 35% from 28% in FY23 (FY22: 22%). DCC Energy's strong profit growth, together with a reduction in Scope 3 carbon emissions of 3.1%, reduced the carbon intensity of our profits further by 11.8%. We committed c.£485 million to 15 acquisitions in line with our *Cleaner Energy in Your Power* strategy. In February 2024 we significantly expanded our presence in the German liquid gas market by acquiring Progas. We completed nine acquisitions which expand our energy management services ('EMS') offering, including in solar (Centreco in the UK and Secundo in Austria), combined heat & power units and back-up generation services (DTGen), energy efficiency and procurement services (eEnergy) and in domestic energy transition services (Next Energy, as announced today).

DCC Energy Solutions

DCC Energy Solutions had an excellent year, growing operating profit by 14.2% (15.0% constant currency) to £383.4 million. Our Solutions business is managed across four operating regions: Continental Europe, UK & Ireland, North America and the Nordics.

Our Solutions business in Continental Europe delivered very strong growth during the year. In France, our largest market, we delivered strong growth. The natural gas and power sector recovered from difficult market conditions in the prior year, and we also delivered very strong growth in our EMS (particularly solar) offering. We continue to build a more integrated customer offering in the French market and during the year we launched our umbrella brand 'WeWise' to highlight our nationwide offering for French commercial and industrial customers – a sector where we have built a market leadership position. In Germany we also delivered good growth and in February 2024 acquired Progas, which when combined with our existing business, gives us scale and a leading position in the liquid gas market. We plan to build on this strong foundation in the market and add an EMS customer offering in Germany in due course.

Our UK & Ireland business recorded strong growth during the year. The mild winter conditions and cost of living concerns were a headwind for the business, particularly in the domestic fuels sector. However, this was more than offset by a recovery in the natural gas and power sector in Ireland, increased market share in the liquid gas sector with commercial and industrial customers and strong growth in our EMS offering to customers in both the UK and Ireland. During the year we commissioned the Avonmouth storage facility and recently added a new supply point in Teeside, both of which have improved the robustness of our supply chain. In the Irish natural gas and power market, we increased our customer numbers and the business benefited from our procurement strategy. We completed five acquisitions in the UK and Ireland which strengthen our offerings in EMS, energy transition services and renewable fuels and these have performed well since acquisition. While all regions saw mild winter weather conditions the impact was most material in North America, where domestic heating constitutes a large proportion of the business. This resulted in profits declining in North America. We continue to make progress in developing our sales and marketing capability in the region and completed a further bolt on acquisition in the attractive Colorado market. We achieved very strong profit growth in Scandinavia. The growth was driven by a very strong performance by our liquid gas business in Sweden and Norway. The business has grown market share and attracted large commercial and industrial customers seeking greater energy independence, given the volatile energy markets of recent years.

DCC Energy Mobility

Our Mobility business performed robustly and in line with expectations, with operating profit broadly in line with the prior year on a constant currency basis. Following a strong first half, the business was impacted, particularly in the third quarter, by competitive headwinds in the French market. We achieved good growth across the rest of the business. Our digital, truckstop and other fleet services performed well during the year. We again delivered strong growth in fuelcard and through our technology-enabled SNAP service offering to fleet customers.

In France, where we have an extensive retail network, market conditions were difficult during the second half of the year and particularly in the third quarter. Very competitive promotional pricing in the market impacted volumes and profitability. Our team responded well to this challenging environment and both the volume and profit trajectory improved materially during the fourth quarter of the year, as promotional pricing eased. We continued to invest in the network in France, increasing our electric vehicle ('EV') chargers to 134 across 28 sites. In the Nordic region, the business performed strongly. We recorded very good growth in Sweden, where the business recovered from a weaker performance in the prior year. In Norway, the business also recorded strong growth. We continued to invest in both our convenience and EV offering where we now have EV charging capability on 25% of our Norwegian sites. Our 'mobility hub' concept, where we offer traditional fuel, low carbon biofuel, as well as EV charging, has attracted significant market attention. In May 2024, our site at Mandal won 'Best EV Hub in the World' in an international industry competition.

STRATEGY

Our strategy is to lead the energy transition, bringing decarbonisation closer for our customers. We put *Cleaner Energy in Your Power* by selling, marketing and distributing practical, cleaner energy solutions that assist customers to reduce emissions from buildings, processes and transport.

Growth and Progress in Action

INVESTING IN GROWTH IN LIQUID GAS

One of our strategic objectives is to grow our liquid gas business by 50% between 2022 and 2030, including through acquisitions. We made further strong progress against this objective during the year under review.

Acquisition of San Isabel Services Propane

In August 2023, DCC Propane completed the acquisition of San Isabel Services Propane in Colorado. This is the 13th acquisition completed since our original acquisition of DCC Propane in 2017. We expect DCC Propane to continue to provide attractive opportunities for investment into the future.

Acquisition of Progas

In February 2024 we completed the acquisition of Progas GmbH. Progas is a leading distributor of liquid gas in Germany, serving a loyal customer base of over 70,000 domestic and commercial customers. Progas distributes the equivalent of approximately 330 million litres of liquid gas annually through its nationwide supply (including two importation terminals), filling and distribution network and employs approximately 350 people.

Progas substantially enhances our presence in Germany and, along with TEGA, our other German liquid gas business, creates a strong platform to cross-sell our growing range of Energy Management Services to German customers.

Focus on Supply and Trading and Renewable Liquid Gases

A key component of growing our liquid gas business is developing both our supply and trading capabilities and our capability in renewable liquid gases. During the year we set up a Supply and Trading hub to bring additional skills and focus on the supply of liquid gas. In addition, we appointed a Director of Sustainable Gas, tasked with growing the supply of lower carbon liquid gases throughout the division. These steps have generated immediate commercial benefits while also enhancing our sourcing capabilities in key areas.

We believe energy transition is a once in a generation transformation with important implications for all of our stakeholders. Today's energy system creates three main challenges for our customers, the 'energy trilemma': affordability of energy, security of energy and reducing the carbon content of energy. DCC Energy is extremely well placed to support our customers through this trilemma. We put customers first, having built strong B2B and B2C business models across our markets. We do energy differently, grounded in the belief that our energy is not just a utility but a means to help our customers reach energy independence.

Our strategy is founded on our customers. We bring a mindset of 'best customer company in energy'. To enable this, we have launched a customer community across our business bringing together talented customer experts and marketers to share proven practice. We rely on our devolved model to drive local customisation and ensure authenticity in our customer approach. Enabling our customers to achieve net zero requires us to have a deep understanding of their energy pathways. We expect customers to require essential liquid fuels for many years more. We enable decarbonisation through shifting to lower intensity hydrocarbons and leading in the biofuel products we have available. In addition, efficiency and electrification are key requirements for all of our B2B and B2C segments. We are providing new offers for customers to navigate the shift to electrification including solar, energy controls and associated services.

Our ambition is to give all customers the power to choose a cleaner energy future today, with inclusive and independent energy solutions. We want to make energy transition solutions accessible and affordable.

We execute our strategy through our Energy Solutions and Mobility businesses.

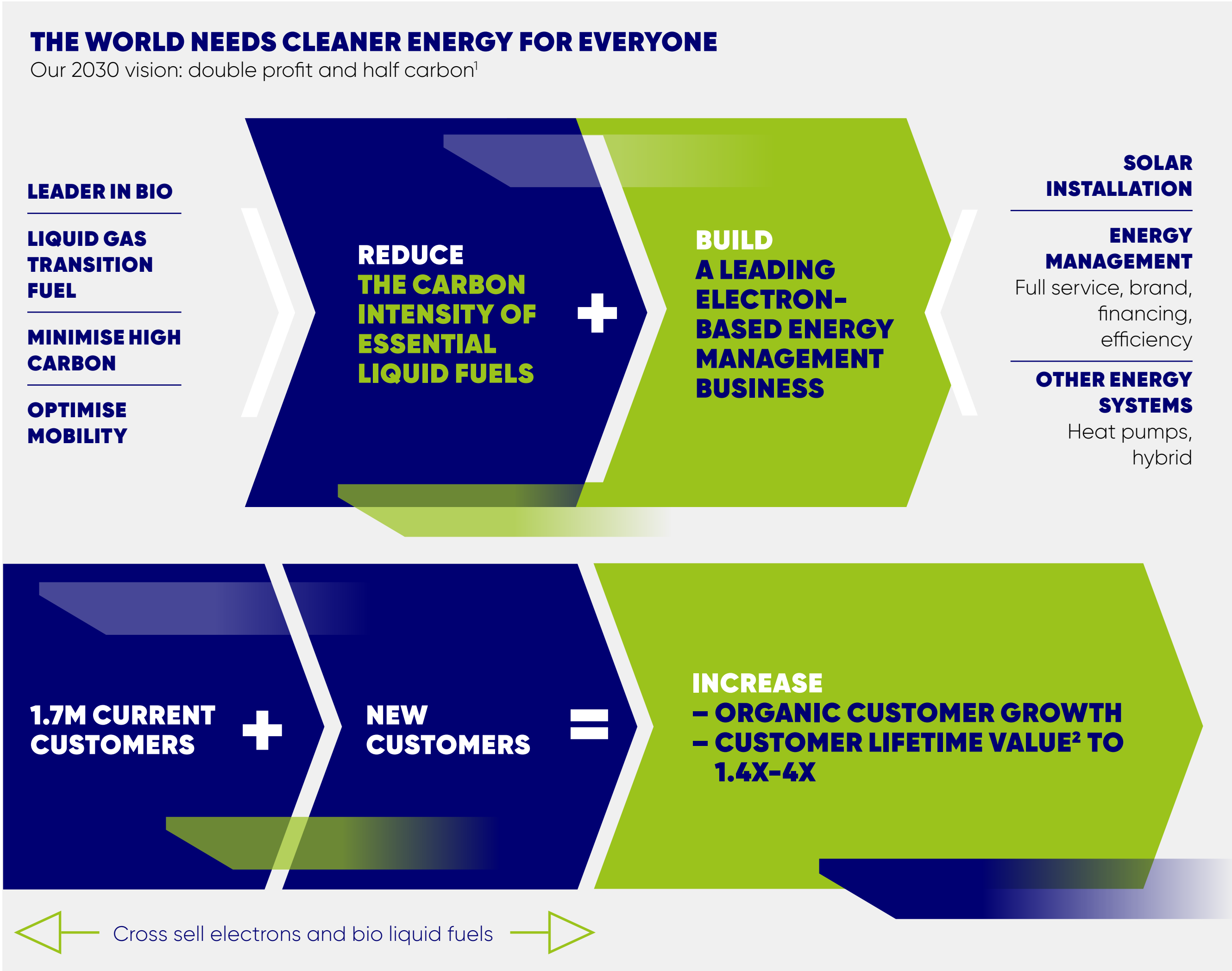
Energy Solutions

Our Energy Solutions business brings decarbonisation closer for our B2B and B2C customers. Our commercial and industrial customers are small, medium and large businesses that typically use traditional fuel to run industrial processes and heat buildings. Growing engagement amongst these customers in the net zero agenda is driving the demand for cleaner fuel options. We are responding to this need through growth in our liquid gas offers – an important lower carbon transition fuel – and leading the way in renewable molecular energy through biofuels including leading positions in HVO distribution.

Our domestic customers are mainly rural customers using traditional fuels to heat their homes. The transition of their homes to a low and zero carbon future requires a multi-pronged approach. We believe biofuels have a significant role to play for customers that cannot afford a full energy system change in the short-term. For those looking to transition their heating from liquid energy sources to hybrid or electrification we have been building our heat pump capabilities. Affordability, reliability, and the cost of retro fits are key barriers to change which we are well positioned to help overcome. As more markets move away from natural gas as a domestic heating solution the scale of customers availing of these services continues to grow.

Energy Mobility

Our Mobility business is focused on building networks of multi-energy transport hubs for customers using cars, vans and trucks. We are creating distinctive multi-energy networks by using our deep knowledge of mobility networks, existing partnerships, and our growing suite of value-added services. On our Retail networks we have been investing in EV charging capability and new site formats focused on multi-fuel solutions. Our Mobility services business is building more capabilities to advise customers on the transition of their fleets.



1 Double EBITA target from base year of FY22.
2 Modelled customer lifetime value increases to 1.4x-4x from a FY22 base over seven years.

Progress on Strategy Implementation

We have been executing on this strategy, with strong momentum both organically, and through acquisition, where we have accelerated our pace of Energy Management acquisitions, which are giving us the right platforms for growth and for leadership in energy transition.

In 2022 we announced a significant change to our organisation structure, establishing DCC Energy with a focus on helping our customers through the energy transition by being a multi-product energy provider. Since then, we have been adding additional central capability in biofuels, supply, strategy, EMS, people and change, HSE and M&A. We have established cross-business communities to drive accelerated growth and knowledge – sharing in customer experience, biofuels, supply and EMS.

The roll out of biofuels has gained pace, both organically and through acquisition, and we have established strong market positions in HVO distribution in key markets – UK, Ireland, Austria, Denmark and Sweden (refer to page 31 for further detail of progress in action on HVO). We will develop more HVO partnerships with leading suppliers and producers.

We have continued our investment in liquid gas across the geographies in which we operate with the acquisitions of Progas in Germany and San Isabel Services Propane in Colorado, USA. Liquid gas is the lowest carbon intensity hydrocarbon energy available to many of our customer segments. Renewable liquid gases will be the next wave of bio molecules for DCC, where we will agitate for increased development of renewable drop-in molecules for liquid gas, particularly rLPG and rDME.

We have accelerated our performance since entering EMS in 2022, with several acquisitions through the year and the launch in the current year of a new brand for our B2B Energy Management Services ('WeWise').

MARKETS AND MARKET POSITION

Energy Solutions

Our Energy Solutions business provides a wide range of energy solutions to domestic and commercial customers across 12 countries.

ENERGY SOLUTIONS CONTINENTAL EUROPE

Energy Solutions Continental Europe operates in France, the Netherlands, Belgium, Austria, Germany and Hong Kong & Macau.

France

Butagaz is the second largest liquid gas distribution business in France. Butagaz operates from 50 depots nationally, distributing to 140,000 bulk customers, 16,000 points of sale (cylinder resellers) and 8,500 B2B cylinder customers. We estimate that Butagaz cylinders are used by approximately 4.4 million end user customers annually. Butagaz has a strong supply base and sources liquid gas from several supply points across France, Belgium, Spain, and Germany. Butagaz is building a strong position in the photo-voltaic ('PV') solar installation market in France, with further bolt-on acquisitions in the current year. Butagaz now has significant coverage across the country, positioning Butagaz as a multi-energy and multi-services energy solutions provider. Gaz Européen is a specialist retailer of natural gas and electricity, focused on supplying energy management solutions to companies, apartment blocks (with collective heating systems), public authorities and the service sector in France. Gaz Européen supplies approximately 5.7 TwH of natural gas and power to c.25,000 B2B sites across France. A key aim of the company is to improve energy efficiency for its customers by providing a range of innovative services. Furthermore, DCC Energy continue to build a more integrated customer offering in the French market within energy management services, and in FY24 launched an umbrella brand WeWise for commercial and industrial customers, where a market leadership position has been built through the founding businesses Solewa, Soltea, Sys ENR and O'SiToiT. In addition, SLER40 services domestic and commercial customers with solar PV and heat pump design, installation, and maintenance services, and in April 2024, DCC Energy acquired Copropriétés Diagnostic, an energy management business providing efficiency and renovation solutions to the multi-unit dwelling customer segment.

The Netherlands & Belgium

In the Netherlands, DCC Energy's liquid gas business trades under the Benegas brand and operates from five depots and several third-party locations. The business delivers to commercial, industrial, agricultural, and domestic customers in The Netherlands and Belgium, and is also a significant player in the sale of liquid gas for aerosol and autogas use. Headquartered in the Netherlands, PVO is one of the leading solar solutions distributors in Europe, supplying approximately 400 customers including installers, engineering, procurement and construction ('EPC') companies, corporates, solar developers and wholesalers. In August 2023, DCC Energy acquired Isolatiespecialist, a leading provider of energy efficiency and insulation services to domestic and commercial customers in the Netherlands.

Austria & Germany

Energie Direct manage the Austrian and German activities related to bulk liquid fuel distribution and retail. Energie Direct is number two in the bulk liquid fuel distribution market. Energie Direct has its own company-owned and operated retail portfolio with a strong convenience offer on a modest number of sites under the Spritkonig brand. Energie Direct also includes Bronberger & Kessler, a liquid fuel distribution business in Bavaria, Germany. In May 2024, DCC Energy agreed to acquire Secundo Photovoltaik, one of Austria's largest Solar PV businesses serving commercial customers. The deal remains subject to approval of the Austrian competition authority. TEGA is a liquid gas and refrigerant gas distribution business with four operating sites based largely in southern Germany. The refrigerants business supplies OEMs, wholesalers and service contractors related to air-conditioning, commercial cooling systems and refrigerators, whereas the liquid gas business services c.25,000 domestic and commercial customers. In February 2024, our presence in Germany was further strengthened through the acquisition of Progas GmbH, a leading liquid gas distributor to over 70,000 customers. Progas GmbH is headquartered in Dortmund with a nation wide supply infrastructure including two importation terminals.

Hong Kong and Macau

DSG Energy is the market leader in Hong Kong, supplying piped liquid gas under long-term supply agreements and continues to expand its operations and service offering. The business has a customer footprint of over 105,000 households based in very large residential complexes. DSG Energy has a number one position in the cylinder market and supplies autogas through Shell's retail network. It also has a market leading position in the smaller Macau market. The business is supplied via the Shell terminal on Tsing Yi Island located next to DSG's filling and storage facility and distributes Shell-branded liquid gas under a long-term Shell brand licence agreement.

ENERGY SOLUTIONS BRITAIN & IRELAND

Britain

Energy Solutions Britain is the leading liquid fuels and energy management services operator in Britain, providing energy via liquid fuels and gas to commercial and domestic customers through our two principal businesses, Flogas Britain and

150MWp

Solar capacity installed in FY24

Certas Energy. In addition, we offer energy management services including rooftop solar installations, heat pump distribution, combined heat and power pump and energy efficiency management through Centreco, Protech, DTGen and eEnergy.

Flogas Britain is the number two liquid gas operator in the market, serving commercial, industrial and domestic customers through a nationwide infrastructure of 60 operating locations. The business sells both cylinder and bulk liquid gas as well as aerosol and autogas and has successfully grown the liquid gas market by switching more carbon intensive oil consumers in several industrial sectors to cleaner liquid gas.

Certas Energy has grown to become, by far, the largest oil distributor in the market with mobility and heating energy customers in the commercial, industrial, domestic, agricultural, retail and fuel card sectors. A core focus of the business is converting oil customers to HVO, enabling very material carbon reductions. In addition to fuels, Certas Energy has a significant market presence in third-party and own-brand lubricants sales and AdBlue.

In energy management services, Centreco and Hafod offer rooftop solar installation services to both commercial and domestic customers. Centreco is the largest commercial and industrial rooftop solar installer in the market. Freedom Heatpumps operates as a distributor of heat pumps, allowing us to support domestic customers, both on and off the natural gas grid, in electrifying their heat requirements, thereby reducing their carbon footprint. Protech and DTGen offer a comprehensive range of HVAC (Heating, Ventilation, and Air Conditioning) solutions, combined heat and power pump maintenance services and back-up and emergency power solutions to commercial and industrial customers.

Ireland

Energy Solutions Ireland is the leading liquid fuels and energy management services operator in Ireland, providing energy via liquid fuels and liquid gas to commercial and domestic customers through our two businesses, Flogas Ireland and Certa as well as energy management services including electricity and natural gas retailing and rooftop solar installations.

200k

Flogas Ireland domestic and commercial customers

Flogas Ireland is the number two liquid gas supplier in Ireland. It supplies bulk and cylinder liquid gas to a wide range of industrial, commercial, and domestic customers, serviced by a developed network of authorised distributors and six depots. The liquid gas business has experienced strong growth in customer numbers in recent years, as new off-grid customers switch from oil to liquid gas to avail of the increased energy efficiencies and reduced carbon emissions offered by liquid gas. Flogas Ireland has built an electricity and natural gas business serving over 200,000 domestic and commercial customers across Ireland.

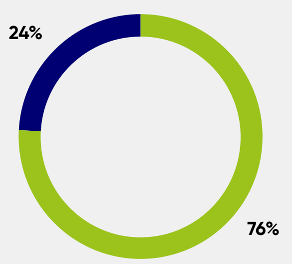
Certa is a leading oil distributor in the Republic of Ireland with mobility and heating energy customers in the commercial, industrial, domestic, agricultural, retail and fuel card sectors. Like Certas in Britain, Certa has developed a market-leading HVO supply position.

AEI is Ireland's longest established renewable energy specialist, offering a range of renewable energy systems including solar PV panels and home heat pumps.

ENERGY SOLUTIONS NORDICS

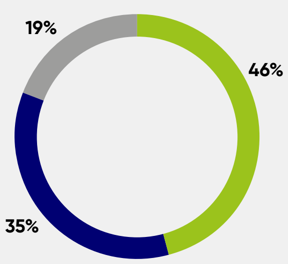
Energy Solutions Nordics operates across three countries: Denmark, Sweden and Norway. DCC Energi Denmark is the number two liquid fuels distributor in Denmark, with a growing business in energy services. DCC Energi Denmark, in partnership with Shell, is also the second largest operator in the Danish aviation market, operating in seven of the eight largest Danish airports. The business is deploying capital into a significant roll-out of electric vehicle chargers in partnership with Shell, and offers e-mobility solutions from home, office, forecourt and public spaces. In Sweden and Norway, Flogas operates from five locations, which include two key importation facilities. Flogas is the market leader in both of these markets, distributing liquid gas predominantly to large steel and industrial customers. In September 2023, DCC

DCC Energy adjusted operating profit



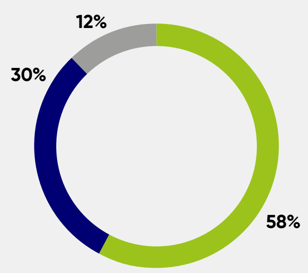
Energy Solutions
Energy Mobility

DCC Energy adjusted operating profit by product type



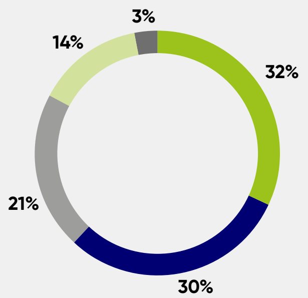
Lower Carbon (≤65 kgCO_2e/GJ)
Services, Renewables and Other (≤65 kgCO_2e/GJ)
Traditional (>65 kgCO_2e/GJ)

DCC Energy volumes by customer segment



Commercial & Industrial
Mobility
Domestic

DCC Energy volumes by geography



Solutions – UK&I
Mobility
Solutions – CE
Solutions – Nordics
Solutions – US

completed the acquisition of Solcellekraft, one of Norway's largest solar PV businesses, servicing commercial and domestic customers, expanding the energy services offering in the region.

ENERGY SOLUTIONS NORTH AMERICA

DCC Propane is headquartered in Illinois, operates in 22 states and services 280,000 customers. The business is now the number seven liquid gas business in the US by volume following the successful integration of the UPG business acquired in December 2020 and further extended its footprint in August 2023 through the acquisition of San Isabel Services Propane. The business trades under seven key regional brands – Hicksgas, Pacer Propane, Propane Central, Pacific Coast Energy, Saveway Petroleum, Northeast Oil and United Propane Gas.

Energy Mobility

DCC Energy's Mobility businesses operate across six countries developing networks that provide a wide range of energies and related services for road users.

France & Luxembourg

The Esso Retail France business comprises an extensive network of 276 Esso-branded, unmanned retail petrol stations (63 of which include car washes), 44 Esso motorway stations and a further 105 Esso-branded dealer-owned stations. The business has 138 chargers at 29 motorway sites. Our Mobility business in Luxembourg consists of eleven company-owned, company-operated ('COCO') sites, three company-owned, dealer-operated ('CODO') sites and four dealer-owned, dealer-operated ('DODO') sites, primarily operating under the Gulf brand. The COCO shops all operate Shoppi branded convenience stores which is part of the Cactus Group, the largest grocery retailer in Europe. The sites are mainly in urban locations with a number being identified as suitable for EV charging offerings, leveraging our experience in Norway and France. The business operates from its office in Paris, with pricing, supply and back-office support provided by the retail hub based in Drogheda, north of Dublin, Ireland.

Sweden

The QStar retail network is the fifth largest retail network in Sweden, with a nationwide footprint of 340 sites. In addition, QStar is a leading HVO supplier in Sweden.

Norway

Our operations in Norway include a well-located Esso-branded retail network and an Esso-branded bulk distribution business. The Esso retail network in Norway comprises 118 company-operated stations with convenience stores operated in partnership with Norgesgruppen, the largest grocery retailer and wholesaler in Norway, a growing unmanned network of 54 stations and 72 Esso-branded dealer-owned stations. In addition, the business has been successfully deploying EV charging stations, with 293 chargers currently operating across 43 sites with a strong pipeline of additional locations. The business operates from its office in Sandvika in Norway, with pricing, supply and back-office support provided by the retail hub based in Ireland.

Denmark

DCC Energy's Mobility business in Denmark is the fifth largest player in the Danish retail petrol station market. The business is deploying capital into a significant roll-out of EV chargers in partnership with Shell, and offers e-mobility solutions from home, office, forecourt and public spaces.

UK

DCC Energy's Mobility business in the UK operates our retail network along with supply to a significant portion of the retail dealer market. The business also has an extensive fuel card business for commercial customers, along with an innovative digitally based SNAP business providing solutions to truck fleet managers in the UK and Europe.

Growth and Progress in Action

GROWTH IN BIOFUELS

Greening our existing fuels business plays an important part in our plan to both double our profits and halve our carbon between 2022 and 2030. We have market leading fuels businesses in Britain, Ireland, Denmark, Austria and Sweden. These businesses provide an unparalleled opportunity to lead the decarbonisation of these markets.

Hydro-treated Vegetable Oil ('HVO') is a renewable drop-in replacement for diesel which lowers carbon emissions by up to 90%. We made considerable progress in building our HVO business in Britain and Ireland during the year. In Britain, we acquired the trade and assets of Green BioFuels, a market leading HVO distributor. In Ireland, we have built our business into the leading distributor of HVO.

Our expertise in this area has allowed us to work closely with many commercial customers to reduce their carbon footprint. We have recently worked with customers like DHL, Sky, BBC, Aggreko, AWS and Dublin Port to convert their businesses to HVO.

We have also worked closely with supply partners such as Neste, Shell and BP to ensure that we are supplying high quality products to our customers.

DCC Energy has also converted a large portion of our own truck fleet to HVO, helping us reduce our Scope 1 and 2 carbon emissions by 15% over the prior year and achieving a 40% reduction since 2019.

DCC HEALTHCARE

THE WORLD NEEDS LIFELONG HEALTH

People are living longer, and whatever stage of life they're at, we want them to be healthy too. So we support everyday health and wellness, as well as providing products that enable practitioners to diagnose and treat illness.

TREND

Ageing Populations

Life expectancy has increased, yet *healthy* life expectancy has stayed proportionally the same. This means that we are spending more years in poor health, creating a greater need for healthcare services.

30%

of the EU population will be 65+ by 2060, 21% in 2022[1]

Self-Care

To stay healthy for longer, more people are taking personal control of their wellbeing. Making positive lifestyle changes could enable us to enjoy extra years of good health.

5.8%

compound annual growth in US nutritional supplements market 2018-2026[2]

DCC PROGRESS

>120

Medi-Globe medical devices products are supplied in over 120 countries globally

£40m

investment in enhanced capability and capacity across our health and beauty solutions facilities over the past 18 months

Source: 1 Eurostat, 2 Nutrition Business Journal

DCC HEALTHCARE BUSINESSES

Ambition:

TO ENABLE PEOPLE TO LEAD HEALTHIER LIVES, THROUGHOUT THEIR LIVES

We will deliver this through our two businesses:

DCC VITAL

PATIENT HEALTH

What we do
We help to improve patient outcomes by providing products and services that enable healthcare providers to diagnose and treat illness.

How we do it
We supply healthcare providers with high-quality medical and diagnostic products for use in hospital and primary care settings.

Key brands
BioRad, Carefusion, CSL Behring, Comfi*, Diagnostica Stago, Espiner Medical*, Endo-Flex*, Fannin*, Fannin LIP*, ICU Medical, , Martindale Pharma, Medi-Globe*, Medisource*, Mölnlycke, Neo*, Nova Biomedical, Rosemont Pharma, Siemens, Skintact*, Smiths Medical, Smith & Nephew, SP Services*, Urotech*, Urovision*, VacSax*, Williams Medical*, Wörner Medical*.

*DCC-owned brands.

DCC HEALTH & BEAUTY SOLUTIONS

CONSUMER HEALTH

What we do
We help people to maintain and improve their health and wellbeing, enabling them to live well every day with self-care products.

How we do it
We develop and manufacture nutritional supplements and beauty products for brand owners in the growing health and beauty market.

Key brands
Alliance Pharma, Apoteket, Elemis, Estée Lauder, Force Factor, GOLO, Glanbia, Groupe Rocher, Haleon, Healthspan, Holland & Barrett, Lintbells, Nestlé Health Science, Omega Pharma, Oriflame, P&G Health, PZ Cussons (Childs Farm), Quincy Bioscience, Ren, Space NK, Target, Unilever, Vitabiotics.

PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2024

Revenue

£859.4m +4.6%

2024	£859.4m
2023	£821.5m
2022	£765.2m

Adjusted operating profit

£88.1m -4.0%

2024	£88.1m
2023	£91.8m
2022	£100.4m

Operating margin

10.3%

2024	10.3%
2023	11.2%
2022	13.1%

Return on capital employed

10.2%

2024	10.2%
2023	13.0%
2022	20.5%

Operating cash flow

£100.9m

2024	£100.9m
2023	£102.4m
2022	£106.8m

10-year adj. operating profit CAGR

12.0%

2024	12.0%
2023	15.9%
2022	18.5%

DCC Healthcare returned to organic profit growth in the second half of the financial year, following a challenging first half. Operating profit for the year declined by 4.0% (3.6% constant currency) to £88.1 million, a decline of 11.3% organically.

DCC Vital recorded good profit growth. DCC Healthcare's operating profit decline was driven by DCC Health & Beauty Solutions, where reduced demand from customers was a feature of the first nine months of the year. Market conditions for DCC Health & Beauty Solutions improved gradually during the second half of the financial year, and the business returned to organic growth.

DCC Healthcare has made significant capital investment in recent years, both in acquisitions (in DCC Vital) and capital expenditure (in DCC Health & Beauty Solutions). We are well positioned to increase profitability and returns in the coming years, given our investments in capacity and the improved performance in the second half of the year, and attractive long-term market growth fundamentals.

DCC Healthcare recorded revenue of £859.4 million, an increase of 4.6%. Organically, revenue declined by 0.3% as growth in DCC Vital was offset by reduced demand in DCC Health & Beauty Solutions.

DCC Vital: Patient Health

DCC Vital delivered good operating profit growth, benefiting from the prior year acquisition of Medi-Globe. The business performed well across most regions, other than the UK, where difficult market conditions – NHS budgetary constraints, clinical staff shortages and industrial action by front line medical personnel – impacted activity levels.

Following the complementary acquisition of Medi-Globe, we now have a material international growth platform in medical devices. DCC Vital enjoys strong market positions in medical devices in Ireland, the UK, France and Germany, in addition to a number of other markets. The business delivered good organic growth in the year, with particularly good performances in Ireland, France and Germany, including in the gastroenterology and urology product categories.

In primary care, we performed well in Germany, in line with expectations, and generated very strong growth in Switzerland, driven by market share gains. The British business experienced weaker demand as previously mentioned. We continued our strategic investment in technology (ERP, digital sales and AI) to provide an enhanced platform for growth in primary care, improved customer experience and efficiency.

DCC Health & Beauty Solutions: Consumer Health

DCC Health & Beauty Solutions experienced a continuation of the challenging market conditions seen in the prior year, especially during the first half of the financial year. The exceptional surge in demand during the pandemic led ultimately to an extended period of market destocking, which persisted longer than market participants anticipated. Demand from our brand-owner customers improved gradually as the second half of the year progressed, albeit at a slower pace than we expected at the start of the year. Given the market conditions, we focused on driving efficiency during the year across the business, including the consolidation of our smallest US facility into one of our larger sites in Florida.

DCC Health & Beauty Solutions addresses a market that is underpinned by positive long-term consumer trends towards lifelong health. Nutritional supplements has been a long-term growth market and industry analysts project it to return to mid-single digit growth. We have invested with that positive future in mind: completing two gummy manufacturing lines during the last 12 months and enhancing our capability in stick packs, a key packaging format for the growing powder nutrition category. During the year, we also enhanced our leadership and demand creation teams to leverage our enhanced product format capability and expanded capacity.

STRATEGY

DCC Healthcare's vision is to enable people to lead healthier lives, throughout their lives. We help to improve patient outcomes by providing products and services that enable healthcare providers to diagnose and treat illnesses. We develop and manufacture nutritional products which can help people to maintain and improve their health and wellbeing, enabling them to live well every day.

DCC Vital: Patient Health

We help improve patient outcomes by providing high-quality medical, diagnostic products and services for use in hospital, primary care and other fragmented healthcare settings. The business has a strong track record of growth and operating margin improvement. This has been achieved through improving the sales mix (increasing the proportion of higher value-added products and company-owned brands), consolidating support function activities and relentlessly driving efficiency in its operations. Targeted acquisition activity by DCC Vital coupled with valuation discipline and integration execution has resulted in:

- An international own-brand medical devices business focused on mid-tech single use medical devices for minimally invasive surgeries and related procedures;
- A leading position in the supply of medical consumables, equipment and services to GPs and other primary care providers in Britain, Germany and Switzerland; and
- An unrivalled position in the supply of healthcare products in Ireland.

DCC Vital aims to continue this track record of sales growth through:

- Expanding our own-brand medical products range organically (through new product development) and by acquisition;
- Growing our portfolio of third-party agency products;
- Continuing to grow our international presence and infrastructure, including through acquisitions;
- Continuing to invest in technology, especially our B2B primary care platform; and
- Developing our talent and empowering our teams to drive growth in DCC Vital.

Growth and Progress in Action

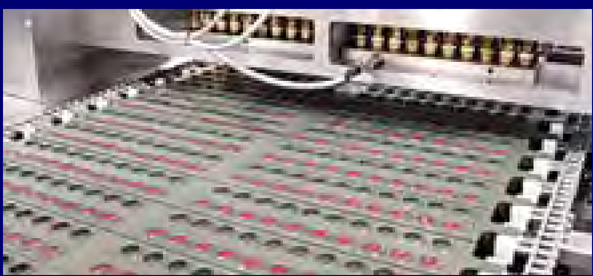
INNOVATION IN CUSTOMER INSIGHTS AND OPERATIONAL EFFICIENCIES

DCC Vital's Primary Care business is a leading supplier of medical equipment and consumables to healthcare professionals across Europe. To maintain its market position, we embarked on a strategic transformation, leveraging technology to improve customer experience and operational efficiency. This included the rollout of a new Cloud Commerce platform and a Product Information Management system, aimed at modernising the customer ordering process and enhancing product information accuracy. We also launched a new ERP system in our UK Primary Care operations to streamline processes and improve data integrity, and invested in artificial intelligence to derive customer insights and achieve operational efficiencies. These initatives support strategic enhancements as part of a broader vision to ensure sustainable and scalable growth, with the first deployment of the primary care technology ecosystem template in Williams UK serving as a model for subsequent rollouts in the DACH region. This transformation journey reflects our proactive approach to adapting to the rapidly evolving healthcare market, integrating technology into our core operations and positioning ourselves for future growth.

Growth and Progress in Action

DCC INVESTS IN INNOVATIVE EQUIPMENT TO GAIN SHARE IN A GROWTH MARKET

DCC Health & Beauty Solutions business, Ion Nutritional Labs has invested in a highly automated gummy manufacturing suite to meet the growing demand for nutritional gummy products in the US market. The gummy market is estimated at c.£4 billion (retail sale value) and is the fastest growing supplement format. Our strategy is to invest in gummy technology that enables the production of complex gummies to GMP standards, differentiating us in the market and delivering better margins. We have been manufacturing gummies since 2019 and have developed significant expertise in formulation and technical know-how. In 2022, we commenced the first phase of a two-stage build-out process, completing Phase 1 in late 2023. The total investment, after Phase 2, is expected to reach £23 million. Our product development team is working with customers to develop innovative products, utilising the latest manufacturing technology. With a strong existing base of commercial products and our commercial drive to capture new business focused on high value-added and complex products, we are confident of delivering on our ambitions to be the leading nutritional gummy manufacturer in North America.

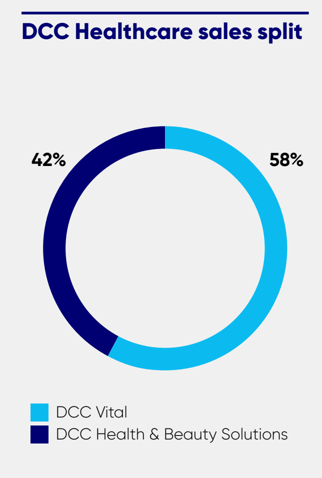


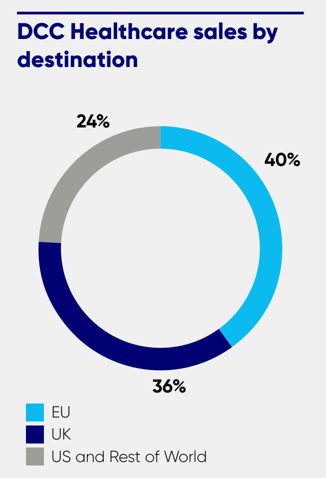
DCC Health & Beauty Solutions: Consumer Health

We partner with leading consumer healthcare and cosmetics brands to develop and manufacture nutritional supplements and beauty products for improved health and wellbeing and have a long-term record of strong growth. The scale of the business has increased significantly over the last five years through a combination of market growth driven by increased consumer demand, new product development for existing customers, new customer acquisitions and investing to enhance our capability in higher value, more complex products, in addition to highly complementary acquisitions. DCC Health & Beauty Solutions aims to continue this growth through:

- Continuing to offer industry-leading service levels which builds long-term partnerships with customers;
- Driving organic sales growth with existing and new customers through our innovative product development capability, well invested facilities and highly responsive, flexible customer service;
- Investing in our facilities to expand both our capability and capacity;
- Enhancing and expanding our service offering, organically and by acquisition, with a particular focus on innovative nutritional product formats; and
- Further expanding the geographic footprint of our operations in the US and Europe.

MARKETS AND MARKET POSITION





DCC Vital: Patient Health

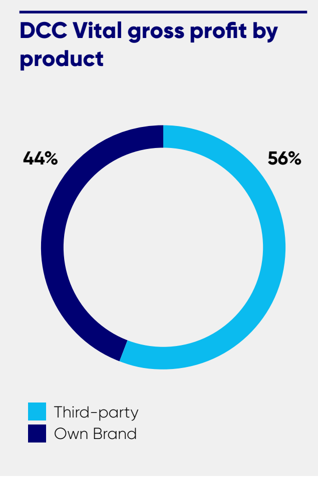
SUPPLIERS OF MEDICAL PRODUCTS TO HEALTHCARE PROVIDERS

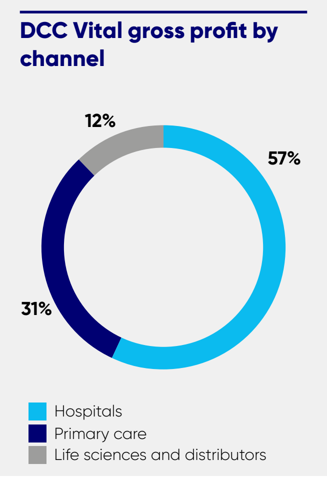
DCC Vital has a broad range of high-quality own and third-party products and comprehensive direct market coverage in Ireland, Britain, Germany, France and Switzerland across a range of healthcare settings including hospitals, primary care, community and other fragmented healthcare settings. DCC Vital's own-brand medical devices portfolio encompasses products across the areas of urology, gastroenterology, laparoscopic surgery, theatre consumables, cardiac monitoring and wound care. In primary care, DCC Vital is a major supplier of medical products to GPs, laboratories and other fragmented healthcare settings in Britain, Germany and Switzerland. In addition, DCC Vital has long-standing agency distribution relationships with a range of leading international medical device companies.

The primary and secondary care markets in which DCC Vital operates are large, growing and typically government funded. During the pandemic, healthcare systems experienced a significant re-purposing of focus with medical consultations and elective surgery significantly curtailed. As countries returned to normal activity, health systems have experienced capacity pressures from staff shortages, a backlog of procedures and pent-up demand for treatment. Public healthcare policy is increasingly shifting the point of care to the most cost-effective location, usually away from expensive hospital settings and into primary and community care settings. In addition, healthcare systems are focusing more on earlier identification and diagnosis of acute and critical illness, to allow greater focus on prevention and illness management as opposed to urgent and acute intervention. DCC Vital is very well placed to benefit from these trends given its scale, its investments in technology and people, the strength of its relationships with international suppliers and manufacturers and its deep understanding of the supply chain.

DCC Vital is a leader in the sales, marketing and distribution of medical products in Germany, France, Britain and Ireland; DCC Vital also has a growing presence in other international markets through a combination of our own on-the-ground sales forces and a strong distributor network. The acquisition of Medi-Globe in October 2022 significantly enhanced DCC Vital's product offering and geographic footprint through its portfolio of single use medical devices for use in acute care settings as well as its capabilities in product development, manufacture and distribution. DCC Vital is now one of Europe's largest developers and manufacturers of single-use endoscopy and urology consumable devices. It operates a state-of-the-art clean room manufacturing facility in Hranice, Czechia along with significant R&D capability in Germany. DCC Vital sells its medical device products in approximately 120 countries with a direct sales presence in eight countries.

DCC Vital is the market leader in the supply of medical consumables, equipment and services to the primary care sector in Britain, Germany and Switzerland and has a growing presence in other fragmented healthcare settings. DCC Vital provides its customer base of c.8,000 British GP surgeries with excellent service, increasingly leveraging its digital capabilities. In 2023 the business rolled out a new





business-wide ERP systems to support their customers' digital journey. In recent years, DCC Vital has strengthened its leading position in Britain through complementary bolt-on acquisitions and in April 2021, DCC Vital established a European growth platform with the acquisition of Wörner, a leading supplier of medical and laboratory products to the primary care sector in Germany, Europe's largest healthcare market, and Switzerland. Wörner sells a broad product range to approximately 20,000 customers annually, including GPs, primary care centres, specialist medical centres and laboratories. Wörner provides an excellent platform for organic and acquisitive growth across the DACH region.

DCC Vital is focused on expanding its portfolio of own-brand medical products, through investing in new product development and complementary acquisitions. DCC Vital's gastroenterology and urology product range includes leading brands such as Endo-Flex and Urotech; while its operating theatre product range includes Espiner (tissue retrieval bags for minimally invasive surgery), Skintact (electrodes and electro surgical equipment), VacSax (disposable suction devices used in operating theatres and hospital wards), Fannin IV sets and a range of equipment used to support anesthetics. These products are marketed by DCC Vital's sales teams and a range of international distributors. DCC Vital also continually expands its portfolio of third-party agency products. Competitors in this market include global healthcare companies as well as a large number of smaller medical, surgical and pharma brand owners and distributors.

DCC Health & Beauty Solutions: Consumer Health

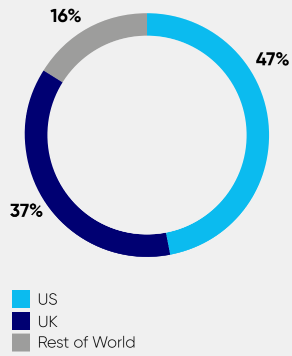
OUR SERVICES FOR HEALTH AND BEAUTY BRAND OWNERS

DCC Health & Beauty Solutions provides outsourced product development, manufacturing, packing and related services to Health and Beauty brand owners, specialist retailers and direct sales organisations in Europe and the US, principally in the areas of nutrition (health supplements) and beauty products. It operates seven high-quality contract manufacturing facilities. Our manufacturing capability encompasses soft gels, tablets, capsules, effervescents, gummies, creams, liquids, powders and sprays across a range of packaging formats. The business operates well-invested facilities – five Good Manufacturing Practice ('GMP') certified facilities in Britain, four of which are licensed by the Medicines and Healthcare Products Regulatory Agency ('MHRA') and two facilities in the US which comply with FDA current Good Manufacturing Practices ('cGMP') standards and are also certified by leading third-party regulatory bodies including NSF and USDA Organic.

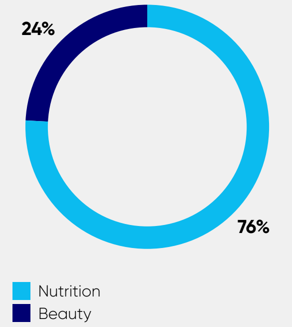
The business has strong market shares in Britain, Scandinavia and Benelux, and is building market share in the US and in other Continental European markets. The development of our presence in the US nutritional contract manufacturing market has been a key strategic focus in recent years. The US, the world's largest nutritional supplements market, is dynamic and growing and the contract manufacturing base is highly fragmented. These features provide significant opportunities to a growth orientated, acquisitive business like DCC Health & Beauty Solutions for organic growth (supported by capital investment) and further acquisitions. With its well-invested facilities in the US and additional management capability to support our growth, DCC Health & Beauty Solutions is leveraging its broad and complementary nutritional product strengths to pursue cross-selling and other synergistic opportunities. DCC continually invests in its manufacturing facilities to expand capacity, add flexibility and enhance its service offering to customers. Gummy nutritional products represent a high growth category within the nutritional market and DCC Health & Beauty Solutions has been investing in gummy manufacturing and production capability in the US and Britain. Both these investments were successfully commissioned during 2023 and this new capability and capacity will enable the business to meet growing demand for gummies and support our customers to develop innovative and complex products. DCC Health & Beauty Solutions also made multiple other investments to support organic growth during the year, including increasing tableting and coating capacity to support customer demand in both the US and Europe. The business has a strong programme of continuous capital investment to enhance capability and improve operational efficiencies across all our facilities including investing in solar panels to power our operations.

Competitors in the nutritional products sector include Biofarma, Innovation in Nutrition and Wellness ('INW'), Catalent, Aenova and many smaller manufacturers in Europe and the US. Competitors in the beauty products sector include Meiyume, KDC/One and numerous smaller manufacturers of cosmetic creams and liquids in Britain.

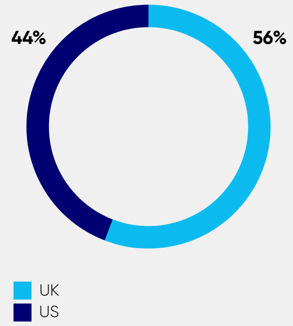
DCC Health & Beauty Solutions sales by destination



DCC Health & Beauty Solutions sales by category



DCC Health & Beauty Solutions sales by origin



DCC TECHNOLOGY

THE WORLD NEEDS PROGRESS MAKERS

We are progress makers. Whatever the industry. Whatever the challenge. We make technology provide the whole solution. Acting as an enabler between global technology brands and the people and businesses who use their products, we create solutions that save time, enhance experiences and improve lifestyles.

TREND

DCC PROGRESS

Powering the Tech Future

Technology has become increasingly ubiquitous in our lives and experiences, however that growth is both seen and unseen. Whether it is the digital signage in a public centre, or the data centre and networking engine sitting behind it, these need Pro Tech experts.

£80bn

revenue to be added to professional AV industry over the next five years[1]

#1

global AV specialist distributor by revenue

Supply Chain Insecurity

Climate change, war, political instability and inflation are negatively affecting businesses in all industries, across the world. And this has major implications for the security of global supply chains. Info Tech is key to assisting these insecurities.

75%

of companies felt negative or strongly negative impacts on their business due to supply chain disruption[2]

6,000

hours saved per annum in Exertis UK with robotic automation in logistics and warehousing

Demand For Better Living

The importance of the home and shift in working patterns over the last few years have led to increased focus on personal indoor and outdoor living. Life Tech is critical to enhancing home wellness, from appliances to furniture and musical instruments.

>⅔

of homeowners who carried out renovations last year were focused on the kitchen[3]

#1

Almo is the number 1 independent distributor of appliances in the US

Source: 1 Avixa, 2 Accenture, 3 Houzz

DCC TECHNOLOGY BUSINESSES

Ambition:

MAKE PROGRESS HAPPEN IN EVERY INDUSTRY WE ENTER WITH ENHANCED TECH SOLUTIONS

We will deliver this through our three businesses:

PRO TECH

WE MAKE ENHANCED EXPERIENCES HAPPEN

Key brands
Allen & Heath, Barco, Chauvet, Dell OEM, Focusrite, Kioxia, Micron, LG, Poly, Samsung, Sharp, NEC, SuperMicro, WD.

What we do
We bring technologies together to create elevated experiences.

How we do it
The world needs more ways to display, process and store information. Pro Tech enables the seen and unseen management and transmission of data and content, be it solution design and building, or installation and on-going support, we bring them to market and make them work for vendor, integrator, and customer.

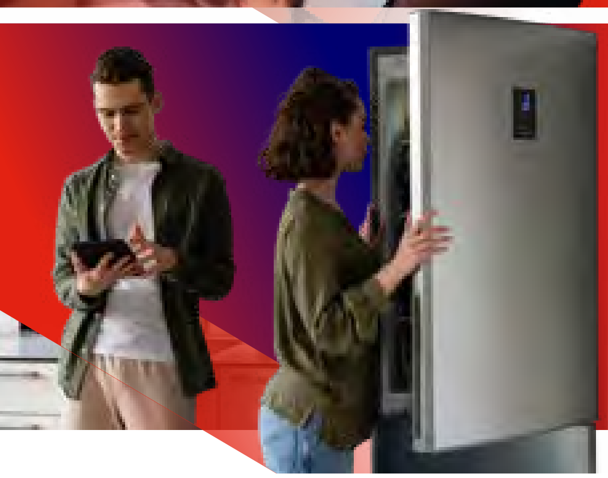
INFO TECH

WE MAKE FASTER CONNECTIONS HAPPEN

Key brands
Acer, Apple, Asus, Dell, Epson, HP, Huawei, Lenovo, LG, Logitech, Microsoft, Netgear, Meta, Samsung, Toshiba.

What we do
We put the latest technology in people's hands, quickly.

How we do it
From laptops to mobile phones, tablets to trackpads: when the world decides it needs the latest piece of tech kit, it needs it immediately. We serve B2C and B2B markets with the latest technology, swiftly and efficiently.



LIFE TECH

WE MAKE HIGH-QUALITY LIFESTYLES HAPPEN

Key brands
Electrolux (Frigidaire), LG, Marshall, Midea, On Stage, Samsung, Washburn, Zephyr.

What we do
We provide technology solutions that enrich people's lives.

How we do it
Technology has the power to improve lifestyles in many ways – from the enjoyment of using smart kitchen appliances to the excitement of playing advanced musical instruments. Life Tech offers products and services designed to enhance our quality of life.

PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2024

Revenue

£4.8bn -9.3%

2024	£4.8bn
2023	£5.3bn
2022	£4.6bn

Adjusted operating profit

£91.7m -13.6%

2024	£91.7m
2023	£106.1m
2022	£81.7m

Operating margin

1.9%

2024	1.9%
2023	2.0%
2022	1.8%

Return on capital employed

7.6%

2024	7.6%
2023	8.7%
2022	9.1%

Operating cash flow

£125.1m

2024	£125.1m
2023	£184.4m
2022	£3.2m

10-year adj. operating profit CAGR

6.7%

2024	6.7%
2023	9.8%
2022	7.0%

DCC Technology recorded operating profit of £91.7 million, a decline of 13.6% (10.7% organic constant currency) principally due to the ongoing trend of lower market demand for consumer technology products.

Although operating in a challenging market, DCC Technology maintained market share in key segments such as retail within Info Tech in the UK and AV within Pro Tech in North America.

A strong focus on operational improvements resulted in costs being below prior year levels which limited the impact of negative operating leverage from weak demand in most of our markets. Our transformation plan in the UK delivered profit growth and created capability for the long-term. DCC Technology remains focused on operational improvement in the year ahead. We've recently created a single North American leadership team and launched a commercial and operational excellence programme to drive organic profit growth.

Revenue declined by 9.3% (7.8% organic constant currency), driven by a weaker market for consumer technology products. The UK and European regions were weakest, with revenue delivery in North America impacted to a lesser extent.

Pro Tech

DCC Technology is the leading specialist distributor of AV products globally, having a particularly strong presence in North America. Pro Tech performed robustly, led by good growth in Pro Audio in North America. We continued to make market share gains in core AV categories and experienced strong growth in other specialist AV categories. In Europe, our performance was mixed. We recorded good growth in Enterprise products, which was offset by a more challenging market elsewhere in our European business. We completed two bolt-on acquisitions in the year in North America and Europe, further strengthening our existing specialisms within AV.

Info Tech

Our Info Tech business distributes high-volume consumer and business IT products to the retail and reseller channels in Europe, with a particularly strong presence in the UK, Ireland and the Nordics. Despite the challenging consumer environment which saw revenue decline, our UK business delivered good profit growth. We continued our optimisation programme, which has improved performance: we increased our market share in the retail segment, reduced costs and improved margins. As reported earlier in the year, we also consolidated a secondary warehouse facility to optimise the output from our National Distribution Centre. Our Irish business traded robustly and in line with expectations. In Europe, operating profit declined as a result of weak consumer demand for consumer technology products.

Life Tech

In Life Tech, we distribute consumer appliances and lifestyle technology products to the retail and e-tail channels in North America. There was mixed performance across our product categories. We increased market share in consumer electronics, especially in audio categories. However, as reported earlier in the year, we experienced weaker demand for music products and home comfort appliances, where we also saw price discounting in certain overstocked segments. We increased our investment in digital marketing and this led to improved product visibility and market share on key e-tail platforms.

STRATEGY

DCC Technology provides progressive technology the world needs. We do this by making progress happen across three businesses: Pro Tech, Info Tech and Life Tech.

DCC Technology is a collection of distribution businesses trading in North America and EMEA split into three key pillars of Pro, Info, and Life Tech. We enable vendors to take their products to market effectively and efficiently at scale, and support resellers and integrators selling into a variety of end user markets. At our core, we offer vendors access to large pools of highly relevant reseller customers, simplify complex supply chains and win through our specialist market and product competencies, value-added services, operational investments and excellence, and federated model.

DCC Technology's strategy continues to evolve, taking into account macroeconomic shifts, industry trends and best-practice in portfolio management and value creation. This data-led approach combined with DCC's strong heritage of financial discipline allows the leadership team to clearly chart the best possible course and launch value-creation projects most likely to deliver the highest impact.

Organic value creation projects, led by our local teams with centralised support and expertise, have seen material cost benefits, market share gains and modernised systems.

Growth through acquisition remains core to our strategy, and DCC Technology has focused on higher margin Pro Tech categories; the large and attractive North American market has allowed DCC Technology to take leading positions in a relatively short space of time in niche, growth markets with a lower risk of commoditisation.

To Achieve our Strategy, We Focus On

- Creating a federated, multi-country operating model, with best-in-class operating processes and infrastructure, giving our partners the benefits of our scale within our specialist pillars, while retaining local market knowledge, expertise and agility;
- Reinforcing our position in attractive market segments such as Pro Tech in North America and Europe and Life Tech in North America both organically and through strategic bolt-on and platform acquisitions; and
- Creating value in our portfolio through operational excellence, while expanding our capabilities in key areas like digital through investment in people and systems.

Pro Tech

We serve people and businesses: installing complex, high-profile and critical solutions. Our partners rely on us to provide sophisticated product and technical knowledge and first-class service.

Pro Tech consists of categories and markets where vendors and manufacturers require distribution partners with excellent technical competency and specialist reseller and integrator relationships. We have also seen bolt-ons in value-added niche markets such as broadcast, as the professional AV industry evolves and widens to include additional specialist categories. Professional AV is predicted to be above GDP growth in the US over the next few years while the expansion of professional AV into niche categories offers higher margin, value-added opportunities.

In recent years, parts of the AV and enterprise technology categories have begun to commoditise due to the growth and proliferation of these categories and increasing overlap of the IT Info Tech market with AV. We have been able to defend both our position as leader and our margins thanks to our scale and our value-added offering to resellers and manufacturers. Value-add ranges from essential offerings such as the best specialist product availability and customer reach, to high numbers of project-led deals. Our technical teams are brought into the integrator's business at their early planning stage and continue as partner into post-deployment support.

Info Tech

We serve consumers and businesses who need reliable access to technology products and services and the manufacturers of those products who require efficient routes to market across EMEA.

The Info Tech pillar is starting to see market normalisation following Covid-19 which saw significant demand for devices with a subsequent drop off in demand driven by over-consumption, disrupted upgrade cycles and inflationary pressures on consumer spending. Market forecasters are expecting these markets to see stabilisation and improvement in 2024 driven by upcoming upgrade cycles, Windows 11 and falling inflation and interest rates across Europe into the second half of the year. The long-term investments in our UK Info Tech business have seen benefits from the go-live of warehouse automation systems which materially improves pick efficiency while offering reduced packaging waste at better than industry-standard levels. We still see substantial opportunity in our Info Tech pillar to optimise operations and commercial effectiveness, particularly given the scale of the UK business.

Industry and market research organisations are forecasting ongoing growth for high volume IT distribution, albeit with a stronger-than-ever focus on core operational competencies.

Life Tech

We provide efficient routes to market for a wide variety of products that enhance our everyday lives, from kitchen appliances to musical instruments.

DCC Technology has maintained its position as the leading Life Tech distributor in North America for our major categories such as musical instruments and major kitchen appliances. These continue to be niche areas with high barriers to entry and exit where vendors value our ability to bring products to market, to understand their product sets, and our ability to reach a set of specialist independent resellers and retailers. The Life Tech pillar offers additional acquisition expansion opportunities in markets and categories with similar characteristics.

In our US ecommerce fulfilment pillar, the investments over the past year in leadership, technical talent, digital tools, and relationship building with key e-tailer stakeholders have yielded material improvements in our main marketplaces and puts the division in a strong position for growth as the post Covid-19 market returns to relative normality. The expansion of ecommerce during Covid-19 presents a larger addressable market for the pillar and we are investing in leadership for our Life Tech pillar and are examining opportunities for additional organic value creation.

OUR VENDORS

Pro Tech
High-end audio, visual and data centre solutions

Info Tech
Consumer technology and services in B2C and B2B markets

Life Tech
Premium appliances and musical instruments

DCC TECHNOLOGY ACTIVITIES

- Physical and digital product distribution
- Specialist and high volume IT distribution market access
- Custom product bundles
- Solution design and build
- End-to-end project management
- Marketplace enablement

OUR END USERS

- Resellers and value-added reselllers
- Consumers
- Installers and integrators
- Small and medium sized businesses
- Government and education

MARKETS AND MARKET POSITION

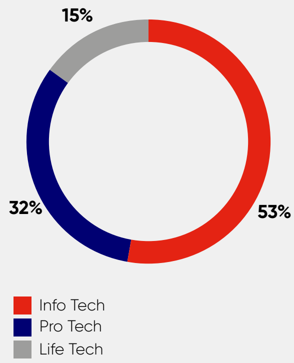
Pro Tech

We are the leading distributor of Pro Tech products in North America with a strong presence in Europe. DCC Technology is the global leader in distribution for pro audio and visual products, the largest distributor in North America, with a strong footprint in Europe. Our market-leading positions span digital signage, commercial displays and professional audio in the US and Canada. We are also the leading specialist enterprise distributor in EMEA for key storage component categories. In both pro audio visual and enterprise storage components we hold number one positions with major manufacturers, with access to the largest portfolio of key customers in those respective segments. In Europe, our Connect cluster of businesses includes cabling and infrastructure solutions for specialist installer channels, networking refurbishment services for telco providers, custom CCTV solutions and AV technologies.

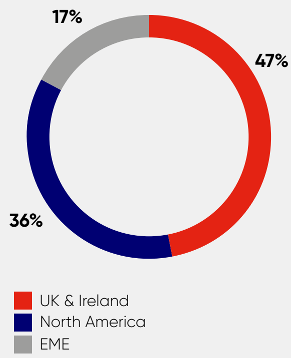
Our European businesses have a strong professional AV offering across all major economies following multiple acquisitions in recent years which provides a solid platform for expansion into new and existing territories, as well as additional specialist niche areas outside the commercial displays and projection categories. Exertis Enterprise continues to be the leading storage components distributor in value-added niche markets such as surveillance and custom server/whitebox solutions for resellers in areas such as higher education and academic research. We have seen market growth in certain technical niches across Continental Europe and see opportunities for both acquisition and organic growth driven by macro trends such as high-performance computing, AI, cybersecurity and other areas of needs-led enterprise solutions. Our Pro Tech businesses represent a high concentration of much sought-after skilled and knowledgeable people and have reputations as the leading and trusted names in their markets.

The Pro Tech external trading environment saw Covid-19 related volatility with initial declines in project demand during lockdowns in 2020 and 2021, and a strong rebound in 2022 as businesses and events restarted material spend. This in turn led to a fall in 2023 after an extraordinary year, with demand dampened by geopolitical instability and inflationary pressures combined with pockets of excess and shortages of stock, impacting pricing and backorders respectively. Consumer shifts to experiential spend post-lockdown benefited our hospitality and live AV businesses. Market forecasts for both AV and enterprise are positive for 2024 with consensus of a return to more cyclical and stable spend. The boom in AI spend in particular will continue to drive enterprise component and custom system sales, with Exertis Enterprise well placed to benefit. Despite some margin erosion in parts of the traditional AV and enterprise markets, our value-added differentiation and niche sub-specialisms in product ecosystems which are expected to increase in complexity make Pro Tech defensible and an attractive area of future development.

DCC Technology total sales by specialism



DCC Technology total sales by origin



Info Tech

DCC Technology is the fourth-largest Info Tech distributor in our European markets, and a regional champion in the UK, Ireland, Benelux and Nordics. Info Tech consists of large and long-established markets, with high transactional and unit volumes requiring scale, wide customer reach and operational expertise. We have presence in both business and consumer IT and electrical distribution markets, with a strong legacy serving major European retailers and e-tailers, and leadership in the UK and Ireland, Nordics and Benelux IT (consumer electronics) retail channels. Our UK cluster also includes office supplies, mobile device refurbishment services and digital gaming distribution. Our value-added services in Info Tech include product customisation and cross-supplier bundling, third-party logistics and website and web-shop development and management. Key to the provision of these services is access to, and interpretation of, relevant data from across the technology supply chain.

Info Tech had substantial demand increases during the pandemic lockdown period where distribution played a critical role in supplying devices to businesses and consumers. Discretionary consumer spend cooled for IT and electricals with the return of travel and hospitality, and inflationary pressures reduced discretionary spend. Market forecasts are now predicting a better outlook for B2B IT channels as equipment bought during lockdown is refreshed and businesses move towards AI-capable computing devices and prepare for the next Windows migration. Our cloud licensing and infrastructure business has seen growth over the past few years and is expected to expand as vendors target small-medium enterprises.

We anticipate that Info Tech will see improvement in performance over the next year as inflationary pressures ease and the business IT markets stabilise and return to normal product cycles. Despite the instability of the past few years, the Info Tech market is still larger than it was pre-pandemic as IT and electrical products play a more significant role in society's 'new normal'.

Life Tech

DCC Technology is the leading distributor of Life Tech products in North America which currently consists of large home appliances and musical instrument offerings. Life Tech markets are niches where the product has the potential to enhance the lifestyle of the end customer, but not necessarily of high technical complexity and where product knowledge, availability and access to specialist channels are highly valuable to vendors and customers due to their niche nature. We are the market leader in North America for distribution of both appliances and musical instruments, with an unparalleled offering of product and reseller reach. We also offer complementary own-brand products, given our expert knowledge of market and product. Our businesses are known and trusted in their respective niches where personal relationships are critical.

Since the acquisition of Almo in North America at the end of 2021, we have invested in both systems and talent in digital marketing and e-tail execution which has seen positive results and much improved relationships with key major retail and e-tail partners. We see digital channels as a strong opportunity for our North American Life Tech businesses.

The Life Tech markets in North America saw similar performance to the overall consumer and retail markets in the region, with a demand surge during lockdown and reprioritised spend in 2022 and 2023, the latter impacted by inflationary pressures. Market data shows that regardless of 2023's overall market performance, categories such as musical instruments are still greatly expanded versus 2019. Given the attractive market characteristics of Life Tech – niche, defensible, value-add, specialised and ever-green technology – we believe there are additional development opportunities in our existing and new product categories.

Growth and Progress in Action

EXERTIS JAM DELIVER END-TO-END SOLUTION FOR VENDOR WITH POWERFUL RESULTS

DCC Technology's strategy is to invest and grow in specialist value-added distribution sectors in selected geographic markets, with a core focus on Pro Tech. These markets typically offer attractive gross margins, are stickier with suppliers and customers, and provide sufficient total addressable market to enable consolidation towards leadership positions. DCC Technology has made multiple successful acquisitions in Pro Tech, creating the largest specialist professional AV distributor in the world by revenue. Sales processes in these markets tend to be technical and solutions-focused, where the distributor is a market enablement partner for manufacturers. DCC Technology's specialist businesses provide key services and value-add to partners, including access to specialist reseller channels, comprehensive and relevant product offerings, market enablement, concentration of talent and knowledge, specialist end-market competencies (e.g., hospitality, education), project support and managed services.

Exertis Jam, a part of DCC Technology's Pro Tech business, works with key resellers to provide state-of-the-art audio mixer solutions. Timed to coincide with the holiday purchasing season, the American Music & Sound ('AM&S') division of Exertis Jam partnered with Allen & Heath to launch their new CQ Mixers designed for musicians, bands, home producers, small venues and AV installers. Allen & Heath worked with AM&S during product development and relied on their marketplace analysis to support inventory forecasting for key North American channel partners. The CQ Mixers launch generated over half a million social engagements, over 25,000 video views, and captured 52% of the press share during the initial launch period, exceeding its sales and unit targets and helping lift the entire brand to a double-digit sales increase for the current financial year.

FINANCIAL KPIs

The Group employs financial key performance indicators ('KPIs') to measure progress against strategy. Each division has its own KPIs which are directly aligned with those of the Group and are included in the divisional Business Reviews on pages 22 to 47.

Return on capital employed (excl. IFRS 16)

14.3%

2024	14.3%
2023	15.1%
2022	16.5%

Description and basis of calculation
Return on capital employed ('ROCE') is defined as adjusted operating profit expressed as a percentage of the average capital employed. The Group calculates ROCE both including and excluding the impact of IFRS 16 Leases as detailed in the Group's 'Alternative Performance Measures' on page 256.

Link to strategy Ⓢ
ROCE is the key financial benchmark we use when evaluating both the performance of existing businesses and potential investments and is a key component of our executive bonus plans and Long-Term Incentive Plan.

FY24 comment
The Group continued to generate strong returns on capital employed, notwithstanding the substantial increase in the scale of the Group in recent years. The modest decrease in return on capital employed in DCC Energy reflects the substantial acquisition spend during the year and the timing of the acquisition of Progas, which occurred later in the year. Returns also reflect the organic decline in operating profit in DCC Healthcare and DCC Technology, which we expect will recover strongly in the coming years.

FY25 outlook and aims
The achievement of returns on capital employed in excess of the Group's cost of capital will continue to be a key focus in order to ensure the efficient generation of cash to fund organic growth, acquisitions and dividend growth.

– **READ MORE**
FINANCIAL REVIEW ON PAGE 57

Growth in adjusted operating profit

£682.8m
+4.1% (+5.3% constant currency)

2024	£682.8m
2023	£655.7m
2022	£589.2m

Description and basis of calculation
The change in adjusted operating profit achieved in the current year compared to the prior year.

Link to strategy Ⓢ
Adjusted operating profit measures the underlying operating performance of the Group's businesses and is an indicator of our revenue generation, margin management, cost control and performance efficiency.

FY24 comment
Strong organic growth in DCC Energy was offset, as anticipated, by the more difficult trading environment across DCC Healthcare and DCC Technology.

Acquisitions completed in the current and prior year contributed 4.5% of the reported operating profit growth. The material contribution came from the prior year acquisition of Medi-Globe and the current year acquisition of Centreco.

Organic operating profit growth was modest at 0.8% and was driven by the strong organic performance of DCC Energy. As reported during the year, DCC Healthcare and DCC Technology experienced more difficult market conditions and declined organically. The inflationary environment continued as a significant feature of the year across each division, with the overall organic profit growth achieved despite the 7.5% (or £131.2 million) increase in the Group's like for like overhead cost base.

FY25 outlook and aims
DCC expects that the year ending 31 March 2025 will be a year of strong operating profit growth and continued development activity.

– **READ MORE**
FINANCIAL REVIEW ON PAGES 53 TO 54
BUSINESS REVIEWS ON PAGES 22 TO 47

Growth in adjusted earnings per share

455.0p
-0.3% (+0.9% constant currency)

2024	455.0p
2023	456.3p
2022	430.1p

Description and basis of calculation
The change in adjusted EPS achieved in the current year compared to the prior year.

Link to strategy Ⓢ
Adjusted EPS is a widely accepted metric used in determining corporate profitability. It also represents an important metric in determining the generation of superior shareholder returns and is a key component of our Long-Term Incentive Plan.

FY24 comment
Adjusted earnings per share decreased by 0.3% (+0.9% on a constant currency basis) to 455.01 pence, reflecting the operating profit growth offset, as expected, by higher financing costs and the increase in the effective tax rate in the year.

FY25 outlook and aims
The main driver of growth in EPS is the Group's operating profit performance which, as noted above, is expected to continue to grow.

– **READ MORE**
FINANCIAL REVIEW ON PAGE 54

Free cash flow

£681.1m

2024	£681.1m
2023	£570.4m
2022	£382.6m

Description and basis of calculation
Cash generated from operations before exceptional items and after net capital expenditure.

Link to strategy Ⓢ
Free cash flow represents the funds available for reinvestment, acquisitions and dividends, so maintaining a high level of free cash flow is key to maintaining a strong, liquid balance sheet.

FY24 comment
The Group's free cash flow amounted to £681.1 million versus £570.4 million in the prior year, representing an excellent 100% conversion of adjusted operating profit into free cash flow.

There was a decrease in working capital during the year of £56.6 million, a very good performance given the continued volatile supply chain environment. Net capital expenditure amounted to £221.0 million for the year. This reflects continued investment in organic initiatives across the Group, supporting the Group's continued growth and development.

FY25 outlook and aims
Cash generation and working capital management will remain a key focus of the Group.

– **READ MORE**
FINANCIAL REVIEW ON PAGE 55

Committed acquisition expenditure

£489.6m

2024	£489.6m
2023	£361.7m
2022	£603.4m

Description and basis of calculation
Cash spent and acquisition-related consideration committed during the year.

Link to strategy Ⓢ
The Group constantly seeks to add value-enhancing acquisitions in order to provide shareholders with returns on capital well in excess of our cost of capital.

FY24 comment
The Group committed £489.6 million to 17 new acquisitions during the period.

DCC Energy has committed approximately £485 million to 15 new acquisitions which support its strategy to build a leading energy management services business and further expand its offering in the distribution of lower-carbon liquid gas. The largest of these transactions was the previously announced acquisition of Progas, and the acquisition of Next Energy in April 2024.

FY25 outlook and aims
The Group will continue to pursue attractive opportunities in our traditional markets as well as looking to extend our business into selected new geographic markets. We continue to pursue a strong pipeline of opportunities, but acquisition targets must meet our demanding criteria and we will remain disciplined in our approach to acquisition spend.

– **READ MORE**
FINANCIAL REVIEW ON PAGES 56 TO 57

NON-FINANCIAL KPIs

The Group employs non-financial KPIs to assess activities that are important in conducting our operations responsibly and achieving our strategic objective of building a sustainable business which delivers long-term value to stakeholders.

Carbon intensity^Δ (Scope 3)

74.4 gCO_2e/MJ

2024	74.4
2023	74.9
2022	76.4

Description and basis of calculation
The Group's carbon intensity metric is calculated by dividing total Scope 3 emissions in a given period (as defined in the Greenhouse Gas Criteria document at www.dcc.ie) by the energy content of energy products sold, calculated using standard conversion factors. The result is expressed in grams of CO_2e per megajoule of energy sold.

Link to strategy Ⓢ
The carbon intensity metric is one of the key measures the Group uses to measure progress in energy transition.

FY24 comment
The reduction in the carbon intensity of the energy we sold was driven by increased biogenic content in liquid fuels, a rise in the sale of low and zero carbon fuels such as HVO, and an increase in renewable energy as part of the overall mix of energy sales. The prior year number has been restated, reflecting a more robust capture of source data, resulting in a revised method of calculating gigajoules from energy products sold.

FY25 outlook and aims
The Group has set a target to reach net zero across Scopes 1, 2 and 3 by 2050 or sooner.

– READ MORE
SUSTAINABILITY REVIEW ON PAGES 68 TO 69

Carbon emissions^Δ (Scope 1 and 2)

68kts

2024	68kts
2023	78kts
2022	86kts

Description and basis of calculation
Total Scope 1 and 2 (market basis) carbon emissions expressed in kilotonnes (kts) of CO_2e. The figures for the current and prior years have been presented using a market basis; in prior years, this data was presented using a location basis.

Link to strategy Ⓢ
The Group has put in place Scope 1 and 2 carbon reduction targets to achieve net zero by 2050 or sooner.

FY24 comment
Overall, there was a 13.6% decrease in absolute carbon emissions. This decrease was primarily driven by an increase in the use of HVO in our HGV fleet and energy efficiency measures across the Group.

FY25 outlook and aims
The Group will continue to focus on energy efficiency initiatives to reduce energy consumption and carbon emissions. In addition, increased use of renewable fuels for transport will further reduce Scope 1 emissions.

– READ MORE
SUSTAINABILITY REVIEW ON PAGE 68

Gender diversity

64%/36%

	Male	Female
2024	64	36
2023	63	37
2022	63	37

Description and basis of calculation
The percentage split of the overall workforce between female and male employees.

Link to strategy Ⓢ
The Group benefits from attracting and developing a workforce with diverse skills, qualities and experiences.

FY24 comment
At 31 March 2024, female employees accounted for 36% (2023: 37%) of the overall workforce, 28% (2023: 20%) of senior management and 40% (2023: 33%) of Board members.

FY25 outlook and aims
The Group is committed to better gender balance at all levels and actively supports the development of high potential female talent. We continue to focus on supporting the progress of our female talent through our annual talent review process which creates visibility of talent across the Group.

– READ MORE
SUSTAINABILITY REVIEW ON PAGE 77

Health and safety LTIFR

0.89

2024	0.89
2023	0.97
2022	0.96

Description and basis of calculation
Lost Time Injury Frequency Rate ('LTIFR') measures the number of lost time incidents per 200,000 hours worked.

Link to strategy Ⓢ
The safety of our employees and the wider community is one of our core values and central to everything we do. A continually improving occupational and process safety culture is a key element in delivering on our strategic objectives.

FY24 comment
We have achieved an LTIFR rate lower than 1.0 for the past three years and in FY24 we have seen an improvement in the overall rate to 0.89. This reflects the overall commitment to safety across the Group. While some individual businesses experienced less favourable rates compared to the prior year, all three divisions of DCC improved their LTI rate in FY24. Our commitment to performance improvement through robust risk controls, a proactive safety culture and learning from events remains strong, both for established operations and those that are in the process of developing their safety culture and processes.

FY25 outlook and aims
The Group will continue to strengthen risk control measures through cross-business collaboration, sharing of good practice and Group standards. We will also strengthen divisional management of HSE as the DCC group continues to grow. Our promotion of a strong safety culture will continue, with the development of a cultural framework and programme supported by our Safety F1rst toolkit. We aim to reduce the LTIFR level further and continue to mitigate the impact of accidents when they do happen.

– **READ MORE**
SUSTAINABILITY REVIEW ON PAGES 74 TO 75

Health and safety LTISR

29 days

2024	29 days
2023	27 days
2022	25 days

Description and basis of calculation
Lost Time Injury Severity Rate ('LTISR') measures the number of days lost due to injury per 200,000 hours worked.

Link to strategy Ⓢ
The safety of our employees and the wider community is one of our core values and central to everything we do. A continually improving occupational and process safety culture is a key element in delivering on our strategic objectives.

FY24 comment
The Group is aligning its reporting practices with the OSHA 29 CFR 1904 reporting standard, whereby lost time and restricted work cases are capped at 180 days. The application of this mechanism results in an LTISR of 29 days for FY24, and re-based rates of 27 and 25 days for FY23 and FY22 respectively. The effect is most significant in the Energy and Technology divisions where a small number of incidents resulted in extended periods of absence.

FY25 outlook and aims
The Group will continue to strengthen risk control measures, focusing on leading indicators and identifying further improvement opportunities. We have undertaken to better understand our accident profile through our Safety Working Groups, and strengthening our data analytics capability. With a renewed focus on employee education and awareness, accident prevention through risk assessment and control, and proactive management of work impairment cases, we aim to further reduce the impact of accidents when they do happen.

– **READ MORE**
SUSTAINABILITY REVIEW ON PAGES 74 TO 75

KEVIN LUCEY
Chief Financial Officer

CONTINUED GROWTH AND PROGRESS IN OUR 30TH YEAR AS A PUBLIC COMPANY

The year under review marked 30 years of DCC as a public company. The results resonate with the key strategic and financial features of DCC over those 30 years. The diversity of the Group ensured that we achieved good growth despite headwinds in some of our markets. The growth achieved was a mix of organic and acquisitive growth. We delivered excellent cash generation again with 100% free cash flow conversion. We deployed capital on both organic capital expenditure to strengthen our existing operations and added new capabilities to the Group through acquisition, while maintaining a strong balance sheet.

It's clear that DCC Energy drove the performance in the year, more than making up for more difficult market conditions in our Healthcare and Technology divisions. It was good to see DCC Healthcare return to organic growth in the second half of the year. We are well placed to grow in the year ahead as a result of our acquisition activity during the current year and an expectation of improving performance in DCC Healthcare and DCC Technology.

The volatile macro environment was again a feature this year. Geo-political risk remained elevated. Although inflation eased throughout the year, it remains well above both central bank targets and the average of the last decade. Central banks continued to tighten monetary policy which drove interest rates higher during the first half of our financial year. The rise in interest rates has been a significant headwind for the Group over the last two years and has held back our earnings growth. We expect this headwind to ease in the forthcoming financial year.

It was a year of strategic progress. We deployed significant capital to accelerate our growth in DCC Energy in line with our *Cleaner Energy in Your Power* strategy. Our DCC Energy and Investor Relations teams delivered a very engaging and informative event for shareholders in our 'Energy Insights Day' in France in September 2023. This showcased the strength of our customer offerings and the capability of our team – the materials and recordings from the event are available at www.dcc.ie. We invested capital in strengthening our customer offering in DCC Health & Beauty Solutions and continued to make operational improvements in our Info Tech business in DCC Technology.

We continued to improve our Sustainability performance during the year. We reduced our Scope 1, 2 and 3 carbon emissions and grew our proportion of profits in DCC Energy coming from both our lower carbon and services, renewables and other ('SRO') products. Our capital expenditure and related processes all now feature a sustainability analysis, including consideration of TCFD.

We achieved a strong investment grade public credit rating for the Group during the year – the first time DCC has had a public credit rating. Our BBB ratings with both Standard & Poors and Fitch broaden the potential access for DCC to the debt capital markets. Together with our longstanding relationships with the private debt markets and the support of our banking partners, the Group has substantial liquidity and funding optionality into the future. During the year we also extended the term of our committed £800 million sustainability-linked revolving credit facility with our banking group for a further two years to March 2029.

We ended the year in a strong financial position with a net debt to EBITDA ratio of 0.9x. Our continued strong cash flow performance and balance sheet strength provide us with the capability to continue DCC's growth and development into the future.

The progress during the year was delivered by our engaged teams around the Group, who continue to go above and beyond to deliver for all of our stakeholders.

Year ended 31 March	2024 £'m	2023 £'m	% change
Revenue	**19,859**	22,205	-10.6%
Adjusted operating profit[1]			
DCC Energy	**503.0**	457.8	+9.9%
DCC Healthcare	**88.1**	91.8	-4.0%
DCC Technology	**91.7**	106.1	-13.6%
Group adjusted operating profit[1]	**682.8**	655.7	+4.1%
Finance costs (net) and other	**(104.8)**	(81.4)	
Profit before net exceptionals, amortisation of intangible assets and tax	**578.0**	574.3	+0.6%
Net exceptional charge before tax and non-controlling interests	**(40.2)**	(31.6)	
Amortisation of intangible assets	**(114.1)**	(111.1)	
Profit before tax	**423.7**	431.6	-1.8%
Tax	**(83.2)**	(84.8)	
Profit after tax	**340.5**	346.8	
Non-controlling interests	**(14.2)**	(12.8)	
Attributable profit	**326.3**	334.0	
Adjusted earnings per share[1]	**455.0p**	456.3p	-0.3%

[1] Excluding net exceptionals and amortisation of intangible assets.

INCOME STATEMENT REVIEW

Group revenue

Group revenue decreased by 10.6% (9.6% on a constant currency basis) to £19.9 billion, driven by the reduced wholesale cost of energy for DCC Energy.

Revenue in DCC Energy was £14.2 billion, a decrease of 11.8% (11.0% on a constant currency basis). With like-for-like volumes modestly behind the prior year (2.6%), the significant decrease in revenue was as a result of the lower wholesale cost of energy commodities during the year.

DCC Healthcare recorded revenues of £859.4 million, an increase of 4.6% (5.2% on a constant currency basis). The revenue growth was driven by the acquisition of Medi-Globe completed in September 2023. Organically, revenue declined by 0.3% as growth in DCC Vital was offset by reduced demand in DCC Health & Beauty Solutions.

Revenue in DCC Technology was £4.8 billion, a decrease of 9.3% (7.8% on an organic constant currency basis) driven by a weaker market for consumer technology products.

Group adjusted operating profit

Group adjusted operating profit increased by 4.1% to £682.8 million. Strong organic growth in DCC Energy was offset, as anticipated, by the more difficult trading environment across DCC Healthcare and DCC Technology. The impact on reported Group adjusted operating profit of foreign exchange (FX) translation, M&A growth and organic growth was as follows:

Period	FX translation	M&A	Organic	Reported growth
2024	-1.2%	+4.5%	+0.8%	+4.1%
2023	+3.5%	+7.6%	+0.2%	+11.3%
2022	-4.0%	+9.0%	+6.1%	+11.1%

Average sterling exchange rates versus the euro were broadly consistent during the year, but sterling strengthened against the US dollar and some Nordic currencies, which led to negative FX translation overall for the Group. The net impact of currency translation in the current year was a headwind of 1.2%, or £7.9 million, in the reported growth in adjusted operating profit.

Acquisitions completed in the current and prior year contributed 4.5% of the reported operating profit growth. The material contribution came from the prior year acquisition of Medi-Globe and the current year acquisition of Centreco.

Organic operating profit growth was modest at 0.8% and was driven by the strong organic performance of DCC Energy. As reported during the year, DCC Healthcare and DCC Technology experienced more difficult market conditions and declined organically. The inflationary environment continued as a significant feature of the year across each division, with the overall organic profit growth achieved despite the 7.5% (or £131.2 million) increase in the Group's like for like overhead cost base. Further commentary on the trading performances of each of the three divisions is included in the Business Reviews on pages 22 to 47.

Adjusted Operating Profit and Earnings per Share

	FY24			FY23			% change		
Adjusted operating profit[1]	H1 £'m	H2 £'m	FY £'m	H1 £'m	H2 £'m	FY £'m	H1 %	H2 %	FY %
DCC Energy	**170.6**	**332.4**	**503.0**	132.5	325.3	457.8	+28.9%	+2.1%	+9.9%
DCC Healthcare	**38.3**	**49.8**	**88.1**	43.2	48.6	91.8	-11.3%	+2.6%	-4.0%
DCC Technology	**38.7**	**53.0**	**91.7**	45.5	60.6	106.1	-15.0%	-12.5%	-13.6%
Group	**247.6**	**435.2**	**682.8**	221.2	434.5	655.7	+12.0%	+0.1%	+4.1%
Adjusted EPS[1] (pence)	**149.3**	**305.7**	**455.0**	146.4	309.9	456.3	+1.9%	-1.3%	-0.3%

[1] Excluding net exceptionals and amortisation of intangible assets.

Finance costs (net) and other

Net finance costs and other, which includes the Group's net financing costs, lease interest and the share of profit/loss of associated businesses, increased to £104.8 million (2023: £81.4 million). The expected increase in the year primarily reflects increased net financing costs due to the much higher interest rate environment.

The substantial change in the global interest rate environment from summer 2022 onwards continued to impact the cost of the floating rate element of the Group's gross debt, offset somewhat by an increased return on the Group's gross cash. Approximately 40% of the Group's gross debt is at floating rates.

Average net debt, excluding lease creditors, was £1.2 billion, compared to an average net debt of £1.0 billion in the prior year, and reflects the substantial acquisition activity during the year. Interest was covered 8.9 times (using the definitions contained in the Group's lending arrangements) by Group adjusted operating profit before depreciation and amortisation of intangible assets (2023: 11.2 times).

Profit before net exceptional items, amortisation of intangible assets and tax

Profit before net exceptional items, amortisation of intangible assets and tax increased by 0.6% to £578.0 million.

Net exceptional charge and amortisation of intangible assets

The Group incurred a net exceptional charge after tax and non-controlling interests of £33.3 million (2023: net exceptional charge of £28.7 million) as follows:

	£'m
Restructuring and integration costs and other	(28.1)
Acquisition and related costs	(14.4)
Adjustments to contingent acquisition consideration	3.2
IAS 39 mark-to-market gain	(0.9)
	(40.2)
Tax and non-controlling interest attaching to exceptional items	6.9
Net exceptional charge	(33.3)

Restructuring and integration costs and other of £28.1 million relates to the restructuring and integration of operations across a number of businesses and acquisitions. Most of the cost relates to optimisation and integration of operations in DCC Technology as well as costs incurred in DCC Healthcare to merge operations in North America.

Acquisition and related costs include the professional fees and tax costs relating to the evaluation and completion of acquisition opportunities and amounted to £14.4 million.

Adjustments to contingent acquisition consideration of £3.2 million reflects movements in provisions associated with the expected earn-out or other deferred arrangements that arise through the Group's corporate development activity. The credit in the year primarily reflects a decrease in contingent consideration payable in respect of acquisitions in DCC Health & Beauty Solutions where recent trading performance has been behind expectations.

The level of ineffectiveness calculated under IAS 39 on the hedging instruments related to the Group's US private placement debt is charged or credited as an exceptional item. In the year ended 31 March 2024, this amounted to an exceptional non-cash charge of £0.9 million. The cumulative net exceptional credit taken in respect of IAS 39 ineffectiveness is £0.5 million. This, or any subsequent similar non-cash charges or gains, will net to zero over the remaining term of this debt and the related hedging instruments.

There was a net cash outflow of £13.3 million relating to exceptional items.

The charge for the amortisation of acquisition-related intangible assets increased to £114.1 million from £111.1 million in the prior year reflecting acquisitions completed in the prior and current year.

Profit before tax

Profit before tax decreased by 1.8% to £423.7 million with higher financing costs and exceptional charges more than offsetting the increased adjusted operating profit.

Taxation

The effective tax rate for the Group increased to 19.7% (2023: 19.3%). The Group's effective tax rate is influenced by the geographical mix of profits arising in any year and the tax rates attributable to the individual jurisdictions. The higher tax rate reflects corporation tax increases in a number of jurisdictions, including the increase in the UK corporation tax rate effective from 1 April 2023.

Adjusted earnings per share

Adjusted earnings per share decreased by 0.3% (+0.9% on a constant currency basis) to 455.01 pence, reflecting the operating profit growth offset, as expected, by higher financing costs and the increase in the effective tax rate in the year.

Dividend

The Board is proposing a 5.0% increase in the final dividend to 133.53 pence per share, which, when added to the interim dividend of 63.04 pence per share, gives a total dividend for the year of 196.57 pence per share. This represents a 5.0% increase over the total prior year dividend of 187.21 pence per share. The dividend is covered 2.3 times by adjusted earnings per share (2023: 2.4 times). It is proposed to pay the final dividend on 18 July 2024 to shareholders on the register at the close of business on 24 May 2024.

Over its 30 years as a listed company, DCC has an unbroken record of dividend growth at a compound annual rate of 13.2%.

CASH FLOW AND CAPITAL DEPLOYMENT

Free cash flow generation and conversion

The Group's free cash flow amounted to £681.1 million versus £570.4 million in the prior year, representing an excellent 100% conversion of adjusted operating profit into free cash flow.

Working capital

Working capital decreased by £56.6 million (2023: £14.0 million increase), a very good performance given the continued volatile supply chain environment. Working capital decreased in DCC Energy, reflecting, in particular, the reduced wholesale cost of natural gas and power. There was a net investment in working capital in certain newer product lines, such as renewable fuels, but this was more than offset by a strong underlying performance across the remainder of the Solutions and Mobility business units. DCC Technology also recorded a good working capital performance, with reducing inventory levels a particular area of focus for the business, given reduced market demand.

DCC Technology selectively uses supply chain financing solutions to sell, on a non-recourse basis, a portion of its receivables relating to certain higher volume supply chain/sales and marketing activities. The level of supply chain financing at 31 March 2024 decreased by £5.7 million to £145.4 million (2023: £151.1 million), due to the reduction in revenue year on year. Supply chain financing had a positive impact on Group working capital days of 2.5 days (31 March 2023: 2.3 days).

The absolute value of working capital in the Group at 31 March 2024 was £228.0 million. Overall working capital days were 4.0 days sales, compared to 4.1 days sales in the prior year.

Net capital expenditure

Net capital expenditure amounted to £221.0 million for the year (2023: £206.6 million) and was net of disposal proceeds (£6.7 million) and government grants received (£2.7 million). The level of net capital expenditure reflects continued investment in organic initiatives across the Group, supporting the Group's continued growth and development. Net capital expenditure for the Group exceeded the depreciation charge of £157.4 million (excluding right-of-use leased assets) in the period by £63.6 million.

Capital expenditure in DCC Energy primarily comprised expenditure on tanks, cylinders and installations, with a focus on supporting new and existing liquid gas customers in Energy Solutions. In Mobility, there was investment to maintain and upgrade our retail sites across the business, including adding further lower emission product capability, EV fast charging and related forecourt services in the Nordics and France in particular.

In DCC Healthcare, the spend primarily related to increased manufacturing capability and capacity across DCC Health & Beauty Solutions. The business commissioned its gummy line in Florida earlier this year and is in the latter stages of a project to expand effervescent capacity at its Minnesota operations with expected completion in the coming financial year.

Cash flow

The Group generated very strong operating and free cash flow during the year as set out below:

Year ended 31 March	2024 £'m	2023 £'m
Group adjusted operating profit	682.8	655.7
Decrease/(increase) in working capital	56.6	(14.0)
Depreciation (excluding ROU leased assets) and other	173.6	143.8
Operating cash flow (pre add-back for depreciation on ROU leased assets)	913.0	785.5
Capital expenditure (net)	(221.0)	(206.6)
	692.0	578.9
Depreciation on ROU leased assets	82.8	75.2
Repayment of lease creditors	(93.7)	(83.7)
Free cash flow	681.1	570.4
Interest and tax paid, net of dividend from equity accounted investments	(214.8)	(155.0)
Free cash flow (after interest and tax)	466.3	415.4
Acquisitions	(338.5)	(340.5)
Dividends	(189.1)	(178.0)
Exceptional items/disposals	(13.3)	(23.8)
Share issues	0.2	0.3
Net outflow	(74.4)	(126.6)
Opening net debt	(1,113.9)	(756.6)
Translation and other	41.2	(230.7)
Closing net debt (including lease creditors)	(1,147.1)	(1,113.9)

Performance Metrics

	2024	2023
Growth:		
DCC Energy adjusted operating profit growth (%)	+9.9%	+12.4%
DCC Healthcare adjusted operating profit growth (%)	-4.0%	-8.6%
DCC Technology adjusted operating profit growth (%)	-13.6%	+29.9%
Group adjusted operating profit growth (%)	+4.1%	+11.3%
Group adjusted operating profit growth (constant currency) (%)	+5.3%	+7.8%
Adjusted earnings per share growth (%)	-0.3%	+6.1%
Adjusted earnings per share growth (constant currency) (%)	+0.9%	+3.0%
Return:		
Return on capital employed – excluding IFRS 16 (%)	14.3%	15.1%
Return on capital employed – including IFRS 16 (%)	13.5%	14.2%
Operating cash flow (before add-back for depreciation on right-of-use leased assets) (£'m)	913.0	785.5
Free cash flow (after IFRS 16) (£'m)	681.1	570.4
Conversion of adjusted operating profit to free cash flow (%)	100%	87%
Working capital days (days)	4.0	4.1
Debtor days (days)	38.1	34.6
Financial Strength/Liquidity/Financial Capacity for Development:		
EBITDA: net interest (times)	8.9x	11.2x
Cash balances (net of overdrafts and short-term debt) (£'m)	740.7	1,050.4
Net debt – excluding lease creditors (£'m)	(784.7)	(767.3)
Net debt – including lease creditors (£'m)	(1,147.1)	(1,113.9)
Net debt (excluding lease creditors) as a % of total equity (%)	24.7%	25.1%
Net debt: EBITDA (times)	0.9x	1.0x

DCC Technology capital expenditure included continued ERP investment in Europe and ongoing maintenance spend.

Impact of climate-related issues on investments

The Group has a clear process and set of priorities for the deployment of capital, both for organic growth and acquisitions, which takes account of the impact of climate-related risks and opportunities. As a Group, our key priorities when making capital deployment decisions are:

- Continuing to scale DCC Health & Beauty Solutions and building DCC Vital into an international healthcare solutions leader.
- Growing in high value-add sectors, such as Pro Tech and Life Tech, in DCC Technology.
- Accelerating decarbonisation for customers by investment in renewable energy products and services in DCC Energy.

The Group continues to enhance its processes for the assessment of climate-related risks in individual investment proposals to take account of, for instance, the risk of more frequent extreme weather events over the medium to long-term.

Total cash spend on acquisitions for the year ended 31 March 2023

The total cash spend on acquisitions in the year was £288.2 million. The spend primarily reflects acquisitions committed to and completed during the current year, but also includes some smaller acquisitions in DCC Energy (AEI, Hafod Renewables and O'SiToiT) which were announced in the prior year Results Announcement in May 2023. Payment of deferred and contingent acquisition consideration previously provided amounted to £50.3 million.

Committed acquisitions

DCC has committed £489.6 million to new acquisitions since the prior year Results Announcement. An analysis of these commitments by division is set out below:

Committed acquisitions	2024 £'m	2023 £'m
DCC Energy	485.8	137.3
DCC Healthcare	–	224.4
DCC Technology	3.8	–
Total	489.6	361.7

As can be seen from the table above, DCC continues to be very active from a development perspective, committing approximately £490 million to 17 new acquisitions during the period.

Recent acquisition activity of the Group includes:

DCC Energy

DCC Energy has committed approximately £485 million to 15 new acquisitions which support its strategy to build a leading energy management services business and further expand its offering in the distribution of lower-carbon liquid gas. The largest of these transactions was the previously announced acquisition of Progas, and the acquisition of Next Energy in April 2024.

Progas

In February 2024, DCC Energy completed the acquisition of Progas GmbH ('Progas'), a leading distributor of liquid gas in Germany, for an enterprise value of approximately £140 million. The synergistic acquisition represents DCC Energy's largest acquisition to date in Germany, Europe's largest energy market, and considerably expands DCC Energy's customer base in the market to over 100,000 customers. The acquisition is expected to generate a mid-teen return on capital employed in the first year of ownership. Further details on the acquisition can be found in DCC's stock exchange announcement of 14 November 2023.

Next Energy
In April 2024, DCC Energy acquired Next Energy for an initial enterprise value of approximately £90 million. Next Energy is an energy efficiency and renewable energy services provider focused on the UK domestic sector. Founded in 2016 and employing 120 people, Next Energy is a market-leading provider of retrofit energy transition solutions with an emphasis on the government funded market. The business supports domestic customers to improve the energy ratings of their houses. Next Energy has an addressable market of c.16 million homes (more than half of the UK's housing stock), of which up to c.14.5 million have either full or partial funding for retrofit. Services include the installation of heat pumps, heating controls, insulation, solar PV and battery. Next Energy accelerates DCC Energy's *Cleaner Energy in Your Power* strategy for UK domestic customers, complementing existing capability. The acquisition is expected to generate a mid-teen return on capital employed in the first year of ownership.

DCC Energy bolt-ons
In addition, DCC Energy committed to the following acquisitions:

- In July 2023, DCC Energy acquired Centreco, a market-leading solar PV and energy consultancy business in the UK, which services commercial and industrial customers nationally, and SLER40, a French solar PV and heat pump business servicing domestic and commercial customers with design, installation, and maintenance services.
- In August 2023, DCC Energy acquired Isolatiespecialist, a leading provider of energy efficiency and insulation services to domestic and commercial customers in the Netherlands, and San Isabel Services Propane, a US liquid gas distributor which services both domestic and commercial customers in Colorado.
- DCC Energy acquired Solcellekraft in September 2023, one of Norway's largest solar PV businesses, servicing commercial and domestic customers.
- In November 2023, DCC Energy acquired DTGen, a leading UK-based provider of power solutions, with a particular focus on emergency power solutions. DTGen offers a comprehensive service from design to supply, installation, and continuous maintenance, catering to a diverse range of sectors, including data centres, utilities, and healthcare.
- DCC Energy completed the acquisition of the Energy Management division of eEnergy Group plc ('EML') in February 2024. EML provides energy management services including energy procurement, market analysis, risk management and net zero pathway consulting to industrial, commercial, and public sector customers in the UK. EML's technology and services empowers customers to identify and eliminate energy waste and reduce their carbon emissions.
- In April 2024, DCC Energy acquired Copropriétés Diagnostic, a French energy management business providing energy efficiency and renovation solutions to the multi-unit dwelling customer segment. Services include energy audit and administrative project management for subsidies and financing.
- In May 2024, DCC Energy agreed to acquire Secundo Photovoltaik, one of Austria's largest solar PV businesses serving commercial customers. The transaction remains subject to approval of the Austrian competition authority.
- Complementary bolt-on acquisitions in Austria, Ireland and a renewable fuels distributor in the UK.

DCC Technology
Recently, DCC Technology completed two modest bolt-on acquisitions. The acquisitions, in France and the US, add complementary products and services in the professional AV and Audio markets.

RETURN ON CAPITAL EMPLOYED
The creation of shareholder value through the delivery of consistent, sustainable long-term returns well in excess of its cost of capital is one of DCC's core strategic aims. The return on capital employed by division was as follows:

	2024 excl. IFRS 16	2023 excl. IFRS 16	2024 incl. IFRS 16	2023 incl. IFRS 16
DCC Energy	18.7%	19.0%	17.4%	17.6%
DCC Healthcare	10.2%	13.0%	9.9%	12.5%
DCC Technology	7.6%	8.7%	7.2%	8.3%
Group	14.3%	15.1%	13.5%	14.2%

The Group continued to generate strong returns on capital employed, notwithstanding the substantial increase in the scale of the Group in recent years. The modest decrease in return on capital employed in DCC Energy reflects the substantial acquisition spend during the year and the timing of the acquisition of Progas, which occurred later in the year. Returns also reflect the organic decline in operating profit in DCC Healthcare and DCC Technology, which we expect will recover strongly in the coming years.

FINANCIAL STRENGTH

DCC has always maintained a strong balance sheet and it remains an important enabler of the Group's strategy. A strong balance sheet provides many strategic and commercial benefits, including enabling DCC to take advantage of acquisitive or organic development opportunities as they arise. At 31 March 2024, the Group had net debt (including lease creditors) of £1.1 billion, net debt (excluding lease creditors) of £784.7 million, cash resources (net of overdrafts) of £1.1 billion and total equity of £3.2 billion.

Substantially all of the Group's term debt has been raised in the US private placement market and has an average maturity of 4.5 years.

DCC has taken a pro-active approach to the credit markets since going public. The Group has been active in the US private placement debt market since 1996 and has built up a robust and well diversified funding portfolio, with a balanced maturity profile. DCC's long-term banking partners, investors and suppliers have always appreciated the strong credit quality of the Company. In November 2023 S&P Global Ratings issued a BBB rating and Fitch issued a BBB rating for DCC in the first public credit rating opinions of the Company. These investment grade ratings combined with our strong balance sheet, resilient business model, cashflow and a strong track record in the private debt markets, gives access to an increased array of funding instruments to enable the continued growth and development of the Group.

Key financial ratios	2024 Actual	Lender covenants	2023 Actual
Net debt: EBITDA (times)	0.9x	3.5x	1.0x
EBITDA: net interest (times)	8.9x	3.0x	11.2x
Total equity (£'m)	3,183.0	425.0	3,058.3

SUSTAINABILITY

DCC's ambition is to reduce the carbon intensity of the Group and to make progress across four sustainability pillars: climate change and energy transition, safety and environmental protection, people and social, and governance and compliance.

In 2022, the Group set a revised increased target to reduce Scope 1 and 2 carbon emissions by 50% by 2030, having achieved the previous interim target ahead of expectations. During the current year DCC lowered its Scope 1 and 2 emissions by 13.6% and by 45.6% versus the 2019 baseline.

The vast majority of the Group's Scope 3 carbon emissions derive from DCC Energy's sales of products to customers. In the year, DCC Energy reduced these emissions by 3.1%, equating to a reduction of 1.2 million tonnes of CO_2e in the year. The Group retained its B rating with CDP reflecting its progress on emissions reduction and delivering on DCC Energy's *Cleaner Energy in Your Power* strategy.

Related to Scope 3, DCC Energy increased the renewable content of energy supplied to customers (in gigajoules ('GJ')) to 6.7%, up from 5.7% in 2023 and 4.0% in 2022. This figure is a subset of the very low or zero carbon sales (SRO) of DCC Energy.

DCC Energy's operating profit share of services and renewables, or SRO, (with less than 10kg of CO_2e per GJ sold) increased by seven percentage points to 35% from 28% in 2023. This broader category adds operating profit from services such as solar installations and other very low or zero carbon services to DCC Energy's profit from sales of renewable energy (viz. 6.7% GJ share above). Due to strong growth in operating profit and the 3.1% reduction in Scope 3 carbon emissions, the carbon intensity of DCC Energy's operating profit reduced by 11.8%.

Looking at sustainability beyond climate change and energy transition, DCC retained an AAA rating from MSCI, remaining among the top 10% of peer companies.

Carbon and emissions	2024	2023	% change	% change vs. 2019 baseline
Scope 1 & 2 carbon emissions* Group	0.068	0.078	-13.6%	-45.6%
Customer Scope 3 carbon emissions* DCC Energy	37.9	39.1	-3.1%	-8.7%
Renewable share of energy sold (GJ)	6.7%	5.7%		

* $mtCO_2e$

KEVIN LUCEY
Chief Financial Officer
13 May 2024

Financial Risk Management

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors, most recently in February 2024. These policies and guidelines primarily cover credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does not trade in financial instruments, nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange, and, in conjunction with Group Commodity Risk Management, manage commodity price exposures, within approved policies and guidelines. Compliance with the policies and guidelines is subject to review by the Group Internal Audit function.

Further detail in relation to the Group's financial risk management and its derivative financial instrument position is provided in note 5.7 to the financial statements.

Foreign Exchange Risk Management

DCC's presentation currency is sterling. Exposures to other currencies, principally euro and US dollar, arise in the course of ordinary trading

A significant proportion of the Group's profits is denominated in currencies other than sterling. Approximately 74% of the Group's adjusted operating profit for the year ended 31 March 2024 was denominated in currencies other than sterling, primarily euro, US dollar and Scandinavian currencies. DCC does not hedge the translation exposure on the profits of non-sterling subsidiaries. Average sterling exchange rates strengthened against most relevant currencies during the year, including the US dollar, a reversal of what was experienced in the prior year. The net impact of currency translation in the current year was a negative impact of £7.9m in the reported growth in adjusted operating profit.

The Group has investments in non-sterling, primarily euro and US dollar denominated, operations which are cash-generative, and a significant proportion of the cash generated from these operations is reinvested in development activities rather than being repatriated into sterling. The Group seeks to manage the resultant foreign currency translation risk through borrowings denominated in (or swapped utilising cross currency interest rate swaps into) the relevant currency or through currency swaps related to intercompany funding, although these hedges are offset by the strong ongoing cash flow generated from the Group's non-sterling operations, leaving DCC with a net investment in non-sterling assets. The loss of £66 million arising on the translation of DCC's non-sterling denominated net asset position at 31 March 2024 as set out in the Group Statement of Comprehensive Income mainly reflects the weakening in the value of the euro and US dollar against sterling with the impact of movements against other currencies largely offsetting each other. Where sales or purchases are invoiced in currencies other than the local currency and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months.

Credit Risk Management

DCC transacts with a variety of high credit-rated financial institutions for the purpose of placing deposits and entering into derivative contracts. The Group actively monitors its credit exposure to each counterparty to ensure compliance with limits approved by the Board.

Interest Rate Risk and Debt/ Liquidity Management

DCC maintains a strong balance sheet with long-term debt funding and cash balances with deposit maturities up to three months. In addition, the Group maintains both committed and uncommitted credit lines with our relationship banks and borrows at both fixed and floating rates of interest. At 31 March 2024, 43% of the Group's term debt, including drawn committed credit lines, was at or swapped to floating interest rates, using interest rate and cross currency interest rate swaps which qualify for fair value hedge accounting under IAS 39. The Group mitigates interest rate risk on its borrowings by matching, to the extent possible, the maturity of its cash balances with the interest rate reset periods on the swaps related to its borrowings.

Commodity Price Risk Management

DCC, through its activities in the energy sector, procures, markets and sells liquid gas, natural gas, electricity and oil products and, as such, is exposed to changes in commodity cost prices.

In general, market dynamics are such that commodity cost price movements are promptly reflected in sales prices.

In certain markets, short-term or seasonal price stability is preferred by certain customer segments thus DCC hedges a proportion of forecasted transactions, with such transactions qualifying as 'highly probable' for IAS 39 hedge accounting purposes. DCC uses both forward purchase contracts and derivative commodity instruments to support its pricing strategy for a portion of expected future sales, typically for periods of less than 12 months.

Fixed price supply contracts may be provided to certain customers for periods typically less than 12 months in duration. DCC fixes its purchase cost on contracted future volumes where the customer contract contains a take-or-pay arrangement that permits the customer to purchase a fixed amount of product for a fixed price during a specified period and requires payment even if the customer does not take delivery of the product.

Where a take-or-pay clause is not included in the customer contract, DCC hedges a portion of forecasted sales volume recognising that certain sales, such as liquid gas and natural gas, are exposed to volume risk arising from a range of factors, including the weather.

DCC does not hold significant amounts of commodity inventory relative to purchases and sales; however, for certain inventory, such as fuel oil and natural gas, DCC may enter hedge contracts to manage price exposures.

Across its energy activities, DCC enters into commodity hedges to fix a portion of its own fuel costs.

The net debt balance at 31 March 2024 includes a mark-to-market liability relating to the fair value of the derivative financial instruments used by the Group to hedge commodity price risk exposures.

Certain activities of individual businesses are centralised under the supervision of the DCC Group Commodity Risk Management function. Divisional and subsidiary management, in conjunction with the Group's Commodity Risk Management function, manage commodity price exposures within approved policies and guidelines.

All derivative commodity hedging counterparties are approved by the Chief Executive and the Chief Financial Officer and are reviewed by the Board.

THE WORLD NEEDS PROGRESS FOR ALL

Our Sustainability Framework summarises the sustainability topics that are most material to our activities today and how we measure progress against them. They are directly related to our purpose and strategic objectives.

WE LOOK AHEAD TO INVEST AND REINVEST IN FUTURE-FOCUSED BUSINESSES THAT CAN MAKE PROGRESS HAPPEN

WE CREATE SUSTAINABLE VALUE

WE ENABLE PEOPLE AND BUSINESSES TO GROW AND PROGRESS

DCC ENERGY

CLEANER ENERGY WORLD

Our ambition is to give all customers the power to choose a clean energy future today with inclusive and independent energy solutions.

– READ MORE ON PAGES 22 TO 31

DCC HEALTHCARE

HEALTHIER WORLD

Our ambition is to enable people to lead healthier lives, throughout their lives.

– READ MORE ON PAGES 32 TO 39

DCC TECHNOLOGY

PROGRESSIVE WORLD

Our ambition is to make progress happen with enhanced technology solutions.

– READ MORE ON PAGES 40 TO 47

Our purpose, strategy and business model aim to generate returns. This encompasses not only economic benefits for our shareholders but benefits for all our other stakeholders, including reduced carbon emissions, safe operations, inclusive and dynamic work environments, and adherence to high standards of governance and compliance. Our sustainability framework, which is integral to our purpose and strategic objectives, rests on four foundational pillars. These pillars are shaped by a well-defined understanding of the most significant sustainability challenges for DCC, informed by engagement with our stakeholders. They sharpen the focus of our sustainability efforts and enable us to track our progress throughout the Group, as well as within our three divisions and individual businesses.

SUSTAINABILITY PILLARS		WHY IS THIS IMPORTANT TO DCC AND OUR STAKEHOLDERS
CLIMATE CHANGE & ENERGY TRANSITION		The world needs to transition to lower carbon forms of energy. We are working to achieve net zero across our Group. In particular, DCC Energy is reducing the carbon in the energy it sells to its customers.
SAFETY & ENVIRONMENTAL PROTECTION		Our people drive trucks and operate machinery. They work in energy facilities and warehouses. Some of our products can be dangerous if not stored and transported carefully. We are focused on keeping our people and the communities where we operate safe at all times.
PEOPLE & SOCIAL		DCC is a people business. Developing our people is critical to our current and future success. We do this by investing in training, actively developing careers and building a supportive culture that values diversity and innovation. We also value the relationships that we have with the many local communities where we operate and that we serve.
GOVERNANCE & COMPLIANCE		Good governance and compliance with the laws and ethical standards that apply to our activities are fundamental to how we do business. We also recognise the positive contribution to society that can be made by working with suppliers and customers who share our values.

Highlights of the year

EXTERNAL RATINGS

AAA rated

Maintained our AAA rating with MSCI

B rated

Maintained our B rating with CDP

Top rated

Included in Sustainalytics' Top Rated ESG Companies List for 2024

ENERGY TRANSITION & CLIMATE CHANGE

13.6%

Reduced our Scope 1 and 2 carbon emissions by 13.6% and by 45.6% against our 2019 baseline

3.1%

Reduced our absolute Scope 3 emisions by 3.1% equating to a reduction of 1.2 million tonnes of CO_2e in the year

£346m

£346m invested in nine energy management services acquisitions

SAFETY & ENVIRONMENTAL PROTECTION

Strong performance

on process safety

Maintained

our lost time injury frequency rate ('LTIFR') below 1 incident for every 200,000 hours worked

Delivered

new Group-wide Health & Safety system, enabling enhanced reporting and insights

PEOPLE & SOCIAL

40%

Board gender diversity

Implemented

new and expanded organisational structure in DCC Energy to deliver on strategy

GOVERNANCE & COMPLIANCE

Maintained

very high standards of corporate governance, with full compliance with the UK Corporate Governance Code

Enhanced

colleagues' awareness of key supply chain, human rights, corruption and privacy risks, with 7,979 colleagues completing online compliance training

Our Sustainability Framework

We want to enable the growth and progress of all our stakeholders. We are clear on the best ways in which we can achieve this and how we measure the progress we make.

DCC SUSTAINABILITY FRAMEWORK

SUSTAINABILITY PILLARS	MATERIAL TOPICS	UN SDGS	OUR OVERALL GOALS	OUR OBJECTIVES
CLIMATE CHANGE & ENERGY TRANSITION 	• Climate Change • Energy Transition		Our goal is net zero.	We will reduce our Scope 3 emissions to net zero by 2050 or sooner. We will decarbonise our operations to net zero by 2050 or sooner and by 50%, against an FY19 baseline, by 2030.
SAFETY & ENVIRONMENTAL PROTECTION 	• Diversity & Inclusion • Health & Safety		Our goal is no accidents.	We keep our people safe. We protect the environment in communities we serve.
PEOPLE & SOCIAL 	• Circular Product Design & Materials • Culture & Engagement		Our goal is to provide a vibrant, diverse and innovative place to work and be a positive member of the communities we serve.	We actively support the development of our people. We actively support inclusion and diversity.
GOVERNANCE & COMPLIANCE 	• Data Security & Privacy • Supply Chain Sustainability		Our goal is to operate in accordance with the highest standards of ethics, compliance and corporate governance.	We protect human rights. We sell safe products. We prevent corruption.

OUR METRICS	OUR PROGRESS	READ MORE
• Carbon intensity of energy sold (gCO_2 e/MJ). • Biogenic content of energy sold (%). • Scope 3 emissions ($mtCO_2e$).	• Reduced the carbon intensity of the energy sold by DCC Energy to 74.4 gCO_2e/MJ. • Increased the biogenic content of energy sold by DCC Energy from 5.7% to 6.7%. • Reduced our absolute Scope 3 emissions from DCC Energy by 3.1% compared to 2023 and by 8.7% since our 2019 baseline year.	**DCC ENERGY BUSINESS REVIEW ON PAGE 22** **CLIMATE CHANGE & ENERGY TRANSITION ON PAGES 68 AND 69**
• Scope 1 and 2 carbon emissions, adjusted to reflect acquisitions.	• Reduced our absolute Scope 1 and 2 emissions by 45.6% against our 2019 baseline.	**CLIMATE CHANGE & ENERGY TRANSITION ON PAGE 68**
• Lost Time Injuries ('LTIs'). • Serious Safety Events.	• Maintained an LTI Frequency Rate below 1 incident for every 200,000 hours worked and continued good performance on process safety.	**SAFETY & ENVIRONMENTAL PROTECTION ON PAGE 74**
• Spills requiring remediation.	• Zero.	
• Employee engagement. • Performance reviews completed.	• Employee engagement score improved with a strong participation rate • High engagement in our annual performance review process.	**PEOPLE & SOCIAL ON PAGE 76**
• Senior management gender diversity.	• Progress made in supporting gender diversity across the Group. 40% gender diversity on DCC plc Board.	
• Human rights issues in our operations or our supply chain.	• No breaches of human rights identified within the Group's operations or supply chains. Modern Slavery Act Statement published containing more detail on our activities in this area available at www.dcc.ie.	**GOVERNANCE & COMPLIANCE ON PAGE 80**
• Product safety failures.	• No material product safety failures across the Group.	
• Incidents of bribery and corruption in our operations or our supply chain.	• No incidents of bribery and corruption identified.	

FINANCIAL MATERIALITY	LOW PRIORITY	MEDIUM PRIORITY	HIGH PRIORITY
HIGH PRIORITY		– Data Security & Privacy – Circular Product Design & Materials – Culture & Engagement	– Climate Change – Energy Transition – Supply Chain Sustainability – Health & Safety
MEDIUM PRIORITY	– Technological Innovation – Just Transition to Low-Carbon Economy – Waste Management – Competitive Behaviour	– Product Quality & Safety – Workforce Human Rights & Labour Practices – Corporate Governance & Ethics	– Diversity & Inclusion
LOW PRIORITY	– Equitable Healthcare – Responsible Marketing Practices	– Local Community & Economy Support – Water & Wastewater Management – Nature & Biodiversity	

IMPACT MATERIALITY

Material Topics

We updated our materiality assessment in 2023 on a double-materiality basis. The double materiality assessment exercise was a comprehensive evaluation process designed to identify and assess the financial impact of environmental, social, and governance ('ESG') factors on the Group and its divisions, as well as the impact of the Group's operations on society and the environment.

The assessment also considered how these factors should influence our future strategic direction.

Through extensive engagement with employees and key stakeholders, complemented by research and expert interviews, we identified 20 topics that are important to DCC's sustainability and ranked these according to their financial and impact materiality.

The most material topics identified from this materiality assessment align very closely with our existing sustainability priorities, as set out in the four pillars of our Sustainability Framework. This reinforces our view that we are working on the right areas.

This double materiality assessment has been an important step in helping us prepare for the Corporate Sustainability Reporting Directive ('CSRD'). We have a programme mobilised to understand CSRD requirements and identify where we have further work to do to be ready for reporting in 2026. This programme is overseen by our Executive Sustainability Committee as well as a dedicated Steering Group comprising five members of the Group Management Team. We plan to update our materiality assessment in 2025 in advance of our CSRD disclosures in 2026.

EU Taxonomy

Background

As part of the EU Green Deal agreed in 2019, the European Union introduced the Taxonomy Regulation in 2020.

The Regulation introduces a classification system ('the Taxonomy') of environmentally sustainable economic activities. It is intended to become an important enabler of increased investment in those activities and in the wider implementation of the Green Deal.

The Taxonomy establishes six environmental objectives:

1. Climate change mitigation;
2. Climate change adaptation;
3. Sustainable use and protection of water and marine resources;
4. Transition to a circular economy;
5. Pollution prevention and control; and
6. Protection and restoration of biodiversity and ecosystems.

An activity qualifies as a Taxonomy-aligned economic activity if it:

(a) makes a substantial contribution to at least one of these six environmental objectives;

(b) does no significant harm to any of the other five;

(c) is carried out in compliance with minimum safeguards set out by the EU Commission; and

(d) complies with technical screening criteria (specific environmental performance requirements) also established by the EU Commission.

A Taxonomy-eligible activity is one that is listed in the delegated acts published under the Taxonomy Regulation, irrespective of whether the economic activity meets the criteria above to be Taxonomy-aligned.

The Taxonomy requires key performance indicators ('KPIs') to be disclosed relating to the share of turnover, capital expenditure and operating expenditure associated with Taxonomy-eligible and non-eligible activities.

Our Taxonomy Preparations

DCC will be required to provide EU Taxonomy-compliant disclosures in our 2026 Annual Report, which is the first year in which we will be subject to the EU Corporate Sustainability Reporting Directive.

In this Report, we have elected to provide an update on our EU Taxonomy assessment work to date.

We launched Group-wide communication and learning sessions during the year to outline what is required under the Taxonomy. This allowed us to undertake an assessment of all our businesses to identify current Taxonomy-eligible activities. This involved a review of capital and operational spending across all divisions and functions, as well as the breakdown of revenue against activities relating to the six Taxonomy objectives listed above.

As the Group is focused on halving our Scope 1 and 2 carbon emissions by 2030 against a 2019 baseline and on reducing our Scope 3 carbon emissions, most notably through the implementation of DCC Energy's strategy, our Taxonomy assessment has and will continue to be mainly focused on the Climate Delegated Act, Annex 1. Group businesses are involved in a small number of other eligible activities relating to some of the other objectives covered by the Taxonomy.

At present the Taxonomy does not cover all sustainable activities and sustainable classification criteria are not yet available for many of our activities. For instance, while the Group continues to increase sales of lower carbon fuels, such as HVO, to replace higher carbon fossil fuels, these activities are not yet covered by the Taxonomy and therefore cannot be included as Taxonomy-eligible. Consequently, a low proportion of our activities are currently considered Taxonomy-eligible. As the classification criteria are extended into areas relevant to DCC, we will evolve our Taxonomy reporting accordingly.

The Group intends to provide a further update on the application of the EU Taxonomy, reflecting additional guidance and best practice, in our 2025 Annual Report.

PILLAR ONE

CLIMATE CHANGE & ENERGY TRANSITION

The world needs to transition to lower carbon forms of energy. We are working to achieve net zero across our Group. In particular, DCC Energy is reducing the carbon in the energy it sells to its customers.

OUR GOALS

- Achieve net zero carbon emissions across Scopes 1, 2 and 3 by 2050 or sooner
- Decarbonise our operations by 50% by 2030 (against an FY19 baseline)

Energy Use and Carbon Emissions

OUR APPROACH

We recognise that reaching net zero greenhouse gas emissions is essential for a sustainable future. This means that we decarbonise our own operations and help our stakeholders to do the same where we can. In particular, in DCC Energy, we are moving our customers' homes and businesses to low-carbon energy while ensuring their existing supplies are safe, reliable and efficient. This aligns our energy operations with our long-term energy strategy of achieving net zero, while maintaining supplies of energy for our customers and returns for investors. Further details on the progress being made by DCC Energy in implementing its strategy are available in its Business Review on page 22.

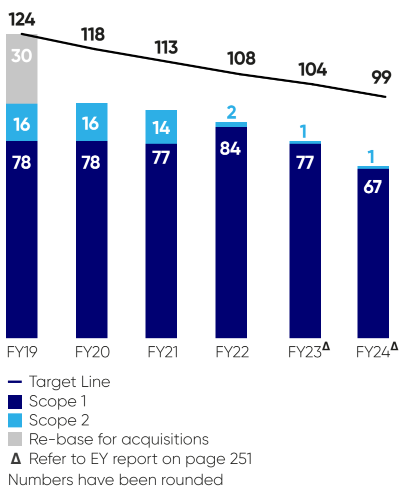
OUR PROGRESS AND KEY INITIATIVES

Energy Use and Scope 1 and 2 Emissions

Decreasing our own operational energy use is an essential driver in reducing our Scope 1 and 2 greenhouse gas ('GHG') emissions. We used 1.5 million gigajoules of energy during the year, which was a 3.3% decrease over the prior year. This decrease reflects a mix of energy efficiency initiatives, including improved logistics efficiencies and the use of energy management controls and systems.

The chart below shows DCC's absolute Scope 1 and 2 GHG emissions ('000s tonnes) against our yearly targets.

Scope 1 and 2 emissions ('000 tonnes)



In FY24, our total Scope 1 and 2 (market-based) emissions reduced by 13.6% against the prior year and we achieved a 45.6% reduction against our 2019 baseline, making good progress towards our target of a 50% reduction by 2030. The significant increase in the use of HVO in HGV fleets in Certas UK, Flogas Britain, Qstar, Certa Ireland and Flogas Ireland has reduced Scope 1 emissions by 10,000 tonnes against the prior year.

Over 95% of all electricity procured by DCC businesses is now from renewable sources or matched with Renewable Energy Certificates ('RECs') in the US. Scope 2 emissions (using the GHG Protocol market based approach) are now below 1,000 tonnes per annum. Scope 2 emissions, using location based approach, which uses the grid average emission factors in each jurisdiction, was 20.7 ktCO_2e in FY24.

Scope 3 Emissions

To meet our net zero target, we are working towards reducing Scope 3 emissions and only using offsets for residual emissions.

For most organisations, Scope 3 emissions account for the majority of total value chain emissions, and DCC is no exception. While it is important to continue to reduce Scope 1 and 2 emissions, we are also focused on working in partnership with our suppliers and customers to identify opportunities to reduce emissions in the wider value chain.

There has been extensive work undertaken on benchmarking and measuring Scope 3 emissions from DCC Energy over the last three years.

Two categories account for over 90% of our Scope 3 emissions:

- **Category 3:** fuel and energy-related activities not included in Scope 1 and 2. These are the upstream (often called well-to-tank) emissions associated with the energy sold by DCC Energy.
- **Category 11:** Use of sold products. These are the emissions generated when customers use the energy products sold by DCC Energy.

Reducing these emissions while continuing to meet our customers' need for reliable and efficient forms of energy, is a core component of our energy strategy. More detail on DCC Energy's strategy is set out in the DCC Energy Business Review on page 22.

Sustainability in Action

SCOPE 3 EMISSIONS – HEALTHCARE

Last year, work was undertaken to determine the Scope 3 footprint for the Healthcare and Technology divisions using a spend-based approach. This work enabled a better understanding of the relative importance of Scope 3 categories so that reduction efforts could be focused on the most material categories.

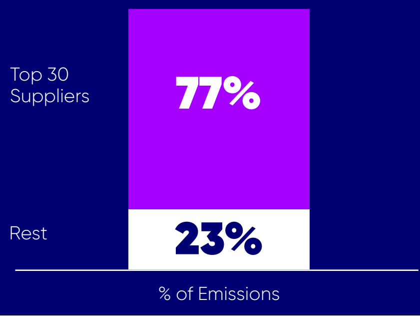
This year we worked with two of our businesses in DCC Healthcare to expand this work to use more specific industry emissions factors to arrive at a Scope 3 emissions baseline for each of those businesses. The two companies, Fannin Group and Thompson & Capper account for 36% of the revenue of the Healthcare division.

Category 1 of the Scope 3 emissions categories relating to purchased goods and services is the most material for both businesses. Category 4, relating to the upstream transport of goods, was significant for both companies. Categories 11 and 12 (relating to the use of sold products and end-of-life treatment of products) were significant for the Fannin Group due to the special disposal of products sold into hospitals.

The exercise then identified the material decarbonisation levers helping to inform a roadmap of actions to achieve significant emissions reductions to 2030.

The top 30 suppliers account for 77% of emissions for Thompson & Capper and 91% for Fannin.

Thompson & Capper Supplier Emissions Concentration
FY23, kg CO_2e



Three key metrics measure our Scope 3 emissions performance:

- Absolute Scope 3 emissions (Category 3 and 11 emissions from DCC Energy);
- Carbon intensity of the energy we sell; and
- Biogenic content of the energy we sell.

The table below shows how each of these metrics has developed over the last six years:

Metric	Unit	FY19	FY20	FY21	FY22	FY23^Δ	FY24^Δ
Absolute DCC Energy Scope 3 Emissions	$mtCO_2e$	41.5	39.8	35.9	41.2	39.1	37.9
Carbon Intensity	gCO_2e/MJ	81.2	79.3	76.5	76.4	74.9*	74.4
Biogenic Content	% biogenic energy content of energy sold	3.2%	3.2%	4.0%	4.0%	5.7%*	6.7%

^Δ Refer to EY report on page 251.
* Prior year number restated to reflect more robust capture of source data, resulting in a more accurate method of calculating gigajoules from energy products sold.

Our absolute Scope 3 emissions decreased by 3.1% in the year under review, reflecting an increase in sales of renewable fuels as a percentage of overall sales volumes.

CDP REPORTING

In the year under review, DCC's B rating by CDP was maintained. This compares to a sector-level and global average CDP score of C.

Climate Change

OUR APPROACH

Climate risks and opportunities are assessed and managed as a fundamental part of our governance and business management processes. Our materiality assessment, outlined on page 66, confirms climate change and energy transition as key risks and opportunities for the DCC Group. Central to our response to this has been the definition of an updated growth and net zero strategy for our energy activities and setting Scope 1, 2 and 3 carbon emission reduction targets.

Governance and Management of Climate-Related Risks and Opportunities

In the Corporate Governance Statement on page 100, we describe the Board's oversight of climate-related issues and the role of management in assessing and managing climate-related issues. In the Risk Report on pages 83 and 87, we explain how climate-related risk is integrated into the risk processes that operate throughout the Group. In the table on pages 72 and 73, we describe our assessment of the physical and transitional impacts of climate change on the Group's operations in terms of both risks and opportunities.

Assessment of Climate-Related Risks and Opportunities

We assess the impact of climate change on our activities principally by considering both transitional and physical effects over short-term (within three years), medium-term (between three and ten years) and long-term (more than ten years) periods. Within this framework, we consider scenarios, using reasonable assumptions as to how certain factors, such as regulation, product availability and customer demand, are likely to develop to estimate the impact of climate change on our activities. This analysis informs the strategic choices we make regarding the future development of the Group and our three divisions.

Our assessment of climate risks is primarily based on our climate scenario analysis ('CSA'). We began this work in 2022 by conducting a qualitative study to identify our most material climate risks and opportunities. We then undertook further quantitative analysis to develop our understanding of a carefully selected group of those risks and opportunities. The CSA process looked at climate-related effects on our business under two scenarios, both consistent with the scenario assumptions used by the IPCC (Intergovernmental Panel on Climate Change). The first was a scenario where decarbonisation is achieved in line with a 1.5°C temperature rise. The second scenario assumed a temperature rise of 4°C to help illustrate physical climate-related risks.

These scenarios align with the two key frameworks used by the climate science community: Shared Socioeconomic Pathways ('SSP'), which describe different socioeconomic futures, and Representative Concentration Pathways ('RCP'), which model different emission pathways and the associated impact on climate. The first scenario we used is based on SSP1 and RCP1.9. Our second scenario is based on SSP5 and RCP8.5.

We also undertook a detailed assessment of the likely evolution of the principal energy markets where we work. We identified a significant opportunity to support existing and new customers as they reduce their use of fossil fuels over the coming decades. We also identified several material climate risks, such as the impact of an extreme 4°C warming scenario on the operation of two of our energy facilities, a liquid gas import terminal and an oil import terminal located in coastal regions.

The risks identified covered both the transitional risk associated with energy transition and our response to it, as well as physical risks from assets that could be affected by changing weather conditions.

The CSA process also assessed the opportunity available to our Technology division as the market for recycled technology products develops.

The results of the CSA were assessed within our wider Group risk management framework, which is used to determine the potential impact of risks of all types across the Group.

We are currently expanding our assessment of physical risk to cover 100 of our most critical facilities to understand the impact under a number of scenarios. The analysis examines atmospheric data related to temperature, precipitation, drought, wildfire, as well as other data related to coastal flooding, tropical cyclones, water stress, and flooding in order to provide an estimate of risk under various conditions.

TCFD also recommends the development of relevant metrics and targets. The targets and metrics we have selected form a prominent part of the Sustainability Framework covered on pages 64 and 65. Further detail on our approach to reporting on Scope 1, 2 and 3 carbon emissions is set out on pages 68 and 69.

TCFD Reference Table

Core elements		Recommended Disclosures	Principal Section of Annual Report
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	Corporate Governance Statement pages 100 to 113 Governance and Sustainability Committee Report pages 114 to 117
		b) Describe management's role in assessing and managing climate-related risks and opportunities.	Corporate Governance Statement pages 100 to 113 Risk Report pages 83 and 87 DCC Energy Business Review pages 22 to 31
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	Chief Executive's Review pages 8 to 11 Sustainability Review pages 72 to 73
		b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Financial Review pages 56, 58 DCC Energy Business Review pages 22 to 30 Audit Committee Report pages 118 to 125 Financial Statements pages 170, 171, 187, 190 Remuneration Report pages 130, 132, 134, 141
		c) Describe the resilience of the organisation's strategy, considering different climate-related scenarios, including a 2°C or lower scenario.	Sustainability Review pages 72 to 73
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks.	Sustainability Review page 70 Risk Report pages 82 to 92
		b) Describe the organisation's processes for managing climate-related risks.	Sustainability Review page 70 Risk Report pages 82 to 92
		c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Risk Report pages 82 to 92
Metrics & Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability Review pages 64, 65 DCC Energy Business Review pages 26 to 28
		b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions and the related risks.	Sustainability Review pages 68, 69
		c) Describe the organisation's targets to manage climate-related risks, opportunities, and performance against targets.	Sustainability Review pages 64, 65, 68, 69

Analysis of Key Climate Scenarios

We analysed the resilience of our Group and divisional strategies against various climate-related scenarios. This process involved an initial qualitative assessment of climate-related risks and opportunities.

More detailed qualitative assessments were then undertaken on four relevant scenarios. In each case, our analysis was supported by suitable external expert advice. The results of this are summarised in the following table.

Risk/Opportunity	Principal Scenario	Impact Assessment	Actions
Transitional impacts of climate change on our energy activities	We undertook a detailed assessment of the likely evolution of each of the principal energy markets where we operate (geographic and customer markets), including a transition compatible with 1.5°C warming. This scenario was based on SSP1/RCP 1.9. This work included an assessment of the evolution of our policy and legal environment (such as the level of carbon pricing), the development of technology (such as improvements in EV technology) and the introduction of new forms of energy (such as biofuels and hydrogen). We also considered how these and other relevant factors would influence the markets where we operate over the short, medium and long-term.	We concluded that there is a significant opportunity available to the Group to support existing and new customers as they reduce their use of fossil fuels over the next few decades. We can achieve this by adding to the range of products and services we offer while continuing to use our current assets to serve existing markets. The transition to lower carbon forms of energy will, over the medium to long-term, see a reduction in demand for fossil fuels. A failure to adapt to this change would create a material risk to our existing energy operations in the long-term.	Businesses in our Energy division are decarbonising their operations and helping their customers move to lower carbon forms of energy. We have changed our organisation structure, establishing DCC Energy with a focus on helping our customers through the energy transition by being a multi-product energy provider. We have set a strategy to lead in the energy transition. We aim to do this by growing our business while reducing the carbon intensity of the liquid fuels we sell and building a leading electron-based energy management business. We invested £346 million in acquiring nine energy management services businesses in the year under review. We have established cross-business communities to drive accelerated growth and knowledge sharing in customer experience, biofuels, supply and Energy Management Services.
Physical impacts of climate change on our energy activities	We assessed the impact of an extreme 4°C warming scenario on the operation of two of our energy facilities, a liquid gas import terminal and an oil import terminal, both located in coastal regions. This scenario was based on SSP5/RCP8.5. This work focused on assessing the risk of physical damage to those assets. We also considered the disruption to our wider operations that could be caused if they were inoperable for a certain period.	In the medium to long-term, these facilities are slightly more likely to experience acute physical impacts because of adverse weather and sea level rise. If no mitigation measures were taken and no insurance was in place, the financial implications of one of these sites being rendered wholly inoperable will likely be less than £10 million in current value. This is not a material amount in the context of the Group. Assuming mitigation measures are taken, and insurance is in place, the financial impact of these events will be substantially less. DCC Energy's wider strategic resilience to climate change is addressed above and in the DCC Energy Business Review on pages 26 to 28.	Within the timeframes considered, these impacts can be fully mitigated through increased physical mitigation measures and business continuity planning. In particular, alternative means of obtaining product are likely to be available. In addition, the Group maintains insurance against physical damage and business interruption. There is further work being undertaken on assessing a wider set of physical assets across the Group for physical risk which will be complete in the coming year.

Risk/Opportunity	Principal Scenario	Impact Assessment	Actions
Physical impacts of climate change on our healthcare activities	We assessed the impact that an extreme 4°C warming scenario would have on the operation of one of our healthcare businesses in the USA which operates from two sites. This scenario was based on SSP5/RCP8.5. This work focused on assessing the risk of physical damage to the business due to wind or flooding. We also considered the disruption to our operations that could be caused if either site was inoperable for a certain period.	This facility is more likely to experience acute physical impacts from adverse weather and sea level rises in the medium to long-term. If no mitigation measures were taken and no insurance was in place, the financial impact of one of these sites being rendered wholly inoperable is likely to be less than £10 million in current value. This is not a material amount in the context of the Group. Assuming mitigation measures are taken, and insurance is in place, the financial impact of these events will be substantially less. DCC Healthcare's strategy is considered highly resilient to climate-related risks and opportunities.	Within the timeframes considered, these impacts can be fully mitigated through increased physical mitigation measures and business continuity planning. In addition, the Group maintains insurance against physical damage and business interruption. There is further work being undertaken on assessing a wider set of physical assets across the Group for physical risk.
Transitional impacts of a move to a circular use of technology products	As steps are taken to increase the reuse of the materials used in manufacturing technology products, we assessed the possible timing and scale of a change in the global technology market from purchasing products to their supply as a service. This scenario was based on SSP1/RCP 1.9. This work included an assessment of the evolution of the relevant policy and legal environment (such as more compulsory recycling of technology products) and the development of technology (including manufacturers designing products to support increased reuse of materials). We also considered how these and other relevant factors, such as demand from retailers and end users, would influence the technology markets where we operate over the short, medium and long-term.	We consider that a significant market for recycled technology products and related services will likely develop over the medium to long-term. The evolution of this market represents an opportunity for our Technology division because technology suppliers and customers are likely to need support in moving products back up the supply chain for reuse. However, the scale and timing of this change, particularly within individual geographic markets, are subject to very high levels of uncertainty. DCC Technology's strategy is considered highly resilient to climate-related risks and opportunities.	Work has been undertaken within the Technology division to assess circular economy opportunities. While there will be a reduction in demand for new product, and increased demand for renewed product, over time the market is still very immature outside of smartphones and notebooks. We will continue to closely monitor developments in the markets where we operate, including through discussions with our suppliers, customers and relevant policymakers.

PILLAR TWO

SAFETY & ENVIRONMENTAL PROTECTION

We keep our people, communities, and environment safe.

OUR GOALS

- Keep our people safe
- Protect the environment in the communities we serve
- Zero harm to people and the environment

Health and Safety

OUR APPROACH

Safety Governance

Safety is a core value of DCC. We believe that a successful approach to safety must be grounded in a culture that encourages every DCC employee and contractor to identify and raise concerns, whether it is about safety or any other aspect of operating responsibly. We have governance structures and management processes in place to ensure a safe working environment for all our colleagues and partners and the management and mitigation of potentially negative environmental impacts from our operations.

This year we have significantly added to our governance and management of Health, Safety and Environment ('HSE') matters by beginning the process to recruit divisional HSE leads, the first of whom is now appointed in the Energy division. We also reviewed our overall HSE governance process and made changes to emphasise the critical role line management play in the management of safety.

During the year we conducted divisional safety stand downs in our Energy and Healthcare divisions. In each case, daily tasks across each division were put to one side to allow time for team-level discussions on a range of safety topics. The output from these discussions was used to make immediate improvement actions as well as to inform the Three-Year Safety Plan of each business.

HSE Three-Year Plan

Our Three-Year Plan for HSE outlines our priorities and objectives in specific areas such as leadership, culture and governance, operational execution, competence and training, knowledge sharing and management reporting.

This year, good progress was made in line with the plan.

Process Safety

Process safety management is a framework for managing the integrity of hazardous operating systems and processes by applying sound design principles, engineering controls and operating practices. It deals with the prevention and control of incidents involving the release of hazardous materials or energy, such as fire or explosion during the movement of fuel, fire within fuel vapour recovery systems, loss of containment leading to the formation of a vapour cloud or a hydrocarbon spill.

During the year we conducted an external review of our process safety governance, procedures, and performance in the Energy division. While this assessment was positive overall, it identified a range of improvement opportunities which we are now working through with the help of individual locations and our Process Safety Working Group.

Culture of Safety

For DCC, a strong safety culture is key to everything we do. It starts with the declaration from our Chief Executive that "nothing is so important that it cannot be done safely". Employee Engagement Surveys provide feedback on safety leadership within each business. Training in risk assessment and incident investigation includes considering human, organisational and cultural factors, both in terms of how the process is conducted and, in the case of incident investigation, considering causal factors.

Employees are expected to play an active role in maintaining a safe workplace, including the proactive reporting of near misses, unsafe acts and unsafe conditions, which they do through our HSE IT reporting platform. They are empowered to stop work when they consider it unsafe to continue.

We use technology to support our processes where we can. For instance, our HGV fleet operations in the Energy division employ in-vehicle technology to monitor driver actions and performance, to record vital information in the event of an incident and provide opportunities for driver coaching.

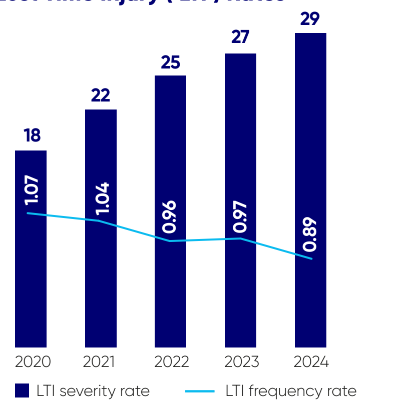
OUR PROGRESS AND KEY INITIATIVES

Occupational Safety

DCC is committed to striving for zero harm to our people. This means a sustained reduction in Lost Time Injury ('LTI') and recordable injury rates, no Tier 1 or Tier 2 process safety incidents (as defined in API-754), and no employee or contractor fatalities. Although DCC has performed well in relation to most of these measures, we very sadly lost a colleague during the year. In May 2023, an employee was fatally injured in our Amacom warehouse in the Netherlands. We continue to support everyone involved in this tragic incident and have shared and learned the lessons from it across the Group.

LTIs, defined as an accident resulting in at least one day lost after the date of the accident, remain an essential indicator of occupational safety performance. Most LTIs recorded across the Group are relatively minor, including slips, trips, and manual handling injuries such as sprains and strains. In recent years our lost time injury frequency rate ('LTIFR') has been around 1 incident per 200,000 hours worked. Last year we reported a 0.97 LTIFR. This year we made further significant progress in reducing our LTIFR to 0.89 incidents per 200,000 hours worked. This significant improvement reflects an increased focus on safety right across the Group.

Lost Time Injury ('LTI') Rates



Our total recordable injury rate ('TRIR') this year was 1.16, compared to 1.46 in the prior year. A recordable injury for this purpose is one that results in a fatality, days away from work, restricted work or job transfer, medical treatment beyond first aid, loss of consciousness, or a diagnosed significant injury/illness, as defined by US OSHA.

This year, as part of an updated Reporting Standard, we have aligned our LTI severity rate ('LTISR') with the OSHA standard. This means that all LTIs have a maximum of 180 days restriction/absence when the rate is calculated. Under this new method, the LTI severity rate for this year was 29 days per 200,000 hours worked, which compares to a reported rate of 32 days in the prior year. The comparable severity rate figure for this year, calculated under the former method was 39 days lost per 200,000 hours worked. During this year the severity rate had spiked early in the year due to several long-term open cases most of which are now resolved. We had 12 occupational illness cases this year, which included musculoskeletal conditions, employee mental health and workplace exposures.

The Near Miss Frequency Rate per 200,000 hours worked was 23.59, compared to a rate of 27.12 in the prior year.

All incidents, including personal injuries, road traffic accidents and near misses, are recorded to evaluate actual and potential consequences, identify underlying causes and control system weaknesses, and to identify and implement improvements.

The figures reported above include DCC employees, temporary workers, and agency-supplied staff, but do not include third-party contractors. There were 31 accidents at our facilities resulting in personal injury to third-party contractors during the reporting period.

Environmental Protection

DCC strives for zero harm to the environment and communities in which we operate. The most material risk to the environment in the communities where Group businesses operate is the occurrence of a material spill of liquid fuel, such as home heating oil, petrol or diesel.

Asset management and employee training and competence are critical to spill prevention, as is our ability to respond quickly and appropriately to such incidents should they occur. We have actions in place to assess, maintain and upgrade our fixed and mobile assets, including storage facilities and delivery infrastructure.

In contrast to liquid fuels, the loss of liquid gas can present a significant safety risk but does not typically damage the local environment.

Our Energy division experienced an overall spill rate of 3.5 spills per 10,000 deliveries made, compared to a spill rate of 3.0 spills per 10,000 deliveries made in the prior year.

In contrast, operations in our Healthcare and Technology divisions do not generate material risks of local environmental damage.

Sustainability in Action

2024 HSE CONFERENCE

We held our Group HSE conference in April 2024 in Dublin. This was the second in-person Group Safety Conference since the end of Covid-related restrictions. We welcomed over 100 delegates from across the Group. This included HSE professionals and members of management from key Group businesses. Delegates met in divisional groups and attended workshops on safety-related topics as well as hearing from senior leaders and external speakers on a range of safety subjects. The Conference provides a strong foundation for the HSE Three-Year Planning process that takes place each summer.

PILLAR THREE

PEOPLE & SOCIAL

Our goal is to provide a vibrant, diverse and innovative place to work and be a positive member of the communities we serve. Developing and investing in our people is a key strategic objective.

OUR GOALS

- Support the development of our people
- Support inclusion and diversity

Our People

ENABLING AN ENGAGED AND DIVERSE TEAM

DCC is a people business, and our success relies on our 16,600 people across 22 countries. We strive to create a workforce that is as diverse as our customers and communities and build inclusive work environments where everyone has the same opportunity to develop and progress.

The development of our people is a strategic objective for the Group. We focus on growing our talent, finding better ways of working, building partnerships and supporting innovation. As the Group continues to grow, the depth and quality of our talent is a key contributor to our future success.

At 31 March 2024, we employed 16,600 people, which is a 3% increase on the prior year. Our employee turnover rate during the year was 23% and new joiners amounted to 22% of all employees. These turnover numbers are in line with expectations and are a reflection of the wider employee environment, albeit lower than last year.

Both of these figures include our seasonal workforce, who support our businesses in peak periods of trading, many of whom return year after year to work with us.

Employees
16,600

Countries
22

Employee Engagement

We strive to provide an employee experience where everyone can feel safe, valued and included, and where every colleague can make their unique contribution.

Our Employee Engagement Survey provides a valuable perspective on the culture and 'lived experience' of our colleagues. In 2023, all of our colleagues across 22 countries in 76 businesses were given the opportunity to have their voices heard by participating in the survey.

OUR VALUES

Safety

Our first priority is the safety of our colleagues, contractors, customers and other persons who may be affected by our business activities.

Nothing we do is so important that it cannot be done safely, every time.

We believe safety to be a foundation of our sustainable business success and that is why we continuously look for ways to improve our safety culture, systems and processes.

Partnership

Our business is all about creating sustainable partnerships. By working together as a team with those stakeholders who share our values, our passion and our drive – we become stronger.

We seek to develop mutually beneficial, long-term relationships, founded on trust and respect and place significant value on commitment and loyalty.

Integrity

Being honest, open, accountable and fair is in our nature. These traits are the pillars on which our business has been built.

We believe in doing the right thing and inspiring others by being true to ourselves and treating people with respect and dignity.

We are committed and responsible employers. We lead by example and take pride in delivering on our promises.

Excellence

We believe great performance comes from preparation, focus on the detail, relentless determination, a sense of urgency and a genuine hunger for success.

These are the hallmarks of our people. We have a passion for accuracy and getting it right first time, every time. We share a collective entrepreneurial spirit. We are agile, responsive and continuously looking for ways to improve what we do.

We achieved an excellent participation rate which is reflective of how much our colleagues value the chance to share their insights and feedback.

We are delighted to report that we have seen a year-on-year improvement in our overall engagement score across the Group with material progress in the engagement levels for some of our larger colleague populations.

Colleagues gave us feedback on a number of areas which allows us to identify common themes across the Group, as well as compare progress year-on-year and gain insights where our action planning is making a difference and where we need to continue to improve. In line with our devolved operating model, our process enables our businesses to seek feedback on additional areas that are of particular importance to that business, division or country.

Every people manager across our business with five or more team members receives the feedback and results for their team. To support our managers in sharing results with their teams, leading conversations and agreeing actions, training and materials were rolled out across the Group. Our ability to monitor the impact of the actions we take through movements in engagement scores is a great step forward and builds confidence with our colleagues that action will be taken as a result of their feedback.

This annual initiative continues to reinforce the strengths of our devolved business model. The results highlighted that our colleagues have a strong sense of purpose and understand why their work matters. Our people are also invested in the future of the Group and feel fairness and respect are at the heart of our working relationships.

Encouragingly, our people also feel real accountability for our safety culture, a core value for DCC.

While the results were very positive overall, we also identified a number of areas that need improvement. Our businesses and managers have implemented action plans at a local and team level to ensure that DCC businesses continue to be great places to work.

Building an Inclusive and Diverse Culture

We aim to create an environment where every individual feels a sense of belonging and can thrive and contribute to their fullest in our businesses. That means embracing diversity in the broadest possible sense, including gender, ethnicity, ability, age, sexual orientation, education, and ways of thinking. We believe that to reap the benefits of our diverse and talented workforce we need inclusive work environments where all of our colleagues have the freedom to achieve their ambitions and a culture that cultivates the energy and passion our colleagues bring to work.

Our focus has been on targeting greater gender diversity, with a particular focus on developing a diverse pipeline of talented future leaders for the Group.

Our Inclusion and Diversity Policy, 'You Belong Here', lays firm foundations to bring our inclusion and diversity strategy to life in a meaningful way. We remain committed to increasing diversity and inclusion within our workforce at all levels. 36% of the people we employ across our global business are women.

We continued to make progress on initiatives to enhance diversity and inclusion throughout the year. In FY24, a number of our businesses rolled out Employee Resource Groups which provide colleagues with a supportive space to connect and share experiences.

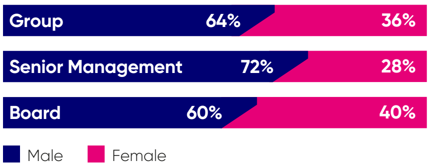
As a Group, we recognise the importance of workforce turnover as a sustainability metric and, like most companies, we are experiencing strong competition for talent. Our employee turnover rate during this financial year was 23%. We continue to place great emphasis on our ability to attract, develop and retain talent and identify this as a key risk, as highlighted in the Risk Report on page 88. We will continue to further enhance our diversity-led activities including the requirement for diverse candidate lists for senior open roles, providing unconscious bias training for thousands of our colleagues across the Group, taking opportunities to celebrate diversity and most importantly listening to the views of our people.

Celebrating Diverse Cultures and Traditions

DCC is committed to having a workplace culture where everyone feels welcomed, respected and valued and has the freedom to achieve their ambitions.

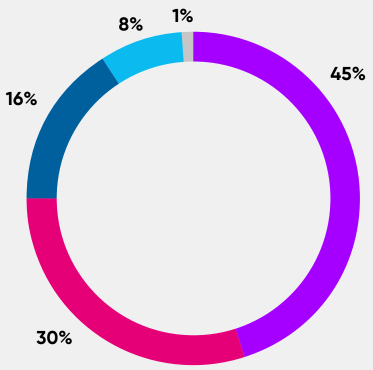
With over 16,600 colleagues across 22 countries, DCC is a multinational and multicultural organisation. We recognise the opportunity that global cultural events provide, to raise awareness and understanding of our differences, as well as our common interests. These global awareness days create visibility and instill a sense of pride to ensure all our colleagues feel respected and valued. Over the course of the year, we held activities to mark celebrations such as World Mental Health Day, International Women's Day, International Men's Day and Black History Month.

Gender Diversity as at 31 March 2024



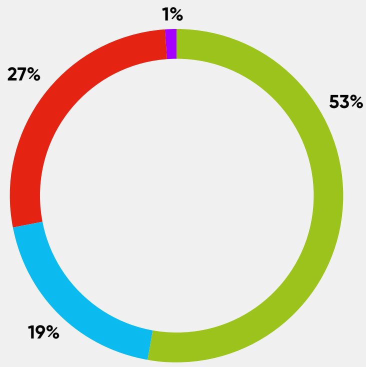
We recognise the benefits of diversity at Board level as well. Our Board is fully compliant with the requirements of the UK Listing Rules in regard to gender diversity. More detail on this is contained in the Governance Report.

Employees by geography



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

Employees by division



- DCC Energy
- DCC Healthcare
- DCC Technology
- DCC Corporate

DEVELOPING OUR DIVERSE WORKFORCE

DCC Graduate Programme

The DCC Graduate Programme is an integral part of the Group's talent development process, designed to create a pipeline of high potential, internationally mobile, early career talent for the Group. Each year, we select graduates from a broad range of backgrounds and nationalities ensuring diversity in this talent pool at this early career stage.

We place our graduates according to genuine business needs ensuring graduates can make real contributions from the start.

DCC is a fast-paced environment and graduates on our two-year programme are provided with a wide range of opportunities to support their learning and development. Many are given the opportunity to undertake international work placements and assignments where they benefit from the diversity of markets and geographies in which we operate. We have a commitment to continuous on-the-job training and coaching for all graduates, maximising the benefits of this programme. More information is available at www.dccgraduateprogramme.com.

> We aim to create an environment where every individual feels a sense of belonging and can thrive and contribute to their fullest in our business.

Talent planning and career pathing

DCC has a strong record of developing its talent; most of our senior leadership have progressed their careers through a succession of exciting roles in diverse businesses across the Group. Throughout the year, we continued to identify and develop talent to meet the future needs of our businesses through our annual talent planning process.

All our businesses actively engage in the annual talent process and use a consistent approach to focus on succession planning for high impact roles and identify talent for development purposes. Through this annual process we ensure a continued focus on the visibility and development of our diverse talent on an ongoing basis. This will lead to greater diversity and balance in our management teams over time.

The number of roles in scope for succession planning has grown considerably over the past number of years in line with our growth over the same period. We strive to make talent visible and identify career paths for people within their own business as well as across the Group. About 83% of our management team positions currently have internally identified successors from within our Group. Of those, all identified critical positions have succession coverage and we have worked hard to create visibility of our internal talent options.

Talent management system

We continue to invest in our Group-wide talent platform to help us identify internal talent and ensure talent management processes are embedded consistently across the Group. The platform currently supports the automation of succession planning, reward and performance management processes. As more of our businesses have recognised the value of the system, we have had a 6% increase in the number of users over the last year.

High-performance culture

Our people are driven to achieve and have an unwavering focus on results. We are open and transparent on performance and constantly measure our progress. Every member of our business management teams actively engages in our annual performance review process. To support and drive our high-performance culture, we offer regular coaching skills training to our business management teams at key points during the performance cycle.

Developing leaders

We strive to foster a culture of continuous development for our people, ensuring we have the talent and capabilities we need, now and in the future.

There are many existing Group-wide training programmes, including the DCC Management Essentials programme, DCC Finance for Non-Finance Managers programme and our flagship DCC Business Leadership Development programme.

Each business within DCC is empowered to create and deliver customised training and development programs, addressing local requirements, with the goal of boosting performance at local business level.

Sustainability in Action

CREATING A FUTURE OF EQUITY AND BELONGING IN THE WORKPLACE

We are dedicated to nurturing an inclusive environment that embraces the unique qualities of our colleagues, ensuring everyone feels valued, respected and empowered. In doing so, we strengthen our ability to positively impact our people, business, customers and the communities we serve worldwide.

In recent years, DCC Technology has implemented various initiatives to foster empowerment and unity among all members of our workforce. Education and awareness play vital roles in equipping our people with the cultural competence and empathy necessary to effectively collaborate with individuals from diverse backgrounds.

This year, our focus has been on raising awareness of barriers that some colleagues may face due to certain aspects of their identity and providing resources to ensure adequate support. To facilitate this, DCC Technology launched *Winning Hearts and Minds*, a campaign aimed at increasing awareness, along with an online hub hosting multiple resources to assist colleagues at all levels in creating more equitable and inclusive workplaces.

Additionally, DCC Technology has introduced Employee Resource Group ('ERG') guidance across its businesses, with current emphasis on supporting women, young professionals, LGBTQIA+ colleagues, individuals from underrepresented ethnicities, and people with disabilities.

In the year under review, DCC Technology released its inaugural Diversity, Equity, and Inclusion ('DE&I') report, marking a significant milestone in its ongoing commitment to ensuring equal opportunity and inclusion for all. The report comprises four sections, each focusing on different aspects of DCC Technology's DE&I efforts: Analysis, Actions, Accomplishments and Aspirations.

PILLAR FOUR

GOVERNANCE & COMPLIANCE

We embed and uphold high standards of governance and compliance across all our operations

OUR GOALS

- Protect Human Rights
- Prevent Bribery and Corruption
- Sell Safe Products

Compliance

OUR APPROACH

DCC is committed to operating to the highest standards of corporate governance. For more detail on our governance structure, see the Corporate Governance Statement on page 100.

We also seek to operate to the highest legal and ethical standards. We want to benefit society by enabling businesses to grow and the world to progress. We do this by working with suppliers and customers who share our values.

Code of Conduct

Our Group Code of Conduct, available on our website, sets out the standards that are expected of our employees in a range of areas, including anti-bribery and corruption, supply chain integrity, the protection of personal information and competition law. The Code reflects our values and our desire to do things the right way for each other and in accordance with the law. It helps to ensure we lead and operate in accordance with our core value of Integrity.

Aligned with our commitment to uphold exemplary standards of business conduct, we constantly refine and enhance our awareness. Training is provided to every employee when they join the Group along with a copy of the Code. Code of Conduct training is then provided to all employees every two years.

The Code also explains how employees can ask questions about compliance issues and raise concerns if they believe that something wrong is happening.

Compliance Policies and Training

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

7,979 colleagues did online compliance training during the year. In addition to this, businesses also provide in-person training to employees across the Group.

Whistleblowing

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

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

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

The Audit Committee has oversight responsibility for our whistleblowing facilities and how they operate. This is referred to on page 122, as part of the Audit Committee Report.

Sustainable Partners and Supply Chains

DCC's dedication to integrity and sustainability extends to our supply chains and third-party partners. We expect our suppliers, distributors and other business partners to share our commitment to ethical business practices, as articulated in our Supplier Code of Practice. The Supplier Code of Practice emphasises crucial areas such as human rights, health and safety standards and environmental stewardship.

We engage closely with our partners and have detailed due diligence processes that underpin our integrity-driven approach to these partnerships. We intend to progress initiatives over the coming year that will further promote sustainability and resilience in our third party relationships.

Human Rights and Labour Practices

As set out in our Human Rights Policy, we are committed to protecting the human rights of those that may be impacted by activities in our value chain.

We have clear internal policies for protecting human rights within our operations and supply chains. These include measures to identify and prevent slavery, forced and compulsory labour, child labour and human trafficking. We provided online training covering the importance of protecting human rights to 6,297 employees across the Group over the course of the year.

During the year no breaches of human rights were identified in our operations or supply chains. The Board approved DCC's Modern Slavery Act statement for the year. The statement is available on our website.

Bribery & Corruption Prevention

DCC has a detailed Anti-Bribery and Corruption Policy in place, which states that no employee or representative of any Group business is to offer or accept any bribe, including small facilitation payments, or engage in any other form of corrupt practice. During the year, over 3,500 employees completed training on the prevention of bribery and corruption. No Group business was involved in any public legal case regarding corruption during the year under review.

Inclusion and Diversity

The Group actively supports the development of a diverse and inclusive workplace. Details on our Inclusion and Diversity Policy, 'You Belong Here', and the other measures we take in this area are set out in the People and Social section of the Sustainability Review on page 77. Where allegations of discrimination are made, they are investigated, and suitable action is taken in response. In the year under review, there were no findings by any court or similar body that any DCC Group businesses had engaged in discrimination.

Data Security & Privacy

DCC's privacy statement outlines the Group's policy on managing the personal data of individuals we deal with. In the year under review, we identified and monitored several cyber-attacks on Group businesses, but no leaks, thefts, or losses of customer data were identified as a result of these. In the same period, no substantiated complaints were received concerning breaches of customer privacy.

Product Quality and Safety

Group businesses have suitable processes and procedures in place that are designed to ensure that the products that they sell are safe and meet applicable regulatory requirements. There was no monetary loss from legal proceedings associated with product safety during the year.

Compliance Monitoring

All businesses in the Group report in detail twice a year on their compliance controls. A report on these controls is provided to the Executive Risk Committee and the Audit Committee. In addition to these self-assessment reports, the Group Internal Audit team and the Group Legal & Compliance team, with the assistance of external advisors from time to time, monitor compliance with the Code and a range of compliance risks as part of their audit programmes. More information on how compliance risks are addressed within the Group is set out in the Corporate Governance Statement on page 100.

We provided training covering the importance of protecting human rights to 6,297 employees across the Group over the course of the year.

MANAGING RISK THROUGH STRATEGY AND STRONG INTERNAL CONTROLS

RISK MANAGEMENT STRATEGY

DCC's strategy, diversified business activities and devolved operating model support the effective management of risks and make the Group resilient to a wide range of adverse events.

- We are a broadly-diversified Group, with operations in three growing industries across 22 countries. This protects the Group against many local market cycles and adverse events.
- We operate a devolved management structure, with talented, experienced and highly-motivated teams leading businesses across the Group. This means we remain close to our customers and trends in individual markets and can respond rapidly to changes.
- We have a strong culture focused on our core values of Safety, Integrity, Partnership and Excellence – and work hard to maintain and monitor this culture in every area of our operations.
- Our financial strength, built on the profitable and cash-generative nature of the businesses in the Group, our focus on returns from all capital invested, and our strong and liquid balance sheet, create additional resilience.
- We focus on maintaining robust internal controls that are aligned to the principal risks facing the Group and each of the businesses within it.

This Risk Report concentrates on the final of these elements of our risk management strategy – formal risk management processes and related internal controls. Our Group and divisional strategies and business models are addressed in more detail in the Strategy section on page 12, the summary of our Business Model on page 14 and the Business Reviews on pages 22 to 47. Our culture is covered in the People and Social part of the Sustainability Review on page 76 and in the Governance Report on page 110. Our financial position is addressed in the Financial Review on page 52.

Risk in Action

CLIMATE RISK

We assess the impact of climate change on our activities principally by considering both transitional and physical effects over short-term (within three years), medium-term (between three and ten years) and long-term (more than ten years) periods.

Within this framework, we consider scenarios – using reasonable assumptions as to how certain factors, such as regulation, product availability and customer demand, are likely to develop – to estimate the impact of climate change on our activities. This analysis informs the strategic choices we make regarding the future development of the Group and its divisions.

There are three principal elements to our process for identifying, assessing, and managing climate-related risks:

- Each business in the Group considers climate risks (including physical risks and transitional risks such as changes in regulation) as part of our general risk management processes;
- Businesses in the Group then reflect their assessment of climate (and other risks) in their strategic planning; and
- The impact of climate risks, including their potential scale and scope and their significance relative to other risks, are also considered when risk and strategy are considered at divisional and Group levels.

We have put in place common risk definitions as part of our overall risk process (covering both the likelihood and impact/materiality of particular risks), which are applied to climate-related risks.

Responses to climate-related risks (including their mitigation, transfer, acceptance, or control) are considered as part of our strategic planning processes, which involve an annual review of strategy at business, divisional and Group level. Progress against strategy and the implementation of specific actions are monitored as an integrated part of our wider management processes.

The Board maintains oversight of the Company's response to climate change. The overall role of the Board in this respect is summarised in the Risk Management Governance diagram on page 84 and in the Governance Report on page 94.

DCC Energy's strategy is directly informed by our assessment of the physical and transitional impacts of climate change on its activities. Progress being made in the implementation of DCC Energy's strategy is addressed in the DCC Energy Business Review on page 22.

Climate risk is also considered as part of our capital expenditure approval process. More information on that subject is contained in the Financial Review on page 52.

The need to respond to climate change – most notably by reducing our carbon emissions – is a fundamental component of our Sustainability Strategy. The Sustainability Review on page 60 summarises the progress we are making in that area.

RISK MANAGEMENT GOVERNANCE

DCC plc Board

The Board is ultimately responsible for ensuring that appropriate risk management and internal control structures are in place across the Group. The Board has approved a Risk Management Policy and Risk Appetite Statement which respectively set out the Group's approach to the overall assessment and management of risk and appetite for specific forms of risk. The Board receives regular reports from management on the Group's principal current and emerging risks, on mitigation actions and internal controls, on the effectiveness of existing controls and opportunities for their development. Strategic risks and opportunities and HSE risks are overseen by the Board directly. Other risks are considered by the Audit Committee before also being considered by the Board.

Audit Committee

The Audit Committee assists the Board in assessing relevant risks and by reviewing the Group's risk management and internal control systems in detail. The Committee considers for this purpose reports from management on relevant areas of risk, including from the Group Internal Audit, Group Risk and Group Legal & Compliance functions. Strategic risks and opportunities and HSE risks are considered by the Board.

Group Management Team

The Group Management Team oversees the operations of the Group. This includes ensuring that existing and emerging risks are assessed, managed and reported on effectively in line with the Risk Management Policy and Risk Appetite Statement approved by the Board.

Executive Risk Committee

Chaired by the Chief Executive and comprised of senior members of Group management, this Committee oversees the Group's risk management processes in detail, including through the review of detailed reports from relevant Group functions such as Group HSE, Group Legal & Compliance, Group Risk and Group Internal Audit.

First Line of Defence

Management teams in divisions and Group businesses are responsible for day-to-day risk management activity including maintaining risk registers, identifying emerging risks and designing, implementing and maintaining effective internal controls. Divisional management regularly review and consider the status of risks with subsidiary management.

Second Line of Defence

Group functional teams ensure the first line of defence is operating as designed. They advise on Group policies, provide oversight of operations, and give technical support and advice to colleagues in Group businesses. These Group functions include Finance, HSE, Legal & Compliance, IT and Risk.

Third Line of Defence

The Group Internal Audit function (including IT Assurance) provides independent assurance over the Group's control environment. The team reviews risk management and control processes in businesses across the Group, in accordance with a risk-based audit plan approved by the Audit Committee. The team then reports on those audits to the Executive Risk Committee and the Audit Committee.

RISK MANAGEMENT PROCESSES

Risk management processes are in place across the Group to enable risk-informed decision making. The principal elements of these processes are summarised below.

RISK IDENTIFICATION AND ANALYSIS

Risk identification and analysis is built into the Group's core management processes. This facilitates the frequent review and updating of subsidiary and divisional risk registers and, in turn, the Group Risk Register.

The risk management process involves an assessment and evaluation of the impact and likelihood of occurrence of each risk. New or emerging risks are added to risk registers when they are considered to have become material.

The principal risks and uncertainties relating to the Group's strategic priorities, based on this risk identification and analysis process, are set out on pages 87 to 91.

DETERMINATION OF RISK APPETITE

The assessment of risk appetite involves setting tolerance levels for each principal area of risk and then agreeing and monitoring relevant key risk indicators in those areas.

Risk appetite and key risk indicators are reviewed and updated periodically to reflect changes in the Group's risk environment.

RISK MANAGEMENT

Individual risks are managed as part of the Group's core management processes, including the strategy review process and the oversight of operations within Group businesses.

Internal controls are designed to ensure that risks are managed within the risk appetite defined for each area of risk.

Compliance with internal controls is reviewed by the functions that operate in the second and third lines of defence as outlined on the previous page. The Group has a process in place to track the completion of actions agreed as part of internal audits.

The Group's culture, based on our Values, is an important part of our risk management framework. It supports good decision making by management teams across the Group, within the context of the Group's internal control framework. Further details on how culture is monitored are set out on page 110 of the Corporate Governance Statement.

RISK MONITORING AND REPORTING

Risk reporting includes reports from first, second and third line functions, using the key risk indicators defined for each key risk area.

The Executive Risk Committee considers detailed reports on risks and related internal controls, in particular reports from the Group HSE, Group Legal & Compliance, Group Risk, and Group Internal Audit teams. It meets five times annually.

In addition, the Group Management Team considers the development of the Group's overall risk environment and related mitigating actions, including internal controls, on a regular basis. This process is supported by reports from and discussions with the Group's key second and third line functions and discussions on the Group Risk Register.

The work of the Executive Risk Committee and the Group Management Team on risks and internal controls is then presented to the Audit Committee and the Board, as part of the Risk Management Governance structures outlined on the previous page. Relevant risks are considered further as part of the Group's strategy processes.

Communications to support risk management include guidance on risk management frameworks and processes for Group businesses, alerts issued by first, second and third line functions, the publication of learnings from events and discussions at management meetings and conferences on relevant areas of risk.

EMERGING RISKS

The Group recognises that it faces certain emerging risks that have the potential to become principal risks in the future. In some cases, there may be insufficient information to understand or quantify the impact, scale or likelihood of a risk. This uncertainty may limit management's ability to define a response to the risk. Emerging risks are regularly reviewed and reported on as part of our overall risk process.

Key emerging risks at present include how AI will impact the way work is done within DCC and with our suppliers, customers and other stakeholders. New risks are also emerging as a result of the unstable geopolitical situation, with direct impacts on certain markets where the Group operates, on the supply chains maintained by Group businesses and on regulatory priorities.

Risk in Action

CYBER RISKS

We recognise the critical importance of safeguarding our digital assets against cyber threats. In response to the evolving nature of these threats, which could pose significant challenges to our operations, we have implemented a range of preventative cybersecurity programmes. These are supported by a robust internal IT controls framework aligned with recognised industry guidelines.

Our risk management framework in this area includes:

- **Investment in Security Infrastructure:** We maintain a programme of vulnerability management and penetration testing using industry-leading technologies and best practices to detect, prevent, and respond to cyber threats effectively.
- **Employee Training and Awareness:** We recognise the critical role of employees in maintaining cybersecurity. Therefore, we provide regular training and awareness programmes to equip our workforce with the knowledge and skills necessary to identify and mitigate cyber risks.
- **Continuous Monitoring and Incident Response:** We have implemented a continuous monitoring programme to promptly detect any suspicious activities or potential breaches. In the event of a cyber incident, we have established response protocols to minimise disruption and mitigate any potential impact on our operations and stakeholders.
- **Collaboration and Information Sharing:** We actively engage with industry peers, regulatory bodies, and cybersecurity experts to stay informed about emerging threats and best practices. This collaborative approach enables us to strengthen our cyber resilience and better protect our businesses.
- **Regulatory Compliance:** We adhere to relevant regulatory requirements and industry standards concerning cybersecurity, ensuring compliance with data protection laws and regulations to safeguard the confidentiality, integrity, and availability of sensitive information.

Despite these measures, we recognise that the cyber threat landscape is dynamic and constantly evolving, including because of the increasing use of AI. Therefore, we continuously reassess and, where necessary, enhance our cybersecurity posture to address emerging threats effectively.

Looking ahead, we will continue to invest in cybersecurity capabilities, talent development, and strategic partnerships to strengthen our cyber resilience.

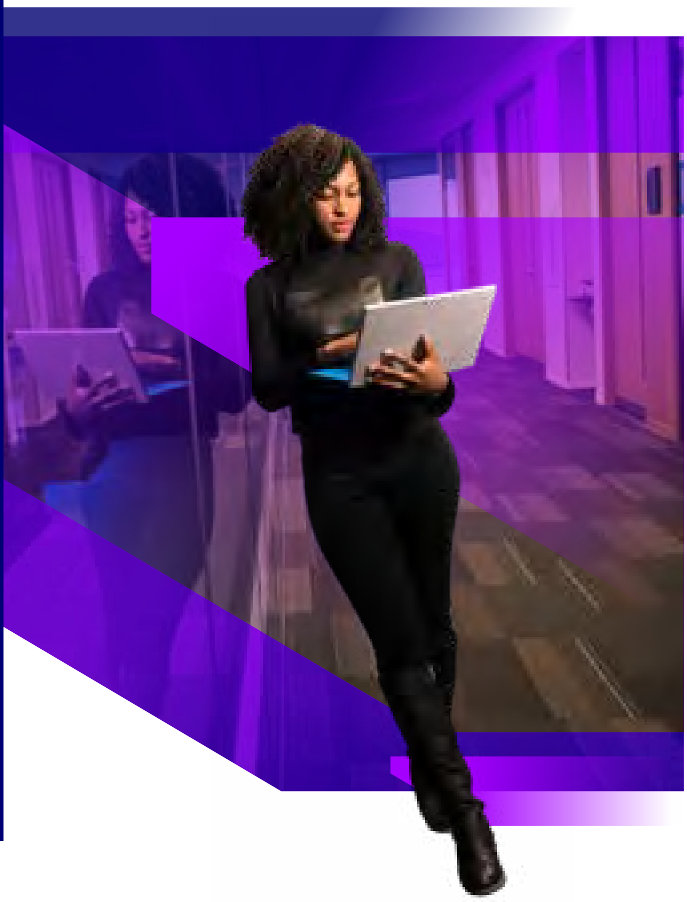
ASSESSMENT OF THE EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROLS

The risk management governance framework and processes summarised above support the Directors and senior management in assessing the Group's risks and ensuring that suitable mitigating measures and controls are in place in respect of them.

As well as receiving reports on specific areas of risk and internal control, the Group Management Team and Audit Committee receive reports from the Group Risk function on the Group's overall risk environment, mitigation measures and internal controls. As part of this process, the Group Management Team, Audit Committee and Board review the effectiveness of the Group's risk management and internal control systems annually.

Opportunities to enhance our risk management processes are considered regularly. In the year under review, this included complementing the reports that the Audit Committee receives from Group Finance, Group Legal & Compliance, and Group Internal Audit with reports from divisional management teams on the key risks and related internal controls in their division.

The review of the Group's risk management and internal control processes that was undertaken during the year concluded that our risk management and internal control framework continues to operate effectively. As usual, it identified some opportunities for enhancement. Those enhancements will be actioned over the course of the year, and reported to the Group Management Team, Audit Committee and Board in due course.



PRINCIPAL RISKS AND UNCERTAINTIES

The table on pages 87 to 91 summarises the principal risks and uncertainties to the successful achievement of the Group's strategic objectives.

Strategic Risks	Internal or external factors that threaten the viability of the Group's strategy and its ability to achieve its long-term objectives.
Operational Risks	Potential disruptions arising from internal processes, people, systems, or external events that could negatively impact our efficiency, profitability, or reputational standing.
Financial and Compliance Risks	The potential for losses due to inadequate financial controls, market fluctuations, or non-adherence to regulations. This could include fraud, errors, or legal penalties.

STRATEGIC RISKS

Risk and Link to Strategy Ⓢ	Trend	Principal Mitigation Measures	Developments and Areas of Focus
Changing Markets and Supply Chains External factors outside the direct influence of the Group, such as economic cycles and technological changes, can significantly impact on performance. Specifically, the impact of inflation, rising energy prices, and geopolitical developments can result in changes in customer demand and to supply chains. **Emerging Risks** Emerging risks in this area include geopolitical tensions and their impact on supply chains and the impacts of new technology, such as AI.	=	The impact of changing market forces is mitigated through the Group's diversified activities and devolved operating model, a focus on financial management, strong culture and careful geographic expansion.	After a period of upward trending, risk in this area has stabilised, albeit at a higher level than in previous years. The Group's diversity of sectoral focus, customer and supplier breadth and geographic mix contribute to our resilience as these market dynamics evolve.
Climate Change Transitional climate change risks and opportunities, including changes in policy, regulation, technologies and societal views, may impact demand for some of the Group's products. Physical climate change risks, such as extreme weather events and the related loss of biodiversity could affect the activities of a large proportion of Group businesses. **Emerging Risks** Emerging risks in this area include both increased climate activism, on the one hand, and, on the other hand, the risk that interest in critical sustainability questions such as climate change diminishes.	=	DCC Energy is putting relationships and structures in place to enable our customers' energy transition, including introducing lower carbon forms of energy. This will help reduce Scope 3 carbon emissions. Progress in the implementation of our strategy for the energy sector is set out in the DCC Energy Business Review on page 22. The Group is also making progress in reducing our Scope 1 and 2 carbon emissions. The Sustainability Review on page 60 covers this in more detail. The Board and the Group Management Team oversee key sustainability initiatives. The Group's businesses have appropriate business continuity and crisis management plans in place.	DCC has undertaken a Climate Scenario Analysis ('CSA') to assess the transitional and physical implications of climate change on the Group's operations. More detail on this is contained on pages 72 to 73. This will be updated over the course of the financial year commencing 1 April 2024. Management will continue to monitor transitional and physical climate change risks to consider their impact on the Group and ensure appropriate mitigation measures are maintained.

Risk and Link to Strategy Ⓢ	Trend	Principal Mitigation Measures	Developments and Areas of Focus
Recruitment and Retention of Talented People The Group's devolved management structure has been fundamental to its success. A failure to attract, retain and develop talent, particularly in new markets and in recent acquisitions, could impact the attainment of strategic objectives. In addition, employees of the Group need to be supported in adapting to changes in technology, in particular the impact of AI. **Emerging Risks** Emerging risks in this area include how new technology, such as AI, will affect the scale and nature of skills needed within the Group and the steps the Group should take to develop and retain these.	=	The Group maintains a constant focus on this area in line with our purpose and strategy, supporting the development of our people and ensuring that our workplaces are inclusive and diverse. Key mitigation measures include our: • Annual succession planning cycle which focuses on business continuity risk; • Talent review process which identifies high-performing and high-potential talent for the future; • International mobility practices which support the transfer of talent across our Group for professional development purposes as well as business need, particularly supporting the integration of new acquisitions; • Core leadership development programmes which support development at key career stages; and • Annual remuneration cycle, which ensures incentives are competitive from a retention perspective and aligned with the Group's culture of long-term performance. These programmes form part of the overall Group Talent and People Strategy, which is reviewed regularly by the Chief People Officer, divisional management, the Chief Executive and the Board.	The Group will continue to focus on developing and embedding its HR programmes in the current financial year, particularly in recently-acquired businesses, and on adapting to new ways of working. The Group is focused on ensuring that DCC continues to be a great place to work for all of our colleagues. HR initiatives support key areas of culture and engagement, inclusion and diversity, and employee experience. The impact of AI on key business processes and on working practices is being actively considered. The development of our people is described in more detail in the Growth and Progress in Action section on page 20 to 21 and in the Sustainability Review on page 76.
Acquisitions and Disposals A failure to identify and execute suitable acquisitions and disposals could impact profit targets, returns targets and impede the strategic development of the Group. **Emerging Risks** Emerging risks in this area include the impact of expected changes in interest rates and wider financing conditions on M&A activity.	=	Group and divisional management teams engage in a continuous and active review of potential acquisitions and disposals. Potential acquisitions are subject to an assessment of their ability to generate a return on capital employed well in excess of the Group's cost of capital and of their strategic fit within the Group. The Group conducts a stringent internal evaluation process and due diligence before completing any acquisition or disposal. Performance against original acquisition proposals is reported to the Board annually and account is taken of lessons learned from this.	The Group continues to be active from a development perspective, including several acquisitions in the Energy division in the year. Acquisition and disposal activity in the current financial year will continue to be subject to robust internal evaluation processes and due diligence. M&A execution remains a core competency of the Group. The Group has published clear priorities for capital allocation, including as part of the implementation of DCC Energy's strategy.

Risk and Link to Strategy Ⓢ	Trend	Principal Mitigation Measures	Developments and Areas of Focus
OPERATIONAL RISKS			
Project and Change Management A failure to effectively complete change management programmes or other significant projects, including the integration of acquisitions, could impact profit targets, returns targets and impede the strategic development of the Group. **Emerging Risks** Emerging risks in this area arise principally from change processes undertaken as part of the strategic development of the Group.	=	Projects and change management programmes, including the integration of acquisitions, are resourced by dedicated and appropriately qualified internal personnel and supported by external expertise. Significant projects or programmes are subject to oversight by steering groups as well as by divisional and Group management and the Board.	A number of important change management initiatives and other projects will be underway across the Group at any stage. The implementation of DCC Energy's strategy will continue to be a priority in the current year. More detail on that subject is contained in the DCC Energy Business Review on page 22.
Major Safety or Environmental Incident The Group is subject to safety and environmental laws, regulations and standards across multiple jurisdictions. Principal HSE risks relate to fire, explosion or multiple vehicle accidents, an incident resulting in significant environmental damage and an HSE or security event requiring the activation of our crisis management plan. Such risks may give rise to injuries or fatalities, legal liability, significant costs and damage to the Group's reputation. **Emerging Risks** Emerging risks in this area include the safety risks generated as Group businesses expand into new markets and/or types of activity, such as the installation of solar panels.	=	HSE management systems are maintained in proportion to the nature and scale of applicable risks. Inspection and auditing processes concerning HSE management systems are conducted by subsidiary management, by the Group HSE team, and by external assurance providers, as appropriate. There is a strong focus on process safety and ongoing communication with the relevant safety authorities, particularly within the Energy Division. Emergency response and business continuity plans are in place and tested to minimise the impact of any significant incidents. Insurance cover is maintained at the Group level for significant insurable risks.	While there have been no significant changes to the assessment of these risks, management continued to evolve HSE practices during the year. For more detail, see the Sustainability Review on page 60. Further development of HSE controls and management systems will continue in the current year in line with our Three-Year HSE Plan, including completing the implementation of a new HSE reporting system across all Group businesses.

Risk and Link to Strategy Ⓢ	Trend	Principal Mitigation Measures	Developments and Areas of Focus
Major IT Failure, Cybercrime Incident or Data Loss Our IT systems and infrastructure may be affected by the loss of service or system availability, significant system changes or upgrades or cybercrime, which could result in financial or reputational damage. The personal data we hold may be affected by accidental exposure or deliberate theft of sensitive or personal information, which could result in a regulatory breach or financial or reputational damage. **Emerging Risks** Emerging risks in this area include the increased sophistication of cyberthreats because of AI.	=	Dedicated IT personnel in Group subsidiaries implement IT standards, oversee IT security and are provided with technical expertise and support from Group IT. Cybersecurity reviews are performed by a dedicated internal IT Assurance team and external technical experts to provide independent assurance over the Group's controls in this area. Group businesses maintain appropriate business continuity, IT disaster recovery and crisis management plans. DCC maintains a level of cyber insurance. Our Group Data Protection Policy, supported by detailed guidelines, requires Group businesses to ensure appropriate controls over personal data. Page 86 sets out the steps that we take to identify and manage cyber risks in more detail.	The devolved structure of the Group limits the potential impact of IT system failure or cybercrime. As global cybercrime trends continue to evolve, the Group strengthens its mitigation measures and resources in this area. Group IT and Group IT Assurance will continue to focus on raising awareness of cyber threats in the current financial year. We will ensure that the Group's IT standards and policies are consistently applied.
Geopolitical and Naturally-Occurring Events Geopolitical confrontation, military conflict, a systemic financial crisis, major adverse public policy change, or the emergence of a new public health emergency such as a further pandemic could have a significant impact on the Group's operations. **Emerging Risks** Emerging risks in this area include the impact of the numerous elections taking place in 2024 and early 2025 in countries where Group busnesses operate.	=	The Group's crisis management and business continuity plans would be implemented in response to sudden adverse events, taking lessons learned during the Covid-19 crisis into account. Key elements of the Group's business model, including our diversified operations and financial strength, enhance our resilience to these events should they occur.	Management monitor emerging risks in this area on a continuous basis. Changes to the Group's risk environment will continue to be reflected in changes to the Group's operations as they arise. The Group has and will continue to adapt to new ways of working and doing business while protecting the safety of our employees, customers, suppliers, and other stakeholders.

Risk and Link to Strategy Ⓢ	Trend	Principal Mitigation Measures	Developments and Areas of Focus
FINANCIAL AND COMPLIANCE RISKS			
Corporate Reporting and Financial Management Failure to accurately report financial or non-financial performance through error or fraud could result in regulatory sanctions and damage the Group's reputation. Failure to manage exposure to financial risks resulting from the Group's transactions, such as tax or foreign exchange risks, could negatively impact on financial performance. **Emerging Risks** Emerging risks in this area include implementation of increased non-financial reporting obligations and related requirements for enhanced assurance.	=	Group financial risks are managed by experienced Group finance teams and governed by policies reviewed and approved annually by the Board. Standard reporting packs are prepared, including weekly forecasts and monthly submissions, and are subject to review by local, divisional and Group management as well as Group Internal Audit.	We will continue to develop our internal processes and reporting systems so that the Group can efficiently meet additional corporate reporting and assurance requirements, including the EU Corporate Sustainability Reporting Directive.
Compliance with Legal and Ethical Standards A material failure to comply with applicable legal and ethical standards could result in penalties, costs, reputational harm and damage to relationships with suppliers or customers. **Emerging Risks** Emerging risks in this area include a further increase in trade sanctions because of wider geopolitical tensions and changes to rules or enforcement approaches regarding environmental statements.	=	The Group promotes a culture of compliance and 'Doing the Right Thing' in all activities, consistent with our value of Integrity. Staff surveys include an assessment of the Group's compliance culture. A Code of Conduct is in place and is supported by more detailed policies where needed, including a Supply Chain Integrity Policy, a Human Rights Policy, an Anti-Bribery and Corruption Policy and a Data Protection Policy. Training programmes are provided for employees on key compliance risks. All employees can raise concerns using the Group's whistleblowing facilities. The Group Legal & Compliance function performs compliance audits, and Group Internal Audit reviews a range of compliance controls as part of their audits.	Group businesses actively manage compliance with relevant requirements within the framework of our existing compliance procedures.

GOING CONCERN AND VIABILITY STATEMENT

In accordance with the relevant provisions set out in the UK Corporate Governance Code, the Board has taken account of the principal risks and uncertainties, as set out in the table on pages 87 to 91, in considering the statements to be made in regard to the going concern basis of accounting and the viability statement. These statements are set out below:

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report.

The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the Financial Review on page 52. In addition, note 5.7 to the financial statements includes the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities and its exposures to credit risk and liquidity risk.

The Company has very considerable financial resources and a broad spread of businesses with a large number of customers and suppliers across different geographic areas and industries.

Having assessed the relevant business risks, the Directors believe that the Company is well placed to manage its business risks successfully.

The Directors have a reasonable expectation that the Company, and the Group as a whole, have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements, notwithstanding the turbulent economic and political environment.

Viability Statement

The Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, for the next three years to 31 March 2027. The Directors' assessment has been made with reference to the resilience of the Group and its strong financial position, the Group's current strategy, the Board's risk appetite and the Group's principal risks and how these are managed and, again, with regard to ongoing economic and political uncertainty globally.

Period of Viability Statement

In accordance with Provision 31 of the UK Corporate Governance Code, the Directors have considered the length of time to be reviewed in the context of the Viability Statement.

The Directors believe that the three-year period to 31 March 2027 represents an appropriate period. The length of this period aligns with the Group's annual strategic review period, which is a bottom-up review prepared business by business, which considers the risks, opportunities and development plans for each business and is ultimately approved by the Board. The period also aligns with the period used for a number of other Group matters, including the performance period for the Group's Long-Term Incentive Plan. Finally, inherent uncertainty increases with regard to longer-term financial forecasting as time horizons extend. A three-year period is deemed to provide an appropriate balance between near-term and medium- to long-term influences.

Approach to Assessing Viability

In making a viability statement, the Directors are required to consider DCC's ability to meet its liabilities as they fall due, taking into account the Group's current position and principal risks.

The Group operates a devolved operational structure and has sales, marketing and support services operations across a diverse mix of industry sectors. The Group has an extensive spread of customers and suppliers across 22 countries, four continents and distinct market sectors. Importantly, the Group is supported by a very well-funded, liquid balance sheet and strong operational cash flows.

A robust financial model of the Group is built on a business-by-business basis. This model is subjected to sensitivity analysis, and those sensitivities are reviewed periodically to ensure they remain appropriate given changing circumstances in the business, markets and economies. This sensitivity review focuses on the Group's liquidity, solvency and gearing metrics, with particular consideration given to the Group's principal debt covenants, including its Net Debt: EBITDA and Interest Cover covenants.

Given the diverse nature of the Group's activities, the principal sensitivities considered in the review are those where negative economic and other impacts could be experienced across the entire range of the Group's activities. These sensitivities consider situations from depressed activity levels globally to material and persistent rebasing of the Group's profitability due to a range of factors. The Group also reviewed a sensitivity to consider the potential impact of a very material 'shock' which would have a significant and immediate impact on profitability and cash flows and where recovery would take a number of years. Finally, the review considered a 'reverse' stress test to determine what level of disruption would need to be experienced before a breach of the Group's debt covenants was unavoidable.

This review and analysis also considers the principal risks facing the Group, as described on pages 87 to 91, and the potential impacts these risks would have on the Group's business model, future performance, solvency or liquidity over the assessment period. The Group has operated through periods where a number of these strategic risks have been evident in the marketplace, including in recent years. The business model has proven to be robust during these periods.

The Board considers that the diverse nature of the sectors and geographies in which the Group operates acts significantly to mitigate the impact any of these risks might have on the Group.

GOVERNANCE

GOVERNANCE FOCUSED ON VALUE CREATION

DEAR SHAREHOLDER,

On behalf of the Board, I am pleased to present our Governance Report for the year ended 31 March 2024.

This Report summarises our corporate governance framework, including how we apply the principles and provisions of the UK Corporate Governance Code ('the Code').

Priorities and Progress

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

Despite a challenging operating environment, the Group made further progress in all of these areas during the year. Highlights included:

- A continued focus on the strategic development of the Group and its three divisions. The Board devoted considerable time to the strategic development of DCC Energy, DCC Technology and DCC Healthcare and of the Group as a whole during the year.
- The continued integration of sustainability into Group and divisional strategies and preparation for more detailed reporting under EU sustainability reporting standards.
- Monitoring the Group's culture, including through a series of successful visits to Group businesses.

Strategy

The Board's primary focus when considering the Group's strategy is the creation of value for our shareholders and other stakeholders. We have made progress in the strategic development of the Group in recent years and this will remain our focus for the year ahead.

We set out a revised strategy for the energy sector in May 2022 which described how we would expand our energy business to provide low-carbon energy and related services to customers while continuing to meet existing energy demands. We provided a detailed update on progress against that strategy – including updated ambitions for growth and decarbonisation – in September 2023. More detail on the progress being made in this area is set out in the DCC Energy Business Review on page 22.

As in previous years, the Board also spent considerable time during the year looking at the strategic development of our Technology and Healthcare divisions. Again, more detail on the evolution of these two divisions is contained in their Business Reviews on pages 32 and 40.

Sustainability

The Board and myself as Chair have ultimate responsibility for the long-term sustainability of DCC. With effect from 1 April 2024, all sustainability matters are addressed by the Board directly. The ambit of the Governance and Sustainability Committee has been adjusted accordingly from the same date.

The work of the Governance and Sustainability Committee on sustainability matters is described in its report on page 114. More information on DCC's sustainability generally, including its relationship to our strategy, is contained in the Sustainability Review on page 60.

Culture and Values

Our clear purpose and strong culture and values are the foundation for the Group's activities. Our commitment to our values of Safety, Integrity, Partnership and Excellence is an essential part of the success of the Group to date and its future development. The Board spent a good deal of time during the year reviewing aspects of the Group's culture. More detail on this is provided on page 110.

Board Visits to Group Businesses

The Board undertook a number of visits to Group businesses in Austria and Germany during the year. These visits typically included a tour of facilities at the business in question as well as a discussion with colleagues on strategy, development areas, risks and opportunities, safety, compliance and people. Members of the Board found this additional engagement with the workforce extremely useful. More detail on the Board visits undertaken this year is set out on page 113.

> The Board's primary focus when considering the Group's strategy is the creation of value for our shareholders and other stakeholders.

MARK BREUER
Chair

Risk Management

The effective but efficient management of risks remains a core component of our governance framework. Health, Safety and Environment ('HSE') matters are overseen directly by the Board. The management of other risks is considered by the Audit Committee and then by the Board. More detail on the Group's processes in this area, and how they are developing, is contained in the Audit Committee's Report on page 118 and in the Risk Report on page 82.

Board Composition and Diversity

On 1 May 2023, we welcomed Katrina Cliffe as a non-executive Director and as a member of the Remuneration Committee. She will succeed David Jukes as Chair of the Remuneration Committee on Mr Jukes' retirement from the Board and Committee at the conclusion of our 2024 AGM.

The Board recognises the benefits that diversity of thought and perspective bring to our discussions and decision making. We updated our Board Diversity Policy during the year to underline this and it is available on the Company's website. I am very pleased that as at 13 May 2024, 40% of the Board are women. The Board meets all of the requirements of the UK Listing Rules on diversity.

In the year under review, all of our Board meetings and Audit Committee meetings were held in person. A number of the meetings of the Remuneration Committee and Governance and Sustainability Committee were held virtually.

Board Committees

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

Board Evaluation

The Board and its Committees review their performance each year and consider where improvements can be made. The process this year was, as always, very useful and provided some further areas for development in our governance processes. A summary of the process, the areas for improvement identified and the steps we are taking in relation to them are set out on page 112.

Compliance with the UK Corporate Governance Code

DCC complied fully with the Code during the year under review.

Priorities for the Year Ahead

Our primary objectives for the year to 31 March 2025 will be:

- Delivering growth, both organically and through continued careful capital allocation;
- Overseeing the implementation of DCC Energy's strategy; and
- Making continued progress on sustainability, including related reporting requirements.

MARK BREUER
Chair
13 May 2024

BOARD OF DIRECTORS

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

Committee Membership Key:

- A Audit Committee member
- G Governance and Sustainability Committee member
- R Remuneration Committee member
- C Committee Chair

MARK BREUER
Non-executive Chair

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

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

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

DONAL MURPHY
Chief Executive

Date of appointment: December 2008

Expertise: Donal joined DCC in 1998 and has a detailed knowledge of the operations of the Group, having held a number of senior leadership roles, including Managing Director of DCC Technology from 2004 to 2006 and Managing Director of DCC Energy from 2006 to 2017. He led the very significant growth of the Energy division and its transition from a small UK and Irish business to a substantial international business operating in 13 countries.

Donal was appointed Chief Executive in July 2017.

Key external appointments: None.

KEVIN LUCEY
Chief Financial Officer

Date of appointment: July 2020

Expertise: Kevin joined DCC in 2010 as Finance & Development Director of the Technology division and since then has held a number of senior Group finance roles, including, most recently, Head of Capital Markets. Kevin is a Chartered Accountant and has extensive international M&A, capital markets and operational finance experience. Prior to joining DCC, Kevin was CFO and a principal of a leading Irish private equity firm. Kevin was appointed Chief Financial Officer in July 2020.

Key external appointments: None.

LAURA ANGELINI
Non-executive Director

Date of appointment: July 2021

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

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

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

KATRINA CLIFFE
Non-executive Director

Date of appointment: May 2023

Expertise: Katrina is an experienced business leader and non-executive director and has held senior executive roles in a number of financial institutions, including American Express and Lloyds TSB, where she had a particular focus on product development, sales and operations. She was previously Senior Independent Director and Chair of the Remuneration Committee at HomeServe plc. She was also previously a non-executive director of Naked Wines plc.

Katrina's business leadership and board experience, together with her expertise in the development and marketing of consumer services enhances the Board's knowledge in key areas.

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

CAROLINE DOWLING
Non-executive Director,
Senior Independent Director

Date of appointment: May 2019

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

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

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

DAVID JUKES
Non-executive Director

Date of appointment: March 2015

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

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

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

LILY LIU
Non-executive Director

Date of appointment: July 2021

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

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

Key external appointments: Chief Financial Officer of Synthomer plc.

ALAN RALPH
Non-executive Director

Date of appointment: November 2021

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

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

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

MARK RYAN
Non-executive Director

Date of appointment: November 2017

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

Mark brings strong commercial leadership and project management experience to the Board.

Key external appointments: Chair and non-executive Director of Publicis Ireland and Kefron Group and non-executive Chair of PWC Ireland's Public Interest Body. Non-executive director of St. Vincent's Healthcare Group.

GROUP MANAGEMENT TEAM

CLIVE FITZHARRIS
Chief Executive Officer, DCC Technology

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

Prior to joining DCC, Clive held a variety of banking and investment roles at AIB and in private equity.

DONAL MURPHY
Chief Executive

See Donal's biography on page 96.

KEVIN LUCEY
Chief Financial Officer

See Kevin's biography on page 96.

FABIAN ZIEGLER
Chief Executive Officer, DCC Energy

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

CONOR COSTIGAN
Chief Executive Officer, DCC Healthcare

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

DARRAGH BYRNE
Chief Risk Officer and General Counsel

Darragh joined DCC in 2012. He held a number of senior legal roles within the Group before being appointed to his present position in October 2020 where he has responsibility for the Group HSE, Risk, Legal, Compliance and Company Secretarial teams. Darragh is the Group Company Secretary.

Before joining DCC, Darragh established and led legal teams in several other organisations and worked as a lawyer in private practice. He is qualified as a solicitor in Ireland and in England and Wales.

NICOLA MCCRACKEN
Chief People Officer

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

EDDIE O'BRIEN
Chief Strategy and Sustainability Officer

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

PETER QUINN
Chief Information Officer

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

CORPORATE GOVERNANCE STATEMENT

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

HIGHLIGHTS OF THE YEAR

Full Compliance with UK Corporate Governance Code

Board Leadership and Company Purpose

- Continued growth and progress against clear strategic objectives
- Growth in profits and reduction in carbon emissions
- Focus on culture and employee engagement

READ MORE
FURTHER DETAILS ON OUR BOARD ARE SET OUT ON PAGES 96 TO 97.

Division of Responsibilities

- Clear delineation of responsibilities between Board and management
- Enhanced Board focus on sustainability

READ MORE
FURTHER DETAILS ON DIVISION OF RESPONSIBILITIES ARE SET OUT ON PAGES 102 TO 103.

Remuneration

- Review of Remuneration Policy, including detailed shareholder consultation, resulting in few changes to Policy
- Succession of Katrina Cliffe as Chair from July 2024

READ MORE
FURTHER DETAILS ON REMUNERATION ARE SET OUT ON PAGES 126 TO 151.

Audit, Risk and Internal Control

- Robust internal control framework maintained
- External audit tender process defined
- Preparations underway for new corporate governance and sustainability reporting requirements

READ MORE
FURTHER DETAILS ON AUDIT, RISK AND INTERNAL CONTROLS ARE SET OUT ON PAGES 82 TO 92 AND 118 TO 125.

Composition, Succession and Evaluation

- Continued Board renewal, with Katrina Cliffe joining as a non-executive Director in May 2023
- 40% female representation on Board
- Externally-facilitated Board evaluation process undertaken

READ MORE
FURTHER DETAILS ON COMPOSITION, SUCCESSION AND EVALUATION ARE SET OUT ON PAGES 102 TO 112.

CORPORATE GOVERNANCE FRAMEWORK

Board of Directors

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

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

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

Governance and Sustainability Committee

- Considers the composition and structure of the Board and succession planning
- Reviews leadership needs of the organisation, both executive and non-executive
- Monitors the Company's compliance with legal and regulatory requirements in relation to corporate governance
- Supported the Board's oversight of the Group's sustainability activities

READ MORE
FURTHER DETAILS OF THE ACTIVITIES OF THE GOVERNANCE AND SUSTAINABILITY COMMITTEE ARE SET OUT IN ITS REPORT ON PAGES 114 TO 117.

Audit Committee

- Assists the Board in assessing the principal and emerging risks facing the Company and monitoring the effectiveness of risk management and internal control systems
- Monitors the integrity of the Group's financial statements, including reviewing significant financial reporting judgements contained in them
- Reviews the operation of the Group Internal Audit function
- Oversees the relationship with the external auditor

READ MORE
FURTHER DETAILS OF THE ACTIVITIES OF THE AUDIT COMMITTEE ARE SET OUT IN ITS REPORT ON PAGES 118 TO 125.

Remuneration Committee

- Monitors the Company's Remuneration Policy
- Determines the remuneration packages of the Chair, executive Directors and senior management
- Oversees the remuneration of other Group executives and subsidiary remuneration structures
- Oversees the operation of the Company's long-term incentive schemes

READ MORE
FURTHER DETAILS OF THE ACTIVITIES OF THE REMUNERATION COMMITTEE ARE SET OUT IN THE REMUNERATION REPORT ON PAGES 126 TO 151.

Chief Executive

The responsibilities of the Chief Executive are set out on page 102.

Executive Risk Committee

The responsibilities of the Executive Risk Committee are set out in the Risk Report on pages 82 to 92.

Group Management Team

Supports the Chief Executive in executing his responsibilities. Reports to the Chief Executive at weekly management meetings.

Executive Sustainability Committee

Supervises and makes operational decisions in relation to the Group's sustainability activities.

ACTIVITIES OF THE BOARD OF DIRECTORS

Composition

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

Independence

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

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

Mark Breuer was appointed Chair of the Company on 16 July 2021. On his appointment as a non-executive Director in 2019, the Board was satisfied he was independent. While Mr Breuer holds another directorship outside of the DCC Group, the Board is satisfied that it has not interfered with the performance of his duties to DCC.

Leadership

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

Oversight

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

Appointment of Directors

The Governance and Sustainability Committee agrees criteria for new non-executive Director appointments, including experience of the industry sectors and geographies in which the Group operates, and professional background, and has regard to the need for a balance in relation to diversity. More detail on the appointment process is set out in the Governance and Sustainability Committee Report on page 114.

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

In accordance with the provisions of the Code, all Directors submit to re-election at each AGM. David Jukes will not submit to re-election at the 2024 AGM as he is due to retire at the AGM.

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

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

Roles and Responsibilities

Chair

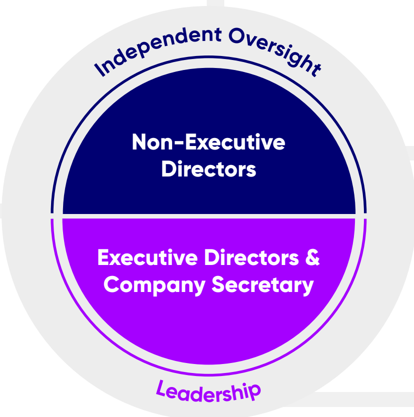
A clear division of responsibility exists between the Chair, who is non-executive, and the Chief Executive.

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

Senior Independent Director

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

The Senior Independent Director had an active role in the annual Board evaluation process.



Non-Executive Directors

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

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

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

Chief Executive and Chief Financial Officer

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

Company Secretary

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

Schedule of Matters Reserved for Board Decision

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

Group Strategy and Investment	• The Group's strategic objectives • Annual operating and capital expenditure budgets • Material acquisitions
Structure and Capital	• Changes to the Group's capital structure including reduction of capital, share issues and share buybacks • Changes to the Company's listing arrangements
Corporate Reporting	• Final and interim results announcements • Annual Report and Accounts • Dividends • Significant changes in accounting policies or practices • Oversight of internal control and risk management frameworks, including to reflect climate-related risks
Sustainability, including Climate Change	• Oversight of the Group Sustainability Programme, including considering recommendations from the Governance and Sustainability Committee in respect of the sustainability issues and related objectives that are material to the Group as a whole, including climate change and energy transition • Considering climate-related issues when reviewing and guiding Group and divisional strategy, investment proposals, budgets, and management objectives
Leadership and People	• Composition of the Board, including the CEO and CFO • Succession planning for the Board and senior management • Board Committee constitution • Appointment of the Company Secretary
Stakeholders	• Oversight of engagement with shareholders and other stakeholders • Reviewing mechanisms for engagement with other stakeholders • Designating a non-executive Director for engagement with the workforce

Attendance at Meetings during the Year Ended 31 March 2024

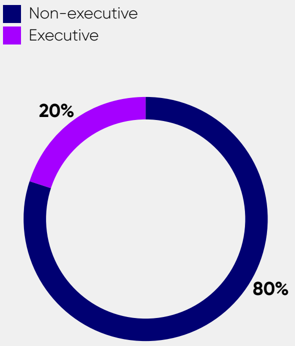
	Board	Audit Committee	Remuneration Committee	Governance and Sustainability Committee
Meetings held during the year ended 31 March 2024	**6**	**5**	**5**	**5**
Mark Breuer	6	–	–	5
Laura Angelini	6	–	5	5
Katrina Cliffe[1]	5	–	4	–
Caroline Dowling	6	5	5	–
David Jukes	6	–	5	–
Lily Liu	6	5	–	–
Kevin Lucey	6	–	–	–
Donal Murphy[2]	5	–	–	–
Alan Ralph	6	5	–	–
Mark Ryan	6	5	–	5

1. Katrina Cliffe was appointed as a Director and member of the Remuneration Committee on 1 May 2023.
2. Donal Murphy was unable to attend one Board meeting during the year.

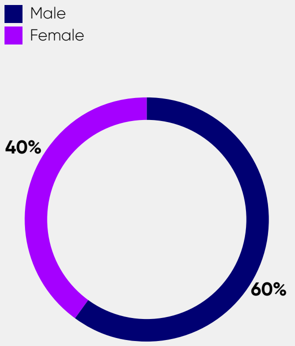
There was full attendance at all Board and Committee meetings during the year, other than as stated.

Experience and Skills of the Directors as at 31 March 2024

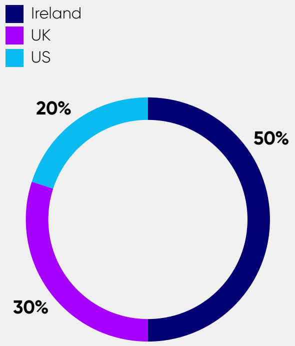
Executive and Non-executive Directors



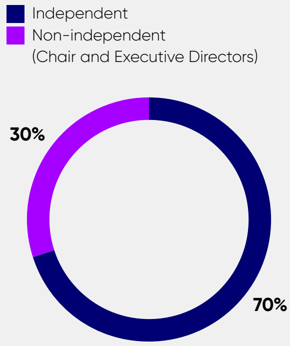
Gender Diversity



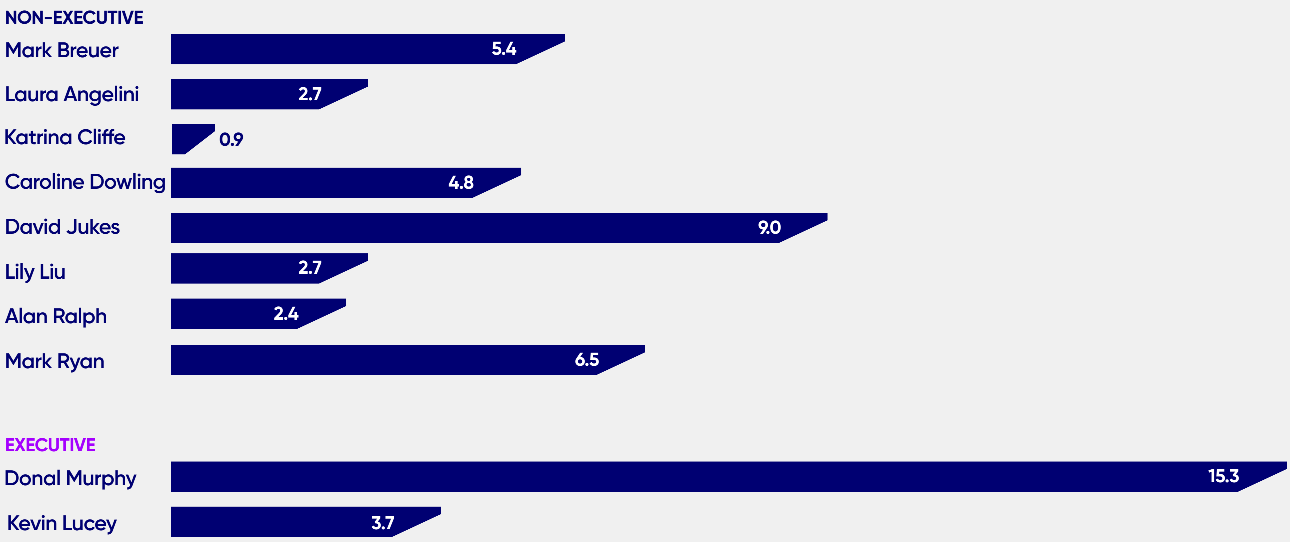
Geographic Location of Directors



Board Independence



Years on Board as at 31 March 2024



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

Details of the length of tenure of each Director on the Board as at 31 March 2024 are set out in the chart on page 104.

Induction and Development

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

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

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

The Chair and Company Secretary review Directors' training needs, in conjunction with individual Directors, at least annually, and match those needs with appropriate external seminars and speakers. The Chair also discusses individual training and development requirements for each Director as part of the annual evaluation process, and Directors are encouraged to undertake appropriate training on relevant matters. In addition, all Directors have access to online resources, which are regularly updated to include relevant publications.

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

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

Strategy

DCC's Group strategy is set out on pages 12 and 13, with detail on divisional strategies provided on pages 22 to 47. The Board's responsibilities in regard to strategy are summarised on page 94.

Risk Management and Internal Control

The Board is responsible for the Group's system of risk management and internal control. It is designed to manage rather than eliminate the risk of failure to achieve business objectives and provides reasonable but not absolute assurance against material misstatement or loss. Details on the Group's risk management structures are set out in the Risk Report on page 82.

The Board has delegated responsibility for the detailed monitoring of the effectiveness of this system to the Audit Committee. Details on the Audit Committee's work in this regard are set out in the Audit Committee Report on page 118.

Governance in Action

SETTING AND OVERSEEING STRATEGY IN DCC ENERGY

A significant proportion of the Board's time over the last few years has been invested in the evolution of DCC's strategy for its energy businesses.

This included detailed discussions with management on a range of possible options for those businesses. The likely evolution of customer needs, the impact of changes in public policy, and the availability of new forms of energy were all taken into account.

The objectives of the Board in this process were to continue building a growing, sustainable and cash generative energy business that serves our customers' need for reliable forms of energy – but to do so while also achieving net zero and safeguarding our employees.

The revised strategy was initially made public in May 2022. The Board continues to allocate a good deal of time to overseeing the implementation of this strategy, including detailed updates from the DCC Energy management team twice a year. Visits by the Board to businesses in DCC Energy provide an important opportunity for the Directors to meet with members of the workforce who are putting the new strategy into practice.

FOR MORE DETAIL SEE THE DCC ENERGY BUSINESS REVIEW ON PAGE 22.

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

The Board has considered a report from the Audit Committee on the conduct of and the findings and agreed actions from the annual assessment of risk management and internal control. Further details on this annual assessment are set out in the Risk Report on page 86 and in the Audit Committee Report on page 118.

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

Board Meetings

The table of Board attendance is set out on page 103. All of the Board meetings held during the year were in person.

Site Visits

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

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

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

Details of the principal site visits undertaken by the Board during the year are set out on page 113.

Share Ownership and Dealing

Details of the Directors' interests in DCC shares are set out in the Remuneration Report on page 145.

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

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

Compliance Statement

DCC has complied, throughout the year ended 31 March 2024, with the provisions set out in the Code.

Board Discussions During the Year

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

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

Governance in Action

SUPPORTING INNOVATION

Supporting innovation is a strategic objective for DCC and over the past year, significant efforts have been made, with the support and oversight of the Board, to develop our business processes in this area.

One key area of focus has been the development of digital and AI skills among employees. Through targeted training and development programmes, the Group has sought to equip employees with the skills and knowledge needed to thrive in an increasingly digital world. This has included initiatives to identify and nurture talent in areas such as data analytics, machine learning, and artificial intelligence.

These efforts are delivering, with the Group seeing improvements in operations from initiatives in areas such as process automation, data-driven decision making, and customer engagement.

More detail on the individual initiatives that the Group is taking in this area is contained in the Growth and Progress in Action section on page 18.

Principal Activities	Key Topics Discussed During the Year
Strategy	• The Board reviewed the strategy of each of the Group's divisions during the year, based on detailed reports and discussions with management, at separate meetings over the course of the year. • The Board also considered specific aspects of the Group's strategy, including its long-term financing, attracting and retaining talented employees and supporting the effective use of technology across the Group, at Board meetings during the year. • Having reviewed individual aspects of the Group's strategic development in detail, options for the Group's overall development, focused on delivering long-term sustainable value for shareholders and other stakeholders, were the subject of a detailed review at a dedicated strategy Board meeting in December.
Budgets and Financial Performance	• Having approved in March 2023 the Group's budget for the year commencing 1 April 2023, the Board reviewed reports on the Group's financial performance, covering performance across the Group's divisions and principal business units, over the course of the year, including at every Board meeting. • The Board approved the Group budget for the year commencing 1 April 2024 at its meeting in March 2024.
Acquisitions and Development	• Key development opportunities are discussed by the Board as part of the strategy updates outlined above. Approved initiatives are then reflected in each annual budget, which is also approved by the Board. • Individual development opportunities of a material nature or value are then brought to the Board over the course of the year as they arise. The majority of these are M&A opportunities. For instance, the Board approved during the year the acquisitions by DCC Energy of Progas in Germany and Next Energy in the UK. • The Board received a report at each Board meeting on M&A opportunities that are being considered by management and on progress against key internal projects.
Risk Management and Internal Control	• The Board considered reports on the Group's principal risks and related internal controls in advance of approving the Company's Interim Results in November and Preliminary Results and Annual Report and Accounts in May. • Over the course of the year, the Board also considered reports from Group functions on relevant risks and related controls, including the Group HSE team (on safety and environmental risk management), the Group Sustainability team (on physical and transitional climate-related risks), the Group HR team (on attracting and retaining skilled employees), the Group IT team (on IT and cyber risk management) and the Group Legal & Compliance team (on legal and compliance risks). • In addition, the Board considered reports from the management teams in the Group's three divisions on key risks and related internal controls as part of the divisional strategy updates described above. • The Chair of the Audit Committee provided updates to the Board after each meeting of the Committee in relation to the Committee's detailed assessment of risks and related internal controls, including financial and operational controls, IT controls and compliance controls.
Leadership Development and Succession Planning	• Reports from the Chief People Officer on the Group's talent development processes, succession planning for key roles and the wider ability of the Group to attract and retain the talented people needed to ensure its future success were provided to the Board over the course of the year. • Strategy updates from each division to the Board, described above, addressed how management structures are aligned with the overall strategic objectives of the division.
Culture and Stakeholder Engagement	• The Board discussed the results of the annual Employee Engagement Survey, including a discussion on results within individual Group businesses, with management. • The Board received an update at each meeting from the Workforce Engagement Director on his activities. • The Board also considered reports from management, the Company's brokers and the Chair on investor relations at several meetings during the year. The Board considered and approved the interim and final dividend. • Supplier and customer relationships were reviewed with management of the Group's three divisions as part of their strategy updates to the Board during the year. The Directors also discussed supplier and customer relationships with management in Group businesses as part of their site visits. • Relationships with key regulators, for instance safety regulators, were reviewed by the Board in the context of discussions with relevant members of management.
Governance and Reporting	• The Board carried out a detailed annual review of its performance, including the performance of its Committees, with support from an external facilitator, in accordance with the UK Corporate Governance Code. • The Board also considered the impact of relevant external developments on the Company's governance, including the introduction of a revised UK Corporate Governance Code and new sustainability reporting requirements. • The Board received a report at each meeting from the Chair of the Governance and Sustainability Committee. • The Board also reviewed and approved the Company's key external communications, including the Annual Report and Accounts, Preliminary Results Announcement, Interim Results Announcement and Interim Management Statements.

STAKEHOLDER ENGAGEMENT

Creating value for all of DCC's stakeholders is a key aim of the Group's purpose and strategy. Maintaining strong engagement and clear communication with those stakeholders is therefore an essential part of the Group's current activities and future success.

Employees and the Wider Workforce

DCC's greatest asset is its experienced, diverse and dedicated workforce. The Board invests a considerable amount of time each year in considering the views of the workforce, the culture of the Group and how these can be developed. More detail on these subjects is available in the following sections of this Report:

- Growth and Progress in Action Case Study on page 20.
- Sustainability Review on page 60.
- Governance in Action Case Study on page 113.
- How the Board Monitors Culture on page 110.
- Report of the Workforce Engagement Director on page 111.

Suppliers and Customers

The interests of suppliers and customers are central to the market strategies of the Group's businesses and divisions. Detailed reports from each of the Group's divisions on the evolution of their strategy and progress against it are provided to the Board over the course of the year. These reports address factors such as developments in supplier and customer needs and how businesses within the division are developing to meet and exceed them.

More detail on the strategies of the Group's three divisions are contained in the Business Reviews on pages 22 to 47.

Governments and Regulators

Our key strategic objectives are strongly aligned with public policy aims in all of the countries where we operate. Examples of this include supporting the transition to lower carbon forms of energy, while also meeting current energy demand, and providing efficient access to healthcare products and services for ageing populations.

DCC Group businesses engage with policy makers and regulators in these areas to ensure that markets are effective in providing these essential products and services.

The Board discusses relevant changes in public policy and regulation over the course of the year, including as part of strategy updates from each of the Group's divisions. The Audit Committee also reviews a detailed report twice a year on notable dealings with relevant regulators, including any enforcement activity.

Communities and the Environment

We aim to be a force for good in the communities we serve. The transition to lower carbon forms of energy and achieving net zero emissions is an issue of critical importance for every community we serve.

The Board actively oversees the implementation of DCC Energy's strategy to deliver continued growth while also moving to lower carbon forms of energy. The Board also receives reports during the year from the Group Sustainability team on the Group's overall carbon emissions and measures being taken to reduce them. The Board is also briefed during the year on DCC's support for selected community organisations, such as our longstanding support for Social Entrepreneurs Ireland.

Investors

The Board actively encourages engagement with investors, including the Company's major shareholders and shareholder representative bodies.

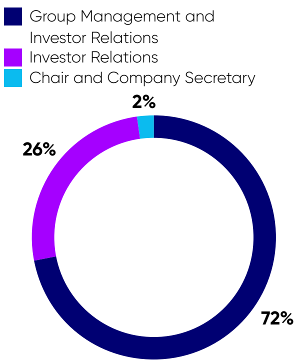
Members of management held 194 meetings with investors over the course of the year. One of these was the DCC Energy Insights Day held in Paris in September 2023. That event provided an update on DCC Energy's strategy and progress against it. The event was well attended and offered an important opportunity for investors to fully understand the Group's plans for growth and decarbonisation in the energy sector. Materials from the event are available on the DCC website.

In addition to meetings with management, shareholders were also offered the opportunity to engage with non-executive Directors during the year. The Chair of the Board wrote to the Company's top ten shareholders in July 2023 and offered them a meeting with him. A number of shareholders accepted this offer. The Remuneration Committee also consulted with the Company's principal shareholders in early 2024 in relation to the proposed changes to the Company's Remuneration Policy, which are described in the Remuneration Report on pages 133 to 139. Again, several shareholders responded to this consultation process.

The Board was kept informed of investor views throughout the year through reports from the executive Directors and the Company's brokers. The Chair of the Board and the Chair of the Remuneration Committee also briefed the Board on their engagements with shareholders.

The Company's AGM provides shareholders with an opportunity to raise questions with the Board. As usual, several questions were raised and addressed at the 2023 AGM. All of the resolutions put to shareholders at the AGM were strongly supported.

Number of Meetings Held During the Year



Engagements with Institutional Investors

Meetings **194**
Capital market conferences **9**
Sales desk briefings **12**

Governance in Action

BOARD REVIEW OF EMPLOYEE ENGAGEMENT SURVEY

The oversight and development of the Group's culture is a priority for the Board. The results of the annual employee engagement survey provide an important opportunity for the Directors to consider the Group's culture and the steps that should be taken to support it.

Each year, the Board is briefed in detail by the Chief People Officer on the results of the annual employee engagement survey carried out across the Group. This survey provides valuable insights into the views and opinions of employees and helps to identify areas where improvements can be made to enhance engagement.

The report from the Chief People Officer set outs the key findings of the survey for the Group, its three divisions and in individual business units. Any areas of concern are highlighted. The report also includes recommendations for actions that can be taken to deliver improvements in engagement.

The Workforce Engagement Director then invests additional time with the Chief People Officer and with other members of the HR community across the Group over the course of the year to discuss the results of the survey and the actions being taken in response.

In addition, the Board reviews employee engagement with management of the Group's three divisions when they report on divisional strategy. These discussions focus on how employee engagement can be integrated into wider divisional strategic objectives and how agreed actions are being progressed.

The annual employee engagement survey and subsequent actions taken by the Board and management teams reinforce the Group's commitment to its employees and its focus on creating a positive and engaging work environment.

FURTHER DETAILS ON OUR PEOPLE ARE SET OUT ON PAGE 76.

FOSTERING OUR CULTURE

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

The Board monitors the culture within the Group's divisions and within individual businesses to ensure that is it is aligned with the Group's purpose, values and overall culture.

The following table summarises the principal methods used by the Board in monitoring the culture of the Group and the businesses within it.

Methods	How this Allows the Board to Monitor Culture	Outcomes in the Financial Year Ended 31 March 2024
Employee Surveys, including the annual Employee Engagement Survey	The primary survey carried out during the year is the annual employee engagement survey. More details on this are set out in the Case Study on page 109. In addition, online compliance training undertaken by several thousand employees across the Group each year also surveys employees' views on relevant compliance questions. The results of these surveys, including results that are outside the norm, are reported to the Board and Audit Committee. Action plans are put in place to deliver improvements where this is needed.	The Board received a detailed report on the results of the most recent employee engagement survey during the year. Businesses across the Group put in place tailored plans to address any matters identified by their employee engagement survey.
Workforce Engagement Director	Mark Ryan, in his role as Workforce Engagement Director, is actively engaged with the Group HR community and with the wider workforce and reports on his activities to the Board at each meeting. In the year under review, Mark attended the Group HR Forum, where over 50 members of the HR community from across the Group came together to discuss key HR-related themes.	A report from Mark Ryan, as Workforce Engagement Director, is set out on the opposite page.
Audit Reports	Audits on individual Group businesses are conducted across the year by members of the Group Internal Audit, Group HSE and Group Legal & Compliance teams. These audits give the Board an insight into not just the specific controls addressed by each report, but also the wider control environment and culture within the businesses in question.	During the year, the Audit Committee received reports from divisional management teams on the key risks and internal controls within their divisions. This provided an additional perspective on the culture and control framework within the relevant division.
Site Visits	Visits to Group businesses, involving discussions with senior management and with wider members of the workforce, provide a very valuable opportunity for the Directors to assess the culture within the businesses in question.	During the year, the Board visited Group businesses in Austria and Germany. More information on that visit are set out in the Case Study on page 113.
Meetings with Management	In addition to visiting Group businesses, a number of events are held during the year which are attended by members of senior management from within the Group as well as Board members. These provide a further opportunity for informal discussion regarding the activities of individual divisions, businesses and functions.	Directors attended events over the year and discussed various aspects of the Group's current performance and future development with members of management.
Whistleblowing	The Audit Committee receives a report three times each year on the rate of whistleblowing reports made from within the Group. Where any business or function is the source of an unusual number of reports, this is stated. The Committee also reviews individual reports, and the action that has been taken to address them.	The number and nature of reports received during the year was consistent with prior years. The Audit Committee concluded that the Group's whistleblowing facilities operate effectively.
Safety Incidents and Performance	The approach taken to safety is one of the most critical aspects of the Group's culture. Every member of the workforce should be clear that nothing is ever more important than acting safely. The Board receives reports on leading and lagging safety indicators and is briefed on safety every quarter by the Head of Group HSE. Divisional Strategy Updates to the Board also address safety performance.	The Board continued to monitor safety KPIs over the course of the year. Safety performance was also discussed with management at relevant opportunities during the year.
Disputes and Regulatory Matters	The Audit Committee receives a detailed report twice a year on all legal disputes and regulatory matters in which Group businesses are involved. This provides a further perspective to the members of the Committee on where tensions may exist between Group businesses and their stakeholders.	The Committee discussed a number of the matters covered by this report in detail with members of management.

STRENGTHENING ENGAGEMENT WITH OUR EMPLOYEES

**Mark Ryan,
Workforce Engagement Director**

Over the last 12 months the DCC Group has continued to make good progress in relation to our workforce engagement focus and key people support initiatives. We are now in the third year of our employee engagement survey where we have the opportunity to analyse, compare and assess direct feedback from our employees at every level across divisions, companies and geographies. The feedback from the employee engagement survey has proved hugely helpful in providing us with employee insights (i.e. the employee voice) and for the businesses to focus on what is important to our people. These insights and feedback incorporate the five key themes in the survey including: Purpose, Enablement, Autonomy, Reward and Leadership. This enables our HR teams to develop and rollout numerous employee support initiatives which we know will make a difference to our people. It is also worth noting that the employee engagement survey results have huge visibility across the Group, divisional and company management levels and receive the appropriate attention and focus in this regard.

These employee engagement initiatives, designed and driven by HR, cover a range of different areas including: Employee Experience, Leadership Development, Career Development, Fairness & Equality, Performance Management & Rewards and Succession Planning. In the past year we have also conducted a Group-wide employee survey on Inclusion & Diversity to get feedback and commentary on how our employees are feeling about these important areas.

Throughout the past 12 months I have met Nicola McCracken, Chief People Officer, on an ongoing basis to discuss the feedback from these employee surveys, the key areas for focus and the status of the different HR initiatives in progress. This enables me as the Workforce Engagement Director to provide the Board members with ongoing updates throughout the year on the status of our employee engagement initiatives across the Group.

In October the Board travelled to Austria and Germany where we met and engaged with employees from different companies across our three divisions. As part of these visits, I took the opportunity to meet directly with local HR management to talk about what was on their minds and to get their feedback on local employee engagement. In addition to this visit, Board members have also visited other companies in the Group over the course of the year and engaged directly with a range of different employees.

The Group continues to make strong progress on its employee engagement focus and the implementation of initiatives which make a difference to our people. This progress is supported by strong overall engagement scores and also improved scores in other key areas in our employee engagement survey. The overall goal is to ensure that all businesses promote a ‘Great Place to Work’ culture enabled by management with strong support from HR.

I am also delighted to report that I am given the opportunity at every Board meeting to report directly on the status of employee engagement matters across the Group.

During the year, the Board visited Comm-Tec, Germany and met with management and employees.

2024 BOARD EVALUATION

This year's Board evaluation was externally-facilitated by Independent Audit. It followed the principles set out in the UK Corporate Governance Code and best practice in board evaluation. A combination of methods were employed in the review, including:

- a survey of the Directors' views on the work of the Board and its Committees;
- interviews with each Director, relevant members of management, the Company's external auditors and remuneration advisors; and
- an extensive review of materials, including board papers and minutes.

The Directors concluded that the Board and its Committees continue to operate effectively, with a constructive and challenging dynamic. The Board is well informed on the key strategic issues facing the Group, but remains keen to deepen its knowledge in relevant subjects such as AI and sustainability. There are clear processes for performance evaluation, risk management, and succession planning. Board composition reflects a good balance of skills, experience, and diversity, including gender and ethnicity.

The following table summarises the principal recommendations from the process and the steps that will be taken in response over the course of the current financial year. These subjects are consistent with and build on the recommendations of evaluation processes undertaken in prior years.

Topic	Area Identified for Action
Implementation of Strategy	With the Group and its three divisions having clear strategic objectives in place, the focus of the Board will be on tracking the successful attainment of those objectives.
Growth	A combination of organic growth and sound capital deployment has always been a core component of the Group's business model. Ensuring that each of the Group's principal business units achieve satisfactory levels of growth will remain an area of focus for the Board.
Management Development	DCC has a long history of developing talented business leaders. This process needs to continue to evolve to ensure that the skills that the Group will need in the future, for instance in relation to the use of technology, are being developed and retained.
Board Composition	Consistent with this, the Board itself also needs to evolve, not only through the appointment of additional Directors as part of the normal evolution of its membership, but also thoughtful training and development for existing Board members.
Sustainability	The ambit (and title) of the Governance and Sustainability Committee has been adjusted with effect from April 2024 to reflect an increased focus by the full Board on sustainability, with the Board taking direct responsibility for all sustainability matters.
Site Visits	The practice introduced in recent years of the Board visiting a number of businesses in October, coupled with additional visits by smaller groups of Directors to other businesses, should continue and be enhanced.
Board Papers	A number of adjustments will be made to the format of Board papers to ensure that they facilitate very effective discussions at Board and Committee meetings.

MARK BREUER, DONAL MURPHY
Directors
13 May 2024

Board visit at Comm-Tec, Germany

Governance in Action

BOARD VISIT TO GROUP BUSINESSES IN GERMANY AND AUSTRIA

In October 2023, the Directors visited DCC Energi in Austria and Medi-Globe and Comm-Tec in Germany. These visits provided an important opportunity for the Board to meet with management teams and the wider workforce and to gain a deeper understanding of key operations.

During each visit, the Board focused on several key issues, including strategic objectives and progress against them, employee engagement and culture, and safety.

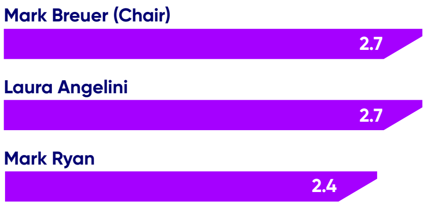
Overall, these visits provide a valuable opportunity for the Board to engage with the businesses and to gain a deeper understanding of their operations, opportunities and challenges. The insights gained help to inform the Board's wider decision making and ensure that the Group continues to support the growth and success of the businesses within it.

Board visit at DCC Energi, Austria

Board visit at Medi-Globe, Germany

GOVERNANCE AND SUSTAINABILITY COMMITTEE REPORT

Years on the Governance and Sustainability Committee as at 31 March 2024



CHAIR'S INTRODUCTION

The Governance and Sustainability Committee was responsible during the year under review for monitoring the composition and development of the Board, reviewing the leadership needs of the Group, supporting the Group's sustainability activities and monitoring the Company's compliance with corporate governance requirements.

This report summarises the Committee's activities during the year ended 31 March 2024 and sets out the Committee's priorities for the current year ending 31 March 2025.

In the year under review, there were a number of changes to the Board. Katrina Cliffe joined the Board and the Remuneration Committee on 1 May 2023. She will succeed as Chair of the Remuneration Committee when David Jukes retires as Director and Chair of the Remuneration Committee at the conclusion of the Company's AGM on 11 July 2024.

Board Diversity

The Board supports and values the benefits of diversity. The Board meets the requirements of the UK Listing Rules, with 40% female directors and one director from an ethnic minority background.

Board Evaluation

The Board, with support from the Committee, conducted an externally-facilitated evaluation of the effectiveness of the Board and its Committees during the year.

More information on the Board evaluation, including an update on actions identified last year and improvements to be implemented this year, is set out on page 112 as part of the Corporate Governance Statement.

Sustainability

One of the decisions taken by the Board on foot of the evaluation process was that all aspects of the Company's sustainability activities should, from 1 April 2024, be addressed by the Board and that the ambit of the Committee would focus on matters of succession planning and corporate governance. The name of the Committee has therefore been amended from the same date to the Nomination and Governance Committee.

During the year under review, the Committee considered reports on the development of the Group's Sustainability Programme, including the recruitment of a new Head of Group Sustainability, preparations for future sustainability reporting requirements under the EU Corporate Sustainabilty Reporting Directive and the implementation of actions across the Group under the four pillars of our Sustainability Framework.

More details on our Sustainability Programme are contained in the Sustainability Review on page 60.

Further information on the governance of sustainability within DCC, including climate change, is set out on page 117.

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

MARK BREUER
Chair

The Corporate Governance Statement on page 100 summarises how the Board considered stakeholder interests during the year.

Corporate Governance

In addition to considering regulatory developments in relation to sustainability reporting, the Committee and the Board also considered developments in relation to corporate governance more generally. These included changes to the new UK Corporate Governance Code which will largely apply to DCC from our financial year commencing 1 April 2025.

Priorities

The priorities for the Committee in the financial year ending 31 March 2025 will be:

- Implementing the recommendations of this year's Board evaluation process;
- Monitoring the continued evolution of the Board and its Committees; and
- Overseeing preparations to comply with the new UK Corporate Governance Code.

On behalf of the Committee.

MARK BREUER
Chair
13 May 2023

ROLE OF THE COMMITTEE

Responsibilities

The responsibilities of the Committee are set out in full in its Terms of Reference which are available on the Company's website. There was a change in the Committee's Terms of Reference with effect from 1 April 2024 to reflect the fact that the Board now addresses all sustainability matters directly.

Committee Composition, Attendance and Tenure

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

Biographical details for the members of the Committee are set out on pages 96 to 97.

The Company Secretary is the Secretary to the Committee.

Meetings

The Committee met five times during the year ended 31 March 2024 and there was full attendance by all members of the Committee.

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

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

Annual Evaluation of Performance

The Board conducts an annual evaluation of its own performance and that of its Committees, Committee Chairs and individual Directors in accordance with the UK Corporate Governance Code.

In 2023, this evaluation was internally facilitated. The 2024 evaluation was externally facilitated by Independent Audit.

A report on the principal findings of the 2024 evaluation is contained on page 112, as part of the Corporate Governance Statement.

The Committee as part of the Board evaluation process reviewed its own performance and Terms of Reference during the year. The principal change made as a result of this review reflected the change of responsibilities of the Committee in relation to sustainability matters.

Reporting to the Board

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

Consultation with Shareholders

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

PRINCIPAL ACTIVITIES

Board Composition and Renewal

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

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

External Commitments

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

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

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

Diversity

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

Since 1 May 2023, the Board has been comprised of 40% female Directors and has had one Director from an ethnic minority background. This meets the current requirements of the UK Listing Rules.

A table detailing the diversity of the Board and senior management is set out on page 117.

The Board Diversity Policy was updated in May 2023 and is available on our website.

Succession Planning

In addition to its work on the development of the Board, the Governance and Sustainability Committee considers succession planning for executive Director positions. This is done within the context of the Group's overall talent development and succession planning structures. Those structures have been developed over the last few years to reflect the Group's greater scale. More detail on the changes made in this regard in recent years are set out in the Growth and Progress in Action Case Study on page 20. The Directors receive an update annually from the Chief People Officer on Group talent development and succession planning process. This covers in detail succession planning for senior management roles.

Tenure of Directors

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

The Company announced Mr David Jukes' intention to retire as a Director with effect from the conclusion of the Company's Annual General Meeting on 11 July 2024, at which point he will have been on the Board for just over nine years.

Gender Representation as at 31 March 2024

The following tables set out the information required to be included in the Annual Report under the UK Listing Rule 9.8.6R(10), as set out in Annex 2 to UKLR 9, as at 31 March 2024.

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

As at 31 March 2024, there were 40% female directors on the Board. On 1 May 2023, Katrina Cliffe was appointed to the Board which met the target of having 40% female directors on the Board. Caroline Dowling has held the position of Senior Independent Director with effect from 16 July 2021. The Company has also met the requirement to have one Board member from an ethnic minority background since 16 July 2021.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	6	60%	3	8	89%
Women	4	40%	1	1	11%
Other	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	9	90%	4	9	100%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	1	10%	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

This extension allows Mr Jukes to attend the Company's AGM in July and address any questions shareholders may have regarding the Remuneration Report.

The tenure of the Directors on the Board is set out on page 104. The tenure of members of Committees is dealt with in the relevant Committee reports.

Sustainability, including Climate Change

During the year under review, the Board oversaw sustainability matters, including climate-related issues. The Governance and Sustainability Committee supported the work of the Board during the year by reviewing the development of the Group's sustainability activities, including steps taken to meet regulatory requirements. The Committee was updated at every meeting on sustainability-related work within the Group, including the work of the Executive Sustainability Committee. The Chair of the Governance and Sustainability Committee briefed the Board on the work of the Committee after each meeting.

The Board also received reports on sustainability questions during the year, including detailed reports on the areas covered by the Group's Sustainability Framework. Pillar 1 (Energy Transition and Carbon Emissions) is mainly addressed by reports on the implementation of DCC Energy's strategy. Pillar 2 (Safety and Environmental Protection) is covered at every Board meeting, with a detailed report presented by the Head of Group HSE at least quarterly. Pillar 3 (People and Social) is addressed principally through reports from the Chief People Officer who presents to the Board twice annually. Finally, Pillar 4 (Governance and Compliance) is addressed through reports to the Board and the Audit Committee over the course of the year.

Our 2024 Annual Report includes disclosures that meet all recommended disclosures of the TCFD reporting framework.

Corporate Governance

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

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

The Company operated in full compliance with the Code during the year ended 31 March 2024.

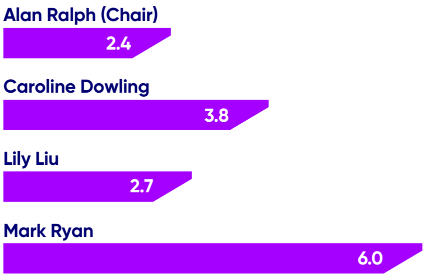
AUDIT COMMITTEE REPORT

Our focus remains on ensuring sound risk management and internal controls across the Group.

Highlights of the year

- Robust internal control framework maintained.
- Progress made in preparing for increased sustainability reporting requirements.
- Preparation for 2024 external audit tender process.

Years on the Audit Committee as at 31 March 2024



CHAIR'S INTRODUCTION

I am pleased to present the report of the Audit Committee for the year ended 31 March 2024.

This report summarises the work of the Committee during the year and sets out our priorities for the year ahead.

Role of the Committee

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

Risk Management and Internal Control

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

In fulfilling this role, the Committee reviewed key components of the Group's internal control framework during the year, including financial reporting and control, compliance and IT security.

This work was supported by reports from the management teams in the Group's three divisions on key risks and related internal controls within their businesses.

In addition to these specific assessments, the Committee reviewed reports on the Group's principal risks and internal controls as a whole. These overviews provided a useful additional lens on DCC's risk management framework.

More details on the Group's risk management processes are set out in the Risk Report on page 82.

Reporting

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

This included a detailed assessment by the Committee of the work done to support the Company's Going Concern and Viability Statements, including the impact of climate change.

The Committee also reviewed the principal accounting judgements and estimates reflected in the Company's consolidated financial statements. More details on the principal matters considered as part of this process are set out on page 125.

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

> The Committee reviewed key components of the Group's internal control framework during the year.

ALAN RALPH
Chair

External Audit

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

The Committee approved KPMG's audit plan in November 2023. This discussion addressed key audit risks identified by KPMG, materiality thresholds, and the oversight and review by the Irish firm of audits undertaken in Group businesses.

The Committee reviewed progress against that plan with KPMG at Committee meetings in February and April. At our meeting in May we received a detailed report from KPMG on their audit findings.

Further details on the audit process, including the principal areas considered, are set out on pages 122 to 125.

Internal Audit

The Committee received detailed reports from the Group Internal Audit team at each of its meetings over the course of the year. These included a summary of key themes emerging from the team's audit work, progress in completing audit actions and the results of recent audits, including steps agreed with management to improve controls where needed.

The Group Internal Audit plan for the year under review was implemented in full and a suitable plan for the year commencing 1 April 2024 has been approved by the Committee.

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

Priorities for the Year Ahead

The financial year that commenced on 1 April 2024 will be a particularly important one for the Committee.

KPMG's initial ten-year term as the Company's external auditors will come to an end in 2025. The Committee will shortly commence a tender process to identify the Company's external auditor for the next period of up to ten years. This will be conducted in accordance with relevant regulatory standards.

The Committee will also oversee the Company's ongoing preparations to report under the EU Corporate Sustainability Reporting Directive ('CSRD') which will first apply to DCC in 2026.

The Committee will, in addition, be considering with management the impact of the changes made to the UK Corporate Governance Code which will largely come into effect from 1 January 2025.

These initiatives will be undertaken while maintaining strong systems of risk management and internal control across the Group.

I trust this report is helpful for shareholders in understanding the activities of the Committee.

On behalf of the Audit Committee.

ALAN RALPH
Chair
Audit Committee
13 May 2024

ROLE OF THE COMMITTEE

Responsibilities

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

Composition, Attendance and Tenure

The Audit Committee comprises four independent non-executive Directors: Alan Ralph (Chair), Caroline Dowling, Lily Liu, and Mark Ryan. Biographical details for the members of the Committee are set out on pages 96 and 97. The tenure of the members of the Committee is set out at the start of this report.

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

The Company Secretary is the Secretary to the Committee.

Meetings

The Committee met five times during the year ended 31 March 2024 and there was full attendance by all members of the Committee.

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

Principal Activities	Key Topics Discussed During the Year
Risk Management and Internal Control	• The Committee considered and approved in November 2023 the audit plan prepared by the Company's external auditors in respect of the financial year ending 31 March 2024, including areas on which the external audit would focus and the materiality levels to be applied in the audit. • The external auditor then reported to the Committee on progress in its audit at Committee meetings in February and April before presenting its final report in May. • The Committee considered reports on the Group's principal risks and related internal controls at a number of meetings during the year, in advance of recommending to the Board that the Company's Interim Results, Preliminary Results and Annual Report and Accounts be approved. • The Committee considered reports from the Group Finance team, the Group Legal & Compliance team, the Group IT team and from divisional management teams on compliance with applicable standards and the management of risks and within their areas of responsibility. • In addition, members of management from each of the Group's divisions reported to the Committee on key risks and related internal controls within their divisions.
Governance and Reporting	• Having considered the Group's financial and non-financial reporting and key risks and internal controls, the Committee considered the Company's Interim Results Announcement in November and Preliminary Results Announcement and Annual Report and Accounts in May and recommended to the Board that they be approved.
External Audit	• In addition to approving the external auditor's annual audit plan and overseeing the annual audit, the Committee received updates from the external auditor on relevant developments relating to the Company's activities, including on the new UK Corporate Governance Code and on new sustainability reporting requirements. • The Committee oversaw the annual review of the efficacy of the external audit process, including a report from management on the process. • With the initial term of the Company's existing auditor coming to an end in 2025, the Committee approved a tender process for the Company's external audit, which will take place later in 2024.
Internal Audit	• The Committee approved the annual audit plan of the Group Internal Audit team before the commencement of the financial year and reviewed progress against it over the course of the year. • The Committee received a report from the Group Internal Audit team at each meeting with the results of recent audits, progress in closing actions from previous audits, and wider recommendations in relation to the Group's internal control framework.
Whistleblowing	• The Committee received reports from the Group Legal & Compliance team in April, May and November on any whistleblowing incidents received and steps taken to address them.

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

Evaluation of Performance

The 2024 Board evaluation process, which was externally facilitated by Independent Audit, concluded that the Audit Committee and the Chair of the Committee are operating effectively.

The Committee, as part of the Board evaluation process, reviewed its Terms of Reference during the year. No material changes were made to the Committee's Terms of Reference as a result of this review.

All actions from the 2023 Board evaluation process in relation to the Committee were fully implemented during the year.

Reporting to the Board

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

Consultation with Shareholders

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

Governance in Action

SUSTAINABILITY REPORTING

As an Irish company whose shares are listed on a stock exchange outside the European Union, the provisions of the EU Corporate Sustainability Reporting Directive ('CSRD') will be applicable to DCC with effect from the financial year commencing 1 April 2025. The requirements of CSRD will therefore apply to the Company's 2026 Annual Report and Accounts.

The Group has a project underway to meet the requirements of CSRD. In large part, this builds on work done across the Group in recent years to develop our reporting in the areas that are most relevant to the Group's sustainability – decarbonising our activities and successfully navigating the energy transition, ensuring high standards of safety, developing a diverse and engaged workforce, supporting the communities we serve, and maintaining high standards of governance and compliance.

These subjects are reflected in our existing Sustainability Framework. More detail on our sustainability priorities and our reporting against them is contained in the Sustainability Review on page 60.

The requirements of CSRD will allow us to enhance our reporting against our existing Sustainability Framework over the coming years.

The Audit Committee will have an important role to play in overseeing internal controls and reporting processes being put in place to ensure that DCC's reporting under CSRD and in relation to non-financial matters more generally remains accurate and provides a balanced view of the Group's progress in this important area.

External Audit Tender Process

1. June & July 2024
Requests for proposals issued to selected firms of auditors, including 'challenger' firms.
Data room of information made available to tendering firms.
Briefing meetings with management and members of the Audit Committee.

2. August & September 2024
Tendering firms submit proposals.
Detailed review meetings held with management and members of the Audit Committee.

3. October & November 2024
Shortlisted firms present to the Audit Committee.
Audit Committee makes recommendation to the Board.
Board considers recommendation of the Audit Committee.

PRINCIPAL ACTIVITIES

Risk Management and Internal Control

The Committee reviews on behalf of the Board the key processes for managing risk across the Group. These include the use of risk registers at Group, divisional and business-level, reports on the Group's principal risks and related internal controls and regular reports from relevant functions such as Finance, Legal & Compliance and Group Internal Audit ('GIA'). In addition, the Committee receives complementary reports on risks and internal controls from the management teams of each of the Group's three divisions over the course of the year. The Committee monitors a range of emerging risks as part of this process.

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

An annual review of the Group's risks and related internal controls, including recommendations for their development, is prepared by management and reviewed by the Committee each year as part of the risk management process described above.

Key areas of risk and internal control considered as part of this process during the year included project implementation and the management of IT recovery and cyber risks.

The Chair of the Committee reports to the Board on risk management and internal controls after each Committee meeting. The Board also considers the annual review of risks and internal controls referred to above.

More details on the Group's system of risk management and internal control are set out in the Risk Report on pages 82 to 92. The Board's statement on Risk Management and Internal Control is included in the Corporate Governance Statement on page 105.

Whistleblowing

The Board has delegated responsibility to the Audit Committee for ensuring that the Group maintains suitable whistleblowing arrangements for its workforce. Those arrangements are outlined in the Sustainability Review on page 80 and are also described in our Code of Conduct, which is available on the Company's website.

The Committee reviewed the operation of the Group's whistleblowing facilities, including the matters raised and how they were resolved, during the year.

A summary of whistleblowing reports received is provided to the Committee each April and November. A detailed report on concerns raised and the steps taken to address them is also presented to the Committee in May.

External Audit

The Audit Committee is responsible for overseeing and assessing DCC's external audit, including the work of the Company's external auditor, KPMG. The Committee seeks to create a culture that recognises the work of, and encourages challenge by, the external auditor.

The Committee monitors KPMG's independence and objectivity throughout the year.

The Committee considers and approves the annual audit plan at the commencement of the external audit process. Details of the areas considered as part of the approval of the audit plan for the year under review are set out in the Chair's Introduction on page 118.

The Committee also reviews and approves the annual audit fee.

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

The Audit Committee is required to make a recommendation to the Board on the appointment, reappointment and removal of the external auditor. KPMG were appointed as the Group's external auditor on 17 July 2015. As noted above in the Chair's Introduction, the Committee will shortly commence a tender process to appoint the Company's external auditor. A timeline of the principal steps in this process is set out in the diagram above.

Effectiveness

As part of its annual review of the effectiveness of the external audit process, the Committee reviews the results of the external audit effectiveness questionnaire. This process involves the Chief Financial Officer obtaining the views of finance executives at Group level and across Group businesses.

Their responses and recommendations for improvements in future audits are summarised in a report to the Audit Committee.

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

The Committee concluded on the basis of this process that the external audit process in respect of the year ended 31 March 2023 was effective.

Independence

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

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

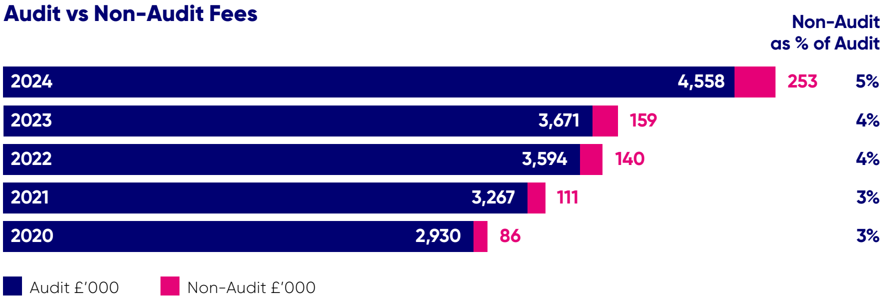
The Audit Committee has also approved a policy on the employment of employees or former employees of the external auditor. This policy provides that the Chief Executive will consult with the Chair of the Audit Committee prior to appointing to a senior financial reporting position, to a senior management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

No person who was a member of the KPMG external audit team in the previous two years was appointed to such a role during the period under review.

Non-Audit Services

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

Audit vs Non-Audit Fees



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

Non-audit assignments undertaken by the external auditor during the year under review were subject to appropriate review and approval.

Details of the amounts paid to the external auditor during the year for non-audit services are set out in note 2.3 on page 177. The chart above sets out the audit and non-audit fees paid to the external auditor over the five-year period from 2020 to 2024 inclusive. All of the non-audit services undertaken during the year by the external auditor were directly related to the audit services they provided.

Internal Audit

Group Internal Audit

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

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

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

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

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

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

IT Assurance

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

Reporting

Reporting Processes

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

KPMG, as the Company's external auditor, supports the Committee in this role. In the course of its annual audit, it considers whether accounts have been prepared in accordance with IFRS and whether adequate accounting records have been kept. The independent auditor's report to shareholders can be found on pages 157 to 163.

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

As part of its review of the 2024 Annual Report and Accounts, the Committee assessed whether suitable accounting policies had been adopted and whether management had made appropriate estimates and judgements in applying them. The Committee obtained support from the external auditor in making these assessments.

The Committee focused on matters it considered to be important by virtue of their impact on the Group's results and particularly those which involved a relatively higher level of complexity, judgement or estimation by management. The table on page 125 sets out the significant matters considered by the Committee in relation to the financial statements for the year ended 31 March 2024.

Management confirmed to the Committee that they were not aware of any material misstatements in the financial statements for the year ended 31 March 2024 and KPMG confirmed that they had found no material misstatement in the course of their work.

Distributable Reserves

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

Going Concern and Viability Statement

The Audit Committee reviews the draft Going Concern and Viability Statements prior to recommending them for approval by the Board. These statements are included in the Risk Report on page 92.

Fair, Balanced and Understandable

As required by the Code, the Board should present a fair, balanced and understandable assessment of the Company's position and prospects, and specifically confirm that it considers that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

At the request of the Board, the Committee considered whether the 2024 Annual Report and Accounts met these requirements.

The Committee considered and discussed with management the processes followed in the preparation of the 2024 Annual Report and Accounts, in particular planning, co-ordination and review processes. The Committee also noted the formal review of the Annual Report and Accounts undertaken by KPMG. This enabled the Committee and then the Board to conclude that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and that it provides the necessary information for shareholders to assess the Group's performance, business model and strategy.

SIGNIFICANT MATTERS IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Goodwill and Intangible Assets

As set out in note 3.3 to the financial statements, the Group had goodwill and intangible assets of £3,136.9 million at 31 March 2024 (2023: £2,957.6 million). To satisfy itself that this balance was appropriately stated, the Committee considered the impairment reviews carried out by management. The Group's annual impairment review was carried out using the carrying values of subsidiaries at 31 January 2024 and the latest three-year business plans prepared by the subsidiaries.

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

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

The Committee was satisfied that the significant assumptions used for determining the recoverable amounts had been appropriately scrutinised, challenged and were sufficiently robust. The Committee agreed with management's conclusion that the cash flow forecasts supported the carrying value of goodwill and intangible assets.

Business Combinations

As set out in note 5.2 to the Group financial statements, the Group completed a number of acquisitions during the year, the most significant of which were the acquisitions of Progas and Centreco. The Group deployed £371.0 million (2023: £365.1 million) in total consideration to acquisitions completed during the year. This total consideration was satisfied by a net cash outflow of £288.2 million (2023: £318.5 million) and acquisition related liabilities of £82.8 million (2023: £46.6 million).

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

Management reported to the Committee that in conducting their review of the fair values of the acquired assets and liabilities at the date of acquisition, identifiable net assets of £148.8 million (2023: £134.6 million), non-controlling interests of nil (2023: £0.2 million) and goodwill of £222.2 million (2023: £230.8 million) were acquired. Management engaged independent experts to assist with the valuation of intangible assets on Progas and Centreco. In addition the Committee discussed and agreed with management's recommendations on the estimated useful lives of intangible assets arising on the Group's acquisitions.

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

Impact of Climate Change

The Committee considered the Company's approach to the reporting of the impact of climate change on its activities in the financial statements for the year ended 31 March 2024, including compliance with the recommendations of the Taskforce on Climate-related Financial Disclosures ('TCFD'). More detail on compliance with TCFD is contained in the Sustainability Review on page 60.

Other Matters

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

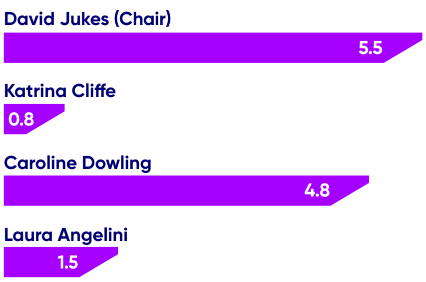
REMUNERATION REPORT

Executive remuneration continues to reward business performance and strategic progress.

Highlights of the year

- Appointment of Katrina Cliffe as Chair of Remuneration Committee.
- Detailed review of the Company's Remuneration Policy, including extensive consultation with shareholders, before a shareholder vote at July AGM.

Years on the Remuneration Committee as at 31 March 2024



CHAIR'S INTRODUCTION

I am pleased to present our Directors' Remuneration Report for the year ended 31 March 2024.

The Report includes this introductory overview, a Remuneration at a Glance section, details of our proposed updated Remuneration Policy, a look back at outcomes for the year ended 31 March 2024 and finally a section on how the proposed new Policy will operate in the year ending 31 March 2025, if approved by shareholders.

Review of Remuneration Policy

During the year, the Remuneration Committee conducted our triennial review of the Directors' Remuneration Policy.

The Committee believes that the remuneration opportunity available to DCC's executive Directors should incentivise delivery of the Group's strategic ambitions which are detailed in other sections of our Annual Report.

In particular, we believe that remuneration should be weighted toward variable, rather than fixed, pay components, to ensure that outcomes for executives are closely aligned with those for other stakeholders, and that additional reward opportunities should crystallise only when the business performs well.

Our current Policy was designed to reflect these key design principles. It received strong support from shareholders at the 2021 AGM and has served DCC well over the last three years.

As our current Policy expires at the 2024 AGM, the Committee undertook a comprehensive review of our current pay structure over the course of the year to assess its continued appropriateness for DCC.

The Committee concluded that the current Policy remains fit for purpose, in the context both of incentivising delivery of the Company's strategy and reflecting the governance practices expected of a FTSE100 company (such as mandatory bonus deferral, post-vest LTIP holding periods and post termination shareholding requirements).

Accordingly, we are proposing only two changes to our existing Policy:

- Increasing the normal annual maximum LTIP opportunity from 200% to 250% of salary. At this level, the award opportunity will be brought into line with the median opportunity observed at FTSE companies of similar size, which has increased since the last Policy renewal. No change is proposed to the existing exceptional award limit of 300% of salary.
- Introducing corporate failure as a stated trigger to the existing malus and clawback provisions attaching to bonus and LTIP awards, in line with recommended best practice.

No other changes are proposed to the existing Policy. The proposed new Policy is set out in detail on pages 132 to 139.

Performance for the Year

Over the last year, we delivered continued high returns and strong growth.

The Committee undertook a comprehensive review of our current pay structure over the course of the year.

DAVID JUKES
Chair

Group adjusted operating profit was 4.1% ahead of the prior year. Return on capital employed, a key metric for DCC, was 13.5% (14.3% excl. IFRS 16) and was again substantially in excess of the Group's cost of capital. It is proposed that the total dividend for the year will be increased by 5%.

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

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

Remuneration of Executive Directors for the Year

Salaries

As explained in detail in last year's Report, the Chief Executive's salary was increased by 4% and the CFO's salary was increased by 9% for the year ended 31 March 2024.

DCC's 10 year TSR performance versus the FTSE 100

Further details regarding remuneration arrangements for the year ended 31 March 2024 are set out on page 140.

Bonuses

The annual bonuses for the executive Directors in respect of the year ended 31 March 2024 were based on performance against targets for growth in adjusted operating profit (up to 70% of maximum potential), along with overall contribution and attainment of strategic and sustainability targets (up to 30% of maximum potential).

Group and individual Director performance against these targets has been reflected in a bonus outcome for the Chief Executive of 133.3% of salary (compared to a maximum potential of 200%). For the CFO the bonus outcome is 106.6% of salary (compared to a maximum potential of 160%).

The Committee reviewed the calculated outcomes in the context of the strong performance of the Group and determined that the bonus payouts were appropriate at that level and that no discretion should be exercised when approving the bonus outcome.

Further details of the performance targets and achievement against those targets are set out on pages 140 to 141.

Long-Term Incentives

The extent of vesting of the Long-Term Incentive Plan ('LTIP') awards granted in November 2021 was based on DCC's Return on Capital Employed ('ROCE'), Earnings per Share ('EPS') and Total Shareholder Return ('TSR') performance over the three-year period ended 31 March 2024. While the extent of vesting will be formally determined by the Remuneration Committee in November 2024, it is expected that 54% of the share options granted will vest. The earliest exercise date of these options will be November 2024, with a two-year post-vest sale restriction (to November 2026) for the executive Directors.

Regarding the prior year, the Remuneration Committee determined that the LTIP awards granted in November 2020 would vest at 69%, based on DCC's ROCE, EPS and TSR performance over the three-year period ended 31 March 2023. This was consistent with the estimated vesting of 69% disclosed in last year's Report. The earliest exercise date for the awards granted in November 2020 will be November 2025.

Further details on this subject are set out on page 142.

Details of LTIP awards granted to the executive Directors in November 2023 are contained in the table on page 146.

Remuneration for the Year Ahead

Salaries

For the year ending 31 March 2025, the Committee agreed to increase the Chief Executive's salary by 4% and the CFO's salary by 4%. In determining these changes, the Committee considered the levels of salary increases for the general workforce.

Bonuses

For the year ending 31 March 2025, the bonuses for the executive Directors will be consistent with the proposed new Remuneration Policy, with the maximum award opportunity for the year being

200% of salary for both the Chief Executive and CFO. The CFO's annual bonus opportunity will be aligned with the CEO's, as we consider the alignment of the bonus opportunity for all executive Directors to be more consistent with our approach internally as well as typical market norms.

Outcomes will be based 70% on growth in Group adjusted operating profit and 30% on strategic objectives.

Long-Term Incentives

In the year ending 31 March 2025, the executive Directors will be granted LTIP awards consistent with the proposed new Remuneration Policy.

The grant value is expected to be up to 250% of salary for the Chief Executive and up to 225% of salary for the CFO.

The extent of vesting will be based on performance over the three financial years ending 31 March 2027, with a further two-year post-vesting sale restriction also applying for the executive Directors. As in recent years, vesting will be based 40% on ROCE, 40% on Adjusted EPS growth, and 20% on TSR compared to the FTSE 100.

The performance ranges for Adjusted EPS and TSR will also remain consistent with recent years. The ROCE performance range this year will be 10.5% to 15%, reflecting the significant level of capital deployed in recent years on acquisitions.

Further details on this subject are set out on page 148.

Non-executive Director Fees

For the year ending 31 March 2025, the non-executive Director's basic fee and the total Chair fee will increase by 4%, in line with the salary increases for the general workforce.

In addition, the fee payable to the Chair of the Remuneration Committee will increase by €2,000 and the fee payable to the Workforce Engagement Director will increase by €1,000.

The fees payable to the Chair of the Audit Committee, to the Chair of the Governance and Sustainability Committee and to the Senior Independent Director will remain unchanged.

Full details of these fees are set out on page 149.

Shareholder Engagement

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

In recent months, we engaged with our largest shareholders to offer them the opportunity to give us their views on proposed changes to our Remuneration Policy that are contained in this Report.

I am pleased to state that support for the new Policy was extremely strong.

More generally, the Committee welcomes input from our investors and other stakeholders on the Company's approach to remuneration. Specifically, the Committee recognises that shareholders have a right to a 'say on pay'. At the 2024 AGM, advisory resolutions on the Remuneration Report and on the Remuneration Policy will be put to shareholders.

Employee Engagement

The Remuneration Committee considers broader company pay policies at various meetings throughout the year. The Committee considers these and more general pay practices and trends when making compensation decisions for executive Directors.

A copy of the Annual Report is issued to every business in the Group. Internal communication events, such as town halls, then allow employees to raise any questions that they may have on this and other issues.

Further details on the Committee's approach to employee engagement are included on page 136.

UK Companies (Miscellaneous Reporting) Regulations 2018 and Shareholders Rights Directive II

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

Following the implementation of the EU Shareholder Rights Directive II (SRD II) into Irish law in March 2020, Irish company law requires an advisory shareholder vote on remuneration reports and remuneration policies at AGMs.

However, the SRD II requirements only apply to companies whose shares are admitted to trading on an EU-regulated market, which, following Brexit, does not include DCC. As in prior years, in this year's Report we have substantially reported against SRD II requirements as a matter of good practice.

Committee Succession

We announced during the year that I will be retiring from the Board and the Remuneration Committee at the conclusion of our 2024 AGM in July.

I would like to thank my fellow Board and Committee members, Donal Murphy and his management team, and our external advisors for all their support during my tenure as Chair of the Committee. I wish my successor, Katrina Cliffe, the very best in this role.

Conclusion

I believe that the Remuneration Committee has implemented the current Remuneration Policy in a way that suitably reflects the performance of the Group in the year.

I strongly recommend that shareholders vote in favour of the 2024 Remuneration Policy and Remuneration Report at the 2024 AGM.

On behalf of the Remuneration Committee

DAVID JUKES
Chair
Remuneration Committee
13 May 2024

Q&A with Katrina Cliffe, incoming Chair of the Remuneration Committee

Katrina Cliffe joined the Board of DCC plc in May 2023. She will succeed David Jukes as Chair of the Remuneration Committee in July 2024.

Q What attracted you to join the Board of DCC plc?

DCC is a company that I had followed for some time. Its devolved business model, with Group businesses being encouraged to remain close to the needs of their suppliers and customers, together with the Group's focus on performance and disciplined capital allocation, is a model I like.

And of course, DCC also operates in some very interesting sectors. The energy, technology and healthcare industries provide essential services to businesses and individuals. DCC's commitment to 'Invest in What the World Needs' in these areas – to make practical progress on important questions such as climate change – was also appealing.

I am very pleased to have been invited to succeed David as Chair of our Remuneration Committee, a role I have also filled in other companies where I have been a director.

Q What will your key areas of focus be for the Remuneration Committee in the year ahead and beyond?

We are putting a small number of proposed changes to our Remuneration Policy to shareholders at our 2024 AGM. These are incremental changes to our existing Remuneration Policy and are designed to ensure that executive remuneration in DCC remains competitive while also being very directly linked to the experience of our shareholders and other stakeholders.

The Committee invested a good deal of time over the course of the last year in considering different options for our Remuneration Policy. The fact that we are now recommending a modest number of changes indicates that our existing Policy has served the Company and its investors well and will continue to do so in largely the same form.

Looking ahead, the Committee will continue to carefully consider how executive remuneration in DCC is aligned with the strategic objectives of the Group, including its sustainability objectives. We will pay careful regard to the views of our investors and the wider governance community in this regard.

Q How will you engage with shareholders and other stakeholders who may be interested in DCC's approach to remuneration?

It is essential that we continue to take a balanced apprach to executive remuneration – one that has regard to the interests of key stakeholders in the Group such as our investors, our employees and wider society.

The changes we have proposed to our Remuneration Policy are an example of this. We consulted extensively with our principal shareholders on the proposed changes and were very pleased with the level of support and engagement we received.

The Committee will continue to pay close attention to the views of our investors and other stakeholders as we put the updated Policy into effect. Clearly, the AGM provides a very important opportunity for this, but we remain available for discussions on remuneration questions at other times of the year as well.

REMUNERATION AT A GLANCE

Components of Executive Remuneration and 2024 Policy Changes

	Fixed Pay +	Short-Term Incentive +	Long-Term Incentive =	Total Pay
	Salary, Benefits and Pension A fair, fixed remuneration reflecting the executive's role, experience and competitive market practice which attracts and retains high calibre talent necessary for the delivery of the Group's strategy.	**Annual Bonus** A variable remuneration which rewards the achievement of annual pre-determined performance targets, including Group adjusted operating profit and strategic objectives.	**Executive share plan** An annual award which aligns the interests of executives with those of the Group's shareholders and reflects the Group's culture of long-term performance-based incentivisation.	
Revised Policy Changes		*Introduction of corporate failure to existing malus and clawback provisions.*	*Increase in the annual maximum opportunity from 200% to 250%.*	**FURTHER DETAILS ON REMUNERATION POLICY ARE SET OUT ON PAGE 132.**

Annual Bonus Outcome for Year Ended 31 March 2024

Chief Executive

Bonus Potential (200% of Salary of €945,890)

Group Operating Profit 70% of Bonus Potential	Strategic Objectives 15% of Bonus Potential	ESG Objectives 15% of Bonus Potential
Performance: 36.6%	Performance: 15%	Performance: 15%

Total Performance:
66.6% of Bonus Potential
133.3% of salary = €1,260,512

1/3 Deferred and Converted to DCC Shares	2/3 Paid in Year

Chief Financial Officer

Bonus Potential (160% of Salary of €556,227)

Group Operating Profit 70% of Bonus Potential	Strategic Objectives 15% of Bonus Potential	ESG Objectives 15% of Bonus Potential
Performance: 36.6%	Performance: 15%	Performance: 15%

Total Performance:
66.6% of Bonus Potential
106.6% of salary = €592,991

1/3 Deferred and Converted to DCC Shares	2/3 Paid in Year

FURTHER DETAILS ON BONUS OUTCOMES ARE SET OUT ON PAGE 140.

2021 LTIP Award Outcome Based on Results in Three-Year Period Ended 31 March 2024

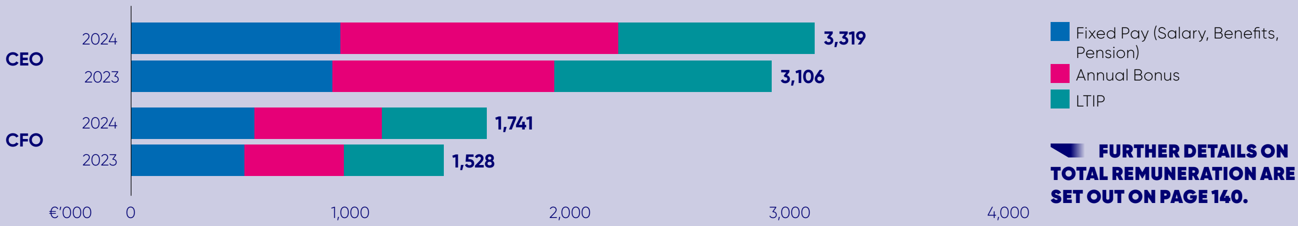
	ROCE	EPS Growth	TSR Outperformance of FTSE 100
MIN	11.5%	3%	Below Median
			Median
MAX	15.5%	9%	Upper Quartile
Actual	14.3%	5.6%	nil
Extent of vesting	31%	23%	0%

Total amount of 2021 LTIP awards that will vest in November 2024: 54%

There is a two-year post-vest sale restriction (to November 2026) for the executive Directors.

FURTHER DETAILS ON LTIP ARE SET OUT ON PAGE 142.

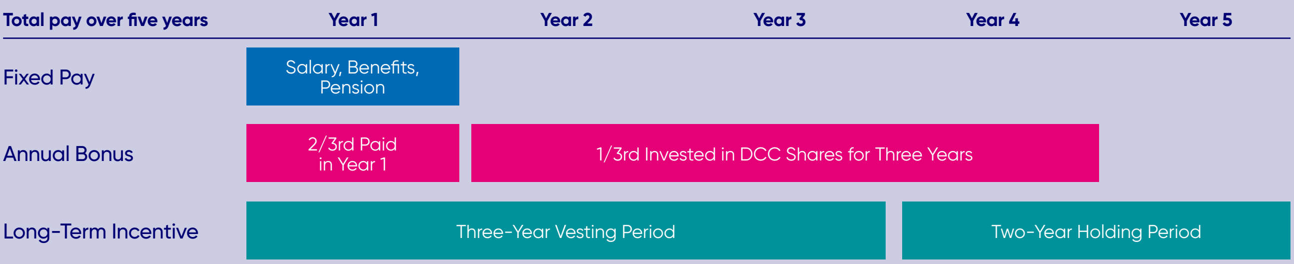
Executive Directors' Total Remuneration



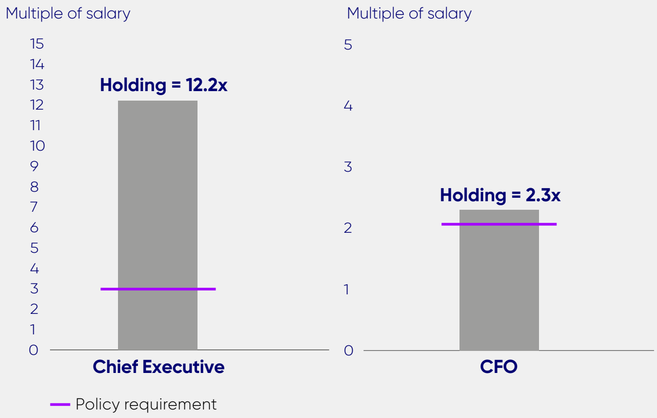
FURTHER DETAILS ON TOTAL REMUNERATION ARE SET OUT ON PAGE 140.

Payment Schedule

This diagram illustrates in which financial years the various payments in the charts above are made or released to executive Directors.



Executive Directors' Shareholdings



This graph shows DCC plc shares held by the executive Directors, including shares held as part of the deferred bonus arrangement outlined above, as at 31 March 2024.

In both cases, the executive Directors' shareholdings are in excess of policy requirements.

FURTHER DETAILS ON SHARE OWNERSHIP ARE SET OUT ON PAGE 147.

REMUNERATION POLICY REPORT

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

As such, we will be submitting the revised Remuneration Policy to an advisory, non-binding vote at the 2024 AGM, reflecting the changes outlined in the Chair's Introduction and set out in detail on pages 133 to 139. Subject to this shareholder approval, the Company intends to operate its remuneration arrangements in line with the proposed new Remuneration Policy, from the date of the 2024 AGM.

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

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

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

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

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

The Remuneration Committee seeks to ensure:

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

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

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

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

Clarity	Our Remuneration Policy and the approach to its implementation are clearly communicated to shareholders and well understood by participants.
Simplicity	We operate a simple market-aligned salary and benefits structure, with annual and long-term performance-based incentives with payouts linked to only a small number of performance measures.
Risk	We manage risk by carefully setting performance targets in the context of a wide range of reference points. The Committee retains the discretion to moderate outcomes in the context of underlying performance. The senior executive remuneration structure is heavily weighted to longer-term or deferred elements of pay, helping to ensure our pay structure reinforces a long time horizon.
Predictability	There are defined threshold and maximum pay scenarios described on page 138.
Proportionality	Remuneration is weighted towards financial and non-financial performance, measures for which are selected to align with strategy. We set challenging performance targets that are commensurate with the incentive opportunities awarded.
Alignment to culture	The remuneration design aligns closely with DCC's performance culture and values, which reinforce longer-term decision making and collective efforts. Our annual bonus plan includes sustainability/ESG targets.

Element and link to strategy	Operation	Maximum opportunity	Policy changes
BASE SALARY			
Attract and retain skilled and experienced senior executives.	Base salaries are reviewed annually on 1 April. The factors taken into account include: • Role and experience • Company performance • Personal performance • Competitive market practice • Salary increases across the Group • Benchmarking versus companies of similar size and complexity within the UK and Irish markets When setting pay policy, account is taken of movements in pay generally across the Group.	There is no prescribed maximum base salary or maximum annual increase. The general intention is that any increases will align with the increase across the Group's workforce. Increases may be higher in certain circumstances, such as role and responsibility changes or significant market practice changes.	No change
BENEFITS			
To provide market competitive benefits.	Benefits include the use of a company car, life/disability cover, health insurance and club subscriptions.	No maximum level has been set as payments depend on individual circumstances.	No change
PENSION			
To reward sustained contribution.	The executive Directors are eligible to participate in a defined contribution pension scheme (or receive cash in lieu of contributions to a defined contribution pension scheme).	Pension contributions (paid into the defined contribution scheme or paid as cash in lieu) for existing executive Directors are capped at 15% of base salary, in line with the broader workforce. Newly appointed executive Directors will receive pension contributions in line with the broader workforce. Pensionable salary is defined as base salary.	No change

Element and link to strategy	Operation	Maximum opportunity	Policy changes
ANNUAL BONUS			
To reward the achievement of annual performance targets.	Bonus payments to executive Directors are based upon meeting pre-determined targets for several key measures, including Group adjusted operating profit and overall contribution and attainment of strategic objectives. The strategic targets focus on areas such as delivery of strategy, organisational development, IT, investor relations, financing, risk management, sustainability/ESG and talent development/ succession planning. The measures, their weighting and the targets are reviewed annually. The Committee determines bonus levels based on actual performance after the year end. The Committee can apply appropriate discretion in specific circumstances regarding determining the bonuses to be awarded. In particular, the Committee has the discretion to reduce bonuses if a pre-determined target return on capital employed is not achieved. Regarding the executive Directors, 33% of any bonus earned, once the appropriate tax and social security deductions have been made, will be invested in DCC shares and made available to them, with accrued dividends, after three years or earlier if their employment terminates. A formal clawback policy is in place for the executive Directors, under which bonuses are subject to clawback for three years in the event of a material restatement of financial statements or other specified events. Further details on the clawback policy are set out on page 136. The Committee has discretion in relation to bonus payments to joiners and leavers.	The maximum bonus potential for the executive Directors, permitted under the Policy, is 200% of base salary. The Remuneration Committee will set a maximum to apply for each financial year, which will be disclosed in the Annual Report on Remuneration. A defined target level of performance has been set for which 50% of the maximum bonus is payable.	Corporate failure is being introduced as a stated trigger to the existing malus and clawback provisions attaching to bonus.

Element and link to strategy	Operation	Maximum opportunity	Policy changes
LONG-TERM INCENTIVE PLAN ('LTIP')			
To align the interests of executives with those of the Group's shareholders and to reflect the Group's culture of long-term performance-based incentivisation.	The LTIP provides for the Remuneration Committee to grant nominal cost (€0.25) options to acquire shares to Group employees, including executive Directors. The vesting period is typically three years from the date of grant, with the extent of vesting being determined over three years, based on the performance conditions set out in the Annual Report on Remuneration. The executive Directors have a two-year hold period as a post-vest sale restriction. In addition to the detailed performance conditions, an award will not vest unless the Remuneration Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the three-year period since the award date. Vesting will be determined by the Remuneration Committee, in its absolute discretion, based on the performance conditions set out in the Annual Report on Remuneration each year. No re-testing of the performance conditions is permitted. The performance conditions and their relative weighting may be modified by the Remuneration Committee in accordance with the Rules of the LTIP, provided that they remain no less challenging and are aligned with the interests of the Company's shareholders. A formal clawback policy is in place, under which awards are subject to clawback in the event of a material restatement of financial statements or other specified events, including corporate failure. Further details on this clawback policy are set out on page 136.	The market value of the shares subject to the options granted in respect of any accounting period may not normally exceed 250% of base salary. In exceptional circumstances, the market value of the shares subject to the options granted in respect of any accounting period may not exceed 300% of base salary. This higher limit will only be used in exceptional circumstances, for example, in the case of external recruitment.	The normal annual maximum LTIP opportunity to increase from 200% to 250% of salary. There is no change to the existing exceptional award limit of 300% of salary. Corporate failure is being introduced as a stated trigger to the existing malus and clawback provisions attaching to LTIP.

Remuneration Committee Discretion

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

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

Payments from Existing Awards

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

Clawback Policy

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

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

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

Remuneration Policy for Recruitment of New Executive Directors

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

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

Remuneration Policy for Other Employees

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

DCC employs 16,600 people in 22 countries. Remuneration arrangements across the Group differ depending on the specific role being undertaken, the industry in which the business operates, the level of seniority and responsibilities, the location of the role and local market practice.

Consultation with Employees

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

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

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

Consultation with Shareholders

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

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

Exit Payments Policy

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

Salary and Benefits

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

Annual Bonus

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

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

Long-Term Incentive Plan

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

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

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

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

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

Pension

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

Service Contracts

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

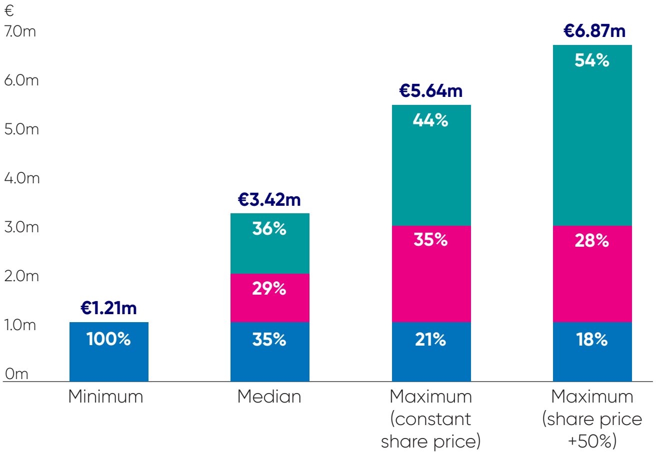
Kevin Lucey has a letter of appointment which provides for a six-month notice period. This letter of appointment provides that either he or the Company could terminate his employment by giving six months' notice in writing. At its sole discretion, the company may require that Mr Lucey ceases employment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

Scenario Charts

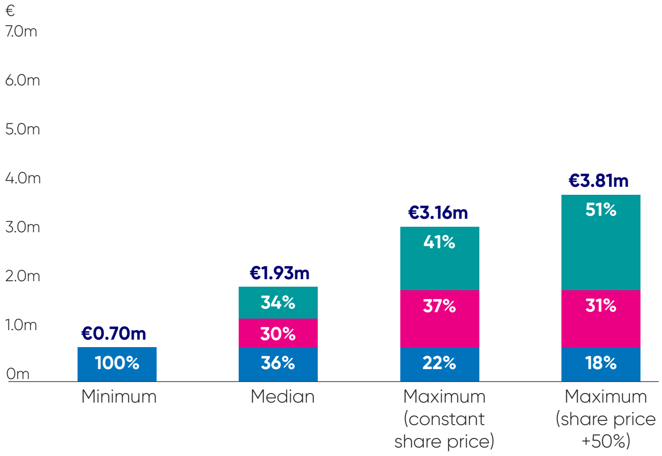
Set out below is an illustration of the potential future remuneration that each executive Director could receive for the year ending 31 March 2025 at minimum, median and maximum performance (assuming (i) a constant share price and (ii) an uplift of 50% in the share price).

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

Donal Murphy, Chief Executive



Kevin Lucey, Chief Financial Officer



Fixed Annual Bonus Long-Term Incentive Plan

Notes:

Minimum Performance comprises:

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

Median Performance comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- 50% annual bonus payout, i.e. 100% of salary.
- 50% vesting of LTIP i.e. 125% of salary for CE and 112.5% of salary for CFO.

Maximum Performance (constant share price) comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- 100% annual bonus payout, i.e. 200% of salary.
- 100% vesting of LTIP, i.e. 250% of salary for CE and 225% of salary for CFO.

Maximum Performance (share price + 50%) comprises:

- Fixed pay – base salary, benefits and retirement benefit expense.
- 100% annual bonus payout, i.e. 200% of salary.
- 100% vesting of LTIP and 50% uplift in share price, equating to 375% of salary for CE and 337.5% for CFO.

Share Ownership Guidelines

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

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

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

Compliance with the Share Ownership Guidelines is reviewed annually by the Remuneration Committee. The executive Directors' position as at 31 March 2024 is set out in the Annual Report on Remuneration on page 147.

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

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

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

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

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

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

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

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

Policy for Non-executive Directors

Fees	Operation	Maximum Opportunity
The fees paid to non-executive Directors reflect their experience and ability and the time demands of their Board and Board Committee duties. A basic non-executive Director fee is paid for Board membership. Additional fees are paid to the chairs of Board Committees, to the Board Chair, to the Senior Independent Director and to the Workforce Engagement Director. Additional fees may be paid in respect of Company advisory boards.	The remuneration of the Board Chair is determined by the Remuneration Committee for approval by the Board. The Board Chair absents himself from the Committee meeting while this matter is being considered. The remuneration of the other non-executive Directors is determined by the Board Chair and the Chief Executive for approval by the Board. The fees are reviewed annually, taking account of any changes in responsibilities and the level of fees in a range of comparable Irish and UK companies.	No prescribed maximum annual increase. In accordance with the Articles of Association, shareholders set the maximum aggregate ordinary remuneration (basic fees, excluding chair fees and additional fees). The current limit of €950,000 was set at the 2023 AGM. Non-executive Directors do not participate in the Company's LTIP or receive any pension benefits from the Company.

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

ANNUAL REPORT ON REMUNERATION IN THE YEAR ENDED 31 MARCH 2024

This section of the Remuneration Report gives details of remuneration outcomes for the year ended 31 March 2024. It also sets out how the proposed new Remuneration Policy will operate in the year ending 31 March 2025, and provides additional information on the operation of the Remuneration Committee.

Remuneration Outcomes for the Year Ended 31 March 2024

The table below sets out the total remuneration and breakdown of the elements received by each executive Director in relation to the year ended 31 March 2024, together with prior year comparatives. An explanation of how the figures are calculated follows the table.

Executive Directors' Remuneration Details

	Salary		Benefits		Retirement Benefit Expense		Bonus		LTIP		Audited Total		*Sub-Total of Fixed Pay*	*Sub-Total of Variable Pay*	*Sub-Total of Fixed Pay*	*Sub-Total of Variable Pay*
	2024 €'000	2023 €'000	**2024 €'000**	2023 €'000	**2024 €'000**	2023 €'000	**2024 €'000**	2023 €'000	**2024 €'000**	2023 €'000	**2024 €'000**	2023 €'000	***2024 €'000***	***2024 €'000***	*2023 €'000*	*2023 €'000*
Donal Murphy	**946**	910	**80**	67	**142**	136	**1,260**	1,008	**891**	985	**3,319**	3,106	***1,168***	***2,151***	*1,113*	*1,993*
Kevin Lucey	**556**	510	**37**	42	**78**	72	**593**	452	**477**	452	**1,741**	1,528	***671***	***1,070***	*624*	*904*
	1,502	1,420	**117**	109	**220**	208	**1,853**	1,460	**1,368**	1,437	**5,060**	4,634	***1,839***	***3,221***	*1,737*	*2,897*

Fixed remuneration comprises Salary, Benefits and Retirement Benefit Expense. Variable remuneration comprises Bonus and LTIP. The proportion of fixed and variable remuneration for the year ended 31 March 2024 for Mr Murphy was 35:65 and for Mr Lucey was 39:61.

Salary

As explained in detail in last year's Annual Report on Remuneration, the executive Directors' salaries for the year ended 31 March 2024 were increased from the prior year, as shown in the table below.

	Salary €	Increase %
Donal Murphy	945,890	4%
Kevin Lucey	556,227	9%

Benefits

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

Determination of Bonuses for the Year Ended 31 March 2024

For the year ended 31 March 2024, the executive Directors participated in the bonus plan, as per the Remuneration Policy, as set out below:

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

Bonuses were based 70% on growth in Group operating profit and 30% on strategic and ESG objectives.

Financial Targets – Group Adjusted Operating Profit

Growth in Group adjusted operating profit was measured against a pre-determined range, with zero payment below the threshold up to full payment at the maximum of the range. The table below sets out the performance in the year ended 31 March 2024 in terms of growth in Group adjusted operating profit compared to the performance target range set for the year.

	Target		
	Minimum (below which nil payout)	Maximum (full payout)	Outcome
Group Adjusted Operating Profit	£662.2m	£701.6m	£682.8m

Based on the Group adjusted operating profit outcome, the Remuneration Committee determined that 52.3% of the bonuses related to this performance target should be paid.

Non-Financial Targets – Strategic and ESG

Regarding the achievement of targets set for strategic and ESG objectives, the Remuneration Committee carefully considered the achievement of the objectives outlined in the table below. It concluded that 100% of this element of the bonus should be awarded to both the Chief Executive and CFO.

CHIEF EXECUTIVE – DONAL MURPHY

Category	Objective	Measure of success	Outcome
Strategic Objectives Maximum of 15% bonus payable	Implementation of DCC Energy's growth and decarbonisation strategy.	Delivery of key interim milestones, aligned with stated 2030 growth and decarbonisation ambitions.	●
	Enhance processes to support delivery of key projects, innovation and use of new technology, including, AI, across the Group.	Implementation of enhanced management processes for innovative technology initiatives. Successful delivery of initial projects.	●
ESG Objectives Maximum of 15% bonus payable	Reduce Scope 1 and 2 carbon emissions in line with the Group's 50% reduction target.	Scope 1 and 2 mtCO_2e.	●
	Provide visible leadership on safety and demonstrate continuous improvement on safety.	Safety tours and safety leadership initiatives. Lost time injury frequency rate ('LTIFR').	●
	Drive a great place to work culture.	Employee engagement score.	●
	Deliver Group-wide improvement in closing internal audit actions on time.	Rate of internal audit actions closed on time.	●

CFO – KEVIN LUCEY

Category	Objective	Measure of success	Outcome
Strategic Objectives Maximum of 15% bonus payable	Implementation of DCC Energy's growth and decarbonisation strategy.	Delivery of key interim milestones, aligned with stated 2030 growth and decarbonisation ambitions.	●
	Enhance processes to support delivery of key projects, innovation and use of new technology, including, AI, across the Group.	Implementation of enhanced management processes for innovative technology initiatives. Successful delivery of initial projects.	●
ESG Objectives Maximum of 15% bonus payable	Reduce Scope 1 and 2 carbon emissions in line with the Group's 50% reduction target.	Scope 1 and 2 mtCO_2e.	●
	Provide visible leadership on safety and demonstrate continuous improvement on safety.	Safety tours and safety leadership initiatives. Lost time injury frequency rate ('LTIFR').	●
	Drive a great place to work culture.	Employee engagement score.	●
	Deliver Group-wide improvement in closing internal audit actions on time.	Rate of internal audit actions closed on time.	●

● Fully met ● Partially met ● Not met

The resultant bonus payout levels for the year ended 31 March 2024 were therefore calculated as follows:

	Chief Executive – % of Salary		CFO – % of Salary	
Component	**% of Max**	**% of Salary**	**% of Max**	**% of Salary**
Group Adjusted Operating Profit	52.3%	73.3%	52.3%	58.6%
Strategic and ESG Performance	100.0%	60.0%	100.0%	48.0%
	66.6%	**133.3%**	**66.6%**	**106.6%**

The Remuneration Committee considered the outcomes as set out above and satisfied itself that the pre-determined target ROCE was also achieved. It concluded that the outcomes were appropriate in the circumstances, reflected the Group's strong performance in the year and no discretion was applied.

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

Retirement Benefit Expense

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

Vesting under Long-Term Incentive Plan

The value of the LTIP, as shown in the table on page 140 for 2024, is explained in further detail below.

The LTIP award granted in November 2021 was subject to performance over the three-year period ended 31 March 2024. The performance conditions attached to this award and actual performance against these conditions were as follows:

Performance condition	% of total award (potential)	Vesting rule	Threshold target	Maximum target	Actual performance	Vesting level
ROCE[1]	40%	Threshold vesting is 25% of maximum, with vesting determined on a straight-line basis between 25% and 100% for performance between threshold and maximum.	11.5%	15.5%	14.3%	31%
EPS growth	40%		3% p.a	9% p.a	5.6%	23%
TSR	20%		Median of FTSE 100	Upper quartile of FTSE 100	Below median	0%
	Total vesting					**54%**

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

As a result, vesting of the 2021 LTIP award is 54%. The earliest exercise date will be November 2024. The executive Directors have a two-year hold period as a post-vest sale restriction to November 2026.

The value of the LTIP as recorded in the table on page 140 for the year ended 31 March 2024 is based on the vesting percentage of 54% and the share price at 31 March 2024 of €67.36 (£57.60) less the amount payable to purchase the shares (i.e. the exercise cost). As the share price at the end of the performance period on 31 March 2024 was lower than the share price at the date of grant, there is no value attributable to a share price uplift to be disclosed.

Grants under Long-Term Incentive Plan

The following awards were granted during the year ended 31 March 2024 under the 2021 LTIP.

Executive Director	Date of grant	% of salary	Market price at date of award	Number of shares	Face value of award £'000	% vesting at threshold performance	Vesting determined by performance period
Chief Executive	16 November 2023	200%	£52.36	31,501	£1,649	25%	Three years to 31 March 2026, with a 2-year post-vest sale restriction
CFO	16 November 2023	200%	£52.36	18,524	£970	25%	

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

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

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

Further details of previous year's awards are set out on page 146.

Changes in Remuneration of the Directors

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

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

	% change between FY23 and FY24			% change between FY22 and FY23			% change between FY21 and FY22			% change between FY20 and FY21		
	Salary/ Fees	Benefits	Bonus	Salary/ Fees	Benefits	Bonus	Salary/ Fees	Benefits	Bonus	Salary/ Fees	Benefits	Bonus
Executive Directors												
Donal Murphy	+4%	+19%	+25%	+3%	0%	-39%	+3%	+3%	+7%	0%	-1%	+89%
Kevin Lucey	+9%	-12%	+31%	+8%	0%	-39%	+5%	+35%	+11%	n/a	n/a	n/a
Non-executive Directors[1]												
Mark Breuer	+9%			+30%			+187%			+16%		
Laura Angelini	+6%			+6%			n/a			n/a		
Katrina Cliffe[2]	n/a			n/a			n/a			n/a		
Caroline Dowling	+4%			+7%			+14%			+19%		
David Jukes	+6%			+2%			+7%			+14%		
Lily Liu	+4%			+4%			n/a			n/a		
Alan Ralph	+8%			+26%			n/a			n/a		
Mark Ryan	+14%			+5%			+4%			0%		
Average remuneration of Group employees[3]	+5%			+6%			+4%			+1%		

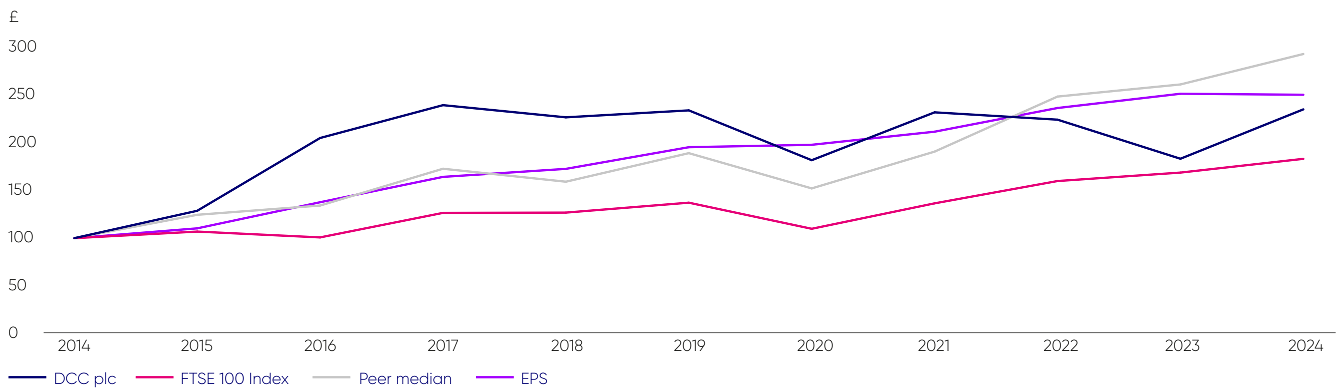
1. The increases for the non-executive Directors primarily reflect Committee membership and role changes and to a lesser extent fee increases.
2. Katrina Cliffe joined the Board on 1 May 2023.
3. This is the average increase for all Group employees as a whole.

Comparison of Company Performance and Chief Executive Remuneration

The chart below shows the trend in EPS, and DCC's TSR relative to the FTSE 100 Index and the median of DCC's selected peer group, over the last ten years (using a base of 100 for 2014 for comparative purposes).

The table underneath the chart summarises the Chief Executive's single figure of remuneration, annual bonus and LTIP payouts as a percentage of the maximum opportunity for the year ended 31 March 2024 and the previous nine years.

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



Years Ended 31 March	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total remuneration	€4.78m	€4.29m	€5.32m	€2.92m	€3.09m	€2.61m	€3.73m	€3.70m	€3.11m	€3.32m
Bonus payout (% max)	62%	100%	100%	84%	88%	53%	100%	98%	55%	67%
LTIP vesting (% max)	100%	100%	100%	100%	80%	63%	64%	64%	69%	54%

Chief Executive Pay Ratio

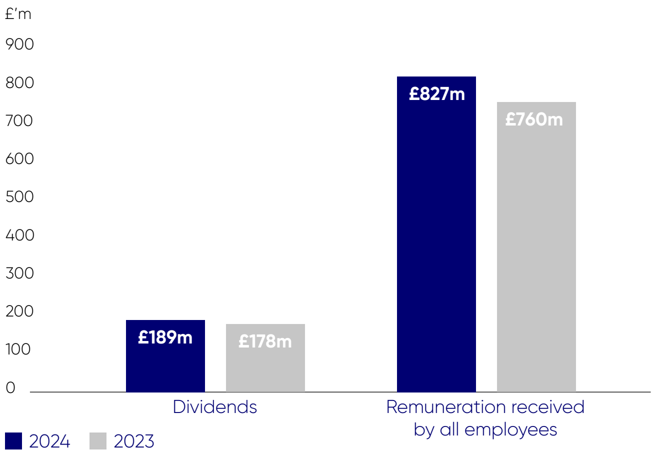
As an Irish registered company, DCC is not subject to the Companies (Miscellaneous Reporting) Regulations 2018 in the UK which stipulate how a CE pay ratio is determined.

That said, we take account of these regulations and based on available information, we are disclosing the ratio of the Chief Executive's total pay to the median UK employee's total pay of 78 times. The median employee for this analysis was selected based on UK gender pay gap data.

In addition, the Chief Executive's total remuneration for the year ended 31 March 2024 is 55 times that of the average employee across the entire Group for the same period.

Relative Importance of Spend on Pay

The chart below shows the amount paid in remuneration to all Group employees compared to dividends to shareholders for 2024 and 2023.



Non-executive Directors' Remuneration Details

The remuneration paid to the non-executive Directors for the year ended 31 March 2024 is set out below.

Non-executive Directors were paid a basic fee, with additional fees paid to the Board Chair, Board Committee Chairs, the Senior Independent Director and the Workforce Engagement Director.

	Basic Fee [1]		Benefits [2]		Other Fees [1,3]		Audited Total [4]	
	2024 €'000	2023 €'000	**2024 €'000**	2023 €'000	**2024 €'000**	2023 €'000	**2024 €'000**	2023 €'000
Mark Breuer	**88**	77	**16**	–	**276**	273	**380**	350
Laura Angelini	**88**	77	**–**	–	**–**	6	**88**	83
Katrina Cliffe [5]	**80**	–	**–**	–	**–**	–	**80**	–
Caroline Dowling	**88**	77	**–**	–	**21**	28	**109**	105
David Jukes	**88**	77	**–**	–	**15**	20	**103**	97
Lily Liu	**88**	77	**–**	–	**–**	8	**88**	85
Alan Ralph	**88**	77	**–**	–	**20**	23	**108**	100
Mark Ryan	**88**	77	**–**	–	**12**	11	**100**	88
Total	**696[6]**	539	**16**	–	**344**	369	**1,056**	908

1. The non-executive Director fee structure is set out in the table on page 149.
2. Benefits include payments made to reconcile income tax on Directors' fees, which have been grossed up for Irish tax purposes.
3. Other fees include Chair, Committee Chair, Senior Independent Director and Workforce Engagement director fees.
4. All the above fees are considered fixed remuneration under the Shareholders Rights Directive II.
5. Katrina Cliffe joined the Board on 1 May 2023.
6. Compares to the current shareholder limit of €950,000.

Total Directors' Remuneration

	Audited Total	
	2024 €'000	2023 €'000
Executive Directors		
Salary	**1,502**	1,420
Benefits	**117**	109
Retirement Benefit Expense	**220**	208
Bonus	**1,853**	1,460
LTIP	**1,368**	1,437
Total executive Directors' remuneration	**5,060**	4,634
Non-executive Directors		
Basic Fees	**696**	539
Benefits	**16**	–
Other Fees	**344**	369
Total non-executive Directors' remuneration	**1,056**	908
Total Directors' remuneration	**6,116**	5,542

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

The interests of the Directors and the Company Secretary (including shares held by connected persons) in the share capital of DCC plc at 31 March 2024 (together with their interests at 31 March 2023) are set out below:

	No. of Ordinary Shares at 31 March 2024	No. of Ordinary Shares at 31 March 2023
Directors		
Mark Breuer	**5,697**	5,697
Donal Murphy[1]	**171,184**	157,750
Laura Angelini	**–**	–
Katrina Cliffe	**1,097**	–
Caroline Dowling	**800**	800
David Jukes	**94**	94
Lily Liu	**–**	–
Kevin Lucey[2]	**19,341**	16,554
Alan Ralph	**1,500**	1,500
Mark Ryan	**9,696**	9,696
Company Secretary		
Darragh Byrne	**9,724**	8,661

1. Donal Murphy's 2024 and 2023 holdings include 10,061 and 9,011 shares respectively, held under the deferred bonus arrangement as detailed on page 134.

2. Kevin Lucey's 2024 and 2023 holdings include 4,041 and 2,789 shares respectively, held under the deferred bonus arrangement as detailed on page 134.

All of the above interests were beneficially owned. Apart from the interests disclosed above, the Directors and the Company Secretary had no interests in the Company's share capital or loan stock or any other Group undertaking at 31 March 2024.

There were no changes in the above Directors' and Secretary's interests between 31 March 2024 and 13 May 2024. Details of the share ownership guidelines that apply to the executive Directors are on page 138 of this Report.

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

Executive Directors' and Company Secretary's Long-Term Incentives

DCC plc Long-Term Incentive Plan

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

	Number of options									
	At 31 March 2023	Granted in year	Exercised in year	Lapsed in year	**At 31 March 2024**	Date of grant	Market price on grant	Three-year performance period end	Normal exercise period	Market price at date of exercise £
Executive Directors										
Donal Murphy	9,366	–	(9,366)	–	**–**	10.02.17	£67.75	31 Mar 2019	10 Feb 2022–09 Feb 2024	**£52.96**
	13,041	–	(13,041)	–	**–**	16.11.17	£70.95	31 Mar 2020	16 Nov 2022–15 Nov 2024	**£52.96**
	15,441	–	–	–	**15,441**	15.11.18	£60.65	31 Mar 2021	15 Nov 2023–14 Nov 2025	
	13,786	–	–	–	**13,786**	14.11.19	£68.80	31 Mar 2022	14 Nov 2024–13 Nov 2026	
	26,715	–		(8,282)	**18,433**	12.11.20	£57.08	31 Mar 2023	12 Nov 2025–11 Nov 2027	
	24,598	–	–	–	**24,598**	11.11.21	£61.42	31 Mar 2024	11 Nov 2024–10 Nov 2028	
	35,068	–	–	–	**35,068**	10.11.22	£45.53	31 Mar 2025	10 Nov 2025–9 Nov 2029	
	–	31,501	–	–	**31,501**	16.11.23	£52.36	31 Mar 2026	16 Nov 2026–15 Nov 2030	
	138,015	31,501	(22,407)	(8,282)	**138,827**					
Kevin Lucey	3,270	–	(3,270)	–	**–**	16.11.17	£70.95	31 Mar 2020	16 Nov 2022–15 Nov 2024	**£46.91**
	3,873	–	–	–	**3,873**	15.11.18	£60.65	31 Mar 2021	15 Nov 2023–14 Nov 2025	
	3,458	–	–	–	**3,458**	14.11.19	£68.80	31 Mar 2022	14 Nov 2024–13 Nov 2026	
	12,270		–	(3,804)	**8,466**	12.11.20	£57.08	31 Mar 2023	12 Nov 2025–11 Nov 2027	
	13,162	–	–	–	**13,162**	11.11.21	£61.42	31 Mar 2024	11 Nov 2024–10 Nov 2028	
	19,675	–	–	–	**19,675**	10.11.22	£45.53	31 Mar 2025	10 Nov 2025–9 Nov 2029	
	–	18,524	–	–	**18,524**	16.11.23	£52.36	31 Mar 2026	16 Nov 2026–15 Nov 2030	
	55,708	18,524	(3,270)	(3,804)	**67,158**					
Company Secretary										
Darragh Byrne	2,236	–	(2,236)	–	**–**	15.11.18	£60.65	31 Mar 2021	15 Nov 2023–14 Nov 2025	**£52.96**
	2,015	–	–	–	**2,015**	14.11.19	£68.80	31 Mar 2022	14 Nov 2024–13 Nov 2026	
	4,674	–	–	(1,449)	**3,225**	12.11.20	£57.08	31 Mar 2023	12 Nov 2025–11 Nov 2027	
	5,114	–	–	–	**5,114**	11.11.21	£61.42	31 Mar 2024	11 Nov 2024–10 Nov 2028	
	7,291	–	–	–	**7,291**	10.11.22	£45.53	31 Mar 2025	10 Nov 2025–9 Nov 2029	
	–	6,676	–	–	**6,676**	16.11.23	£52.36	31 Mar 2026	16 Nov 2026–15 Nov 2030	
	21,330	6,676	(2,236)	(1,449)	**24,321**					

The LTIP awards made on and after 11 November 2021 were granted under the DCC plc Long-Term Incentive Plan 2021. Previous years' awards (up to and including awards granted on 12 November 2020) were granted under the DCC plc Long-Term Incentive Plan 2009. The primary change with the 2021 LTIP was that awards have a three-year vesting period, with a two-year post-vest sale restriction for the executive Directors.

The extent of vesting of the LTIP awards granted in November 2023 will be based on the three-year performance period from 1 April 2023 to 31 March 2026. The requirements/ranges set by the Remuneration Committee regarding these performance conditions are summarised on page 142.

As at 31 March 2024, the total number of options granted under the LTIP, net of options lapsed, amounted to 2.1% of issued share capital, of which 0.9% is currently outstanding.

Other Information

The market price of DCC shares on 31 March 2024 was £57.60 and the range during the year was £41.71 to £58.26.

Additional information in relation to the DCC plc Long-Term Incentive Plan 2009 and the DCC plc Long-Term Incentive Plan 2021 appears in note 2.5 to the financial statements on page 178.

For the purposes of Section 305 of the Companies Act 2014 (Ireland), the aggregate gains by Directors on the exercise of share options during the year ended 31 March 2024 was €1.5 million (2023: €0.9 million).

Share Ownership Guidelines

The executive Directors' shareholdings as of 31 March 2024 are shown below.

Executive	Number of shares held as at 31 March 2024	Shareholding as a multiple of base salary for the year ended 31 March 2024	Share ownership guideline (multiple of salary)
Donal Murphy	**171,184**	**12.2**	3
Kevin Lucey	**19,341**	**2.3**	2

The shareholdings in the table comprise the shares held by the executive Directors (including those shares held in trust as part of the deferred bonus arrangement), valued based on the share price at 31 March 2024 of €67.36 (£57.60). Unvested and unexercised share options are not included.

EXPECTED APPLICATION OF REMUNERATION POLICY IN THE YEAR ENDING 31 MARCH 2025

Salary

The Committee approved the following increases to the executive Directors' salaries for the year ending 31 March 2025:

Executive Director	Year ending 31 March 2025 €	Increase %	Year ended 31 March 2024 €
Donal Murphy	**983,726**	4%	945,890
Kevin Lucey	**578,476**	4%	556,227

In determining the increases of 4%, the Committee took into account the expected workforce salary increases.

Benefits

Benefits payable to the executive Directors for the year ending 31 March 2025 include the use of a company car and related costs, life/disability cover, health insurance and club subscriptions.

Bonus

For the year ending 31 March 2025, the bonuses for the executive Directors will, consistent with the proposed new Remuneration Policy, be based as follows:

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

The CFO's annual bonus opportunity will be aligned with the CEO's, as we consider the alignment of the bonus opportunity for all executive Directors to be more consistent with our approach internally as well as typical market norms. Bonuses will be based 70% on growth in Group adjusted operating profit and 30% on strategic objectives. In addition, the Committee has the discretion to reduce bonuses in the event that a pre-determined target return on capital employed is not achieved. Growth in Group adjusted operating profit will be measured against a pre-determined range, with zero payment below threshold up to full payment at the maximum of the range. The strategic objectives are aligned with DCC's short-term and medium-term strategic objectives that promote long-term performance and include sustainability/ESG targets.

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

The Committee will keep the performance targets under review in light of acquisition and other development activity during the year ending 31 March 2025.

Retirement Benefits

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

Long-Term Incentives

For the year commencing 1 April 2024, LTIP awards of up to 250% of salary will be granted to the Chief Executive and up to 225% of salary to the CFO. The extent of vesting will be based on performance over the three financial years ending 31 March 2027, with a further two-year post-vesting sale restriction also applying in both cases. Vesting will be based 40% on ROCE, 40% on Adjusted EPS growth, and 20% on TSR vs the FTSE 100, using the performance ranges as set out below. The performance ranges for Adjusted EPS and TSR will remain consistent with recent years. The ROCE performance range this year will be 10.5% to 15%, reflecting the significant level of capital deployed in recent years on acquisitions.

Performance condition	% of total award (potential)	Vesting rule	Threshold target	Maximum target
ROCE[1]	40%	Threshold vesting is 25% of maximum, with vesting determined on a straight-line basis between 25% and 100% for performance between the Threshold and the Maximum	10.5%	15%
EPS	40%		3%	9%
TSR	20%		Median of FTSE 100	Upper quartile of FTSE 100

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

Non-executive Directors' Remuneration

The Remuneration Committee reviews the fee for the Board Chair. The Chief Executive and the Board Chair review the fees for the other non-executive Directors. This means that no Director is involved in reviewing his/her own remuneration.

The Board has agreed the following changes for the year ending 31 March 2025:

- The non-executive Director's basic fee and the Chair's total fee will be increased by 4%.
- The fee payable to the Chair of the Remuneration Committee will be increased by €2,000 from €15,000 to €17,000.
- The fee payable to the Workforce Engagement Director will be increased by €1,000 from €12,500 to €13,500.

The fees payable to the Chair of the Audit Committee and the Governance and Sustainability Committee as well as the Senior Independent Director fee will remain unchanged.

The following table summarises the fee structure for the year ending 31 March 2025 with that of the current year.

	Total fee Year ending 31 March 2025	Total fee Year ended 31 March 2024
Chair	**€378,456**	€363,900
Basic Fee	**€91,000**	€87,500
Additional Fees:		
Audit Committee Chair	**€20,000**	€20,000
Remuneration Committee Chair	**€17,000**	€15,000
Senior Independent Director Fee	**€21,000**	€21,000
Workforce Engagement Director Fee	**€13,500**	€12,500

GOVERNANCE

Committee Composition, Attendance and Tenure

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

The members of the Committee have significant financial and business experience, including in executive remuneration. Each member's length of tenure at 31 March 2024 is set out in the chart on page 126. Further biographical details regarding the members of the Remuneration Committee are set out on pages 96 and 97.

The Committee met five times during the year ended 31 March 2024 and attendance details are set out in the table on page 103 of the Corporate Governance Statement.

The Company Secretary is the Secretary to the Remuneration Committee.

Meetings

The principal activities of the Committee and key topics discussed during the year ended 31 March 2024 are summarised in the table below.

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

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

Principal Activities	Key Topics Discussed During the Year
Executive Remuneration	• The Committee conducted a detailed review of the Company's Remuneration Policy, including consultation with the Company's principal shareholders. • The Committee approved changes in remuneration, including base salary, bonus potential, and long-term incentives for the Company's executive Directors and other members of the Group Management Team. • The Committee exercised oversight of executive remuneration for other members of senior management within the Group. • The Committee approved the grant of share options under the Company's LTIP and the vesting outcome under LTIP grants made in 2020.
Non-Executive Director Remuneration	• The Committee considered and approved the fee payable to the Chair of the Board.
Governance and Reporting	• The Committee reviewed and approved the Remuneration Report to be included in the 2024 Annual Report and Accounts. • The Committee considered a number of reports from the Committee's independent remuneration advisors in relevant trends and regulatory changes.

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

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

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

Annual Evaluation of Performance
The 2024 Board evaluation process concluded that the performance of the Remuneration Committee and of the Chair of the Committee was satisfactory. The Committee will focus on a small number of agreed actions arising from the 2024 Board evaluation process.

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

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

In the year ended 31 March 2024, Ellason received fees of €97,944 in respect of advice provided to the Committee regarding executive Director remuneration. They also provided services to the Group on incentive design.

In the year ended 31 March 2024, Mercer received fees of €1,230 as pension advisors to the Committee. Mercer also provides specific advice on pension practice and developments and act as actuaries and pension advisors to a number of companies in the Group.

AGM Votes on last year's Annual Report on Remuneration (2023) and the most recent Remuneration Policy (2021)
This table shows the voting outcome at the 2023 AGM in relation to the Annual Report on Remuneration as well as the voting outcome at the 2021 AGM in relation to the Remuneration Policy.

Vote	Total votes cast	Total votes for	Total votes against	Total abstentions
Advisory vote on 2023 Annual Report on Remuneration	78,842,454	70,662,224 (90%)	8,180,230 (10%)	1,481
Advisory vote on 2021 Remuneration Policy	54,865,957	54,100,511 (98.6%)	765,446 (1.4%)	2,063

The Directors of DCC plc present their report and the audited financial statements for the year ended 31 March 2024.

Principal Activities

DCC plc is an international sales, marketing and support services group headquartered in Dublin with operations in Europe, North America, South America and Asia. DCC has three divisions – DCC Energy, DCC Healthcare and DCC Technology. DCC employs 16,600 people in 22 countries. DCC plc's shares are listed on the London Stock Exchange and are included in the FTSE 100 Index.

Results and Review of Activities

Revenue for the year amounted to £19,859.0 million (2023: £22,205.0 million). The profit for the year attributable to owners of the Parent Company amounted to £326.3 million (2023: £334.0 million). Adjusted earnings per share amounted to 455.01 pence (2023: 456.27 pence). Further details of the results for the year are set out in the Group Income Statement on page 164.

The Chair's Statement on pages 6 and 7, the Chief Executive's Review on pages 8 to 11, the Business Reviews on pages 22 to 47 and the Financial Review on pages 52 to 59 contain a review of the development and performance of the Group's business during the year, of the state of affairs of the business at 31 March 2024, of recent events and of likely future developments. Key Performance Indicators are set out on pages 48 to 51. Information in respect of events since the year end is included in these sections and in note 5.8 on page 226.

Dividends

An interim dividend of 63.04 pence per share, amounting to £62.4 million, was paid on 15 December 2023. The Directors recommend the payment of a final dividend for the year ended 31 March 2024 of 133.53 pence per share, amounting to £131.9 million (based on the number of shares in issue at 13 May 2024). Subject to shareholders' approval at the AGM on 11 July 2024, this dividend will be paid on 18 July 2024 to shareholders on the register at the close of business on 24 May 2024. The ex-dividend date is 23 May 2024. The total dividend for the year ended 31 March 2024 amounts to 196.57 pence per share, a total of £194.4 million. This represents an increase of 5.0% on the prior year's total dividend per share.

The profit attributable to owners of the Parent Company, which has been transferred to reserves, and the dividends paid during the year ended 31 March 2024 are shown in note 4.3 on page 213.

Share Capital and Treasury Shares

DCC's authorised share capital is 152,368,568 ordinary shares of €0.25 each, of which 98,852,499 shares (excluding treasury shares) and 2,481,405 treasury shares were in issue at 31 March 2024. All of these shares are of the same class. With the exception of treasury shares, which have no voting rights and no entitlement to dividends, they all carry equal voting rights and rank for dividends.

The number of shares held as treasury shares at the beginning of the year (and the maximum number held during the year) was 2,586,698 (2.62% of the then issued share capital (excluding treasury shares)) with a nominal value of €0.647 million.

A total of 105,293 shares (0.1% of the issued share capital (excluding treasury shares)) with a nominal value of €0.026 million were re-issued during the year consequent to the exercise of share options under the DCC plc Long-term Incentive Plan 2009 (101,251 shares at a price of €0.25 per share) and the deferred bonus arrangements for executive Directors (4,042 shares at a price of €57.20 per share), leaving a balance held as treasury shares at 31 March 2024 of 2,481,405 shares (2.51% of the issued share capital (excluding treasury shares)) with a nominal value of €0.620 million.

At the Annual General Meeting ('AGM') held on 13 July 2023:

- The Company was granted authority to purchase up to 9,876,621 of its own shares (10% of the issued share capital (excluding treasury shares)) with a nominal value of €2.469 million.
- The Directors were given authority to exercise all the powers of the Company to allot shares up to an aggregate amount of €8.23 million, representing approximately one-third of the issued share capital (excluding treasury shares) of the Company. They were also given authority to allot shares for cash, other than strictly pro-rata to existing shareholdings. This authority was limited to the allotment of shares in specific circumstances relating to rights issues and other issues up to approximately 5% of the issued share capital (excluding treasury shares) of the Company.
- In addition, the Directors were given authority to allot additional shares for cash other than strictly pro-rata to existing shareholdings. This authority was limited to the allotment of shares for cash up to approximately 5% of the issued share capital (excluding treasury shares) and would only be used in connection with an acquisition or other capital investment of a kind contemplated by the Statement of Principles for the disapplication of pre-emption rights most recently published by the Pre-Emption Group prior to the date of the notice of the 2023 AGM.

These authorities have not been exercised and will expire on 11 July 2024, the date of the next AGM of the Company.

At the 2024 AGM:

- The Directors will seek authority to purchase up to 10% of its own shares (the issued share capital (excluding treasury shares)) with a nominal value of €2.47 million.
- The Directors will seek authority to exercise all the powers of the Company to allot shares up to an aggregate amount of €8.24 million, representing approximately one-third of the issued share capital (excluding treasury shares).
- The Directors will also seek authority to allot shares for cash, other than strictly pro-rata to existing shareholdings. This proposed authority is limited to the allotment of shares in specific circumstances relating to rights issues and other issues up to approximately 5% of the issued share capital (excluding treasury shares).
- In addition, the Directors will seek authority to allot additional shares for cash other than strictly pro-rata to existing shareholdings. This proposed authority is limited to the allotment of shares for cash up to approximately 5% of the issued share capital (excluding treasury shares) and will only be used in connection with an acquisition or other capital investment of a kind contemplated by the Statement of Principles for the disapplication of pre-emption rights most recently published by the Pre-Emption Group prior to the date of that the notice of the 2024 AGM.

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

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

Details of the share capital of the Company are set out in note 4.1 on page 211 and are deemed to form part of this Report.

Non-Financial Information

Pursuant to the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017, the Group is required to report on certain non-financial information to provide an understanding of its development, performance, position and the impact of its activities, relating to, at least, environmental matters, social matters, employee matters, respect for human rights, and bribery and corruption. Information on these matters can be found in the following sections of the Annual Report, which are deemed to form part of this Report: the Sustainability Review on pages 60 to 81, the Business Model on pages 14 and 15, the Risk Report on pages 82 to 92 and the Key Performance Indicators on pages 48 to 51.

The Board has approved a formal Board Policy on Diversity, which applies to the Board of DCC plc. Details of the policy, its objectives and its application in the current financial year are set out in the Governance and Sustainability Committee Report on pages 114 to 117.

Principal Risks and Uncertainties

Under Section 327(1)(b) of the Companies Act 2014 and Rule 4.1.8 R of the UK Disclosure Guidance and Transparency Rules, DCC is required to give a description of the principal risks and uncertainties facing the Group. These are addressed in the Risk Report on pages 82 to 92.

Directors

The names of the Directors and a short biographical note on each Director appear on pages 96 and 97. In accordance with the UK Corporate Governance Code, all Directors submit to re-election at each AGM. Donal Murphy has a service agreement with the Company with a notice period of six months. Kevin Lucey has a letter of appointment which provides for a six-month notice period. Details of the Directors' and Company Secretary's interests in the share capital of the Company are set out in the Remuneration Report on pages 126 to 151.

Corporate Governance

The Corporate Governance Statement on pages 100 to 112 sets out the Company's application of the principles and compliance with the provisions of the UK Corporate Governance Code and the Group's system of risk management and internal control. The Corporate Governance Statement shall be treated as forming part of this Report.

DCC plc is fully compliant with the 2018 version of the UK Corporate Governance Code, which applied to the Company for the year ended 31 March 2024.

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

General Meetings

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

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

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

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

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

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

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

The AGM will be held at 2.00 pm on 11 July 2024 at The Powerscourt Hotel, Powerscourt Estate, Enniskerry, Co. Wicklow, A98 DR12. Shareholders should monitor the Company's website for further information in this regard.

Memorandum and Articles of Association

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

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

Substantial Holdings

The Company has been notified of the following shareholdings of 3% or more in the issued share capital (excluding treasury shares) of the Company as at 31 March 2024 and 13 May 2024.

	As at 31 March 2024		As at 13 May 2024	
	No. of €0.25 Ordinary Shares	**% of Issued Share Capital (excluding treasury shares)**	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)
BlackRock, Inc.	**9,554,842**	**9.67%**	9,669,639	9.78%
FMR LLC and FIL Limited on behalf of its direct and indirect subsidiaries	**8,929,265**	**9.03%**	8,788,622	8.89%
Setanta Asset Management	**3,715,661**	**3.76%**	3,726,415	3.77%
Ameriprise Financial, Inc.	**3,343,266**	**3.38%**	2,868,339	2.90%
Allianz Global Investors GmbH	**3,085,056**	**3.12%**	3,071,083	3.11%
T. Rowe Price Associates, Inc.	**3,020,721**	**3.06%**	2,962,751	3.00%

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

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

UK Disclosure Guidance and Transparency Rules

The UK Disclosure Guidance and Transparency Rules require certain information to be included within this Annual Report and Accounts. That information can be found in the following sections: the Chair's Statement on pages 6 to 7, the Chief Executive's Review on pages 8 to 11, the Business Reviews on pages 22 to 47, the Financial Review on pages 52 to 59, the Principal Risks and Uncertainties on pages 87 to 91, the Transparency Report in the Statement of Directors' Responsibilities on page 156, the earnings per ordinary share in note 2.11 on page 184, the Key Performance Indicators on pages 48 to 51 and the derivative financial instruments in note 3.10 on pages 194 and 197.

Principal Subsidiaries

Details of the Company's principal operating subsidiaries are set out on pages 244 to 247.

Research and Development

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

Political Contributions

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

Accounting Records

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

Takeover Regulations

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

Directors' Compliance Statement

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

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

As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for the Company's compliance with the relevant obligations. In discharging their responsibilities under Section 225, the Directors relied on the advice of persons employed by the Company and of third parties, whom the Directors believe have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations.

Audit Committee

The Company has an Audit Committee, the members of which are set out on page 118.

Disclosure of Information to the Auditors

Each of the Directors individually confirms that:

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

Auditors

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

As required under Section 381(1) (b) of the Companies Act 2014, a resolution authorising the Directors to determine the remuneration of the auditors will be proposed at the 2024 AGM.

MARK BREUER, DONAL MURPHY
Directors
13 May 2024

FINANCIAL STATEMENTS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union and applicable law including Article 4 of the IAS Regulation. The Directors have elected to prepare the Company financial statements in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of Companies Act 2014.

Under company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year.

In preparing the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and 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 Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements comply with the provision of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014 including Article 4 of the IAS Regulation. They are responsible for such internal controls 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 safeguarding the assets of the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's and Company's website (www.dcc.ie). Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the annual financial 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 Directors' report includes a fair review of the development and performance of the business and the position of the issuer 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.

On behalf of the Board

Mark Breuer
Non-executive Chair

Donal Murphy
Chief Executive

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DCC PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of DCC plc ('the Company') and its consolidated undertakings ('the Group') for the year ended 31 March 2024 set out on pages 164 to 242, which comprise the Group and Company Balance Sheet, the Group Income Statement, the Group Statement of Comprehensive Income, the Group and Company Statement of Cash Flows, the Group and Company Statements of Changes in Equity and related notes, including the material accounting policies set out in note 5.9.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ('IFRS') as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 March 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ('IAASA'), as applied to listed entities.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining, inspecting and challenging management's assessment of going concern and underlying budgets and forecasts.
- Obtaining debt covenant calculations as at 31 March 2024 and inspecting the headroom available under those covenants.
- Inquiring about any legal claims with those charged with governance, Head of Legal, management, as well as local finance teams.
- Inquiring as to any subsequent events from those charged with governance, management, and local finance teams.
- Assessing the adequacy of the disclosures included within the Annual Report relating to Going Concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

In relation to the Group and the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the Directors. In addition, our risk assessment procedures included:

- Inquiring with the Directors and other management as to the Group's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of Directors, the Audit Committee and internal audit as to the Group's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DCC PLC Continued

- Inquiring of Directors, the Audit Committee and internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Inspecting selected regulatory and legal correspondence.
- Reading Board and sub-committee meeting minutes.
- Considering remuneration incentive schemes and performance targets for management and Directors including the earnings per share target for management remuneration.
- Performing planning analytical procedures to identify any usual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team. This included communication from the Group audit team to component audit teams of relevant laws and regulations and any fraud risks identified at the Group level and request to component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at Group.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation, taxation legislation and distributable profits legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group is 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. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, environmental law, competition law, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We did not identify any additional fraud risks.

In response to the fraud risks, we also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation;
- Assessing significant accounting estimates for bias; and
- Assessing the disclosures in the financial statements.

As the Group is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group operates in and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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 non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely 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 irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2023):

Group key audit matters

Valuation of goodwill and intangible assets £3,137 million (2023: £2,958 million)

Refer to note 5.9 (Summary of material accounting policies) and note 3.3 (Intangible assets and Goodwill)

The key Group audit matter	How the matter was addressed in our audit
The Group has significant goodwill and intangible assets arising from acquisitions. There is a risk that the carrying amounts of goodwill and intangible assets will be more than the estimated recoverable amount. The recoverable amount of goodwill and intangible assets is arrived at by forecasting and discounting future cash flows to determine value in use calculations for each Cash Generating Unit ('CGU'). These cash flows are inherently highly judgmental and rely on certain significant assumptions including future trading performance, future long-term growth rates and CGU specific discount rates. For the reasons outlined above the engagement team determine this matter to be a key audit matter.	To assess the Group's cash flow forecasts used in the determinations of the values in use we: • performed inquiries of the Group to develop an understanding of the process for goodwill impairment assessment and tested the design and implementation of key controls in this process; • gained an understanding of the Group's process to assess the goodwill and intangible assets for indicators of impairment. In particular, we considered how the Group calculate the value in use at a CGU level gaining an understanding of the assumptions made, changes in the model from prior periods, and why the Group concluded that the assumptions are reasonable; • performed an overall evaluation of the individual CGU discounted cash flow models based on our knowledge of the Group and our reading of the Group's Three Year Plan combined with external data which we considered relevant. We evaluated and challenged the assumptions used to develop the projected financial information regarding future profitability and long-term economic growth rates applied; • recalculated the Group's projections to evaluate the mathematical accuracy of the cash flow forecasts and the accuracy of the Group's cash flow estimates in previous years by comparing historical forecasts to actual outturns; • assessed the appropriateness of the CGU specific discount rates applied in determining the value in use of each CGU with the assistance of our in-house valuation specialist; • compared the value in use for the Group as a whole to the Group's market capitalisation; • used data and analytics procedures to perform scenario analysis over each of the CGUs in the three divisions, flexing key assumptions in the model through a series of iterations identifying CGUs that were most sensitive to movements in assumptions; and • considered whether the disclosures as set out in the financial statements are appropriate and in compliance with IAS 36 including the disclosures related to estimation uncertainty, significant judgements and assumptions made. Our procedures in respect of this risk were performed as planned. Based on evidence obtained, we found that the assumptions applied in the Group's cash flow forecast models used in the determination of value in use were appropriate. We read the disclosures of significant judgements made and found them to be appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DCC PLC Continued

Acquisition accounting on business combinations total consideration £371 million (2023: £365 million)
Refer to note 5.9 (Summary of material accounting policies) and note 5.2 (Business combinations)

The key Group audit matter	How the matter was addressed in our audit
Business combinations are accounted for using the acquisition method, which requires that the assets and liabilities are recorded at their respective fair values on the date of acquisition. The Group is required to apply judgement when estimating fair values of assets and liabilities on the date of acquisition of a business. Inappropriate assumptions may result in business combinations being accounted for incorrectly. The Group has made a number of acquisitions during the year ended 31 March 2024, including a number of individually significant transactions. The cost of acquisitions completed during the year ended 31 March 2024 totalled £371 million. For the reasons outlined above the engagement team determine this matter to be a key audit matter.	For significant acquisitions completed during the year, our audit engagement team supported by valuation specialists performed procedures which included but were not limited to the following: • We made inquiries of the Group to develop an understanding of the process for accounting for business combinations and tested the design and implementation of key controls in this process; • We read the underlying legal agreements and other transaction-related documents and assessed the appropriateness of the date of acquisition determined by the Group and if all potential accounting implications have been considered and appropriately accounted for. We engaged our in-house valuations specialist to assist us in this regard; • We assessed the Group's acquisition accounting and ensured that all considerations have been appropriately included; • We challenged the Group on the appropriateness of the fair values ascribed to assets, including intangible assets, and liabilities of the acquired businesses; • We assessed if the disclosures in the financial statements related to business combinations in the year, fair value adjustments to prior period transactions or other business transactions are appropriate in accordance with the requirements of IFRS 10 and IFRS 3; and • We reviewed and evaluated the appropriateness of any adjustments made to fair values of net assets within the finalisation of purchase price accounting of acquisitions made within the previous 12 months in line with IFRS 3. Based on the evidence obtained, we found the Group's judgements relating to the key assumptions used in the purchase price allocation to be appropriate.

Company key audit matter

Investment in subsidiary undertakings £1,142 million (2023: £1,174 million)
Refer to note 5.9 (Summary of material accounting policies) and note 6.4 (Investment in subsidiary undertakings)

The key Company audit matter	How the matter was addressed in our audit
The investment in subsidiary undertakings is carried in the Balance Sheet of the Company at cost less impairment. At 31 March 2024, the investment carrying value was £1,142 million. There is a risk in respect of the carrying value of these investments if the future cash flows and trading performance of these subsidiaries are not sufficient to support the Balance Sheet value. We focus on this area due to the significance of the balance to the Company Balance Sheet and the inherent uncertainty involved in forecasting and discounting future cash flows for the subsidiary businesses. For the reasons outlined above the engagement team determine this matter to be a key audit matter.	• We made inquiries of the Company to understand their process for assessing the recoverability of the investment carrying value in the Company and we tested the design and implementation of the key control in this process; • We considered the Company's assessment of impairment indicators across the Group; • We compared the carrying value of investments in the Company's Balance Sheet to the net assets of the subsidiary financial statements; • We considered the audit work performed in respect of current year results of subsidiaries and the valuation of goodwill and intangible assets; and • We compared the carrying value of subsidiaries to the market capitalisation of the Company at 31 March 2024. Based on evidence obtained, we found the Company's assessment of the carrying value of the investment in subsidiary undertakings to be appropriate.

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 £22.0 million. This has been calculated based on 5% of the Group profit before tax of £423.8 million which we consider to be one of the principal considerations for members of the Company in assessing the financial performance of the Group. The materiality for the prior year Group financial statements as a whole was set at £21.5 million. This was calculated based on 5% of the Group profit before tax. In applying our judgement in determining the percentage to be applied to the benchmark, the following qualitative factors had the most significant impact:

- The Group has a high public profile and operates in a regulated environment.
- The stability of the business environment in which it operates.

Performance materiality for the Group financial statements was set at 75% (2023: 75%) of materiality for the financial statements as a whole, which equates to £16.5m (2023: £16.1m). We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. In applying our judgement in determining performance materiality, we considered a number of factors including; the low number and value of misstatements detected and the low number and severity of deficiencies in control activities identified in the prior year financial statement audit.

We report to the Audit Committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of £1 million (2023: £1 million), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Materiality for the Company financial statements as a whole was set at £12 million (2023: £12 million), determined with reference to a benchmark of Company total assets of which it represents 0.8% (2023: 0.9%). Our approach to audit scoping is consistent with that applied in previous years. In determining the percentage applied to the benchmark, our judgement was significantly influenced by the following qualitative factors:

- The Company has a high public profile and operates in a regulated environment.
- The stability of the business environment in which its underlying investments operate.

Performance materiality for the Company financial statements was set at 75% (2023: 75%) of materiality for the financial statements, which equates to £9 million (2023: £9 million).

The components subjected to full scope audit contributed 99% (2023: 99%) of total revenues and 99% (2023: 99%) of total assets.

We applied materiality to assist us in determining what risks were significant risks and 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 materiality for components, which ranged from £2.5 million to £7.5 million, having regard to the mix of size and risk profile of the Group across the components. The work on fifty-nine in scope components was performed by the Group team and component auditors. Twenty-two component audits were performed by KPMG Dublin, twenty-seven performed by KPMG overseas offices and ten performed by non-KPMG member firms. The remaining components including the audit of the parent company, was performed by the Group audit team.

The Group audit team liaised extensively with all significant component auditors in order to assess the audit risk and strategy and work undertaken. Video and telephone conference meetings were held with these component auditors, as well as with auditors of other components across the Group. At these 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DCC PLC Continued

Other information

The Directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' report and the Strategic Report and Governance sections of the Annual Report and Supplemental Information.

The financial statements and our auditor's report thereon do not comprise part of the other information. 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.

Based solely on our work on the other information undertaken during the course of the audit we report that, in those parts of the Directors' report specified for our consideration:

- we have not identified material misstatements in the Directors' report;
- in our opinion, the information given in the Directors' report is consistent with the financial statements; and
- in our opinion, the Directors' report has been prepared in accordance with the Companies Act 2014.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability, that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules of the UK Listing Authority.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems; and
- Section describing the work of the Audit Committee.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception.

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.
- the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended 31 March 2023 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 156, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

Patricia Carroll
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03

13 May 2024

GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

		2024			2023		
	Note	Pre-exceptionals £'000	Exceptionals (note 2.6) £'000	Total £'000	Pre-exceptionals £'000	Exceptionals (note 2.6) £'000	Total £'000
Revenue	2.1	19,858,763	–	19,858,763	22,204,846	–	22,204,846
Cost of sales		(17,261,487)	–	(17,261,487)	(19,800,114)	–	(19,800,114)
Gross profit		2,597,276	–	2,597,276	2,404,732	–	2,404,732
Administration expenses		(673,676)	–	(673,676)	(629,510)	–	(629,510)
Selling and distribution expenses		(1,270,666)	–	(1,270,666)	(1,157,642)	–	(1,157,642)
Other operating income/(expenses)	2.2	29,846	(39,309)	(9,463)	38,082	(32,528)	5,554
Adjusted operating profit	2.1	682,780	(39,309)	643,471	655,662	(32,528)	623,134
Amortisation of intangible assets	3.3	(114,075)	–	(114,075)	(111,146)	–	(111,146)
Operating profit		568,705	(39,309)	529,396	544,516	(32,528)	511,988
Finance costs	2.7	(121,888)	(873)	(122,761)	(96,735)	–	(96,735)
Finance income	2.7	16,512	–	16,512	16,111	892	17,003
Share of equity accounted investments' profit/(loss) after tax	2.8	604	–	604	(692)	–	(692)
Profit before tax		463,933	(40,182)	423,751	463,200	(31,636)	431,564
Income tax expense	2.9	(89,631)	6,418	(83,213)	(87,526)	2,764	(84,762)
Profit after tax for the financial year		374,302	(33,764)	340,538	375,674	(28,872)	346,802
Profit attributable to:							
Owners of the Parent Company		359,570	(33,315)	326,255	362,683	(28,661)	334,022
Non-controlling interests		14,732	(449)	14,283	12,991	(211)	12,780
		374,302	(33,764)	340,538	375,674	(28,872)	346,802
Earnings per ordinary share							
Basic earnings per share	2.11			330.24p			338.40p
Diluted earnings per share	2.11			329.85p			338.04p

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £'000	2023 £'000
Group profit for the financial year		340,538	346,802
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation		(66,207)	43,280
Movements relating to cash flow hedges		37,117	(164,422)
Movement in deferred tax on cash flow hedges	2.9	(6,937)	30,374
		(36,027)	(90,768)
Items that will not be reclassified to profit or loss			
Group defined benefit pension obligations:			
– remeasurements	3.15	24	2,811
– movement in deferred tax	2.9	(117)	(800)
		(93)	2,011
Other comprehensive income for the financial year, net of tax		(36,120)	(88,757)
Total comprehensive income for the financial year		304,418	258,045
Attributable to:			
Owners of the Parent Company		292,686	243,242
Non-controlling interests		11,732	14,803
		304,418	258,045

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

	Note	2024 £'000	2023 £'000
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	**1,430,513**	1,354,806
Right-of-use leased assets	3.2	**349,925**	336,221
Goodwill	3.3	**2,190,147**	2,029,620
Intangible assets	3.3	**946,798**	928,009
Equity accounted investments	3.4	**32,825**	47,789
Deferred income tax assets	3.14	**81,258**	69,053
Derivative financial instruments	3.10	**42,760**	89,199
		5,074,226	4,854,697
Current assets			
Inventories	3.5	**1,072,061**	1,192,803
Trade and other receivables	3.6	**2,172,422**	2,312,269
Derivative financial instruments	3.10	**55,064**	59,258
Cash and cash equivalents	3.9	**1,109,446**	1,421,749
		4,408,993	4,986,079
Total assets		**9,483,219**	9,840,776
EQUITY			
Capital and reserves attributable to owners of the Parent Company			
Share capital	4.1	**17,422**	17,422
Share premium	4.1	**883,890**	883,669
Share based payment reserve	4.2	**63,806**	54,596
Cash flow hedge reserve	4.2	**(18,100)**	(48,280)
Foreign currency translation reserve	4.2	**64,873**	128,529
Other reserves	4.2	**932**	932
Retained earnings	4.3	**2,078,568**	1,941,223
Equity attributable to owners of the Parent Company		**3,091,391**	2,978,091
Non-controlling interests	4.4	**91,641**	80,219
Total equity		**3,183,032**	3,058,310
LIABILITIES			
Non-current liabilities			
Borrowings	3.11	**1,574,775**	1,933,759
Lease creditors	3.12	**284,856**	275,388
Derivative financial instruments	3.10	**27,536**	40,585
Deferred income tax liabilities	3.14	**286,217**	263,623
Post-employment benefit obligations	3.15	**6,557**	(11,721)
Provisions for liabilities	3.17	**306,367**	301,067
Acquisition related liabilities	3.16	**72,009**	86,172
Government grants	3.18	**2,704**	446
		2,561,021	2,889,319
Current liabilities			
Trade and other payables	3.7	**3,054,108**	3,279,898
Current income tax liabilities		**81,095**	85,324
Borrowings	3.11	**368,743**	320,856
Lease creditors	3.12	**77,527**	71,158
Derivative financial instruments	3.10	**20,914**	42,341
Provisions for liabilities	3.17	**67,011**	52,349
Acquisition related liabilities	3.16	**69,768**	41,221
		3,739,166	3,893,147
Total liabilities		**6,300,187**	6,782,466
Total equity and liabilities		**9,483,219**	9,840,776

Mark Breuer, Donal Murphy
Directors

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Parent Company						
	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 4.3) £'000	Other reserves (note 4.2) £'000	Total £'000	Non-controlling interests (note 4.4) £'000	Total equity £'000
At 1 April 2023	17,422	883,669	1,941,223	135,777	2,978,091	80,219	3,058,310
Profit for the financial year	–	–	326,255	–	326,255	14,283	340,538
Other comprehensive income:							
Currency translation	–	–	–	(63,656)	(63,656)	(2,551)	(66,207)
Group defined benefit pension obligations:							
– remeasurements	–	–	24	–	24	–	24
– movement in deferred tax	–		(117)	–	(117)	–	(117)
Movements relating to cash flow hedges	–	–	–	37,117	37,117	–	37,117
Movement in deferred tax on cash flow hedges	–	–	–	(6,937)	(6,937)	–	(6,937)
Total comprehensive income	–	–	326,162	(33,476)	292,686	11,732	304,418
Re-issue of treasury shares	–	221	–	–	221	–	221
Share based payment	–	–	–	9,210	9,210	–	9,210
Dividends	–	–	(188,817)	–	(188,817)	(310)	(189,127)
At 31 March 2024	17,422	883,890	2,078,568	111,511	3,091,391	91,641	3,183,032

FOR THE YEAR ENDED 31 MARCH 2023

	Attributable to owners of the Parent Company						
	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 4.3) £'000	Other reserves (note 4.2) £'000	Total £'000	Non-controlling interests (note 4.4) £'000	Total equity £'000
At 1 April 2022	17,422	883,321	1,783,033	221,408	2,905,184	65,379	2,970,563
Profit for the financial year	–	–	334,022	–	334,022	12,780	346,802
Other comprehensive income:							
Currency translation	–	–	–	41,257	41,257	2,023	43,280
Group defined benefit pension obligations:							
– remeasurements	–	–	2,811	–	2,811	–	2,811
– movement in deferred tax	–	–	(800)	–	(800)	–	(800)
Movements relating to cash flow hedges	–	–	–	(164,422)	(164,422)	–	(164,422)
Movement in deferred tax on cash flow hedges	–	–	–	30,374	30,374	–	30,374
Total comprehensive income	–	–	336,033	(92,791)	243,242	14,803	258,045
Re-issue of treasury shares	–	348	–	–	348	–	348
Share based payment	–	–	–	7,160	7,160	–	7,160
Dividends	–	–	(177,843)	–	(177,843)	(129)	(177,972)
Non-controlling interest arising on acquisition	–	–	–	–	–	166	166
At 31 March 2023	17,422	883,669	1,941,223	135,777	2,978,091	80,219	3,058,310

GROUP CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £'000	2023 £'000
Operating activities			
Cash generated from operations before exceptionals	5.3	995,793	860,746
Exceptionals		(30,934)	(23,780)
Cash generated from operations		964,859	836,966
Interest paid (including lease interest)		(118,780)	(82,576)
Income tax paid		(124,057)	(97,485)
Net cash flow from operating activities		722,022	656,905
Investing activities			
Inflows:			
Proceeds from disposal of property, plant and equipment		6,666	22,643
Dividends received from equity accounted investments		1,261	–
Government grants received in relation to property, plant and equipment	3.18	2,669	216
Disposal of equity accounted investments		17,668	–
Interest received		15,285	15,535
		43,549	38,394
Outflows:			
Purchase of property, plant and equipment		(230,354)	(229,440)
Acquisition of subsidiaries	5.2	(288,155)	(318,486)
Payment of accrued acquisition related liabilities	3.16	(50,334)	(21,987)
		(568,843)	(569,913)
Net cash flow from investing activities		(525,294)	(531,519)
Financing activities			
Inflows:			
Proceeds from issue of shares	4.1	221	348
Net cash inflow on derivative financial instruments		69,182	–
Increase in interest-bearing loans and borrowings		–	603,054
		69,403	603,402
Outflows:			
Repayment of interest-bearing loans and borrowings		(270,836)	(393,469)
Net cash outflow on derivative financial instruments		–	(57,902)
Repayment of lease creditors (principal)		(82,187)	(74,219)
Dividends paid to owners of the Parent Company	2.10	(188,817)	(177,843)
Dividends paid to non-controlling interests	4.4	(310)	(129)
		(542,150)	(703,562)
Net cash flow from financing activities		(472,747)	(100,160)
Change in cash and cash equivalents		(276,019)	25,226
Translation adjustment		(22,341)	19,376
Cash and cash equivalents at beginning of year		1,371,206	1,326,604
Cash and cash equivalents at end of year	3.9	1,072,846	1,371,206
Cash and short-term bank deposits	3.9	1,109,446	1,421,749
Overdrafts	3.9	(36,600)	(50,543)
		1,072,846	1,371,206

NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statements provide additional information required by statute, accounting standards or Listing Rules. For clarity, each note begins with a simple introduction outlining the purpose of the note.

SECTION 1 BASIS OF PREPARATION

1.1 STATEMENT OF COMPLIANCE

International Financial Reporting Standards ('IFRS') require an entity whose financial statements comply with IFRS to make an explicit and unreserved statement of such compliance in the notes to the financial statements.

The consolidated financial statements of DCC plc have been prepared in accordance with International Financial Reporting Standards ('IFRS') and their interpretations approved by the International Accounting Standards Board ('IASB') as adopted by the European Union ('EU') and those parts of the Companies Act, 2014 applicable to companies reporting under IFRS. IFRS as adopted by the EU differ in certain respects from IFRS as issued by the IASB. Both the Parent Company and the Group financial statements have been prepared in accordance with IFRS as adopted by the EU and references to IFRS hereafter should be construed as references to IFRS as adopted by the EU. In presenting the Parent Company financial statements together with the Group financial statements, the Parent Company has availed of the exemption in Section 304(2) of the Companies Act, 2014 not to present its individual Income Statement and related notes that form part of the approved Parent Company financial statements. The Parent Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 304(2) of the Companies Act, 2014.

The Going Concern Statement on page 92 forms part of the Group financial statements. The Directors acknowledge that based on their review of the Group's activities, cash flows, liquidity position and borrowing facilities for the financial year ended 31 March 2024, and having assessed the principal risks facing the Group, the Board of Directors has a reasonable expectation that DCC plc, and the Group as a whole, has adequate financial and other resources to continue in operational existence and will be able to meet its liabilities as they fall due over the 12-month going concern period.

DCC plc, the ultimate Parent Company, is a publicly traded limited company incorporated and domiciled in the Republic of Ireland. DCC plc's shares have a Premium Listing on the Official List of the United Kingdom Listing Authority and are traded solely on the London Stock Exchange.

1.2 BASIS OF PREPARATION

This section includes information on new accounting standards, amendments and interpretations, whether they are effective for the current year or in later years, and how they are expected to impact the financial position and performance of the Group.

The consolidated financial statements, which are presented in sterling, rounded to the nearest thousand, have been prepared on a going concern basis under the historical cost convention, as modified by the measurement at fair value of share-based payments at the date of grant, post-employment benefit obligations and certain financial assets and liabilities including derivative financial instruments. The carrying values of recognised assets and liabilities that are hedged via fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.

The material accounting policies applied in the preparation of the financial statements for the year ended 31 March 2024 are set out in note 5.9. These policies have been applied consistently by the Group's subsidiaries and equity accounted investments for all periods presented in these consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are detailed in note 1.4.

Adoption of IFRS and International Financial Reporting Interpretations Committee ('IFRIC') Interpretations
The following changes to IFRS became effective for the Group during the year but did not result in a material change to the Group's financial statements:

- Disclosure of Accounting Policies – Amendments to IAS 1
- Definition of Accounting Estimates – Amendments to IAS 8
- Insurance Contracts – IFRS 17
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

NOTES TO THE FINANCIAL STATEMENTS Continued

1.2 BASIS OF PREPARATION continued

Standards, interpretations and amendments to published standards that are not yet effective
The Group has not applied certain new standards, amendments and interpretations to existing standards that have been issued but are not yet effective. These include:

- Classification of Liabilities as Current or Non-current – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
- Lack of Exchangeability – Amendments to IAS 21

The impact of these new standards is not expected to result in a net material change to the Group's financial statements.

1.3 BASIS OF CONSOLIDATION

This section details how the Group accounts for the different types of interests it has in subsidiaries and equity accounted investments.

SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over its relevant activities, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The results of subsidiary undertakings acquired or disposed of during the year are included in the Group Income Statement from the date of their acquisition or up to the date of their disposal. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

EQUITY ACCOUNTED INVESTMENTS

The Group's interests in equity accounted investments comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity accounted investments, until the date on which significant influence ceases.

TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

This section sets out the key areas of judgement and estimation that management has identified as having a potentially material impact on the Group's consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Group's material accounting policies affecting its results of operations and financial condition are set out in note 5.9. The Group has considered the impact of climate change on the financial statements including impairment of non-financial and financial assets, the useful lives of assets, and provisions. Further details are included in note 3.1 Property, Plant and Equipment and note 3.3 Intangible Assets and Goodwill. The Group also considers the impact of climate change as part of the annual budget and strategic plans to ensure consistency with achieving the Group's carbon reduction targets.

We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and management has discussed its critical accounting estimates and associated disclosures with the Audit Committee. Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates ('E') and judgements ('J'):

1.4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS continued

GOODWILL (E, J)

The Group has capitalised goodwill of £2,190.1 million at 31 March 2024. Goodwill is required to be tested for impairment at least annually or more frequently if changes in circumstances or the occurrence of events indicating potential impairment exist. The Group uses the present value of future cash flows to determine recoverable amount. In calculating the value in use, management judgement and estimation is required in forecasting cash flows of cash-generating units, in determining terminal growth values and in selecting an appropriate discount rate. Sensitivities to changes in assumptions are detailed in note 3.3.

BUSINESS COMBINATIONS (E)

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

For intangible assets acquired, the Group bases valuations on expected future cash flows. This method employs a discounted cash flow analysis using the present value of the estimated after-tax cash flows expected to be generated from the purchased intangible asset using risk adjusted discount rates and revenue forecasts as appropriate. The period of expected cash flows is based on the expected useful life of the intangible asset acquired. The Group engages a specialist valuation expert to assist with this process where appropriate.

TAXATION (E, J)

The Group is subject to income taxes in a number of jurisdictions. Provisions for tax liabilities require management to make judgements and estimates in relation to tax issues and exposures. Amounts provided are based on management's interpretation of country-specific tax laws and the likelihood or probability of settlement. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current tax and/or deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The Group estimates the most probable amount of future taxable profits, using assumptions consistent with those employed in impairment calculations, and taking into account applicable tax legislation in the relevant jurisdiction. These calculations require the use of estimates.

USEFUL LIVES FOR PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (E, J)

Long-lived assets comprising primarily of property, plant and equipment and intangible assets represent a significant portion of the Group's total assets. The annual depreciation and amortisation charge depend primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. Management regularly review these useful lives and residual values and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, the impact of climate change, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the period.

NOTES TO THE FINANCIAL STATEMENTS Continued

SECTION 2 RESULTS FOR THE YEAR

2.1 SEGMENT INFORMATION

The Group is organised into three operating segments. This section provides information on the financial performance for the year on both a segmental and geographic basis.

SEGMENTAL ANALYSIS

DCC is a leading international sales, marketing and support services group headquartered in Dublin, Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The CODM has been identified as Mr. Donal Murphy, Chief Executive and his Group Management Team.

The Group is organised into three operating segments (as identified under IFRS 8 Operating Segments) and generates revenue through the following activities:

DCC Energy is putting cleaner energy in the power of our customers by leading the sales, marketing, and distribution of traditional, lower carbon, and zero carbon energy solutions. DCC Energy comprises Energy Solutions and Energy Mobility. Our Energy Solutions business makes energy transition less complex for commercial and industrial customers. And we will make it simpler and more affordable for domestic customers. Our Energy Mobility business is leading in multi-energy networks and services for passenger cars and truck fleets. The adjusted operating profit of Energy Solutions represents approximately 76% of this segment's adjusted operating profit in the current year and Energy Mobility represents approximately 24%.

DCC Healthcare comprises DCC Vital and DCC Health & Beauty Solutions. DCC Vital helps to improve patient outcomes by providing medical products that enable practitioners to diagnose and treat illness. DCC Health & Beauty Solutions develop and manufacture nutritional supplements and beauty products to help maintain consumers' everyday health and wellness.

DCC Technology acts as an enabler between global technology brands and the people and businesses who use their products. DCC Technology comprises Pro Tech, Life Tech and Info Tech. Through Pro Tech, we bring professional technologies together to enhance audio and visual experiences. Through Life Tech, we provide technology to make high-quality lifestyles happen. And through Info Tech, we put the latest technology in people's hands to make faster connections happen.

The chief operating decision maker monitors the operating results of segments separately to allocate resources between segments and to assess performance. Segment performance is predominantly evaluated based on operating profit before amortisation of intangible assets and net operating exceptional items ('adjusted operating profit') and return on capital employed. Net finance costs and income tax are managed on a centralised basis and therefore these items are not allocated between operating segments for the purpose of presenting information to the chief operating decision maker and accordingly are not included in the detailed segmental analysis.

Intersegment revenue is not material and thus not subject to separate disclosure.

2.1 SEGMENT INFORMATION continued

The segment results for the year ended 31 March 2024 are as follows:

INCOME STATEMENT ITEMS

	Year ended 31 March 2024			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Segment revenue	14,224,938	859,379	4,774,446	19,858,763
Adjusted operating profit	502,961	88,099	91,720	682,780
Amortisation of intangible assets	(77,236)	(10,550)	(26,289)	(114,075)
Net operating exceptionals (note 2.6)	(14,858)	(5,087)	(19,364)	(39,309)
Operating profit	410,867	72,462	46,067	529,396
Finance costs				(122,761)
Finance income				16,512
Share of equity accounted investments' profit after tax				604
Profit before income tax				423,751
Income tax expense				(83,213)
Profit for the year				340,538

	Year ended 31 March 2023			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Segment revenue	16,119,452	821,527	5,263,867	22,204,846
Adjusted operating profit	457,815	91,742	106,105	655,662
Amortisation of intangible assets	(68,731)	(9,318)	(33,097)	(111,146)
Net operating exceptionals (note 2.6)	(21,603)	(4,367)	(6,558)	(32,528)
Operating profit	367,481	78,057	66,450	511,988
Finance costs				(96,735)
Finance income				17,003
Share of equity accounted investments' loss after tax				(692)
Profit before income tax				431,564
Income tax expense				(84,762)
Profit for the year				346,802

NOTES TO THE FINANCIAL STATEMENTS Continued

2.1 SEGMENT INFORMATION continued

BALANCE SHEET ITEMS

	As at 31 March 2024			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Segment assets	**5,181,837**	**1,010,104**	**1,969,925**	**8,161,866**
Reconciliation to total assets as reported in the Group Balance Sheet:				
Equity accounted investments				**32,825**
Derivative financial instruments (current and non-current)				**97,824**
Deferred income tax assets				**81,258**
Cash and cash equivalents				**1,109,446**
Total assets as reported in the Group Balance Sheet				**9,483,219**
Segment liabilities	**2,461,542**	**146,937**	**825,528**	**3,434,007**
Reconciliation to total liabilities as reported in the Group Balance Sheet:				
Borrowings (current and non-current)				**1,943,518**
Lease creditors (current and non-current)				**362,383**
Derivative financial instruments (current and non-current)				**48,450**
Income tax liabilities (current and deferred)				**367,312**
Acquisition related liabilities (current and non-current)				**141,777**
Government grants (current and non-current)				**2,740**
Total liabilities as reported in the Group Balance Sheet				**6,300,187**

	As at 31 March 2023			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Segment assets	4,960,699	1,044,881	2,148,148	8,153,728
Reconciliation to total assets as reported in the Group Balance Sheet:				
Equity accounted investments				47,789
Derivative financial instruments (current and non-current)				148,457
Deferred income tax assets				69,053
Cash and cash equivalents				1,421,749
Total assets as reported in the Group Balance Sheet				9,840,776
Segment liabilities	2,491,227	173,370	956,965	3,621,562
Reconciliation to total liabilities as reported in the Group Balance Sheet:				
Borrowings (current and non-current)				2,254,615
Lease creditors (current and non-current)				346,546
Derivative financial instruments (current and non-current)				82,926
Income tax liabilities (current and deferred)				348,947
Acquisition related liabilities (current and non-current)				127,393
Government grants (current and non-current)				477
Total liabilities as reported in the Group Balance Sheet				6,782,466

2.1 SEGMENT INFORMATION continued

OTHER SEGMENT INFORMATION

	Year ended 31 March 2024			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Capital expenditure – additions (note 3.1)	**182,385**	**31,961**	**9,551**	**223,897**
Capital expenditure – business combinations (note 3.1)	**48,591**	**–**	**12**	**48,603**
Depreciation (excluding right-of-use assets) (note 3.1)	**124,921**	**15,710**	**16,725**	**157,356**
Total consideration on business combinations (note 5.2)	**367,182**	**–**	**3,782**	**370,964**
Goodwill and intangible assets acquired (note 3.3)	**373,868**	**2,768**	**2,499**	**379,135**

	Year ended 31 March 2023			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Capital expenditure – additions (note 3.1)	195,862	30,016	9,390	235,268
Capital expenditure – business combinations (note 3.1)	855	5,418	–	6,273
Depreciation (excluding right-of-use assets) (note 3.1)	112,321	14,430	17,692	144,443
Total consideration on business combinations (note 5.2)	136,595	228,522	23	365,140
Goodwill and intangible assets acquired (note 3.3)	107,185	240,144	14,878	362,207

GEOGRAPHICAL ANALYSIS

The Group has a presence in 22 countries worldwide. The following represents a geographical analysis of revenue and non-current assets in accordance with IFRS 8, which requires disclosure of information about the country of domicile (Republic of Ireland) and countries with material revenue and non-current assets. Revenue from operations is derived almost entirely from the sale of goods and is disclosed based on the location of the entity selling the goods. The analysis of non-current assets is based on the location of the assets. There are no material dependencies or concentrations on individual customers which would warrant disclosure under IFRS 8.

	Revenue		Non-current assets*	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Republic of Ireland (country of domicile)	**2,082,413**	2,255,595	**230,348**	230,304
United Kingdom	**6,534,555**	7,562,103	**1,487,302**	1,319,398
France	**3,445,434**	3,706,272	**961,631**	981,757
United States	**1,965,614**	2,189,358	**860,514**	939,232
Rest of World	**5,830,747**	6,491,518	**1,410,413**	1,225,754
	19,858,763	22,204,846	**4,950,208**	4,696,445

*Non-current assets comprise property, plant and equipment, right-of-use leased assets, intangible assets, goodwill and equity accounted investments.

DISAGGREGATION OF REVENUE

The following table disaggregates revenue by primary geographical market, major revenue lines and timing of revenue recognition. The use of revenue as a metric of performance in the Group's Energy segment is of limited relevance due to the influence of changes in underlying energy product costs on absolute revenues. Whilst changes in underlying energy product costs will change percentage operating margins, this has little relevance in the downstream energy distribution market in which this segment operates where elements of profitability are driven by absolute contribution per tonne/litre of product sold, and not a percentage margin. Accordingly, management primarily review geographic volume performance rather than geographic revenue performance for this segment as country-specific GDP and weather patterns can influence volumes. The disaggregated revenue information presented below for DCC Healthcare and DCC Technology, which can also be influenced by country-specific GDP movements, is consistent with how revenue is reported and reviewed internally.

NOTES TO THE FINANCIAL STATEMENTS Continued

2.1 SEGMENT INFORMATION continued

	Year ended 31 March 2024			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Republic of Ireland (country of domicile)	1,591,561	119,323	371,529	2,082,413
United Kingdom	4,501,053	380,877	1,652,625	6,534,555
France	3,115,534	55,218	274,682	3,445,434
North America	254,370	159,427	1,721,283	2,135,080
Rest of World	4,762,420	144,534	754,327	5,661,281
	14,224,938	859,379	4,774,446	19,858,763
Products transferred at point in time	14,224,938	859,379	4,774,446	19,858,763
Energy solutions products and services	8,871,109	–	–	8,871,109
Energy mobility products and services	5,353,829	–	–	5,353,829
Medical and pharmaceutical products	–	498,867	–	498,867
Nutrition and health & beauty products	–	360,512	–	360,512
Technology products and services	–	–	4,774,446	4,774,446
	14,224,938	859,379	4,774,446	19,858,763

	Year ended 31 March 2023			
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	Total £'000
Republic of Ireland (country of domicile)	1,688,901	110,766	455,928	2,255,595
United Kingdom	5,358,282	399,599	1,804,222	7,562,103
France	3,360,372	24,173	321,727	3,706,272
North America	311,521	175,757	1,875,842	2,363,120
Rest of World	5,400,376	111,232	806,148	6,317,756
	16,119,452	821,527	5,263,867	22,204,846
Products transferred at point in time	16,119,452	821,527	5,263,867	22,204,846
Energy solutions products and services	9,996,896	–	–	9,996,896
Energy mobility products and services	6,122,556	–	–	6,122,556
Medical and pharmaceutical products	–	448,931	–	448,931
Nutrition and health & beauty products	–	372,596	–	372,596
Technology products and services	–	–	5,263,867	5,263,867
	16,119,452	821,527	5,263,867	22,204,846

2.2 OTHER OPERATING INCOME/(EXPENSES)

This note provides an analysis of the amounts included in other operating income and expenses presented in the Group Income Statement.

Other operating income/(expenses) comprise the following credits/(charges):

	2024 £'000	2023 £'000
Other operating income/(expenses)		
Fair value gains on non-hedge accounted derivative financial instruments – commodities	8,741	5,721
Fair value losses on non-hedge accounted derivative financial instruments – commodities	(8,741)	(5,721)
Fair value gains on non-hedge accounted derivative financial instruments – forward exchange contracts	1,408	1,065
Fair value losses on non-hedge accounted derivative financial instruments – forward exchange contracts	(815)	(1,363)
Property and tank rental income	21,686	21,222
Net profit on disposal of property, plant and equipment	1,148	12,346
Expensing of employee share options and awards (note 2.5)	(9,210)	(7,160)
Other net operating income	15,629	11,972
Net other operating income before exceptional items	29,846	38,082
Other operating income included in net exceptional items	3,470	404
Other operating expenses included in net exceptional items	(42,779)	(32,932)
Total net other operating (expenses)/income	(9,463)	5,554

2.3 GROUP PROFIT FOR THE YEAR

The Group profit for the year includes some key amounts which are presented separately below.

Group profit for the year has been arrived at after charging/(crediting) the following amounts:

	2024 £'000	2023 £'000
Depreciation on property, plant and equipment (note 3.1)	157,356	144,443
Depreciation on right-of-use assets (note 3.2)	82,838	75,238
Amortisation of intangible assets (note 3.3)	114,075	111,146
Amortisation of government grants (note 3.18)	(376)	(114)
Foreign exchange gain	(952)	(182)

During the year the Group obtained the following services from the Group's auditors (KPMG):

	2024 £'000	2023 £'000
KPMG Ireland (statutory auditor):		
Audit fees	2,096	1,832
Other including non-audit, audit related and assurance services	22	23
	2,118	1,855
Other KPMG network firms:		
Audit fees	2,462	1,839
Other including non-audit, audit related and assurance services	231	136
	2,693	1,975

NOTES TO THE FINANCIAL STATEMENTS Continued

2.4 EMPLOYMENT

This section provides an analysis of the average number of employees in the Group by segment together with their related payroll expense for the year. Further information on the compensation of key management personnel is included in note 5.6, Related Party Transactions.

The average number of persons (including executive Directors) employed by the Group during the year, analysed by class of business, was:

	2024 Number	2023 Number
DCC Energy	8,229	7,591
DCC Healthcare	3,351	3,181
DCC Technology	4,706	4,883
	16,286	15,655

The employee benefit expense (excluding termination payments – note 2.6) for the above were:

	2024 £'000	2023 £'000
Wages and salaries	827,338	759,712
Social welfare costs	93,818	89,207
Share based payment expense (note 2.5)	9,210	7,160
Pension costs – defined contribution plans	27,146	21,957
Pension costs – defined benefit plans (note 3.15)	689	439
	958,201	878,475

Directors' emoluments (which are included in operating costs) and interests are presented in the Remuneration Report on pages 126 to 151. Details of the compensation of key management personnel for the purposes of the disclosure requirements under IAS 24 are provided in note 5.6.

2.5 EMPLOYEE SHARE OPTIONS AND AWARDS

Share options and awards are used to incentivise Directors and employees of the Group. A charge is recognised over the vesting period in the Income Statement to record the cost of these share options and awards, based on the fair value of the share option/award at the grant date.

The Group's employee share options and awards are equity-settled share-based payments as defined in IFRS 2 Share-based Payment. The IFRS requires that a recognised valuation methodology be employed to determine the fair value of share options granted. The expense reported in the Income Statement of £9.210 million (2023: £7.160 million) has been arrived at by applying a Monte Carlo simulation technique for share awards issued under the DCC plc Long-term Incentive Plans.

IMPACT ON INCOME STATEMENT

The total share option expense is analysed as follows:

Date of grant	Share price at date of grant	Minimum duration of vesting period	Number of share awards/ options granted	Weighted average fair value	Expense in Income Statement 2024 £'000	Expense in Income Statement 2023 £'000
16 November 2017	£70.95	5 years	128,451	£56.52	–	724
15 November 2018	£60.65	5 years	167,567	£46.13	766	1,146
14 November 2019	£68.80	5 years	147,939	£53.32	1,103	170
12 November 2020	£57.08	5 years	170,152	£44.63	853	1,465
11 November 2021	£61.42	3 years	171,974	£46.39	2,586	2,694
10 November 2022	£45.53	3 years	271,759	£31.82	2,792	961
16 November 2023	£52.36	3 years	243,181	£41.10	1,110	–
Total expense					9,210	7,160

2.5 EMPLOYEE SHARE OPTIONS AND AWARDS continued

DCC PLC LONG-TERM INCENTIVE PLANS

At 31 March 2024, Group employees hold awards to subscribe for 919,259 ordinary shares under the DCC plc Long-term Incentive Plans.

The general terms of the DCC plc Long-term Incentive Plans are set out in the Remuneration Report on page 146.

The DCC plc Long-term Incentive Plans contain both market and non-market based vesting conditions. Accordingly, the fair value assigned to the related equity instrument on initial application of IFRS 2 Share-based Payment is adjusted to reflect the anticipated likelihood at the grant date of achieving the market based vesting conditions. The cumulative non-market based charge to the Income Statement is reversed where entitlements do not vest because non-market performance conditions have not been met or where an employee in receipt of share entitlements relinquishes service before the end of the vesting period.

A summary of activity under the DCC plc Long-term Incentive Plans during the year is as follows:

	2024 Number of share awards	2023 Number of share awards
At 1 April	842,638	730,042
Granted	243,181	271,759
Exercised	(101,251)	(95,658)
Expired and forfeited	(65,309)	(63,505)
At 31 March	919,259	842,638

The weighted average share price at the dates of exercise for share awards exercised during the year under the DCC plc Long-term Incentive Plans was £52.02 (2023: £50.16). The share awards outstanding at the year end have a weighted average remaining contractual life of 5.0 years (2023: 4.9 years).

The weighted average fair values assigned to share awards granted under the DCC plc Long-term Incentive Plan, which were computed in accordance with the Monte Carlo valuation methodology, were as follows:

Granted during the year ended 31 March 2024	£41.10
Granted during the year ended 31 March 2023	£31.82

The fair values of share awards granted under the DCC plc Long-term Incentive Plan were determined taking account of peer group total share return volatilities and correlations together with the following assumptions:

	2024	2023
Risk-free interest rate (%)	3.96	3.19
Dividend yield (%)	3.7	3.9
Expected volatility (%)	24.0	30.0
Expected life in years	5.0	5.0
Share price at date of grant	£52.36	£45.53

The risk free rate of return is the yield on government bonds of a term consistent with the assumed option life. The dividend yield is based on historic dividend rates. The expected volatility is based on historic volatility over the past three years. The expected life is the average expected period to exercise.

NOTES TO THE FINANCIAL STATEMENTS Continued

2.5 EMPLOYEE SHARE OPTIONS AND AWARDS continued

Analysis of closing balance:

Date of grant	Date of expiry	2024 Number of share awards	2023 Number of share awards
10 February 2017	10 February 2024	–	27,243
16 November 2017	16 November 2024	5,163	37,760
15 November 2018	15 November 2025	44,640	86,051
14 November 2019	14 November 2026	77,379	77,699
12 November 2020	12 November 2027	115,318	170,152
11 November 2021	11 November 2028	168,810	171,974
10 November 2022	10 November 2029	264,768	271,759
16 November 2023	16 November 2030	243,181	–
Total outstanding at 31 March		919,259	842,638
Total exercisable at 31 March		49,803	65,003

2.6 EXCEPTIONALS

Exceptional items are those items which, in the judgement of the Directors, need to be disclosed separately by virtue of their scale and nature. These exceptional items, detailed below, could distort the understanding of our underlying performance for the year and comparability between periods and are therefore presented separately.

	2024 £'000	2023 £'000
Restructuring and integration costs and other	(28,142)	(13,401)
Acquisition and related costs	(14,347)	(10,604)
Adjustments to contingent acquisition consideration (note 3.16)	3,180	(8,523)
Net operating exceptional items	(39,309)	(32,528)
Mark-to-market of swaps and related debt (note 2.7)	(873)	892
Net exceptional items before tax	(40,182)	(31,636)
Income tax and deferred tax attaching to exceptional items	6,418	2,764
Net exceptional items after tax	(33,764)	(28,872)
Non-controlling interest share of net exceptional items after tax	449	211
Net exceptional items attributable to owners of the Parent Company	(33,315)	(28,661)

Restructuring and integration costs and other of £28.142 million (2023: £13.401 million) relates to the restructuring and integration of operations across a number of businesses and acquisitions. Most of the cost relates to optimisation and integration of operations in DCC Technology as well as costs incurred in DCC Healthcare to merge operations in North America. Restructuring and integration costs and other also include impairment charges relating to property, plant and equipment (£4.140 million) and right-of-use assets (£3.032 million) arising from these restructurings.

Acquisition and related costs include the professional fees and tax costs relating to the evaluation and completion of acquisition opportunities and amounted to £14.347 million (2023: £10.604 million).

Adjustments to contingent acquisition consideration of £3.180 million (2023: charge of £8.523 million) reflects movements in provisions associated with the expected earn-out or other deferred arrangements that arise through the Group's corporate development activity. The credit in the year primarily reflects a decrease in contingent consideration payable in respect of acquisitions in DCC Health & Beauty Solutions where recent trading performance has been behind expectations.

The level of ineffectiveness calculated under IAS 39 on the hedging instruments related to the Group's US private placement debt is charged or credited as an exceptional item. In the year ended 31 March 2024, this amounted to an exceptional non-cash charge of £0.873 million (2023: credit of £0.892 million). The cumulative net exceptional credit taken in respect of IAS 39 ineffectiveness is £0.544 million. This, or any subsequent similar non-cash charges or gains, will net to zero over the remaining term of this debt and the related hedging instruments.

There was a related income tax credit of £6.418 million (2023: credit of £2.764 million) and non-controlling interest credit of £0.449 million (2023: £0.211 million) in relation to certain exceptional charges.

The net cash flow impact in the current year for exceptional items was an outflow of £13.266 million (2023: an outflow of £23.370 million).

2.7 FINANCE COSTS AND FINANCE INCOME

This note details the interest income generated by our financial assets and the interest expense incurred on our financial liabilities. Finance income principally comprises interest on cash and term deposits and net income on interest rate and currency swaps whilst finance costs mainly comprise interest on Unsecured Notes, bank borrowings and lease creditors.

	2024 £'000	2023 £'000
Finance costs		
On bank loans, overdrafts and Unsecured Notes	(91,265)	(80,030)
Net cost on interest rate and currency swaps	(10,316)	–
Lease interest (note 3.12)	(11,486)	(9,577)
Unwinding of discount applicable to acquisition related liabilities (note 3.16)	(5,383)	(2,264)
Unwinding of discount applicable to provisions for liabilities (note 3.17)	(962)	(1,279)
Facility fees	(1,580)	(1,678)
Other interest	(896)	(1,907)
	(121,888)	(96,735)
Mark-to-market of swaps and related debt*	(873)	–
	(122,761)	(96,735)
Finance income		
Interest on cash and term deposits	16,140	4,468
Net income on interest rate and currency swaps	–	11,445
Net interest income on defined benefit pension schemes (note 3.15)	372	198
	16,512	16,111
Mark-to-market of swaps and related debt*	–	892
	16,512	17,003
Net finance cost	(106,249)	(79,732)
* Mark-to-market of swaps and related debt:		
Interest rate swaps designated as fair value hedges	9,416	(28,790)
Cross currency interest rate swaps designated as fair value hedges	2,610	10,864
Adjusted hedged fixed rate debt	(12,899)	18,818
Mark-to-market of swaps designated as fair value hedges and related debt	(873)	892
Movement on cross currency interest rate swaps designated as cash flow hedges	(3,375)	12,418
Transferred to cash flow hedge reserve	3,375	(12,418)
	–	–
Total mark-to-market of swaps and related debt	(873)	892

NOTES TO THE FINANCIAL STATEMENTS Continued

2.8 SHARE OF EQUITY ACCOUNTED INVESTMENTS' PROFIT/(LOSS) AFTER TAX

Share of equity accounted investments' profit/(loss) after tax represents the results of businesses we do not control, but instead exercise significant influence and generally have an equity holding of up to 50%.

The Group's share of equity accounted investments' (i.e. associates) profit/(loss) after tax is equity accounted and presented as a single line item in the Group Income Statement. The profit/(loss) after tax generated by the Group's equity accounted investments is analysed as follows under the principal Group Income Statement captions:

Group share of:	2024 £'000	2023 £'000
Revenue	53,404	32,638
Operating profit/(loss) before tax	623	(907)
Income tax	(19)	215
Profit/(loss) after tax	604	(692)

2.9 INCOME TAX EXPENSE

Tax is payable in the jurisdictions in which we operate. This note details the current tax charge which is the tax payable on this year's taxable profits and the deferred tax charge which represents the tax expected to arise in the future due to differences in the accounting and tax bases of assets and liabilities.

(I) INCOME TAX EXPENSE RECOGNISED IN THE INCOME STATEMENT

	2024 £'000	2023 £'000
Current tax		
Irish corporation tax at 12.5%	10,927	14,650
United Kingdom corporation tax at 25% (2023: 19%)	22,546	13,972
Other overseas tax	91,511	87,354
Income tax credit attaching to exceptional items	(6,253)	(2,945)
Over provision in respect of prior years	(5,375)	(4,372)
Total current tax	113,356	108,659
Deferred tax		
Irish at 12.5%	(981)	(903)
United Kingdom at 25%	(3,585)	(2,964)
Other overseas deferred tax	(30,979)	(22,473)
Deferred tax credit attaching to exceptional items	(165)	181
Under provision in respect of prior years	5,567	2,262
Total deferred tax	(30,143)	(23,897)
Total income tax expense	83,213	84,762

(II) DEFERRED TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

	2024 £'000	2023 £'000
Deferred tax relating to defined benefit pension obligations	117	800
Deferred tax relating to cash flow hedges	6,937	(30,374)
Total deferred tax charge recognised in Other Comprehensive Income	7,054	(29,574)

2.9 INCOME TAX EXPENSE continued

(III) RECONCILIATION OF EFFECTIVE TAX RATE

	2024 £'000	2023 £'000
Profit before tax	423,751	431,564
Add back: share of equity accounted investments' (profit)/loss after tax	(604)	692
Add back: amortisation of intangible assets	114,075	111,146
Profit before share of equity accounted investments' profit after tax and amortisation of intangible assets	537,222	543,402
Add back: net exceptional items before tax	40,182	31,636
Profit before share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	577,404	575,038

	2024 £'000	2023 £'000
Profit before tax	423,751	431,564
At the standard rate of corporation tax in Ireland of 12.5%	52,969	53,946
Amortisation and share of equity accounted investments at the standard rate of corporation tax in Ireland of 12.5%	14,184	13,980
Adjustments in respect of prior years	192	(2,110)
Effect of earnings taxed at higher rates	41,387	42,721
Other differences	5,017	2,445
Income tax expense	113,749	110,982
Income tax and deferred tax attaching to exceptional items	(6,418)	(2,764)
Deferred tax attaching to amortisation of intangible assets	(24,118)	(23,456)
Total income tax expense	83,213	84,762

	2024 %	2023 %
Income tax expense as a percentage of profit before share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	19.7%	19.3%
Impact of share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	(0.1%)	0.3%
Total income tax expense as a percentage of profit before tax	19.6%	19.6%

(IV) FACTORS THAT MAY AFFECT FUTURE TAX RATES AND OTHER DISCLOSURES

No change has been enacted to the standard rate of corporation tax in the Republic of Ireland which is currently 12.5%.

The Group will be subject to the Global Anti-Base Erosion Model Rules ('Pillar 2') in respect of the year ended 31 March 2025. The objective of Pillar 2 is to achieve a minimum effective tax rate of 15% in every jurisdiction in which a group with consolidated global turnover exceeding €750 million has operations. As Pillar 2 was not effective for DCC plc in respect of the year ended 31 March 2024, the Group has no related current tax exposure. The Group continues to assess the impact of Pillar 2, but as the Group already has a Pillar 2 effective tax rate of greater than 15% in most of the jurisdictions in which it operates, the Group does not expect Pillar 2 to have a material impact on the financial statements of the Group. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes, as provided in the amendments to IAS 12 issued in May 2023.

The Group has not provided deferred tax in relation to temporary differences applicable to investments in subsidiaries and equity accounted investments on the basis that the Group can control the timing and realisation of these temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. No provision has been recognised in respect of deferred tax relating to unremitted earnings of subsidiaries as there is no commitment or intention to remit earnings.

NOTES TO THE FINANCIAL STATEMENTS Continued

2.10 DIVIDENDS

Dividends represent one type of shareholder return and are paid as an amount per ordinary share held. The Group retains part of the profits generated in the year to meet future growth plans.

Dividends paid per ordinary share	2024 £'000	2023 £'000
Final: paid 127.17 pence per share on 20 July 2023 (2023: paid 119.93 pence per share on 21 July 2022)	126,444	118,715
Interim: paid 63.04 pence per share on 15 December 2023 (2023: paid 60.04 pence per share on 9 December 2022)	62,373	59,128
	188,817	177,843

The Directors are proposing a final dividend in respect of the year ended 31 March 2024 of 133.53 pence per ordinary share (£131.998 million). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

2.11 EARNINGS PER ORDINARY SHARE

Earnings per ordinary share ('EPS') is the amount of post-tax profit attributable to each ordinary share. Basic EPS is the amount of profit for the year divided by the weighted average number of shares in issue during the year. Diluted EPS shows what the impact would be if all outstanding and exercisable options were exercised and treated as ordinary shares at year end.

	2024 £'000	2023 £'000
Profit attributable to owners of the Parent Company	326,255	334,022
Amortisation of intangible assets after tax	89,957	87,690
Exceptionals after tax (note 2.6)	33,315	28,661
Adjusted profit after tax and non-controlling interests	449,527	450,373

Basic earnings per ordinary share	2024 pence	2023 pence
Basic earnings per ordinary share	330.24p	338.40p
Amortisation of intangible assets after tax	91.06p	88.84p
Exceptionals after tax	33.71p	29.03p
Adjusted basic earnings per ordinary share	455.01p	456.27p
Weighted average number of ordinary shares in issue (thousands)	98,794	98,707

Basic earnings per ordinary share is calculated by dividing the profit attributable to owners of the Parent Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares. The adjusted figures for basic earnings per ordinary share (a non-GAAP financial measure) are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

Diluted earnings per ordinary share	2024 pence	2023 pence
Diluted earnings per ordinary share	329.85p	338.04p
Amortisation of intangible assets after tax	90.95p	88.74p
Exceptionals after tax	33.69p	29.01p
Adjusted diluted earnings per ordinary share	454.49p	455.79p
Weighted average number of ordinary shares in issue (thousands)	98,909	98,811

The earnings used for the purposes of the diluted earnings per ordinary share calculations were £326.255 million (2023: £334.022 million) and £449.527 million (2023: £450.373 million) for the purposes of the adjusted diluted earnings per ordinary share calculations.

2.11 EARNINGS PER ORDINARY SHARE continued

The weighted average number of ordinary shares used in calculating the diluted earnings per ordinary share for the year ended 31 March 2024 was 98.909 million (2023: 98.811 million). A reconciliation of the weighted average number of ordinary shares used for the purposes of calculating the diluted earnings per ordinary share amounts is as follows:

	2024 '000	2023 '000
Weighted average number of ordinary shares in issue	98,794	98,707
Dilutive effect of options and awards	115	104
Weighted average number of ordinary shares for diluted earnings per share	98,909	98,811

Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Share options and awards are the Company's only category of dilutive potential ordinary shares. The adjusted figures for diluted earnings per ordinary share (a non-GAAP financial measure) are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

Employee share options and awards, which are performance-based, are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time. These contingently issuable shares are excluded from the computation of diluted earnings per ordinary share where the conditions governing exercisability would not have been satisfied as at the end of the reporting period if that were the end of the vesting period.

NOTES TO THE FINANCIAL STATEMENTS Continued

SECTION 3 ASSETS AND LIABILITIES

3.1 PROPERTY, PLANT AND EQUIPMENT

This note details the tangible assets utilised by the Group to generate revenues and profits. The cost of these assets primarily represents the amounts originally paid for them. All assets are depreciated over their useful economic lives.

	Land & buildings £'000	Plant & machinery & cylinders £'000	Fixtures, fittings & office equipment £'000	Motor vehicles £'000	Capital work in progress £'000	Total £'000
Year ended 31 March 2024						
Opening net book amount	405,689	601,406	165,345	65,640	116,726	1,354,806
Exchange differences and other	(8,584)	(11,011)	(2,272)	(6,257)	(1,655)	(29,779)
Arising on acquisition (note 5.2)	8,002	32,483	1,436	3,478	3,204	48,603
Additions	21,422	109,090	29,512	13,572	50,301	223,897
Disposals	(706)	(2,965)	(780)	(728)	(339)	(5,518)
Depreciation charge	(19,472)	(89,960)	(33,550)	(14,374)	–	(157,356)
Impairment charge	(919)	(1,770)	(534)	(1)	(916)	(4,140)
Reclassification	3,976	55,989	13,028	4,005	(76,998)	–
Closing net book amount	409,408	693,262	172,185	65,335	90,323	1,430,513
At 31 March 2024						
Cost	529,376	1,569,819	374,482	186,668	90,323	2,750,668
Accumulated depreciation and impairment losses	(119,968)	(876,557)	(202,297)	(121,333)	–	(1,320,155)
Net book amount	409,408	693,262	172,185	65,335	90,323	1,430,513

	Land & buildings £'000	Plant & machinery & cylinders £'000	Fixtures, fittings & office equipment £'000	Motor vehicles £'000	Capital work in progress £'000	Total £'000
Year ended 31 March 2023						
Opening net book amount	379,855	575,462	152,621	64,334	81,077	1,253,349
Exchange differences and other	3,206	8,748	1,036	531	1,135	14,656
Arising on acquisition (note 5.2)	4,187	414	243	1,107	322	6,273
Additions	17,379	105,407	30,292	13,048	69,142	235,268
Disposals	(6,360)	(2,294)	(885)	(758)	–	(10,297)
Depreciation charge	(17,170)	(83,505)	(29,718)	(14,050)	–	(144,443)
Reclassification	24,592	(2,826)	11,756	1,428	(34,950)	–
Closing net book amount	405,689	601,406	165,345	65,640	116,726	1,354,806
At 31 March 2023						
Cost	508,224	1,410,353	348,407	183,573	116,726	2,567,283
Accumulated depreciation and impairment losses	(102,535)	(808,947)	(183,062)	(117,933)	–	(1,212,477)
Net book amount	405,689	601,406	165,345	65,640	116,726	1,354,806

3.1 PROPERTY, PLANT AND EQUIPMENT continued

USEFUL ECONOMIC LIVES OF ASSETS

The Group's assessment of the risks and opportunities created by climate-change to its existing and future operations is outlined in more detail in the Risk Report on pages 82 to 92. The Group's energy strategy has allowed the Group to commit to reducing its carbon emissions from its own activities (Scope 1 and 2) and from the energy it sells (Scope 3) to net zero by 2050 or sooner. Due consideration is given to these factors when determining the useful lives of the Group's assets. Importantly, many of the Group's existing assets, such as depots, storage equipment and trucks will continue to be used for the distribution of lower carbon forms of fuel, such as biofuels. Capital expenditure will continue to be required in relation to these assets in the short and medium-term. The Group therefore considers that these assets will continue to be an integral part of the total asset portfolio of the Group in the short and medium-term. Further information is included in note 3.3 Intangible Assets and Goodwill on page 190.

There remains a risk that the useful lives of the assets created by future capital expenditure may differ from current assumptions. For instance, governments in some of the Group's operating locations could take measures to restrict the use of certain fossil-based assets which could affect the estimated useful lives of those assets. However, for the reasons stated, there were no significant changes in the estimates of useful lives during the current financial year.

3.2 RIGHT-OF-USE LEASED ASSETS

This note details the right-of-use leased assets utilised by the Group to generate revenues and profits. All assets are depreciated over their lease term.

	Land & buildings £'000	Plant & machinery & cylinders £'000	Fixtures, fittings & office equipment £'000	Motor vehicles £'000	Total £'000
Year ended 31 March 2024					
Opening net book amount	**285,119**	**4,299**	**958**	**45,845**	**336,221**
Exchange differences and other	**(5,448)**	**(339)**	**(421)**	**4,383**	**(1,825)**
Arising on acquisition (note 5.2)	**7,618**	**140**	**93**	**2,712**	**10,563**
Additions	**68,840**	**1,138**	**334**	**24,375**	**94,687**
Terminations	**(3,183)**	**(16)**	**(17)**	**(635)**	**(3,851)**
Depreciation charge	**(56,643)**	**(1,646)**	**(422)**	**(24,127)**	**(82,838)**
Impairment charge	**(3,032)**	**–**	**–**	**–**	**(3,032)**
Closing net book amount	**293,271**	**3,576**	**525**	**52,553**	**349,925**
Year ended 31 March 2023					
Opening net book amount	282,344	4,083	544	40,580	327,551
Exchange differences and other	4,455	(150)	28	336	4,669
Arising on acquisition (note 5.2)	2,278	54	565	2,959	5,856
Additions (note 3.12)	52,955	1,443	73	23,639	78,110
Terminations	(3,774)	–	(8)	(945)	(4,727)
Depreciation charge	(53,139)	(1,131)	(244)	(20,724)	(75,238)
Closing net book amount	285,119	4,299	958	45,845	336,221

NOTES TO THE FINANCIAL STATEMENTS Continued

3.3 INTANGIBLE ASSETS AND GOODWILL

The Group Balance Sheet contains significant intangible assets and goodwill. Goodwill, customer and supplier relationships and brands can arise on the acquisition of a business. Goodwill arises when we pay an amount which is higher than the fair value of the net assets acquired (primarily due to expected synergies). This goodwill is not amortised but is subject to annual impairment reviews whereas customer and supplier relationships and brands are amortised over their useful economic lives.

	Goodwill £'000	Customer & supplier related intangibles £'000	Brand related intangibles £'000	Total £'000
Year ended 31 March 2024				
Opening net book amount	2,029,620	727,365	200,644	2,957,629
Exchange differences	(43,902)	(18,190)	(5,910)	(68,002)
Arising on acquisition (note 5.2)	222,171	102,859	54,105	379,135
Adjustments to contingent consideration (note 3.16)	(17,742)	–	–	(17,742)
Amortisation charge	–	(103,483)	(10,592)	(114,075)
Closing net book amount	2,190,147	708,551	238,247	3,136,945
At 31 March 2024				
Cost	2,228,686	1,324,746	297,740	3,851,172
Accumulated amortisation and impairment losses	(38,539)	(616,195)	(59,493)	(714,227)
Net book amount	2,190,147	708,551	238,247	3,136,945

	Goodwill £'000	Customer & supplier related intangibles £'000	Brand related intangibles £'000	Total £'000
Year ended 31 March 2023				
Opening net book amount	1,765,961	685,902	182,586	2,634,449
Exchange differences	41,413	31,071	8,143	80,627
Arising on acquisition (note 5.2)	230,754	112,313	19,140	362,207
Adjustments to contingent consideration (note 3.16)	(8,508)	–	–	(8,508)
Amortisation charge	–	(101,921)	(9,225)	(111,146)
Closing net book amount	2,029,620	727,365	200,644	2,957,629
At 31 March 2023				
Cost	2,068,871	1,252,108	251,088	3,572,067
Accumulated amortisation and impairment losses	(39,251)	(524,743)	(50,444)	(614,438)
Net book amount	2,029,620	727,365	200,644	2,957,629

Customer and supplier related intangible assets principally comprise contractual and non-contractual customer and supplier relationships arising from business combinations and are amortised over their estimated useful lives. The weighted average remaining amortisation period for customer related intangibles is 10.5 years (2023: 11.1 years). Brand related intangible assets comprise registered trade names and logos which are well established and recognised within the industries in which the Group operates. The weighted average remaining amortisation period for brand related intangibles is 22.2 years (2023: 25.1 years). There are no internally generated brand related intangibles recognised on the Group Balance Sheet.

3.3 INTANGIBLE ASSETS AND GOODWILL continued

In accordance with IAS 38 Intangible Assets, details of individually significant intangible assets and their remaining amortisation periods are as follows:

At 31 March 2024

CGU	Segment	Customer & supplier related intangibles £'000	Remaining amortisation period in years	Brand related intangibles £'000	Remaining amortisation period in years
Butagaz	DCC Energy	84,793	5.9 years	112,814	30.6 years
Almo	DCC Technology	128,301	7.6 years	–	–
DCC Vital	DCC Healthcare	103,651	17.7 years	17,556	18.5 years
DCC Propane	DCC Energy	80,379	8.2 years	30,187	14.1 years
Energy Solutions Germany	DCC Energy	60,206	12.2 years	41,091	14.6 years
DSG Hong Kong & Macau	DCC Energy	57,162	18.8 years	–	–
Others		194,059		36,599	
Closing net book amount		708,551		238,247	

At 31 March 2023

CGU	Segment	Customer & supplier related intangibles £'000	Remaining amortisation period in years	Brand related intangibles £'000	Remaining amortisation period in years
Butagaz	DCC Energy	93,576	7.2 years	119,877	31.5 years
Almo	DCC Technology	149,892	8.5 years	–	–
DCC Vital	DCC Healthcare	113,475	18.6 years	19,027	19.5 years
DCC Propane	DCC Energy	91,726	9.4 years	33,083	15.1 years
DSG Hong Kong & Macau	DCC Energy	61,348	19.8 years	–	–
Others		217,348		28,657	
Closing net book amount		727,365		200,644	

CASH-GENERATING UNITS

Goodwill acquired in business combinations is allocated, at acquisition, to the cash-generating units ('CGUs') that are expected to benefit from that business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The CGUs represent the lowest level within the Group at which the associated goodwill is assessed for internal management purposes and are not larger than the operating segments determined in accordance with IFRS 8 Operating Segments.

A total of 32 CGUs (2023: 32 CGUs) have been identified and these are analysed between the Group's operating segments below together with a summary of the allocation of the carrying value of goodwill by segment.

	Cash-generating units		Goodwill	
	2024 number	2023 number	2024 £'000	2023 £'000
DCC Energy	17	17	1,422,918	1,247,802
DCC Healthcare	6	6	424,558	436,049
DCC Technology	9	9	342,671	345,769
	32	32	2,190,147	2,029,620

NOTES TO THE FINANCIAL STATEMENTS Continued

3.3 INTANGIBLE ASSETS AND GOODWILL continued

In accordance with IAS 36 Impairment of Assets, the CGUs to which significant amounts of goodwill have been allocated are as follows:

CGU	Segment	2024 £'000	2023 £'000
Certas Energy UK Group	DCC Energy	377,474	294,540
DCC Vital Group	DCC Healthcare	328,583	338,573
Butagaz	DCC Energy	236,953	234,335
Mobility Continental Europe	DCC Energy	156,242	164,926
Almo	DCC Technology	143,913	147,101
DCC Propane	DCC Energy	129,396	124,460
Others		817,586	725,685
Closing net book amount		2,190,147	2,029,620

For the purpose of impairment testing, the before-tax discount rates applied to these CGUs to which significant amounts of goodwill have been allocated were 11.7% (2023: 11.1%) for the DCC Vital Group, 10.4% (2023: 9.8%) for the Certas Energy UK Group, Butagaz, Mobility Continental Europe and DCC Propane, and 11.8% (2023: 11.2%) for Almo. The long-term growth rates assumed for the Certas Energy UK and DCC Vital Groups was 1.5%, a long-term growth rate of 2.1% was assumed for Almo and DCC Propane and a long-term growth rate of 1.3% was assumed for Mobility Continental Europe. No growth was assumed for Butagaz. The remaining goodwill balance of £817.586 million is allocated across 26 CGUs (2023: £725.685 million across 26 CGUs), none of which are individually significant, and the before-tax discount rates applied to these CGUs were in the range 10.4% to 11.8% (2023: 9.8% to 11.2%).

IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations has been allocated to CGUs for the purpose of impairment testing. Impairment of goodwill occurs when the carrying value of a CGU is greater than the present value of the cash that it is expected to generate (i.e. the recoverable amount). The Group reviews the carrying value of each CGU at least annually or more frequently if there is an indication that the CGU may be impaired.

The recoverable amount of each CGU is based on a value in use computation. The cash flow forecasts employed for this computation are based on the Three Year Plan that has been formally approved by the Board of Directors and specifically excludes future acquisition activity. These cash flow forecasts are consistent with those used for the Group's going concern and viability assessments. Cash flows for a further two years are based on the assumptions underlying the Three Year Plan. Cash flow forecasts include consideration of past performance along with reflecting management's best estimates of future developments in each of the Group's markets. Net cash flows include consideration of the estimated capital expenditure required to achieve the Group's 2030 and 2050 emissions commitments. A long-term growth rate reflecting the lower of the extrapolated cash flow projections and the long-term GDP rate for the country of operation is applied to the year five cash flows. The weighted average long-term growth rate used in the impairment testing was 1.4% (2023: 1.4%).

The assumptions behind the cash flow projections also take account of the Sustainability Review on page 72. The Group's climate change risk assessment considered the transitional impacts of climate change on our energy activities in a scenario consistent with 1.5°C warming by 2050. While there will be evolution in the legal environment, the pace of technological change and the introduction of new forms of energy will likely see a reduction in demand for fossil fuels over the medium to long-term, the Group concluded that there is a significant opportunity available to our energy businesses to support existing and new customers as they reduce their use of fossil fuels over the coming decades. In particular, our energy businesses can add to the range of products and services that we offer while continuing to use the assets that we currently own.

The Group's climate change risk assessment also considered the physical impacts of climate change on certain of the Group's assets in a scenario consistent with 4.0°C warming by 2050. This risk assessment considered both the risk of physical damage to assets and the potential disruption to our wider operations that would be caused if these sites were inoperable for a certain period because of more frequent adverse weather conditions. The Group concluded that whilst there is a risk in the medium term to these assets, these risks can be fully mitigated through increased physical mitigation measures and business continuity planning. In addition, the Group maintains insurance cover against physical damage and/or business interruption. The geographical diversity of the Group and potential alternative sources of supply also means that the risk to the Group as a whole is unlikely to be material.

Having assessed these scenarios the Group has concluded that, while climate change is an existing and evolving risk, it does not warrant any amendments to the assumptions used in the Group's impairment testing.

A present value of the future cash flows is calculated using a before-tax discount rate representing the Group's estimated before-tax weighted average cost of capital, adjusted to reflect risks associated with each CGU. The range of discount rates applied ranged from 10.4% to 11.8% (2023: 9.8% to 11.2%).

3.3 INTANGIBLE ASSETS AND GOODWILL continued

Key assumptions include management's estimates of future profitability, working capital movements and capital expenditure and disposal proceeds on property, plant and equipment. Cash flow forecasts and key assumptions are generally determined based on historical performance together with management's expectation of future trends affecting the industry and other developments and initiatives in the business.

Applying these techniques, no impairment charge arose in 2024 (2023: nil).

SENSITIVITY ANALYSIS

Sensitivity analysis was performed by increasing the discount rate by 1%, reducing the long-term growth rate by 0.3% and decreasing cash flows by 10% which resulted in an excess in the recoverable amount of 31 CGUs over their carrying amount under each approach. Management believes that any reasonable change in any of the key assumptions would not cause the carrying value of goodwill to exceed the recoverable amount except in the case of one CGU detailed below.

In relation to a CGU which forms part of the DCC Technology segment, the value in use of £39.4 million represented an excess of £0.9 million over its carrying value of £38.5 million. The table below identifies the amounts by which each of the key assumptions must change in order for the recoverable amount of the CGU to be equal to its carrying amount:

	CGU in DCC Technology
Increase in discount rate	0.2 percentage points
Reduction in long-term growth rate	0.2 percentage points
Reduction in cash flow	7%

3.4 EQUITY ACCOUNTED INVESTMENTS

Equity accounted investments represent the Group's interests in certain entities where we exercise significant influence and generally have an equity holding of up to 50%.

	2024 £'000	2023 £'000
At 1 April	47,789	26,843
Share of profit/(loss) after tax	604	(692)
Acquisition of equity accounted investments (note 5.2)	5,530	18,909
Disposals	(18,224)	–
Dividends received	(1,261)	–
Exchange and other	(1,613)	2,729
At 31 March	32,825	47,789

During the year the Group disposed of its 50% interest in Vicus Biogas ApS.

Investments in associates at 31 March 2024 include goodwill and intangible assets of £18.553 million (2023: £31.701 million).

Summarised financial information for the Group's share of its investment in associates which are accounted for using the equity method is as follows:

	2024 £'000	2023 £'000
Non-current assets	49,650	59,570
Current assets	21,050	13,979
Non-current liabilities	(17,101)	(6,855)
Current liabilities	(20,774)	(18,905)
	32,825	47,789

Details of the Group's principal associates are included in the Group Directory on page 244.

NOTES TO THE FINANCIAL STATEMENTS Continued

3.5 INVENTORIES

Inventories represent assets that we intend to convert or sell in order to generate revenue in the short-term. The Group's inventory consists primarily of finished goods, net of an allowance for obsolescence.

	2024 £'000	2023 £'000
Raw materials	67,962	73,626
Work in progress	8,683	6,003
Finished goods	995,416	1,113,174
	1,072,061	1,192,803

Write-downs of inventories recognised as an expense within cost of sales amounted to £14.670 million (2023: £16.385 million) and arose in the normal course of activities.

3.6 TRADE AND OTHER RECEIVABLES

Trade and other receivables mainly consist of amounts owed to the Group by customers, net of an allowance for bad and doubtful debts, together with prepayments and accrued income.

	2024 £'000	2023 £'000
Trade receivables	1,782,513	1,939,528
Allowance for impairment of trade receivables	(86,025)	(73,310)
Prepayments and accrued income	346,327	296,352
Value-added tax recoverable	28,510	24,800
Other debtors	101,097	124,899
	2,172,422	2,312,269

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables is included in note 5.7. The aged analysis of these balances is as follows:

	Gross trade receivables		Trade receivables net of allowance for impairment	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Not overdue	1,440,447	1,601,048	1,422,526	1,590,852
Less than 1 month overdue	197,862	193,373	190,931	186,806
1 – 3 months overdue	83,696	83,377	69,836	70,768
3 – 6 months overdue	26,004	28,985	11,801	16,496
Over 6 months overdue	34,504	32,745	1,394	1,296
	1,782,513	1,939,528	1,696,488	1,866,218

The movement in the allowance for impairment of trade receivables during the year is as follows:

	2024 £'000	2023 £'000
At 1 April	73,110	54,929
Allowance for impairment recognised in the year	25,242	23,808
Subsequent recovery of amounts previously provided for	(791)	(480)
Amounts written off during the year	(17,363)	(10,525)
Arising on acquisition	7,311	4,199
Exchange	(1,484)	1,379
At 31 March	86,025	73,310

3.7 TRADE AND OTHER PAYABLES

The Group's trade and other payables mainly consist of amounts we owe to our suppliers that have been either invoiced or accrued and are due to be settled within 12 months.

	2024 £'000	2023 £'000
Trade payables	**1,953,551**	2,170,896
Other creditors and accruals	**935,151**	927,423
PAYE and National Insurance or equivalent	**24,896**	23,192
Value-added tax	**101,531**	108,633
Government grants (note 3.18)	**36**	31
Interest payable	**21,369**	25,231
Amounts due in respect of property, plant and equipment	**17,574**	24,492
	3,054,108	3,279,898

3.8 MOVEMENT IN WORKING CAPITAL

Working capital represents the net of inventories, trade and other receivables and trade and other payables. This note details the overall movement in the year under each of these headings.

	Inventories £'000	Trade and other receivables £'000	Trade and other payables £'000	Total £'000
Year ended 31 March 2024				
At 1 April 2023	**1,192,803**	**2,312,269**	**(3,279,898)**	**225,174**
Translation adjustment	**(21,684)**	**(43,565)**	**57,932**	**(7,317)**
Arising on acquisition (note 5.2)	**23,708**	**59,945**	**(61,022)**	**22,631**
Exceptional items, interest accruals, capital accruals and other	**–**	**855**	**5,603**	**6,458**
(Decrease)/increase in working capital (note 5.3)	**(122,766)**	**(157,082)**	**223,277**	**(56,571)**
At 31 March 2024	**1,072,061**	**2,172,422**	**(3,054,108)**	**190,375**
Year ended 31 March 2023				
At 1 April 2022	1,133,666	2,508,613	(3,468,705)	173,574
Translation adjustment	35,926	49,742	(56,251)	29,417
Arising on acquisition (note 5.2)	53,329	36,760	(65,775)	24,314
Exceptional items, interest accruals, capital accruals and other	–	378	(16,460)	(16,082)
(Decrease)/increase in working capital (note 5.3)	(30,118)	(283,224)	327,293	13,951
At 31 March 2023	1,192,803	2,312,269	(3,279,898)	225,174

NOTES TO THE FINANCIAL STATEMENTS Continued

3.9 CASH AND CASH EQUIVALENTS

The majority of the Group's cash and cash equivalents are held in current accounts and deposit accounts with maturities of up to three months.

	2024 £'000	2023 £'000
Cash at bank and in hand	684,991	603,699
Short-term deposits	424,455	818,050
	1,109,446	1,421,749

Cash at bank earns interest at floating rates based on daily bank deposit rates. The short-term deposits, which include bank and money market deposits, are for periods up to three months and earn interest at the respective short-term deposit rates. Cash and cash equivalents include the following for the purposes of the Group Cash Flow Statement:

	2024 £'000	2023 £'000
Cash and short-term deposits	1,109,446	1,421,749
Bank overdrafts	(36,600)	(50,543)
	1,072,846	1,371,206

Bank overdrafts are included within current borrowings (note 3.11) in the Group Balance Sheet.

3.10 DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are financial instruments that derive their value from the price of underlying items such as interest rates, foreign exchange rates, commodities or other indices. This note details the derivative financial instruments used by the Group to hedge certain risk exposures arising from operational, financing and investment activities. These derivatives are held at fair value.

		Carrying amount	
At 31 March 2024	Contractual notional amount	Asset	Liability
Derivatives designated as cash flow or fair value hedges:			
Cash flow hedges			
Cross currency interest rate swaps	188,190	45,377	–
Forward foreign exchange contracts	143,709	980	(372)
Commodity price forward contracts	258,151	9,303	(20,283)
Fair value hedges			
Interest rate swaps	414,826	–	(26,035)
Cross currency interest rate swaps	146,951	40,683	–
Derivatives not designated as cash flow or fair value hedges:			
Currency Swaps	21,859	143	(382)
Forward foreign exchange contracts	11,490	25	(1)
Commodity price forward contracts	43,667	1,313	(1,377)
		97,824	(48,450)
Analysed as:			
Non-current asset/(liability)		42,760	(27,536)
Current asset/(liability)		55,064	(20,914)
		97,824	(48,450)

3.10 DERIVATIVE FINANCIAL INSTRUMENTS continued

At 31 March 2023	Contractual notional amount	Carrying amount	
		Asset	Liability
Derivatives designated as cash flow or fair value hedges:			
Cash Flow Hedges			
Cross currency interest rate swaps	204,537	52,188	–
Forward foreign exchange contracts	98,879	502	(1,063)
Commodity price forward contracts	443,101	5,761	(39,639)
Fair Value Hedges			
Interest rate swaps	421,092	–	(35,451)
Cross currency interest rate swaps	360,629	82,986	–
Derivatives not designated as cash flow or fair value hedges:			
Currency Swaps	50,033	881	(517)
Forward foreign exchange contracts	16,807	14	(16)
Commodity price forward contracts	55,486	6,125	(6,240)
		148,457	(82,926)
Analysed as:			
Non-current asset/(liability)		89,199	(40,585)
Current asset/(liability)		59,258	(42,341)
		148,457	(82,926)

NOTES TO THE FINANCIAL STATEMENTS Continued

3.10 DERIVATIVE FINANCIAL INSTRUMENTS continued

Derivatives designated as cash flow or fair value hedges:	Net carrying amount included in derivative financial instruments	Change in value used for calculating hedge ineffectiveness		Hedge ineffectiveness recognised in Income Statement
		Hedging instrument	Hedged item	Net finance costs
Cash Flow Hedges				
Cross currency interest rate swaps	45,377	(3,375)	3,375	–
Forward foreign exchange contracts	608	1,854	(1,854)	–
Commodity price forward contracts	(10,980)	(106,554)	106,554	–
Fair Value Hedges				
Interest rate swaps	(26,035)	8,898	(9,378)	(480)
Cross currency interest rate swaps	40,683	(41,561)	41,168	(393)

Derivatives designated as cash flow or fair value hedges:	Net carrying amount included in derivative financial instruments	Change in value used for calculating hedge ineffectiveness		Hedge ineffectiveness recognised in Income Statement
		Hedging instrument	Hedged item	Net finance income
Cash Flow Hedges				
Cross currency interest rate swaps	52,188	12,418	(12,418)	–
Forward foreign exchange contracts	(561)	(4,498)	4,498	–
Commodity price forward contracts	(33,878)	(214,868)	214,868	–
Fair Value Hedges				
Interest rate swaps	(35,451)	(28,745)	29,254	509
Cross currency interest rate swaps	82,986	9,003	(8,620)	383

3.10 DERIVATIVE FINANCIAL INSTRUMENTS continued

The effects of fair value hedges on hedged items are as follows:

	Financial Statement line item that includes hedged item	Carrying amount	Hedge ineffectiveness recognised in Income Statement
Year ended 31 March 2024			
Fair Value Hedges			
Interest rate swaps	Borrowings	**(388,354)**	**(480)**
Cross currency interest rate swaps	Borrowings	**(187,526)**	**(393)**
Year ended 31 March 2023			
Fair Value Hedges			
Interest rate swaps	Borrowings	(384,714)	509
Cross currency interest rate swaps	Borrowings	(443,113)	383

The full fair value of a hedging derivative is classified as a non-current asset or non-current liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or current liability if the maturity of the hedged item is less than 12 months.

INTEREST RATE SWAPS

At 31 March 2024, the fixed interest rates vary from 1.96% to 4.49% and the floating rates are based on sterling SONIA and EURIBOR.

CROSS CURRENCY INTEREST RATE SWAPS

The Group utilises cross currency interest rate swaps to swap fixed rate US dollar denominated debt into floating rate sterling debt and floating rate euro debt, which are based on sterling SONIA and EURIBOR respectively. At 31 March 2024 the fixed interest rates are 4.53%. These swaps are designated as fair value hedges under IAS 39.

The Group utilises cross currency interest rate swaps to swap fixed rate US dollar denominated debt into fixed rate sterling debt and fixed rate euro debt. At 31 March 2024 the fixed US dollar interest rates vary from 4.19% to 4.98% and the average swapped fixed rates for sterling and euro were 4.47% and 3.74% respectively. These swaps are designated as cash flow hedges under IAS 39.

CURRENCY SWAPS

During the year ended 31 March 2024, the Group entered into currency swaps to manage currency risk related to the funding of certain acquisitions.

FORWARD FOREIGN EXCHANGE CONTRACTS

Gains and losses recognised in the cash flow hedge reserve in equity (note 4.2) at 31 March 2024 on forward foreign exchange contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to 12 months after the reporting date.

COMMODITY PRICE FORWARD CONTRACTS

Gains and losses recognised in the cash flow hedge reserve in equity (note 4.2) at 31 March 2024 on forward commodity contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to 5 years after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS Continued

3.11 BORROWINGS AND LEASE CREDITORS

The Group utilises long-term debt funding together with committed credit lines with our relationship banks. We use derivatives to manage risks associated with interest rates and foreign exchange.

	2024 £'000	2023 £'000
Non-current		
Unsecured Notes	1,540,570	1,898,591
Bank borrowings	34,205	35,168
Total borrowings	1,574,775	1,933,759
Lease creditors (note 3.12)	284,856	275,388
Total non-current borrowings and lease creditors	1,859,631	2,209,147
Current		
Unsecured Notes	332,143	270,313
Bank borrowings	36,600	50,543
Total borrowings	368,743	320,856
Lease creditors (note 3.12)	77,527	71,158
Total current borrowings and lease creditors	446,270	392,014
Total borrowings and lease creditors	2,305,901	2,601,161

The maturity of non-current borrowings is as follows:

	2024 £'000	2023 £'000
Between 1 and 2 years	147,901	390,882
Between 2 and 5 years	867,730	754,802
Over 5 years	844,000	1,063,463
	1,859,631	2,209,147

BANK BORROWINGS

Interest on bank borrowings is at floating rates set in advance for periods ranging from overnight to six months by reference to inter-bank interest rates (EURIBOR, sterling SONIA and US$ SOFR) and consequently fair value approximates carrying amounts.

The Group has a £800 million committed revolving credit facility with ten relationship banks: Barclays, BNP Paribas, Danske Bank, HSBC, ING, J.P. Morgan, National Westminster Bank, Bank of Ireland, Citibank and Toronto Dominion. The facility matures in March 2029 and £766 million remained undrawn at 31 March 2024. The drawing at that date was at a floating rate of 4.55%. The Group had various other uncommitted bank facilities available at 31 March 2024.

UNSECURED NOTES

The Group's Unsecured Notes which fall due between 2024 and 2034 are comprised of fixed rate debt of US$111.0 million issued in 2013 and maturing in 2025 (the '2025 Notes'), fixed rate debt of US$425.0 million, €45.0 million and £65.0 million issued in 2014 and maturing in 2024, 2026 and 2029 (the '2024/26/29 Notes'), fixed rate debt of £127.5 million and €215.0 million issued in September 2017 and maturing in 2027 and 2029 (the '2027/29 Notes'), floating rate debt of €145.0 million issued in September 2017 and maturing in 2024, 2027 and 2029 (the '2024/27/29 Notes'), fixed rate debt of US$350.0 million and €100.0 million issued in April 2019 and maturing in 2026, 2029, 2031 and 2034 (the '2026/29/31/34 Notes'), fixed rate debt of US$563.5 million and £50.0 million issued in December 2022 and maturing in 2028, 2030, and 2032 (the '2028/30/32 Notes'), and floating rate debt of US$100.0 million issued in December 2022 and maturing in 2028 and 2032 (the '2028/32 Notes').

Of the 2025 Notes denominated in US dollars, $66.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed euro rates and $45.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed sterling rates.

3.11 BORROWINGS AND LEASE CREDITORS continued

Of the 2024/26/29 Notes denominated in US dollars, $178.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating euro rates, repricing quarterly based on EURIBOR, $60.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling SONIA, $135.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed euro rates, $52.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed sterling rates. The 2024/26/29 Notes denominated in euro have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) from fixed euro to floating euro rates, repricing quarterly based on EURIBOR. The 2024/26/29 Notes denominated in sterling have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) from fixed sterling to floating sterling rates, repricing quarterly based on sterling SONIA.

The 2027/29 Notes denominated in sterling have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) to floating sterling rates, repricing half yearly based on sterling SONIA. The 2027/29 Notes denominated in euro have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) to floating euro rates, repricing half yearly based on EURIBOR.

The 2024/27/29 Notes are at floating euro rates, repricing half yearly based on EURIBOR.

The 2026/29/31/34 Notes and 2028/30/32 Notes have not been swapped.

The 2028/32 Notes are at floating US rates, repricing quarterly based on SOFR.

The maturity and interest profile of the Unsecured Notes is as follows:

	2024	2023
Average maturity	4.5 years	5 years
Average fixed interest rates*:		
– US$ denominated	5.16%	4.95%
– sterling denominated	4.04%	4.04%
– euro denominated	2.26%	2.26%
Average floating rate including swaps:		
– US$ denominated	7.66%	6.84%
– sterling denominated	7.16%	5.68%
– euro denominated	5.27%	4.55%

* Issued and repayable at par.

NOTES TO THE FINANCIAL STATEMENTS Continued

3.12 LEASE CREDITORS

Lease creditors represent the present value of the Group's lease commitments. Lease creditors are initially measured at the present value of the future minimum lease payments, discounted using the incremental borrowing rate over the remaining lease term.

The movement in the Group's lease creditors during the year ended 31 March 2024 is as follows:

	2024 £'000	2023 £'000
At 1 April	346,546	336,702
Exchange differences	(6,788)	4,699
Additions	98,892	78,110
Terminations	(4,029)	(4,845)
Arising on acquisition (note 5.2)	9,949	6,099
Lease repayments	(93,673)	(83,796)
Lease interest (note 2.7)	11,486	9,577
At 31 March	362,383	346,546

An analysis of the maturity profile of the discounted lease creditor arising from the Group's leasing activities as at 31 March 2024 is as follows:

	2024 £'000	2023 £'000
Within one year	77,527	71,158
Between one and two years	60,105	57,675
Between two and five years	111,929	103,126
Over five years	112,822	114,587
At 31 March	362,383	346,546
Analysed as:		
Non-current liabilities	284,856	275,388
Current liabilities	77,527	71,158
	362,383	346,546

The Group has availed of the exemption from capitalising lease costs for short-term leases and low-value assets where the relevant criteria are met. Wholly variable lease payments directly linked to sales or usage are also expensed as incurred. The following lease costs have been charged to the Income Statement as incurred:

	2024 £'000	2023 £'000
Short-term leases	5,207	7,971
Leases of low-value assets	484	663
Wholly variable lease payments	66,682	65,101
Total	72,373	73,735

The total cash outflow for lease payments during the period was as follows:

	2024 £'000	2023 £'000
Cash outflow for short-term leases, leases of low value assets and wholly variable lease payments	72,373	73,735
Lease payments relating to capitalised right-of-use leased assets	93,673	83,796
Total cash outflow for lease payments	166,046	157,531

Lease commitments for short-term leases at the Balance Sheet date are not materially different to the short-term lease costs expensed during the year.

3.12 LEASE CREDITORS continued

The Group's business model is that of a distributor and, therefore, maintaining flexibility in the Group's cost base is of significant importance. Substantially all of the Group's variable lease payments arise from two types of contracts which give rise to the following costs:

(i) transport costs (primarily for the transport of liquid gas) which vary depending on kilometers and hours of truck travel (i.e. deliveries outside of normal working hours can incur a premium). Given that the variable costs arising on liquid gas transport contracts are linked to hours and distance travelled by the trucks, these costs will vary in line with demand patterns.

(ii) third party petrol forecourts costs which vary based primarily on volume of fuel sold and margin achieved. These costs will vary in line with demand patterns.

There are no other significant factors that can influence the variability of the Group's variable lease payments other than those mentioned above.

The effect of excluding future cash outflows arising from termination options and leases not yet commenced from lease creditors was not material for the Group. Income from subleasing and gains/losses on sales and leaseback transactions were not material for the Group.

3.13 ANALYSIS OF NET DEBT

Net debt is a key metric of the Group and represents cash and cash equivalents less borrowings, derivative financial instruments and lease creditors.

RECONCILIATION OF OPENING TO CLOSING NET DEBT

The reconciliation of opening to closing net debt for the year ended 31 March 2024 is as follows:

			Fair value adjustment			
	At 1 April 2023 £'000	Cash/debt movements £'000	Income Statement £'000	Cash Flow Hedge Reserve £'000	Translation adjustment £'000	At 31 March 2024 £'000
Cash and short-term deposits	1,421,749	(289,684)	–	–	(22,619)	1,109,446
Overdrafts	(50,543)	13,665	–	–	278	(36,600)
	1,371,206	(276,019)	–	–	(22,341)	1,072,846
Bank loans and loan notes	(35,168)	–	–	–	963	(34,205)
Unsecured Notes	(2,168,904)	270,836	(12,899)	–	38,254	(1,872,713)
Derivative financial instruments	65,531	(67,474)	12,026	39,594	(303)	49,374
Group net debt (excl. lease creditors)	(767,335)	(72,657)	(873)	39,594	16,573	(784,698)
Lease creditors	(346,546)	(22,560)	–	–	6,723	(362,383)
Group net debt (incl. lease creditors)	(1,113,881)	(95,217)	(873)	39,594	23,296	(1,147,081)

The reconciliation of opening to closing net debt for the year ended 31 March 2023 is as follows:

			Fair value adjustment			
	At 1 April 2023 £'000	Cash/debt movements £'000	Income Statement £'000	Cash Flow Hedge Reserve £'000	Translation adjustment £'000	At 31 March 2023 £'000
Cash and short-term deposits	1,394,272	8,488	–	–	18,989	1,421,749
Overdrafts	(67,668)	16,738	–	–	387	(50,543)
	1,326,604	25,226	–	–	19,376	1,371,206
Bank loans and loan notes	(388,660)	393,469	–	–	(39,977)	(35,168)
Unsecured Notes	(1,544,822)	(603,054)	18,818	–	(39,846)	(2,168,904)
Derivative financial instruments (net)	186,975	55,095	(17,926)	(160,528)	1,915	65,531
Group net debt (excl. lease creditors)	(419,903)	(129,264)	892	(160,528)	(58,532)	(767,335)
Lease creditors	(336,702)	(5,246)	–	–	(4,598)	(346,546)
Group net debt (incl. lease creditors)	(756,605)	(134,510)	892	(160,528)	(63,130)	(1,113,881)

NOTES TO THE FINANCIAL STATEMENTS Continued

3.13 ANALYSIS OF NET DEBT continued

CURRENCY PROFILE

The currency profile of net debt is as follows:

	Cash and cash equivalents £'000	Borrowings and lease creditors* £'000	Derivatives £'000	Total £'000
At 31 March 2024				
Euro	363,766	(894,903)	35,293	(495,844)
Sterling	315,144	(514,518)	14,544	(184,830)
US dollar	214,513	(841,177)	698	(625,966)
Danish krone	64,979	(15,217)	(1,164)	48,598
Swedish krona	78,724	(11,558)	–	67,166
Norwegian krone	43,878	(16,860)	(8)	27,010
Hong Kong dollar	12,734	(4,925)	–	7,809
Other	15,708	(6,743)	11	8,976
At 31 March 2024	1,109,446	(2,305,901)	49,374	(1,147,081)
At 31 March 2023				
Euro	487,858	(1,060,933)	47,553	(525,522)
Sterling	489,610	(617,578)	23,865	(104,103)
US dollar	238,074	(867,067)	(3,857)	(632,850)
Danish krone	79,800	(13,024)	(2,029)	64,747
Swedish krona	57,536	(13,644)	–	43,892
Norwegian krone	33,250	(19,046)	(1)	14,203
Hong Kong dollar	21,107	(4,911)	–	16,196
Other	14,514	(4,958)	–	9,556
At 31 March 2023	1,421,749	(2,601,161)	65,531	(1,113,881)

* Euro, sterling and US dollar borrowings reflect the cross currency interest rate swaps referred to in note 3.10.

INTEREST RATE PROFILE

Cash and cash equivalents at 31 March 2024 and 31 March 2023 have maturity periods up to three months (note 3.9).

Bank borrowings are at floating interest rates for periods up to six months while the Group's Unsecured Notes due 2024 to 2034 comprises debt swapped to a combination of fixed rates and floating rates which reset on a quarterly and semi-annual basis, and debt which has not been swapped.

3.14 DEFERRED INCOME TAX

Deferred tax is an accounting adjustment to provide for tax that is expected to arise in the future as a result of differences in the accounting and tax bases of assets and liabilities.

The following is an analysis of the movement in the major categories of deferred tax liabilities/(assets) recognised by the Group for the year ended 31 March 2024:

	Property, plant and equipment £'000	Intangible assets £'000	Tax losses and credits £'000	Retirement benefit obligations £'000	Derivative financial instruments £'000	Short-term temporary differences and other £'000	Total £'000
At 1 April 2023	36,980	205,972	(11,760)	1,651	(11,269)	(27,004)	194,570
Consolidated Income Statement	11,188	(23,808)	(1,012)	(388)	(165)	(15,958)	(30,143)
Recognised in Other Comprehensive Income	–	–	–	117	6,937	–	7,054
Arising on acquisition (note 5.2)	9	40,724	149	(1,621)	–	(702)	38,559
Exchange differences and other	(277)	(5,582)	305	8	–	465	(5,081)
At 31 March 2024	47,900	217,306	(12,318)	(233)	(4,497)	(43,199)	204,959
Analysed as:							
Deferred tax asset	(5,415)	(206)	(12,523)	(3,360)	(4,497)	(55,257)	(81,258)
Deferred tax liability	53,315	217,512	205	3,127	–	12,058	286,217
	47,900	217,306	(12,318)	(233)	(4,497)	(43,199)	204,959

The following is an analysis of the movement in the major categories of deferred tax liabilities/(assets) recognised by the Group for the year ended 31 March 2023:

	Property, plant and equipment £'000	Intangible assets £'000	Tax losses and credits £'000	Retirement benefit obligations £'000	Derivative financial instruments £'000	Short-term temporary differences and other £'000	Total £'000
At 1 April 2022	34,372	183,893	(11,387)	538	18,924	(21,038)	205,302
Consolidated Income Statement	2,445	(24,032)	89	321	181	(2,901)	(23,897)
Recognised in Other Comprehensive Income	–	–	–	800	(30,374)	–	(29,574)
Arising on acquisition (note 5.2)	(208)	38,465	–	–	–	(2,436)	35,821
Exchange differences and other	371	7,646	(462)	(8)	–	(629)	6,918
At 31 March 2023	36,980	205,972	(11,760)	1,651	(11,269)	(27,004)	194,570
Analysed as:							
Deferred tax asset	(5,298)	(234)	(11,785)	(1,245)	(11,269)	(39,222)	(69,053)
Deferred tax liability	42,278	206,206	25	2,896	–	12,218	263,623
	36,980	205,972	(11,760)	1,651	(11,269)	(27,004)	194,570

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, significant judgement is used when assessing the extent to which deferred tax assets should be recognised, with consideration given to the timing and level of future taxable income in the relevant jurisdiction. The majority of the deferred tax asset at 31 March 2024 of £81.258 million is expected to be settled/recovered more than 12 months after the reporting date. The Group has not recognised a deferred tax asset in respect of unutilised interest deductions of £450.2 million as at 31 March 2024.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. Deferred income tax has not been recognised for withholding and other taxes that may be payable on the unremitted earnings of certain subsidiaries and equity accounted investments as the timing of the reversal of these temporary differences is controlled by the Group and it is probable that these temporary differences will not reverse in the foreseeable future.

Amendments to IAS 12, effective for reporting periods beginning on or after 1 January 2023, clarify that the initial recognition exemption of deferred tax assets and liabilities does not apply to transactions that give rise to equal and offsetting temporary differences. The deferred tax assets and liabilities related to leases are offset on an individual entity basis and presented net in the statement of financial position. The Group has a deferred tax asset of £87.6 million and a deferred tax liability of £84.4 million in respect of lease liabilities and right-of-use assets at 31 March 2024.

NOTES TO THE FINANCIAL STATEMENTS Continued

3.15 POST-EMPLOYMENT BENEFIT OBLIGATIONS

The Group operates a number of defined benefit and defined contribution pension schemes for our employees. All of the Group's defined benefit pension schemes are closed to new members.

The Group operates defined benefit and defined contribution schemes. The pension scheme assets are held in separate trustee administered funds.

The Group operates five defined benefit pension schemes in the Republic of Ireland ('ROI'), four in the UK and six in Germany. The projected unit credit method has been employed in determining the present value of the defined benefit obligation arising, the related current service cost and, where applicable, past service cost.

Full actuarial valuations were carried out between 1 April 2020 and 31 December 2023. In general, actuarial valuations are not available for public inspection, although the results of valuations are advised to the members of the various pension schemes. Actuarial valuations have been updated to 31 March 2024 for IAS 19 by a qualified actuary.

The schemes expose the Group to a number of risks, the most significant of which are as follows:

DISCOUNT RATES
The calculation of the present value of the defined benefit obligation is sensitive to changes in the discount rate. The discount rate is based on the interest yield at the reporting date on high-quality corporate bonds of a currency and term consistent with the currency and term of the post-employment benefit obligation. Changes in the discount rate can lead to volatility in the Group's Balance Sheet, Income Statement and Statement of Comprehensive Income.

ASSET VOLATILITY
The scheme assets are reported at fair value using bid prices where relevant. The majority of the Group's scheme assets comprise of bonds. A decrease in corporate bond yields will increase the value of the Group's bond holdings although this will be partially offset by an increase in the value of the scheme's liabilities. The Group also holds a significant proportion of equities which are expected to outperform corporate bonds in the long-term while providing some volatility and risk in the short-term. External consultants periodically conduct investment reviews to determine the most appropriate asset allocation, taking account of asset valuations, funding requirements, liability duration and the achievement of appropriate returns.

INFLATION RISK
The majority of the Group's defined benefit obligations are linked to inflation and higher inflation will lead to higher scheme liabilities although caps are in place to protect the schemes against extreme inflation.

MORTALITY RISK
The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the defined benefit obligation.

The principal actuarial assumptions used were as follows:

	2024	2023
Republic of Ireland schemes		
Rate of increase in salaries	n/a*	n/a*
Rate of increase in pensions in payment	1.25% – 2.50%	1.25% – 2.60%
Discount rate	3.60%	4.10%
Inflation assumption	2.30%	2.60%
UK schemes		
Rate of increase in salaries	0.00% – 3.25%	0.00% – 3.30%
Rate of increase in pensions in payment	3.25% – 4.00%	1.65% – 4.00%
Discount rate	4.90%	4.85%
Inflation assumption	3.25%	3.30%
German schemes		
Rate of increase in salaries	3.30%	3.60%
Rate of increase in pensions in payment	2.30%	2.60%
Discount rate	3.60%	4.10%
Inflation assumption	2.30%	2.60%

* There is no future service accrual for the Irish schemes.

3.15 POST-EMPLOYMENT BENEFIT OBLIGATIONS continued

The post-retirement mortality assumptions employed in determining the present value of scheme liabilities under IAS 19 are set based on advice from published statistics and experience in the relevant geographic regions and are in accordance with the underlying funding valuations.

The mortality assumptions disclosed for 'current retirees' relate to assumptions based on longevity, in years, following retirement at the balance sheet date, with 'future retirees' being that relating to an employee retiring in 25 years' time. The mortality assumptions are as follows:

	2024 Years	2023 Years
Current retirees		
Male	22.0	23.3
Female	24.9	25.4
Future retirees		
Male	24.6	25.7
Female	27.3	27.7

The Group does not operate any post-employment medical benefit schemes.

The net pension asset/(liability) recognised in the Balance Sheet is analysed as follows:

	2024			
	ROI £'000	UK £'000	Germany £'000	Total £'000
Equities	9,481	1,034	–	10,515
Bonds	34,080	11,971	–	46,051
Property	22	–	–	22
Cash	1,571	3,288	981	5,840
Total fair value at 31 March 2024	45,154	16,293	981	62,428
Present value of scheme liabilities	(30,929)	(10,743)	(27,313)	(68,985)
Net pension asset/(liability) at 31 March 2024	14,225	5,550	(26,332)	(6,557)

	2023			
	ROI £'000	UK £'000	Germany £'000	Total £'000
Equities	9,747	1,431	–	11,178
Bonds	33,641	13,395	–	47,036
Property	33	–	–	33
Investment funds	1,974	–	–	1,974
Cash	1,986	2,428	934	5,348
Total fair value at 31 March 2023	47,381	17,254	934	65,569
Present value of scheme liabilities	(33,675)	(11,447)	(8,726)	(53,848)
Net pension asset/(liability) at 31 March 2023	13,706	5,807	(7,792)	11,721

NOTES TO THE FINANCIAL STATEMENTS Continued

3.15 POST-EMPLOYMENT BENEFIT OBLIGATIONS continued

The amounts recognised in the Group Income Statement in respect of defined benefit pension schemes are as follows:

	2024 £'000	2023 £'000
Current service cost	(492)	(328)
Administration expenses	(197)	(111)
Total, included in employee benefit expense (note 2.4)	(689)	(439)
Interest cost on scheme liabilities	(2,362)	(1,823)
Interest income on scheme assets	2,734	2,021
Net interest income, included in net finance costs (note 2.7)	372	198

Based on the assumptions employed for the valuation of assets and liabilities at 31 March 2024, the net charge in the Group Income Statement in the year ending 31 March 2025 is expected to be broadly in line with the current year figures.

Remeasurements recognised in Other Comprehensive Income are as follows:

	2024 £'000	2023 £'000
Return on scheme assets excluding interest income	(1,078)	(17,830)
Experience variations	2,313	(1,867)
Actuarial gain from changes in demographic assumptions	652	–
Actuarial (loss)/gain from changes in financial assumptions	(1,863)	22,508
Total, included in Other Comprehensive Income	24	2,811

Cumulatively since transition to IFRS on 1 April 2004, £46.026 million has been recognised as a charge in the Group Statement of Comprehensive Income.

The movement in the fair value of plan assets is as follows:

	2024 £'000	2023 £'000
At 1 April	65,569	87,563
Interest income on scheme assets	2,734	2,021
Remeasurements:		
– return on scheme assets excluding interest income	(1,078)	(17,830)
Contributions by employers	615	1,231
Contributions by members	35	45
Administration expenses	(197)	(111)
Benefit and settlement payments	(3,932)	(9,394)
Exchange	(1,318)	2,044
At 31 March	62,428	65,569

The actual return on plan assets was a gain of £1.656 million (2023: loss of £15.809 million).

3.15 POST-EMPLOYMENT BENEFIT OBLIGATIONS continued

The movement in the present value of defined benefit obligations is as follows:

	2024 £'000	2023 £'000
At 1 April	53,848	79,818
Current service cost	492	328
Interest cost	2,362	1,823
Remeasurements:		
– experience variations	(2,313)	1,867
– actuarial gain from changes in demographic assumptions	(652)	–
– actuarial gain from changes in financial assumptions	1,863	(22,508)
Contributions by members	35	45
Benefit and settlement payments	(3,932)	(9,394)
Arising on acquisition (note 5.2)	18,647	–
Exchange	(1,365)	1,869
At 31 March	68,985	53,848

The weighted average duration of the defined benefit obligation at 31 March 2024 was 13.3 years (2023: 14.5 years).

Employer contributions for the forthcoming financial year are estimated at £2.1 million. The difference between the actual employer contributions paid in the current year of £0.6 million and the expectation of £0.5 million included in the 2023 Annual Report was primarily due to the timing of contributions in certain of the Group's pension schemes which could not have been anticipated at the time of preparation of the 2023 financial statements.

SENSITIVITY ANALYSIS FOR PRINCIPAL ASSUMPTIONS USED TO MEASURE SCHEME LIABILITIES

There are inherent uncertainties surrounding the financial assumptions adopted in calculating the actuarial valuation of the Group's defined benefit pension schemes. The following table analyses, for the Group's Irish, UK and German pension schemes, the estimated impact on plan liabilities resulting from changes to key actuarial assumptions, whilst holding all other assumptions constant.

Assumption	Change in assumption	Impact on Irish plan liabilities	Impact on UK plan liabilities	Impact on German plan liabilities
Discount rate	Increase/decrease by 0.25%	Decrease/increase by 3.6%	Decrease/increase by 4.0%	Decrease/increase by 2.8%
Price inflation	Increase/decrease by 0.25%	Increase/decrease by 1.8%	Increase/decrease by 3.1%	Increase/decrease by 2.4%
Mortality	Increase/decrease by 1 year	Increase/decrease by 3.1%	Increase/decrease by 3.0%	Increase/decrease by 4.4%

SPLIT OF SCHEME ASSETS

	Republic of Ireland		UK		Germany		Total	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Investments quoted in active markets:								
Equity instruments:								
– developed markets	9,299	9,225	1,034	1,431	–	–	10,333	10,656
– emerging markets	182	522	–	–	–	–	182	522
Debt instruments:								
– non government debt instruments	4,804	3,574	2,387	2,950	–	–	7,191	6,524
– government debt instruments	29,276	30,067	9,584	10,445	–	–	38,860	40,512
Investment funds	–	1,974	–	–		–		1,974
Cash and cash equivalents	1,571	1,986	3,288	2,428	981	934	5,840	5,348
Unquoted investments:								
Property	22	33	–	–	–	–	22	33
	45,154	47,381	16,293	17,254	981	934	62,428	65,569

NOTES TO THE FINANCIAL STATEMENTS Continued

3.16 ACQUISITION RELATED LIABILITIES

Acquisition related liabilities arising on business combinations comprise debt like items and contingent consideration. Contingent consideration arises when a portion of the purchase price is deferred into the future and represents the fair value of the estimate of amounts payable to acquire the remaining shareholding.

The Group's acquisition related liabilities of £141.777 million (2023: £127.393 million) as stated on the Balance Sheet are payable as follows:

	2024 £'000	2023 £'000
Within one year	69,768	41,221
Between one and two years	48,847	28,903
Between two and five years	23,162	57,269
	141,777	127,393
Analysed as:		
Non-current liabilities	72,009	86,172
Current liabilities	69,768	41,221
	141,777	127,393

The currency profile of the Group's acquisition related liabilities, which are stated at fair value, is as follows:

	2024 £'000	2023 £'000
Euro	57,222	82,816
Sterling	66,229	20,675
US dollar	11,551	16,303
Hong Kong dollar	6,413	6,594
Other	362	1,005
	141,777	127,393

The movement in the Group's acquisition related liabilities is as follows:

	2024 £'000	2023 £'000
At 1 April	127,393	96,252
Arising on acquisition (note 5.2)	82,809	46,654
Unwinding of discount applicable to acquisition related liabilities (note 2.7)	5,383	2,264
Adjustments to contingent consideration (adjustment to goodwill) (note 3.3)	(17,742)	(8,508)
Adjustments to contingent consideration (recognised in the Income Statement) (note 2.6)	(3,180)	8,523
Paid during the year	(50,334)	(21,987)
Exchange and other	(2,552)	4,195
At 31 March	141,777	127,393

3.17 PROVISIONS FOR LIABILITIES

A provision is recorded when an obligation exists, resulting from a past event and it is probable that cash will be paid to settle it but there is uncertainty over either the amount or timing of the outflow. The main provisions held by the Group are in relation to reorganisation programmes, environmental obligations, cylinder and tank deposits and insurance liabilities.

The reconciliation of the movement in provisions for liabilities for the year ended 31 March 2024 is as follows:

	Rationalisation, restructuring and redundancy £'000	Environmental and remediation £'000	Cylinder and tank deposits £'000	Insurance and other £'000	Total £'000
At 1 April 2023	28,516	88,795	182,517	53,588	353,416
Provided during the year	2,571	3,826	13,214	9,333	28,944
Unwinding of discount applicable to provisions for liabilities (note 2.7)	–	235	727	–	962
Utilised during the year	(4,507)	(670)	(4,007)	(2,916)	(12,100)
Unutilised/reversed during the year	(280)	(403)	(3,459)	(4,182)	(8,324)
Arising on acquisition (note 5.2)	–	460	17,137	2,567	20,164
Exchange and other	(607)	(2,067)	(5,216)	(1,794)	(9,684)
At 31 March 2024	25,693	90,176	200,913	56,596	373,378
Analysed as:					
Non-current liabilities	12,724	82,371	181,722	29,550	306,367
Current liabilities	12,969	7,805	19,191	27,046	67,011
	25,693	90,176	200,913	56,596	373,378

The reconciliation of the movement in provisions for liabilities for the year ended 31 March 2023 is as follows:

	Rationalisation, restructuring and redundancy £'000	Environmental and remediation £'000	Cylinder and tank deposits £'000	Insurance and other £'000	Total £'000
At 1 April 2022	26,707	92,669	168,442	46,652	334,470
Provided during the year	10,874	2,564	13,542	12,624	39,604
Unwinding of discount applicable to provisions for liabilities (note 2.7)	–	377	902	–	1,279
Utilised during the year	(8,085)	(3,961)	(4,039)	(5,899)	(21,984)
Unutilised/reversed during the year	(761)	(5,758)	(4,169)	(1,165)	(11,853)
Arising on acquisition (note 5.2)	–	–	–	310	310
Exchange and other	(219)	2,904	7,839	1,066	11,590
At 31 March 2023	28,516	88,795	182,517	53,588	353,416
Analysed as:					
Non-current liabilities	14,334	81,475	173,424	31,834	301,067
Current liabilities	14,182	7,320	9,093	21,754	52,349
	28,516	88,795	182,517	53,588	353,416

NOTES TO THE FINANCIAL STATEMENTS Continued

3.17 PROVISIONS FOR LIABILITIES continued

RATIONALISATION, RESTRUCTURING AND REDUNDANCY

This provision relates to various rationalisation and restructuring programmes across the Group. The Group expects that the majority of this provision will be utilised within two years.

ENVIRONMENTAL AND REMEDIATION

This provision relates to obligations governing site remediation and improvement costs to be incurred in compliance with environmental regulations together with the costs associated with removing liquid gas tanks from customer sites. The net present value of the estimated costs is capitalised as property, plant and equipment. The unwinding of the discount element on the provision is reflected in the Income Statement. Ongoing costs incurred during the operating life of the sites are written off directly to the Income Statement and are not charged to the provision. The majority of the obligations will unwind over a 30-year timeframe but the exact timing of settlement of these provisions is not certain.

CYLINDER AND TANK DEPOSITS

This provision relates to DCC Energy's operations where an obligation arises from the receipt of deposit fees paid by customers for liquid gas cylinders and tanks. On receipt of a deposit the Group recognises a liability equal to the deposit received. This deposit will subsequently be refunded at an amount equal to the original deposit on return of the cylinder or tank together with the original deposit receipt. Cylinder and tank deposits acquired through business combinations are measured initially at their fair value at the acquisition date (i.e. net present value) and the unwinding of the discount element is reflected in the Income Statement. The majority of this obligation will unwind over a 25-year timeframe but the exact timing of settlement of this provision is not certain.

INSURANCE AND OTHER

The Group operates a level of self-insurance for motor liability and public and products liability. Under these arrangements the Group retains certain insurance exposure up to pre-determined self-insurance thresholds. This provision reflects an estimation of claims that are classified as incurred but not reported and also the outstanding loss reserve. A significant element of the provision is subject to external assessments. The utilisation of the provision is dependent on the timing of settlement of the outstanding claims. Historically, the average time for settlement of outstanding claims ranges from one to three years from the date of the claim.

3.18 GOVERNMENT GRANTS

Government grants relate to capital grants received by the Group and are amortised to the Income Statement over the estimated useful lives of the related capital assets.

	2024 £'000	2023 £'000
At 1 April	477	372
Government grants received in year	2,669	216
Amortisation in year	(376)	(114)
Exchange	(30)	3
At 31 March	2,740	477
Analysed as:		
Non-current liabilities	2,704	446
Current liabilities (note 3.7)	36	31
	2,740	477

SECTION 4 EQUITY

4.1 SHARE CAPITAL AND SHARE PREMIUM

The ordinary shareholders of DCC plc own the Company. This note details how the total number of ordinary shares in issue has changed during the year and how many of these ordinary shares are held as treasury shares.

	2024 £'000	2023 £'000
Authorised		
152,368,568 ordinary shares of €0.25 each	25,365	25,365

Issued

Year ended 31 March 2024	Number of shares	Share capital £'000	Share premium £'000	Total £'000
At 31 March 2023 (including 2,586,698 ordinary shares held as treasury shares)	101,333,904	17,422	883,669	901,091
Premium arising on re-issue of treasury shares	–	–	221	221
At 31 March 2024 (including 2,481,405 ordinary shares held as treasury shares)	101,333,904	17,422	883,890	901,312

Year ended 31 March 2023	Number of shares	Share capital £'000	Share premium £'000	Total £'000
At 31 March 2022 (including 2,688,004 ordinary shares held as treasury shares)	101,333,904	17,422	883,321	900,743
Premium arising on re-issue of treasury shares	–	–	348	348
At 31 March 2023 (including 2,586,698 ordinary shares held as treasury shares)	101,333,904	17,422	883,669	901,091

As at 31 March 2024, the total authorised number of ordinary shares is 152,368,568 shares (2023: 152,368,568 shares) with a par value of €0.25 per share (2023: €0.25 per share). Share premium relates to the share premium arising on the issue of shares.

During the year the Company re-issued 105,293 treasury shares for a consideration of £0.221 million.

All shares, with the exception of ordinary shares held as treasury shares, whether fully or partly paid, carry equal voting rights and rank for dividends to the extent to which the total amount payable on each share is paid up.

Details of share options and awards granted under the Company's share option and award schemes and the terms attaching thereto are provided in note 2.5 to the financial statements and in the Remuneration Report on pages 126 to 151.

RESTRICTION ON TRANSFER OF SHARES

The Directors may, at their absolute discretion and without giving any reason, refuse to register the transfer of a share, or any renunciation of any allotment made in respect of a share, which is not fully paid, or any transfer of a share to a minor or a person of unsound mind.

The Directors may also refuse to register any transfer (whether or not it is in respect of a fully paid share) unless (i) it is lodged at the Company's Registered Office or at such other place as the Directors may appoint and is accompanied by the certificate (if any) for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (ii) it is in respect of only one class of shares and (iii) it is in favour of not more than four transferees.

NOTES TO THE FINANCIAL STATEMENTS Continued

4.1 SHARE CAPITAL AND SHARE PREMIUM continued

RESTRICTION OF VOTING RIGHTS

If at any time the Directors determine that a 'Specified Event' as defined in the Articles of Association of DCC plc has occurred in relation to any share or shares, the Directors may serve a notice to such effect on the holder or holders thereof. Upon the expiry of 14 days from the service of any such notice, for so long as such notice shall remain in force, no holder or holders of the share or shares specified in such notice shall be entitled to attend, speak or vote either personally, by representative or by proxy at any general meeting of the Company or at any separate general meeting of the holders of the class of shares concerned or to exercise any other right conferred by membership in relation to any such meeting. The Directors shall, where the specified shares represent not less than 0.25% of the class of shares concerned, be entitled to withhold payment of any dividend or other amount payable (including shares issuable in lieu of dividends) in respect of the shares specified in such notice and/or, in certain circumstances, to refuse to register any transfer of the specified shares or any renunciation of any allotment of new shares or debentures made in respect thereof unless such transfer or renunciation is shown to the satisfaction of the Directors to be an arm's length transfer or a renunciation to another beneficial owner unconnected with the holder or any person appearing to have an interest in the specified shares.

4.2 OTHER RESERVES

This note details the movement in the Group's other reserves which are treated as different categories of equity as required by accounting standards.

	Share based payment reserve[1] £'000	Cash flow hedge reserve[2] £'000	Foreign currency translation reserve[3] £'000	Other reserves[4] £'000	Total £'000
At 31 March 2022	47,436	85,768	87,272	932	221,408
Currency translation	–	–	41,257	–	41,257
Cash flow hedges:					
– fair value gain in year – private placement debt	–	12,418	–	–	12,418
– fair value – transferred to the income statement	–	–	–	–	–
– fair value loss in year – other	–	(219,369)	–	–	(219,369)
– tax on fair value net gains	–	38,582	–	–	38,582
– transfers to sales	–	336	–	–	336
– transfers to cost of sales	–	50,254	–	–	50,254
– transfers to operating expenses	–	(8,061)	–	–	(8,061)
– tax on transfers	–	(8,208)	–	–	(8,208)
Share based payment	7,160	–	–	–	7,160
At 31 March 2023	54,596	(48,280)	128,529	932	135,777
Currency translation	–	–	(63,656)	–	(63,656)
Cash flow hedges:					
– fair value loss in year – private placement debt	–	(3,375)	–	–	(3,375)
– fair value – transferred to the income statement	–	(2,532)	–	–	(2,532)
– fair value loss in year – other	–	(104,700)	–	–	(104,700)
– tax on fair value net loss	–	23,046	–	–	23,046
– transfers to sales	–	90	–	–	90
– transfers to cost of sales	–	146,872	–	–	146,872
– transfers to operating expenses	–	762	–	–	762
– tax on transfers	–	(29,983)	–	–	(29,983)
Share based payment	9,210	–	–	–	9,210
At 31 March 2024	63,806	(18,100)	64,873	932	111,511

1. The share-based payment reserve comprises the amounts expensed in the Income Statement in connection with share based payments.
2. The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.
3. The Group's foreign currency translation reserve represents foreign exchange differences arising from the translation of the net assets of the Group's non-sterling denominated operations, including the translation of the profits and losses of such operations from the average rate for the year to the closing rate at the reporting date.
4. The Group's other reserves principally comprises a capital conversion reserve fund.

4.3 RETAINED EARNINGS

Retained Earnings represents the accumulated earnings of the Group not distributed to shareholders and is shown net of the cost to the Group of acquiring shares held as treasury shares.

	2024 £'000	2023 £'000
At 1 April	1,941,223	1,783,033
Net income recognised in Income Statement	326,255	334,022
Net income recognised in Other Comprehensive Income:		
– remeasurements of defined benefit pension obligations	24	2,811
– deferred tax on remeasurements	(117)	(800)
Dividends	(188,817)	(177,843)
At 31 March	2,078,568	1,941,223

The cost to the Group and the Company of €37.057 million (2023: €38.405 million) to acquire the 2,481,405 shares (2023: 2,586,698 shares) held in Treasury has been deducted from the Group and Company Retained Earnings. These shares were acquired at prices ranging from €12.80 to €17.90 each (average: €14.93) between 17 May 2004 and 19 June 2006 and are primarily held to satisfy exercises under the Group's share options and awards schemes.

4.4 NON-CONTROLLING INTERESTS

Non-controlling interests principally comprises the 40% equity interest in our Danish subsidiary DCC Holding Denmark A/S which is not controlled by the Group.

	2024 £'000	2023 £'000
At 1 April	80,219	65,379
Share of profit for the financial year	14,283	12,780
Dividends to non-controlling interests	(310)	(129)
Non-controlling interest arising on acquisition (note 5.2)	–	166
Exchange and other	(2,551)	2,023
At 31 March	91,641	80,219

NOTES TO THE FINANCIAL STATEMENTS Continued

SECTION 5 ADDITIONAL DISCLOSURES

5.1 FOREIGN CURRENCY

This note details the exchange rates used to translate non-sterling Income Statement and Balance Sheet amounts into sterling, which is the Group's presentation currency.

The Group's financial statements are presented in sterling, denoted by the symbol '£'. Results and cash flows of operations based in non-sterling countries have been translated into sterling at average rates for the year, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. The principal exchange rates used for translation of results and balance sheets into sterling were as follows:

	Average rate		Closing rate	
	2024 Stg£1=	2023 Stg£1=	2024 Stg£1=	2023 Stg£1=
Euro	1.1563	1.1597	1.1695	1.1374
Danish krone	8.6183	8.6304	8.7218	8.4719
Swedish krona	13.2851	12.4772	13.4780	12.8304
Norwegian krone	13.3529	11.8985	13.6814	12.9595
US dollar	1.2541	1.2101	1.2643	1.2369
Canadian dollar	1.6932	1.5934	1.7158	1.6762
Hong Kong dollar	9.8172	9.4837	9.8929	9.7096

5.2 BUSINESS COMBINATIONS

The Group acquired a number of businesses during the year. This note provides details on the consideration paid and/or payable as well as the provisional fair values of the net assets acquired.

A key strategy of the Group is to create and sustain market leadership positions through acquisitions in markets it currently operates in, together with extending the Group's footprint into new geographic markets. In line with this strategy, the principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:

- The acquisition by DCC Energy of 100% of Centreco in July 2023. Centreco is a market-leading solar PV and energy consultancy business in the UK, which services commercial and industrial customers nationally.
- The acquisition by DCC Energy of 100% of Isolatiespecialist in August 2023. Isolatiespecialist is a leading provider of energy efficiency and insulation services to domestic and commercial customers in the Netherlands.
- The acquisition by DCC Energy of 100% of San Isabel Services Propane in August 2023. San Isabel Services Propane is a US liquid gas distributor which services both domestic and commercial customers in Colorado.
- The acquisition by DCC Energy of 100% of Solcellekraft in September 2023. Solcellekraft is one of Norway's largest solar PV businesses, servicing commercial and domestic customers.
- The acquisition by DCC Energy of 100% of DTGen in November 2023. DTGen is a leading UK-based provider of power solutions, with a particular focus on emergency power solutions. DTGen offers a comprehensive service from design to supply, installation, and continuous maintenance, catering to a diverse range of sectors, including data centres, utilities and healthcare.
- The acquisition by DCC Energy of 100% of the Energy Management division of eEnergy Group plc ('EML') in February 2024. EML provides energy management services including energy procurement, market analysis, risk management and net zero pathway consulting to industrial, commercial and public sector customers in the UK. EML's technology and services empowers customers to identify and eliminate energy waste and reduce their carbon emissions.
- The acquisition by DCC Energy of 100% of Progas GmbH ('Progas') in February 2024 for an enterprise value of approximately £140 million. Progas is a leading distributor of liquid gas in Germany and this synergistic acquisition represents DCC Energy's largest acquisition to date in Germany, Europe's largest energy market, and considerably expands DCC Energy's customer base in the market to over 100,000 customers.

5.2 BUSINESS COMBINATIONS continued

The acquisition data presented below reflects the fair value of the identifiable net assets acquired (excluding net cash/debt acquired) in respect of acquisitions completed during the year.

	Total 2024 £'000	Total 2023 £'000
Assets		
Non-current assets		
Property, plant and equipment (note 3.1)	48,603	6,273
Right-of-use leased assets (note 3.2)	10,563	5,856
Intangible assets (note 3.3)	156,964	131,453
Equity accounted investments (note 3.4)	5,530	18,909
Deferred income tax assets	2,467	2,291
Total non-current assets	224,127	164,782
Current assets		
Inventories (note 3.8)	23,708	53,329
Trade and other receivables (note 3.8)	59,945	36,760
Total current assets	83,653	90,089
Liabilities		
Non-current liabilities		
Deferred income tax liabilities	(41,026)	(38,112)
Post employment benefit obligations (note 3.15)	(18,647)	–
Provisions for liabilities	(13,245)	(161)
Lease creditors	(6,742)	(3,933)
Total non-current liabilities	(79,660)	(42,206)
Current liabilities		
Trade and other payables (note 3.8)	(61,022)	(65,775)
Provisions for liabilities	(6,919)	(149)
Current income tax liabilities	(8,179)	(10,023)
Lease creditors	(3,207)	(2,166)
Total current liabilities	(79,327)	(78,113)
Identifiable net assets acquired	148,793	134,552
Non-controlling interest arising on acquisition (note 4.4)	–	(166)
Goodwill (note 3.3)	222,171	230,754
Total consideration	370,964	365,140
Satisfied by:		
Cash	327,354	319,463
Net cash and cash equivalents acquired	(39,199)	(977)
Net cash outflow	288,155	318,486
Acquisition related liabilities (note 3.16)	82,809	46,654
Total consideration	370,964	365,140

NOTES TO THE FINANCIAL STATEMENTS Continued

5.2 BUSINESS COMBINATIONS continued

None of the business combinations completed during the period were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations. The carrying amounts of the assets and liabilities acquired, determined in accordance with IFRS, before completion of the combination together with the adjustments made to those carrying values disclosed above were as follows:

Total	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	71,896	152,231	224,127
Current assets	97,667	(14,014)	83,653
Non-current liabilities	(38,936)	(40,724)	(79,660)
Current liabilities	(79,327)	–	(79,327)
Identifiable net assets acquired	51,300	97,493	148,793
Goodwill arising on acquisition	319,664	(97,493)	222,171
Total consideration	370,964	–	370,964

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis in respect of a number of the business combinations above given the timing of closure of these transactions. Any amendments to fair values within the 12 month timeframe from the date of acquisition will be disclosable in the 2025 Annual Report as stipulated by IFRS 3.

The principal factors contributing to the recognition of goodwill on business combinations entered into by the Group are the expected profitability of the acquired business and the realisation of cost savings and synergies with existing Group entities.

£9.555 million of the goodwill recognised in respect of acquisitions completed during the financial year is expected to be deductible for tax purposes.

Acquisition and related costs included in other operating expenses in the Group Income Statement amounted to £14.347 million (note 2.6).

No contingent liabilities were recognised on the acquisitions completed during the financial year or the prior financial years.

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to £67.681 million. The fair value of these receivables is £59.945 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of £7.736 million.

The fair value of contingent consideration recognised at the date of acquisition is calculated by discounting the expected future payment to present value at the acquisition date. In general, for contingent consideration to become payable, pre-defined profit thresholds must be exceeded. On an undiscounted basis, the future payments for which the Group may be liable for acquisitions in the current year range from nil to £159.8 million.

The post-acquisition impact of business combinations completed during the year on the Group's revenue and profit for the financial year was as follows:

	2024 £'000
Revenue	171,589
Profit for the financial year attributable to owners of the Parent Company	16,091

The revenue and profit of the Group for the financial year determined in accordance with IFRS as though the acquisition date for all business combinations effected during the year had been the beginning of that year would be as follows:

	2024 £'000
Revenue	20,147,887
Profit for the financial year attributable to owners of the Parent Company	345,502

5.3 CASH GENERATED FROM OPERATIONS

This note reconciles how the Group's profit for the year translates into cash flows generated from operating activities.

	2024 £'000	2023 £'000
Profit for the financial year	340,538	346,802
Add back non-operating expenses/(income):		
– tax	83,213	84,762
– share of equity accounted investments' (profit)/loss	(604)	692
– net operating exceptionals	39,309	32,528
– net finance costs	106,249	79,732
Operating profit before exceptionals	568,705	544,516
– share-based payments expense (note 2.5)	9,210	7,160
– depreciation (including right-of-use leased assets)	240,194	219,681
– amortisation of intangible assets (note 3.3)	114,075	111,146
– profit on disposal of property, plant and equipment	(1,148)	(12,346)
– amortisation of government grants (note 3.18)	(376)	(114)
– other	8,562	4,654
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
– inventories (note 3.8)	122,766	30,118
– trade and other receivables (note 3.8)	157,082	283,224
– trade and other payables (note 3.8)	(223,277)	(327,293)
Cash generated from operations before exceptionals	995,793	860,746

5.4 COMMITMENTS

A commitment represents an obligation to make a payment in the future as long as the counterparty meets its obligations, and mainly relates to agreements to buy capital assets. These amounts are not included in the Group's Balance Sheet as we have not yet received the goods or services from the supplier.

CAPITAL EXPENDITURE COMMITMENTS

	2024 £'000	2023 £'000
Capital expenditure on property, plant and equipment that has been contracted for but has not been provided for in the financial statements	49,974	57,996
Capital expenditure on property, plant and equipment that has been authorised by the Directors but has not yet been contracted for	112,375	138,536
	162,349	196,532

5.5 CONTINGENCIES

Contingent liabilities include guarantees given in respect of borrowings and other obligations arising in the ordinary course of business.

GUARANTEES

The Company has given guarantees of £2,133.199 million (2023: £2,433.872 million) in respect of borrowings and other obligations arising in the ordinary course of business of the Company and other Group undertakings.

OTHER

Pursuant to the provisions of Section 357 of the Companies Act, 2014, the Company has guaranteed the commitments of the following Irish subsidiaries and, as a result, these companies will be exempted from the filing provisions of Sections 347 and 348 of the Companies Act, 2014:

Alvabay Limited, Budget Energy Limited, Budget Energy Holdings Limited, Campus Oil Limited, CC Lubricants Limited, Certa Ireland Limited (formerly Emo Oil Limited), Certas Energy Ireland Limited, DCC Corporate Funding Unlimited Company, DCC Corporate Partners Unlimited Company, DCC Corporate 2007 dac, DCC Corporate Services dac, DCC Energy Limited,

NOTES TO THE FINANCIAL STATEMENTS Continued

5.5 CONTINGENCIES continued

DCC Finance Limited, DCC Finance Holdings Limited, DCC Finance & Treasury dac, DCC Financial Services Unlimited Company, DCC Financial Services Holdings Unlimited Company, DCC Financial Services International dac, DCC Financial Services International Holdings Limited, DCC Financial Services Investments CLG, DCC Financial Services Ireland Unlimited Company, DCC Financial Services Management dac, DCC Funding 2007 dac, DCC Fund Services Unlimited Company, DCC Group Finance (Ireland) dac (formerly DCC Treasury Ireland 2013 dac), DCC Healthcare Limited, DCC Management Services Limited, DCC Nominees Unlimited Company, DCC Technology Limited, DCC Treasury 2010 dac, DCC Treasury Management Unlimited Company, DCC Treasury Services Unlimited Company, DCC Treasury Solutions Unlimited Company, Energy Procurement Limited, Energy Procurement Ireland 2013 Limited, Exertis Arc Telecom Limited, Exertis Ireland Limited, Fannin Limited, Flogas Enterprise Solutions Limited (formerly Naturgy Limited), Flogas Ireland Limited, Flogas Natural Gas Limited, Jones Oil Limited, Medisource Ireland Limited, Mullet Investment Company Unlimited Company, SerCom (Holdings) Limited, SerCom Property Limited, Source LS Global Limited and Starata Limited.

Eight of the Group's German subsidiaries, EnergieDirect GmbH & Co. KG, TEGA-Technische Gase und Gasetechnik GmbH, DCC Germany Holding GmbH, Progas Holding GmbH, PROGAS GmbH & Co. KG, PROGAS GmbH, Jaeger Flüssiggasanlagenbau GmbH and Progeha Unterstützungseinrichtung e.V. availed of disclosure exemptions pursuant to Section 264 of the German Commercial Code (HGB) and are therefore exempted from the obligations to prepare and disclose audited financial statements.

5.6 RELATED PARTY TRANSACTIONS

The Group's principal related parties are the Group's subsidiaries, associates and key management personnel of the Group.

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS 24 Related Party Disclosures relate to the existence of subsidiaries and associates and transactions with these entities entered into by the Group and the identification and compensation of key management personnel as addressed in more detail below.

SUBSIDIARIES AND ASSOCIATES

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries and associates as documented in the accounting policies in note 5.9 and the basis of consolidation in note 1.3. A listing of the principal subsidiaries and associates is provided in the Group Directory on pages 244 to 247 of this Annual Report.

Transactions are entered into in the normal course of business on an arm's length basis. Sales to and purchases from, together with outstanding payables and receivables to and from subsidiaries are eliminated in the preparation of the consolidated financial statements.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

For the purposes of the disclosure requirements under IAS 24, the term 'key management personnel' (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Company) comprises the Board of Directors which manages the business and affairs of the Company. Key management remuneration amounted to:

	2024 £'000	2023 £'000
Short-term benefits	3,916	3,437
Post-employment benefits	190	179
Share-based payment (calculated in accordance with the principles disclosed in note 2.5)	1,692	1,363
	5,798	4,979

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT

This note details the Group's treasury management and financial risk management objectives and policies. Information is also provided regarding the Group's exposure and sensitivity to capital risk, credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk, and the policies in place to monitor and manage these risks.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing its capital structure are to safeguard the Group's ability to continue as a going concern to provide returns to shareholders and benefits for other stakeholders, while maintaining a strong balance sheet to support the continued organic and acquisitive growth of its businesses and to maintain investor, creditor and market confidence. Return on capital employed ('ROCE') is a key performance indicator for the Group.

To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or buy back existing shares, increase or reduce debt or sell assets.

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

The Group includes borrowings in its measure of capital. The Group's borrowings are subject to covenants. Further details on this are outlined in the 'liquidity risk management' section of this note.

The policy for net debt/cash is to ensure a structure of longer-term debt funding and cash balances with deposit maturities up to three months.

The capital structure of the Group, which comprises capital and reserves attributable to the owners of the Parent Company, net debt, lease creditors and acquisition related liabilities, may be summarised as follows:

	2024 £'000	2023 £'000
Capital and reserves attributable to the owners of the Parent Company	3,091,391	2,978,091
Net debt (excl. lease creditors) (note 3.13)	784,698	767,335
Lease creditors (note 3.12)	362,383	346,546
Acquisition related liabilities (note 3.16)	141,777	127,393
At 31 March	4,380,249	4,219,365

FINANCIAL RISK MANAGEMENT

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors, most recently in February 2024. These policies and guidelines primarily cover credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does not trade in financial instruments, nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange, and, in conjunction with Group Commodity Risk Management, manage commodity price exposures, within approved policies and guidelines. Compliance with the policies and guidelines is reviewed by the Group Internal Audit function.

The Group has a consistent focus on maintaining financial strength through a disciplined approach to balance sheet management and maintaining relatively low levels of financial risk. At 31 March 2024, the Group had cash and cash equivalents of £1,109.446 million (note 3.9) and £766 million undrawn under its committed revolving credit facility (note 3.11). At 31 March 2024, the capital structure, as summarised above had net debt excluding lease creditors of £784.698 million.

(i) Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It arises principally from credit exposure to trade receivables, cash and cash equivalents including deposits with banks and financial institutions and derivative financial instruments.

The Group's trade receivables are generally unsecured and non-interest bearing and arise from a wide and varied customer base spread throughout the Group's operations and, as such, there is no significant concentration of credit risk. The Group allocates each exposure to a credit risk grade, based on data that is determined to be predictive of risk of loss. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, considering their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored, and a significant element of credit risk is covered by credit insurance.

The Group applies the simplified approach to providing for expected credit losses ('ECL') permitted by IFRS 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables. The Group uses an allowance matrix to measure the ECL's of trade receivables, which comprises a very large number of small balances. Loss rates are based on actual credit loss experience.

As detailed in note 3.6, the Group's trade receivables at 31 March 2024 amount to £1,782.513 million (2023: £1,939.528 million). Customer credit risk arising in the context of the Group's operations is not significant and the total allowance for impairment of trade receivables amounts to 4.8% of the Group's gross trade receivables (2023: 3.8%). The allowance for impairment mainly relates to trade and other receivables balances which are over six months overdue.

Where appropriate, certain of the Group's operations selectively utilise supply chain financing solutions to sell, on a non-recourse basis, a portion of their receivables relating to certain larger supply chain/sales and marketing activities. The level of supply chain financing at 31 March 2024 was £145.386 million (2023: £151.097 million) and has been derecognised from 'Trade and other receivables' in accordance with the Group's accounting policy. Revenues relating to the non-recourse sale of receivables included in overall Group revenues in the year ended 31 March 2024 amounted to £690.265 million (2023: £1,167.725 million).

Risk of counterparty default arising on cash and cash equivalents and derivative financial instruments is controlled within a framework of dealing with high-quality institutions and, by policy, limiting the amount of credit exposure to any one bank or

NOTES TO THE FINANCIAL STATEMENTS Continued

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

institution. DCC transacts with a variety of high credit quality financial institutions for the purpose of placing deposits and entering into derivative contracts. Deposits are also placed with AAA money market funds. The Group actively monitors its credit exposure to each counterparty to ensure compliance with the counterparty risk limits of the Board approved treasury policy. Of the total cash and cash equivalents at 31 March 2024 of £1,109.446 million, 10.8% (£119.351 million) was with money market funds, 95.6% (£1,060.459 million) was with money market funds or financial institutions with minimum short-term ratings of A-1 (Standard and Poor's) or P-1 (Moody's) and 95.7% (£1,062.108 million) was with money market funds or financial institutions with minimum short-term ratings of A-2 (Standard and Poor's) or P-2 (Moody's). In the normal course of business, the Group operates notional cash pooling systems, where a legal right of set-off applies. As at 31 March 2024, derivative transactions were with counterparties with ratings ranging from A+ to A- (long-term) with Standard and Poor's or Aa1 to A1 (long-term) with Moody's. The Group accordingly does not expect any loss in relation to its cash and cash equivalents or its derivative balances at 31 March 2024.

Management does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset.

(ii) Liquidity risk management

The Group maintains a strong balance sheet with long-term debt funding and cash balances with deposit maturities up to three months. Wherever possible, surplus funds in the Group are transferred to the centralised treasury department through the repayment of borrowings, deposits and dividends. These are then lent to Group companies, contributed as equity to fund Group operations, used to retire external debt or invested externally. The Group does not use off-balance sheet special purpose entities as a source of liquidity or for other financing purposes. In addition, the Group maintains significant committed and uncommitted credit lines with its relationship banks. Compliance with the Group's debt covenants is monitored continually based on management accounts. Sensitivity analysis using various scenarios are applied to forecasts to assess their impact on covenants and net debt/cash. During the year to 31 March 2024, all covenants have been complied with and based on current forecasts, it is expected that all covenants will continue to be complied with for the foreseeable future. Further analysis of the Group's debt covenants is included in the Financial Review.

The following tables show the projected contractual undiscounted total cash outflows (principal and interest) arising from the Group's trade and other payables, gross debt and derivative financial instruments. The tables also include the gross cash inflows projected to arise from derivative financial instruments. These projections are based on the interest and foreign exchange rates applying at the end of the relevant financial year.

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

As at 31 March 2024	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	(3,054,108)	–	–	–	(3,054,108)
Interest bearing loans and borrowings	(369,797)	(87,796)	(777,079)	(736,037)	(1,970,709)
Interest payments on interest bearing loans and borrowings	(77,432)	(71,113)	(165,416)	(110,728)	(424,689)
Lease creditors	(77,527)	(60,105)	(111,929)	(112,822)	(362,383)
Interest payments on lease creditors	(11,317)	(9,049)	(17,338)	(39,680)	(77,384)
Acquisition related liabilities	(69,768)	(48,847)	(21,942)	(1,220)	(141,777)
Cross currency swaps – gross cash outflows	(174,092)	(80,745)	(92,301)	(18,180)	(365,318)
Other derivative financial instruments	(20,548)	(1,294)	(573)	–	(22,415)
Interest rate swaps – net cash outflows	(3,374)	(3,142)	(6,596)	(595)	(13,707)
	(3,857,963)	(362,091)	(1,193,174)	(1,019,262)	(6,432,490)

Derivative financial instruments – cash inflows					
Cross currency swaps – gross cash inflows	215,325	94,337	114,652	22,678	446,992
Other derivative financial instruments	11,000	632	132	–	11,764
	226,325	94,969	114,784	22,678	458,756

As at 31 March 2023	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	(3,279,898)	–	–	–	(3,279,898)
Interest bearing loans and borrowings	(321,381)	(339,526)	(679,945)	(954,922)	(2,295,774)
Interest payments on interest bearing loans and borrowings	(88,518)	(74,915)	(182,481)	(157,919)	(503,833)
Lease creditors	(71,158)	(57,675)	(103,126)	(114,587)	(346,546)
Interest payments on lease creditors	(9,227)	(7,642)	(15,712)	(40,180)	(72,761)
Acquisition related liabilities	(41,221)	(28,903)	(48,998)	(8,271)	(127,393)
Cross currency swaps – gross cash outflows	(239,597)	(171,258)	(168,028)	(18,942)	(597,825)
Other derivative financial instruments	(42,341)	(3,803)	(1,331)	–	(47,475)
Interest rate swaps – net cash outflows	(11,062)	(9,821)	(24,414)	(2,348)	(47,645)
	(4,104,403)	(693,543)	(1,224,035)	(1,297,169)	(7,319,150)

Derivative financial instruments – cash inflows					
Cross currency swaps – gross cash inflows	291,277	220,095	212,491	24,308	748,171
Other derivative financial instruments	12,227	1,045	10	–	13,282
	303,504	221,140	212,501	24,308	761,453

The Group has sufficient cash resources and liquid assets to enable it to meet its current borrowing obligations and trade and other payables. The Group has a well-balanced profile of debt maturities over the coming years which will be serviced through a combination of cash and cash equivalents, cash flows, committed bank facilities and the raising of additional long-term debt.

NOTES TO THE FINANCIAL STATEMENTS Continued

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

(iii) Market risk management

Foreign exchange risk management

DCC's presentation currency is sterling. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations giving rise to exposure to other currencies.

Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign currency exposures within approved policies and guidelines using forward currency contracts.

The Group does not hedge translation exposure on the translation of the profits of foreign currency subsidiaries on the basis that there is no commitment or intention to remit earnings.

The Group has investments in non-sterling, primarily euro and US dollar denominated, operations which are cash generative and a significant proportion of cash generated from these operations is reinvested in development activities rather than being repatriated into sterling. The Group seeks to manage the resultant foreign currency translation risk through borrowings denominated in (or swapped utilising cross currency interest rate swaps into) the relevant currency or through currency swaps related to intercompany funding, although these hedges are offset by the strong ongoing cash flow generated from the Group's non-sterling operations, leaving DCC with a net investment in non-sterling assets. The loss of £66.2 million arising on the translation of DCC's non-sterling denominated net asset position at 31 March 2024 as set out in the Group Statement of Comprehensive Income mainly reflects the weakening in the value of the euro and US dollar against sterling with the impact of movements against other currencies largely offsetting each other.

The Group has a moderate level of transactional currency exposure arising from sales or purchases by operating units in currencies other than their functional currencies. Where sales or purchases are invoiced in currencies other than the local currency and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months. The Group also hedges a proportion of anticipated transactions in certain subsidiaries for periods ranging up to 18 months with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes.

Sensitivity to currency movements

A change in the value of other currencies by 10% against sterling would have a £29.9 million (2023: £28.2 million) impact on the Group's profit before tax and exceptional items, would change the Group's equity by £210.3 million and change the Group's net debt by £97.2 million (2023: £210.2 million and £102.0 million respectively). The Group has an insignificant amount of transactional currency exposure.

Interest rate risk management

On a net debt/cash basis, the Group is exposed to changes in interest rates, primarily changes in EURIBOR and sterling SONIA. Having borrowed at both fixed and floating rates of interest, DCC has swapped its fixed rate borrowings to a combination of fixed and floating interest rates, using interest rate and cross currency interest rate swaps. Overall interest rate risk on gross borrowings is mitigated by matching, to the extent possible, the maturity of its cash balances with the interest rate reset periods on the swaps related to its borrowings, and with interest income on deposits.

Sensitivity of interest charges to interest rate movements

Based on the composition of net debt at 31 March 2024 a one percentage point (100 basis points) change in average floating interest rates would have a £4.9 million (2023: £4.7 million) impact on the Group's profit before tax.

Further information on Group borrowings and the management of related interest rate risk is set out in notes 3.10 and 3.11.

Commodity price risk management

DCC, through its activities in the energy sector, procures, markets and sells liquid gas, natural gas, electricity and oil products and, as such, is exposed to changes in commodity cost prices. In general, market dynamics are such that commodity cost price movements are promptly reflected in sales prices. In certain markets, short-term or seasonal price stability is preferred by certain customer segments thus DCC hedges a proportion of forecasted transactions, with such transactions qualifying as 'highly probable' for IAS 39 hedge accounting purposes. DCC uses both forward purchase contracts and derivative commodity instruments to support its pricing strategy for a portion of expected future sales, typically for periods of less than 12 months.

Fixed price supply contracts may be provided to certain customers for periods typically less than 12 months in duration. DCC fixes its purchase cost on contracted future volumes where the customer contract contains a take-or-pay arrangement that permits the customer to purchase a fixed amount of product for a fixed price during a specified period and requires payment even if the customer does not take delivery of the product. Where a take-or-pay clause is not included in the customer contract, DCC hedges a portion of forecasted sales volume recognising that certain sales, such as liquid gas and natural gas, are exposed to volume risk arising from a range of factors, including the weather.

DCC does not hold significant amounts of commodity inventory relative to purchases and sales; however, for certain inventory, such as fuel oil and natural gas, DCC may enter hedge contracts to manage price exposures.

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

Across its energy activities, DCC enters into commodity hedges to fix a portion of its own fuel costs.

Certain activities of individual businesses are centralised under the supervision of the DCC Group Commodity Risk Management function. Divisional and subsidiary management, in conjunction with the Group's Commodity Risk Management function, manage commodity price exposures within approved policies and guidelines.

All derivative commodity hedging counterparties are approved by the Chief Executive and the Chief Financial Officer and are reviewed by the Board.

Sensitivity to commodity price movements

Due to pricing dynamics in the oil distribution market, an increase or decrease of 10% in the commodity cost price of oil would have an immaterial impact on the Group's profit before tax (2023: immaterial) and an immaterial impact on the Group's equity (2023: immaterial).

The impact on the Group's profit before tax and on the Group's equity of an increase or decrease of 10% in the commodity cost price of liquid gas, natural gas or electricity would be dependent on seasonal variations, competitive pressures and the underlying absolute cost of the commodity at the time and, as such, is difficult to quantify but would not be material.

Fair values of financial assets and financial liabilities

The fair values of borrowings (none of which are listed) and derivative financial instruments are measured by discounting cash flows at prevailing interest and exchange rates. The fair values of expected future payments under contingent consideration arrangements are determined by applying a risk-adjusted discount rate to the future payments which are based on forecasted operating profits of the acquired entity over the relevant period. The carrying value of non-interest-bearing financial assets, financial liabilities and cash and cash equivalents approximates their fair values, largely due to their short-term maturities. The nominal value less impairment allowance of trade receivables and payables approximate to their fair values, largely due to their short-term maturities. The following is a comparison by category of book values and fair values of the Group's financial assets and financial liabilities:

	2024		2023	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Financial assets				
Derivative financial instruments	97,824	97,824	148,457	148,457
Trade and other receivables	2,172,422	2,172,422	2,312,269	2,312,269
Cash and cash equivalents	1,109,446	1,109,446	1,421,749	1,421,749
	3,379,692	3,379,692	3,882,475	3,882,475
Financial liabilities				
Borrowings (excluding lease creditors)	1,943,518	1,975,789	2,254,615	2,292,098
Derivative financial instruments	48,450	48,450	82,926	82,926
Acquisition related liabilities	141,777	141,777	127,393	127,393
Trade and other payables	3,054,108	3,054,108	3,279,898	3,279,898
	5,187,853	5,220,124	5,744,832	5,782,315

The Group has adopted the following fair value measurement hierarchy in relation to its financial assets and financial liabilities that are carried in the Balance Sheet at fair value as at the year end:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS Continued

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

Fair value measurement as at 31 March 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets				
Derivative financial instruments (note 3.10)	–	97,824	–	97,824
	–	97,824	–	97,824
Financial liabilities				
Acquisition related liabilities (note 3.16)	–	–	141,777	141,777
Derivative financial instruments (note 3.10)	–	48,450	–	48,450
	–	48,450	141,777	190,227

Fair value measurement as at 31 March 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets				
Derivative financial instruments (note 3.10)	–	148,457	–	148,457
	–	148,457	–	148,457
Financial liabilities				
Acquisition related liabilities (note 3.16)	–	–	127,393	127,393
Derivative financial instruments (note 3.10)	–	82,926	–	82,926
	–	82,926	127,393	210,319

Level 2 fair value measurement:
The specific valuation techniques used to value financial instruments that are carried at fair value using level 2 valuation techniques are:

- the fair value of interest rate, currency and cross currency interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the reporting date with the resulting value discounted back to present value; and
- the fair value of forward commodity contracts is determined using quoted forward commodity prices at the reporting date with the resulting value discounted back to present value.

Level 3 fair value measurement:
Acquisition related liabilities are included in level 3 of the fair value hierarchy. Details of the movement in the year are included in note 3.16. The specific valuation techniques used to value contingent consideration that is carried at fair value using level 3 valuation techniques are:

- the expected future payments are determined by forecasting the acquiree's relevant basis for the contingent consideration (i.e. valuations based on EBITDA or EBIT multiples) as appropriate to the specific contractual earn out arrangement; and
- the present value of the estimated future expected payments are discounted using a risk-adjusted discount rate where the time value of money is material.

The significant unobservable inputs are as follows:

- forecasted average adjusted operating profit growth rate 5.0% to 52.0% (2023: 10.0% to 20.0%);
- forecasted average outflow on Butagaz acquisition related liabilities £2.6 million per annum (2023: £3.5 million per annum); and
- risk adjusted discount rate 3.0%% to 9.4% (2023: 3.0% to 8.9%).

The estimated fair value of contingent consideration would increase/(decrease) if EBITDA/EBIT growth was higher/(lower) if the forecasted outflow on Butagaz acquisition related liabilities was higher/(lower) or if the risk-adjusted discount rate was lower/(higher). For the fair value of contingent consideration, a reasonably possible change to one of the significant unobservable inputs at 31 March 2024, holding the other inputs constant, would have the following effects:

Impact on the carrying value of contingent consideration	2024 £'000	2023 £'000
Forecasted average adjusted operating profit growth rate (1% movement)	1,814	1,522
Forecasted outflow on Butagaz acquisition related liabilities (5% movement)	106	682
Risk adjusted discount rate (0.5% movement)	1,478	901

5.7 FINANCIAL RISK AND CAPITAL MANAGEMENT continued

OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements or similar agreements:

As at 31 March 2024	Gross amounts of recognised financial assets £'000	Gross amounts of recognised financial liabilities set off in the Balance Sheet £'000	Net amounts of financial assets presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet: Financial liabilities £'000	Related amounts not set off in the Balance Sheet: Cash collateral received £'000	Net amount £'000
Derivative financial instruments	86,060	–	86,060	(21,163)	–	64,897
Cash and cash equivalents	506,506	–	506,506	(34,274)	–	472,232
	592,566	–	592,566	(55,437)	–	537,129

As at 31 March 2023	Gross amounts of recognised financial assets £'000	Gross amounts of recognised financial liabilities set off in the Balance Sheet £'000	Net amounts of financial assets presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet: Financial liabilities £'000	Related amounts not set off in the Balance Sheet: Cash collateral received £'000	Net amount £'000
Derivative financial instruments	135,175	–	135,175	(28,860)	–	106,315
Cash and cash equivalents	389,669	–	389,669	(46,328)	–	343,341
	524,844	–	524,844	(75,188)	–	449,656

(ii) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements or similar agreements:

As at 31 March 2024	Gross amounts of recognised financial liabilities £'000	Gross amounts of recognised financial assets set off in the Balance Sheet £'000	Net amounts of financial liabilities presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet: Financial assets £'000	Related amounts not set off in the Balance Sheet: Cash collateral provided £'000	Net amount £'000
Derivative financial instruments	26,035	–	26,035	(21,163)	–	4,872
Bank borrowings	34,274	–	34,274	(34,274)	–	–
	60,309	–	60,309	(55,437)	–	4,872

As at 31 March 2023	Gross amounts of recognised financial liabilities £'000	Gross amounts of recognised financial assets set off in the Balance Sheet £'000	Net amounts of financial liabilities presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet: Financial assets £'000	Related amounts not set off in the Balance Sheet: Cash collateral provided £'000	Net amount £'000
Derivative financial instruments	35,451	–	35,451	(28,860)	–	6,591
Bank borrowings	46,328	–	46,328	(46,328)	–	–
	81,779	–	81,779	(75,188)	–	6,591

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis however each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party. Per the terms of each agreement, an event of default includes failure by a party to make payment when due, failure by a party to perform any obligation required by the agreement (other than payment) if such a failure is not remedied within periods of 15 to 30 days after notice of such failure is given to the party, or bankruptcy.

NOTES TO THE FINANCIAL STATEMENTS Continued

5.8 EVENTS AFTER THE BALANCE SHEET DATE

This note provides details on material events which have occurred between the year end date of 31 March and the date of approval of the financial statements.

In April 2024, DCC Energy acquired Next Energy for an initial enterprise value of approximately £90 million. Next Energy is an energy efficiency and renewable energy services provider focused on the UK domestic sector. Founded in 2016 and employing 120 people, Next Energy is a market-leading provider of retrofit energy transition solutions with an emphasis on the government funded market. The business supports domestic customers to improve the energy ratings of their houses. Next Energy has an addressable market of c.16 million homes (more than half of the UK's housing stock), of which up to c.14.5 million have either full or partial funding for retrofit. Services include the installation of heat pumps, heating controls, insulation, solar PV and battery. Next Energy accelerates DCC Energy's *Cleaner Energy in Your Power* strategy for UK domestic customers, complementing existing capability.

The Group also acquired (or agreed to acquire) a number of smaller businesses post year-end including Copropriétés Diagnostic and Secundo Photovoltaik.

An initial assignment of fair values to identifiable net assets acquired has not been completed given the timing of the closure of these transactions.

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES

This section sets out the Group's material accounting policies which are applied in recognising and measuring transactions and balances arising in the year

REVENUE RECOGNITION

Revenue comprises the fair value of the sale of goods and services to external customers net of applicable sales taxes, volume and promotional rebates, allowances and discounts. Revenue is generally recognised on a duty inclusive basis where applicable. The Group is deemed to be a principal in an arrangement when it controls a promised good or service before transferring them to a customer, and accordingly recognises revenue on a gross basis. Where the Group is determined to be an agent in a transaction, based on the principle of control, the net amount retained after the deduction of any costs to the principal is recognised as revenue.

The Group operates across a wide range of business segments and jurisdictions with varying customer credit terms which are in line with normal credit terms offered in that business segment and/or country of operation. Given the short-term nature of these credit terms, no element of financing is deemed present. Group revenues do not include any significant level of variable consideration.

Revenue is recorded when the collection of the amount is reasonably assured and when specific criteria have been met for each of the Group's activities as detailed below.

Sales of goods

Revenue from the sale of goods is measured based on the consideration specified in the contract with the customer. The Group recognises revenue when it transfers control over a good or service to a customer. This generally arises on delivery or in accordance with specific terms and conditions agreed with individual customers. In the case of consignment stock arrangements, revenue is recognised on the date that legal title passes. Rebates, allowances, and discounts are recorded in the same period as the original revenue.

DCC Energy derives most of its revenue from the sale of transport and commercial fuels, heating oils and related products, liquid gas, refrigerants, electricity and natural gas. Revenue is also derived from activities which fall under services, renewables and other ('SRO') such as the sale and installation of solar panels and energy efficiency offerings. The customer obtains control when the goods are delivered to the customer. The performance is satisfied once the customer accepts the delivery. Products can be sold under short or long-term agreements at prevailing market prices or at fixed prices for which DCC Energy will have fixed supply prices.

DCC Healthcare derives its revenue from the sale of a broad range of third-party and own-branded medical devices and pharmaceuticals. Revenue is also generated from the manufacture of products for health and beauty brand owners. The customer obtains control when the products are delivered to the customer and the performance is satisfied once the customer accepts the products. Revenue is recognised at this point in the majority of cases.

DCC Technology derives most of its revenue from the sale of consumer and SME focused technology products. The Group recognises the revenue, generally, when dispatch occurs. The performance obligation is then deemed to have been satisfied. Should volume and promotional rebates be granted to customers they are recognised as a reduction in sales revenue at the time of the sale based on managements' estimate of the likely rebate to be awarded to customers. Estimates are based on

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

historical results, taking into consideration the type of customer, the type of transaction and the specific facts of each arrangement.

Sales of services

Revenue from the rendering of services is recognised in the period in which the services are rendered. Contracts do not contain multiple performance obligations as defined by IFRS 15.

Service revenue in DCC Energy is generated from a variety of value-added services provided to customers. Revenue is recognised when the performance obligation is met which is as the service is provided.

DCC Healthcare generates service revenue from a variety of sources such as logistics services including stock management, distribution services to hospitals and healthcare manufacturers as well as engineering and preventative maintenance services. Revenue is recognised as the service is rendered and completed, when the performance obligation is deemed to be met.

DCC Technology generates service revenue from providing a range of value-added services to both its customers and suppliers including third party logistics, web site development and management, outsourced managed services, training and certain supply chain management services such as quality assurance and compliance. Revenue relating to these services is recognised when the performance obligation is deemed to be met which is as the service is provided.

Rental income

Rental income principally comprises property and liquid gas tank rental income and rental income from operating leases is recognised on a straight-line basis over the term of the lease. The related assets are recorded within property, plant and equipment and are depreciated on a straight-line basis over the useful lives of the assets.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments. The Group has determined that it has three reportable operating segments: DCC Energy, DCC Healthcare and DCC Technology.

FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The functional currency of the Company is euro. The consolidated financial statements are presented in sterling which is the Company's and the Group's presentation currency, and a significant portion of the Group's revenue and operating profit is generated in sterling. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates.

Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Currency translation differences on monetary assets and liabilities are taken to the Group Income Statement except when cash flow or net investment hedge accounting is applied.

Group companies

Results and cash flows of the parent and its subsidiaries and associates which do not have sterling as their functional currency are translated into sterling at average exchange rates for the year. Average exchange rates are a reasonable approximation of the cumulative effect of the rates on the transaction dates. The related balance sheets are translated at the rates of exchange ruling at the reporting date. Adjustments arising on translation of the results of such subsidiaries and associates at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity, net of differences on related currency instruments designated as hedges of such investments.

On disposal of a foreign operation, such cumulative currency translation differences are recognised in the Income Statement as part of the overall gain or loss on disposal. In accordance with IFRS 1, cumulative currency translation differences arising prior to the transition date to IFRS (1 April 2004) have been set to zero for the purposes of ascertaining the gain or loss on disposal of a foreign operation.

Goodwill and fair value adjustments arising on acquisition of a foreign operation are regarded as assets and liabilities of the foreign operation, are expressed in the functional currency of the foreign operation, and are recorded at the exchange rate at the date of the transaction and subsequently retranslated at the applicable closing rates.

FINANCE COSTS

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, net losses on hedging instruments that are recognised in the Income Statement, facility fees and the unwinding of discounts on provisions and acquisition related liabilities. The interest expense component of lease creditor payments is recognised in the Income Statement using the effective interest rate method. The net finance cost/income on defined benefit pension scheme assets or obligations are recognised in the Income Statement in accordance with IAS 19.

NOTES TO THE FINANCIAL STATEMENTS Continued

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

The mark-to-market of designated swaps and related debt and the mark-to-market of undesignated currency swaps and related debt are included in 'Finance Costs' in the case of a net loss. The mark-to-market of designated swaps and related debt comprises the gain or loss on interest rate swaps and cross currency interest rate swaps that are in hedge relationships with borrowings, together with the gain or loss on the hedged borrowings which is attributable to the hedged risk.

The mark-to-market of undesignated swaps and related debt comprises the gain or loss on currency swaps which are not designated as hedging instruments, but which are used to offset movements in foreign exchange rates on certain borrowings, along with the currency movement on those borrowings.

FINANCE INCOME

Finance income is recognised in the Income Statement as it accrues, using the effective interest method, and includes net gains on hedging instruments that are recognised in the Income Statement.

The mark-to-market of designated swaps and related debt and the mark-to-market of undesignated currency swaps and related debt, both as defined above, are included in 'Finance Income' in the case of a net gain.

EXCEPTIONAL ITEMS

The Group has adopted an Income Statement format which seeks to highlight significant items within the Group results for the year. Such items may include restructuring, profit or loss on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, profit or loss on disposal of property, plant and equipment, IAS 39 ineffective mark-to-market movements together with gains or losses arising from currency swaps offset by gains or losses on related fixed rate debt, acquisition costs, profit or loss on defined benefit pension scheme restructuring, adjustments to contingent acquisition consideration, the impact on deferred tax balances as a result of changes to enacted corporation tax rates and impairment of assets. Judgement is used by the Group in assessing the items, which by virtue of their scale and nature, should be presented in the Income Statement and disclosed in the related notes as exceptional items.

INCOME TAX

Current tax

The Group's income tax charge is based on reported profit and enacted statutory tax rates, which reflect various allowances and reliefs available to the Group in the multiple tax jurisdictions in which it operates. The determination of the Group's provision for income tax requires certain judgements and estimates in relation to matters where the ultimate tax outcome may not be certain. The recognition or non-recognition of deferred tax assets as appropriate also requires judgement as it involves an assessment of the future recoverability of those assets. In addition, the Group is subject to tax audits which can involve complex issues that could require extended periods to conclude, the resolution of which is often not within the control of the Group. Although management believes that the estimates included in the Consolidated Financial Statements and its tax return positions are correct, there is no certainty that the final outcome of these matters will not be different to that which is reflected in the Group's historical income tax provisions and accruals. Whilst it is possible, the Group does not currently anticipate that any such differences could have a material impact on the income tax provision and profit for the period in which such a determination is made nor does it expect any significant impact on its financial position in the near term. This is based on the Group's knowledge and experience, as well as the profile of the individual components which have been reflected in the current tax liability, the status of the tax audits, enquiries and negotiations in progress at each year end.

Current tax represents the expected tax payable or recoverable on the taxable profit for the year using tax rates enacted or substantively enacted at the reporting date and considering any adjustments stemming from prior years. Any interest or penalties arising are included within current tax. Where items are accounted for outside of profit or loss, the related income tax is recognised either in other comprehensive income or directly in equity as appropriate.

Deferred tax

Deferred tax is provided using the liability method on all temporary differences at the reporting date which is defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not subject to discounting and are measured using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences except for the following:

- where the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and
- where, in respect of taxable temporary differences associated with investments in subsidiaries and associates, the timing of the reversal of the temporary difference is subject to control by the Group and it is probable that reversal will not occur in the foreseeable future.

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Deferred tax assets are recognised in respect of all deductible temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which to offset these items except:

- where the deferred tax asset arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and
- where, in respect of deductible temporary differences associated with investment in subsidiaries and associates, a deferred tax asset is recognised only if it is probable that the deductible temporary difference will reverse in the foreseeable future and that sufficient taxable profits will be available against which the temporary difference can be utilised.

The carrying amounts of deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits would be available to allow all or part of the deferred tax asset to be utilised.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on a straight-line basis at the rates stated below, which are estimated to reduce each item of property, plant and equipment to its residual value level by the end of its useful life.

	Annual Rate
Freehold buildings	2%
Plant and machinery	5% – 33⅓%
Cylinders	6⅔% – 10%
Motor vehicles	10% – 33⅓%
Fixtures, fittings & office equipment	10% – 33⅓%

Land is not depreciated. The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at each reporting date.

In accordance with IAS 36 Impairment of Assets, the carrying amounts of items of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in the Income Statement. Following the recognition of an impairment loss, the depreciation charge applicable to the asset or cash-generating unit is adjusted prospectively to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the replaced item can be measured reliably. All other repair and maintenance costs are charged to the Income Statement during the financial period in which they are incurred.

Borrowing costs directly attributable to the construction of property, plant and equipment are capitalised as part of the cost of those assets.

INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Investments in subsidiaries are stated at cost less any accumulated impairments and are reviewed for impairment if there are indications that the carrying value may not be recoverable.

BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the Income Statement.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. The fair value of contingent consideration is arrived at through discounting the expected payment to present value. Subsequent

NOTES TO THE FINANCIAL STATEMENTS Continued

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in the Income Statement.

Goodwill is initially measured at cost being the excess of the fair value of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised in the Income Statement.

A financial liability is recognised in relation to the non-controlling shareholder's option to put its shareholding back to the Group, being the fair value of the estimate of amounts payable to acquire the non-controlling interest. The financial liability is included in acquisition related liabilities. The discount component is unwound as an interest charge in the Income Statement over the life of the obligation. Subsequent changes to the financial liability are recognised in the Income Statement.

GOODWILL

Goodwill arising in respect of acquisitions completed prior to 1 April 2004 (being the transition date to IFRS) is included at its carrying amount, which equates to its net book value recorded under previous GAAP. In accordance with IFRS 1, the accounting treatment of business combinations undertaken prior to the transition date was not reconsidered and goodwill amortisation ceased with effect from the transition date.

Goodwill on acquisitions is initially measured as the excess of the fair value of consideration paid for the business combination plus any non-controlling interest, over the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill acquired in a business combination is allocated, from the acquisition date to the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

The carrying amount of goodwill in respect of associates, net of any impairment, is included in investments in associates under the equity method in the Group Balance Sheet.

Goodwill is subject to impairment testing on an annual basis and at any time during the year if an indicator of impairment is considered to exist; the goodwill impairment tests are undertaken at a consistent time in each annual period. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Impairment losses arising in respect of goodwill are not reversed following recognition.

Where a subsidiary is sold, any goodwill arising on acquisition, net of any impairments, is included in determining the profit or loss arising on disposal.

Where goodwill forms part of a cash-generating unit and part of the operations within that unit are disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the proportion of the cash-generating unit retained.

INTANGIBLE ASSETS

Intangible assets acquired separately are capitalised at cost. Intangible assets acquired in the course of a business combination are capitalised at fair value being their deemed cost as at the date of acquisition.

Following initial recognition, intangible assets which have a finite life are carried at cost less any applicable accumulated amortisation and any accumulated impairment losses. Where amortisation is charged on assets with finite lives this expense is taken to the Income Statement.

The amortisation of intangible assets is calculated to write off the book value of intangible assets over their useful lives on a straight-line basis on the assumption of zero residual value. In general, finite-lived intangible assets are amortised over periods ranging from two to 40 years, depending on the nature of the intangible asset.

The carrying amount of finite-lived intangible assets are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The Group does not have any indefinite-lived intangible assets.

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

INVENTORIES

Inventories are valued at the lower of cost and net realisable value.

Cost is determined on a first in first out basis and in the case of raw materials, bought-in goods and expense inventories, comprises purchase price plus transport and handling costs less trade discounts and subsidies. Cost, in the case of products manufactured by the Group, consists of direct material and labour costs together with the relevant production overheads based on normal levels of activity. Net realisable value represents the estimated selling price less costs to completion and appropriate selling and distribution costs.

Provision is made, where necessary, for slow moving, obsolete and defective inventories.

FINANCIAL INSTRUMENTS

A financial instrument is recognised when the Group becomes a party to its contractual provisions. Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire, are extinguished, or transferred to a third party. Financial liabilities are derecognised when the Group's obligations specified in the contracts expire, are discharged, or cancelled.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less allowance for impairment.

An allowance for impairment of trade receivables is established based on both expected credit losses and information available that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the allowance is recognised in the Income Statement.

The Group derecognises a receivable only when the contractual rights to the cash flows from the receivable expire, or when it transfers the receivable and substantially all of the risks and rewards of ownership of the asset to another entity. The Group applies several tests to receivable purchase agreements to determine whether derecognition is appropriate or not. These tests are applied to the entire portfolio of receivables rather than to each individual receivable as the receivables comprise 'a group of similar assets' in accordance with IFRS 9. The testing procedure includes consideration of the following; whether the arrangement represents a qualifying transfer of assets, whether substantially all of the risks and rewards of the receivable transferred from the Group and whether the Group has lost control of the receivable.

On derecognition of a receivable the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Income Statement. Following derecognition, receivables arising from non-recourse sales are excluded from 'Trade and other receivables' in the Group Balance Sheet. The Group presents cash flows arising from non-recourse sales as part of operating activities in the Group Cash Flow Statement.

TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost, which approximates to fair value given the short-dated nature of these liabilities.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the Group Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of bank overdrafts.

INTEREST-BEARING LOANS AND BORROWINGS

All loans and borrowings are initially recorded at fair value, net of transaction costs incurred. Loans and borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS Continued

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

LEASES

The Group enters leases for a range of assets, principally relating to property. These property leases have varying terms and renewal rights, including periodic rent reviews linked with indices. The Group also leases motor vehicles, plant, machinery, and other equipment. The terms and conditions of these leases do not impose significant financial restrictions on the Group.

A contract contains a lease if it is enforceable and conveys the right to control the use of a specified asset for a period in exchange for consideration, which is assessed at inception. A right-of-use asset and lease creditor are recognised at the commencement date for contracts containing a lease, except for leases with a term of 12 months or less, leases where the underlying asset is of low value and leases with associated payments that vary directly in line with usage or sales (such lease costs continue to be expensed in the Income Statement as incurred). The commencement date is the date at which the asset is made available for use by the Group.

Lease creditors are initially measured at the present value of the future lease payments, discounted using the incremental borrowing rate over the remaining lease term. Lease payments include fixed payments, variable payments that are dependent on an index known at the commencement date, payments for an optional renewal period and termination option payments, if the Group is reasonably certain to exercise those options. The lease term is the non-cancellable period of the lease adjusted for any renewal or termination options which are reasonably certain to be exercised. Management applies judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised.

Incremental borrowing rates are calculated using a portfolio approach, based on the risk profile of the entity holding the lease and the term and currency of the lease.

After initial recognition, lease creditors are measured at amortised cost using the effective interest method. They are remeasured when there is a change in future lease payments or when the Group changes its assessment of whether it is reasonably certain to exercise an option within the contract. A corresponding adjustment is made to the carrying amount of the right-of-use asset.

The right-of-use asset is initially measured at cost, which comprises the lease creditor adjusted for any payments made at or before the commencement date, initial direct costs incurred, lease incentives received and an estimate of the cost to dismantle or restore the underlying asset or the site on which it is located at the end of the lease term. The right-of-use asset is depreciated over the lease term and is tested periodically for impairment if an impairment indicator is considered to exist.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments (principally interest rate, currency and cross currency interest rate swaps and forward foreign exchange and commodity contracts) to hedge its exposure to interest rate and foreign exchange risks and to changes in the prices of certain commodity products arising from operational, financing and investment activities.

Derivative financial instruments are recognised at inception at fair value, being the present value of estimated future cash flows. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Changes in the fair value of currency swaps that are hedging borrowings and for which the Group has not elected to apply hedge accounting, along with changes in the fair value of derivatives hedging borrowings, that are part of designated fair value hedge relationships, are reflected in the Income Statement in 'Finance Costs'.

Changes in the fair value of other derivative financial instruments for which the Group has not elected to apply hedge accounting are reflected in the Income Statement, in 'Other Operating Income/Expenses'.

HEDGING

For the purposes of hedge accounting, hedges are designated either as fair value hedges (which hedge the exposure to movements in the fair value of recognised assets or liabilities or firm commitments that are attributable to hedged risks) or cash flow hedges (which hedge exposures to fluctuations in future cash flows derived from a particular risk associated with recognised assets or liabilities or highly probable forecast transactions).

The Group documents, at the inception of the transactions, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments are disclosed in note 3.10 and the movements on the cash flow hedge reserve in equity are shown in note 4.2. The full fair value of a derivative is classified as a non-current asset or non-current liability if the remaining maturity of the derivative is more than 12 months and as a current asset or current liability if the remaining maturity of the derivative is less than 12 months.

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Fair value hedge

In the case of fair value hedges which satisfy the conditions for hedge accounting, any gain or loss arising from the remeasurement of the fair value of the hedging instrument is reported in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. As a result, the gain or loss on interest rate swaps and cross currency interest rate swaps that are in hedge relationships with borrowings are included within 'Finance Income' or 'Finance Costs'. In the case of the related hedged borrowings, any gain or loss on the hedged item which is attributable to the hedged risk is adjusted against the carrying amount of the hedged item and reflected in the Income Statement within 'Finance Costs' or 'Finance Income'. The gain or loss on commodity derivatives that are designated as fair value hedges of firm commitments are recognised in the Income Statement. Any change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability on the Balance Sheet with a corresponding gain or loss in the Income Statement.

If a hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the Income Statement over the period to maturity.

Cash flow hedge

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 forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised as a separate component of equity. The ineffective portion is reported in the Income Statement in 'Finance Income' and 'Finance Costs' where the hedged item is private placement debt, and in 'Other Operating Income/Expenses' for all other cases. When a forecast transaction results in the recognition of an asset or a liability, the cumulative gain or loss is removed from equity and included in the initial measurement of the asset or liability. Otherwise, the associated gains or losses that had previously been recognised in equity are transferred to the Income Statement in the same reporting period as the hedged transaction in Revenue or Cost of Sales (depending on whether the hedge related to a forecasted sale or purchase).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

PROVISIONS

A provision is recognised in the Balance Sheet when the Group has a present obligation (either legal or constructive) because of a past event, and it is probable that a transfer of economic benefits will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and announced its main provisions.

Provisions arising on business combinations are only recognised to the extent that they would have qualified for recognition in the financial statements of the acquiree prior to the acquisition.

A contingent liability is not recognised but is disclosed where the existence of the obligation will only be confirmed by future events or where it is not probable that an outflow of resources will be required to settle the obligation or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

Environmental provisions

The Group has certain site remediation obligations to be incurred in compliance with local or national environmental regulations together with constructive obligations stemming from established best practice. The measurement of these provisions is based on the evaluation of currently available facts with respect to each individual site and is adjusted periodically as remediation efforts progress or as additional information becomes available. Inherent uncertainties exist in such measurements primarily due to unknown timing, site conditions and changing regulations. Full provision is made for the net present value of the estimated costs in relation to the Group's environmental liabilities. The net present value of the estimated costs is capitalised as property, plant and equipment and the unwinding of the discount element on the environmental provision is reflected in the Income Statement.

Cylinder and tank deposits provisions

In certain DCC Energy operations, an obligation arises from the receipt of deposit fees paid by customers for liquid gas cylinders and tanks. On receipt of a deposit the Group recognises a liability equal to the deposit received. This deposit will subsequently be refunded at an amount equal to the original deposit on return of the cylinder or tank together with the original deposit receipt. Cylinder and tank deposits acquired through business combinations are measured initially at their fair value at the acquisition date (i.e., net present value) and the unwinding of the discount element is reflected in the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS Continued

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS

The Group operates defined contribution and defined benefit pension schemes.

The costs arising in respect of the Group's defined contribution schemes are charged to the Income Statement in the period in which they are incurred. The Group has no legal or constructive obligation to pay further contributions after payment of fixed contributions.

The Group operates several defined benefit pension schemes which require contributions to be made to separately administered funds. The liabilities and costs associated with the Group's defined benefit pension schemes are assessed based on the projected unit credit method by qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the reporting date. The Group's net obligation in respect of defined benefit pension schemes is calculated separately for each plan by estimating the number of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan asset is deducted. Plan assets are measured at fair values.

The discount rate employed in determining the present value of the schemes' liabilities is determined by reference to market yields at the reporting date on high-quality corporate bonds of a currency and term consistent with the currency and term of the associated post-employment benefit obligations.

The deferred tax impact of pension scheme surpluses and deficits is disclosed separately within deferred tax liabilities or assets as appropriate. Remeasurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest) are recognised immediately in the Group Balance Sheet with a corresponding entry to retained earnings through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The defined benefit pension asset or liability in the Group Balance Sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Fair value is based on market price information, and, in the case of published securities, it is the published bid price. The value of any defined benefit asset is limited to the present value of any economic benefits available in the form of refunds from the plan and reductions in the future contributions to the plan.

A curtailment arises when the Group is demonstrably committed to make a significant reduction in the number of employees covered by a plan. A past service cost, negative or positive, arises following a change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits. A settlement arises where the Group is relieved of responsibility for a pension obligation and eliminates significant risk relating to the obligation and the assets used to affect the settlement. Past-service costs, negative or positive, are recognised immediately in the Income Statement. Losses arising on settlement or curtailment not allowed for in the actuarial assumptions are measured at the date on which the Group becomes demonstrably committed to the transaction.

Gains arising on a settlement are measured at the date on which all parties whose consent is required are irrevocably committed to the transaction. Settlement gains and losses are dealt with in the Income Statement.

SHARE-BASED PAYMENT TRANSACTIONS

Certain employees (including Directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render service in exchange for shares or rights over shares.

The fair value of share entitlements granted is recognised as an employee expense in the Income Statement with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement, with a corresponding adjustment to equity. The fair value at the grant date is determined using a Monte Carlo simulation technique for the DCC plc Long-term Incentive Plan.

The DCC plc Long-term Incentive Plan contains both market and non-market based vesting conditions. Accordingly, the fair value assigned to the related equity instrument on initial application of IFRS 2 Share-based Payment is adjusted to reflect the anticipated likelihood at the grant date of achieving the market based vesting conditions. The cumulative non-market-based charge to the Income Statement is reversed where entitlements do not vest because non-market performance conditions have not been met or where an employee in receipt of share entitlements relinquishes service before the end of the vesting period.

Where the share-based payments give rise to the issue of new equity share capital, the proceeds received by the Company are credited to Share Capital (nominal value) and Share Premium when the share entitlements are exercised. Where the share-based payments give rise to the re-issue of shares from treasury shares, the proceeds of issue are credited to shareholders equity.

5.9 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

The measurement requirements of IFRS 2 have been implemented in respect of share options entitlements granted after 7 November 2002. In accordance with the standard, the disclosure requirements of IFRS 2 have been applied to all outstanding share-based payments regardless of their grant date. The Group does not operate any cash-settled share-based payment schemes or share-based payment transactions with cash alternatives as defined in IFRS 2.

EQUITY

Treasury shares

Where the Company purchases the Company's equity share capital, the consideration paid is deducted from total equity and classified as treasury shares until they are cancelled. Where such shares are subsequently sold or re-issued, any consideration received is included in share premium.

Dividends

Dividends on Ordinary Shares are recognised as a liability in the Group's financial statements in the period in which they are approved by the shareholders of the Company. Proposed dividends that are approved after the reporting date are not recognised as a liability at that reporting date but are disclosed in the dividends note.

Non-controlling interests

Non-controlling interests represent the portion of the equity of a subsidiary not attributable either directly or indirectly to the Parent Company and are presented separately in the Group Income Statement and within equity in the Group Balance Sheet, distinguished from shareholders' equity attributable to owners of the Parent Company. Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised because of such transactions. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

5.10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 13 May 2024.

COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £'000	2023 £'000
ASSETS			
Non-current assets			
Investments in subsidiary undertakings	6.4	1,141,980	1,174,092
Current assets			
Trade and other receivables	6.5	339,191	293,884
Cash and cash equivalents	6.7	5,375	10,691
		344,566	304,575
Total assets		1,486,546	1,478,667
EQUITY			
Capital and reserves			
Share capital	4.1	17,422	17,422
Share premium	4.1	883,890	883,669
Other reserves	6.8	135,050	165,537
Retained earnings	6.9	400,165	360,947
Total equity		1,436,527	1,427,575
LIABILITIES			
Current liabilities			
Trade and other payables	6.6	50,019	51,092
Total equity and liabilities		1,486,546	1,478,667

Mark Breuer, Donal Murphy
Directors

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 6.9) £'000	Other reserves (note 6.8) £'000	Total equity £'000
At 1 April 2023	17,422	883,669	360,947	165,537	1,427,575
Profit for the financial year	–	–	228,035	–	228,035
Other comprehensive income:					
Currency translation	–	–	–	(39,697)	(39,697)
Total comprehensive income	–	–	228,035	(39,697)	188,338
Re-issue of treasury shares	–	221	–	–	221
Share based payment	–	–	–	9,210	9,210
Dividends	–	–	(188,817)	–	(188,817)
At 31 March 2024	17,422	883,890	400,165	135,050	1,436,527

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 6.9) £'000	Other reserves (note 6.8) £'000	Total equity £'000
At 1 April 2022	17,422	883,321	318,532	105,414	1,324,689
Profit for the financial year	–	–	220,258	–	220,258
Other comprehensive income:					
Currency translation	–	–	–	52,963	52,963
Total comprehensive income	–	–	220,258	52,963	273,221
Re-issue of treasury shares	–	348	–	–	348
Share based payment	–	–	–	7,160	7,160
Dividends	–	–	(177,843)	–	(177,843)
At 31 March 2023	17,422	883,669	360,947	165,537	1,427,575

COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £'000	2023 £'000
Operating activities			
Cash generated from operations	6.10	(45,660)	(65,428)
Net cash flow from operating activities		(45,660)	(65,428)
Investing activities			
Inflows:			
Interest received		12,199	10,348
Dividends received from subsidiaries		217,065	210,581
		229,264	220,929
Outflows:			
Acquisition of subsidaries	6.4	(73)	–
Net cash flow from investing activities		229,191	220,929
Financing activities			
Inflows:			
Proceeds from issue of shares		221	348
Outflows:			
Dividends paid	2.10	(188,817)	(177,843)
Net cash flow from financing activities		(188,596)	(177,495)
Change in cash and cash equivalents		(5,065)	(21,994)
Translation adjustment		(251)	818
Cash and cash equivalents at beginning of year		10,691	31,867
Cash and cash equivalents at end of year	6.7	5,375	10,691

NOTES TO THE COMPANY FINANCIAL STATEMENTS

SECTION 6 NOTES TO THE COMPANY FINANCIAL STATEMENTS

In accordance with the Companies Act 2014, information regarding the ultimate Parent Company, DCC plc, is presented below.

6.1 BASIS OF PREPARATION

The financial statements which are presented in sterling, rounded to the nearest thousand, have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.

The Company applies consistent accounting policies to those applied by the Group. To the extent that an accounting policy is relevant to both Group and Parent Company financial statements, please refer to the Group financial statements for disclosure of the relevant accounting policy.

6.2 AUDITOR STATUTORY DISCLOSURE

The audit fee for the Parent Company is £15,450 and is payable to KPMG, Ireland, the statutory auditor (2023: £15,450).

6.3 PROFIT ATTRIBUTABLE TO DCC PLC

Profit after tax for the year attributable to owners of the Parent Company amounting to £228.035 million (2023: £220.258 million) has been accounted for in the financial statements of the Company. In accordance with Section 304(2) of the Companies Act, 2014, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting. The Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 304(2) of the Companies Act, 2014.

6.4 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	2024 £'000	2023 £'000
At 1 April	1,174,092	1,130,455
Additions	73	–
Impairment	–	(712)
Exchange and other	(32,185)	44,349
At 31 March	1,141,980	1,174,092

Details of the Group's principal operating subsidiaries are included in the Supplementary Information section on pages 244 to 258. Non-wholly owned subsidiaries principally comprises DCC Holding Denmark A/S (60%) (which owns 100% of DCC Energi Danmark A/S, DCC Energi Retail A/S and DCC Energi Center A/S).

The Group's principal overseas holding company subsidiaries are DCC Limited, a company operating, incorporated and registered in England and Wales and DCC International Holdings B.V., a company operating, incorporated and registered in the Netherlands. The registered office of DCC Limited is at 2 New Street Square, London, EC4A 3BZ, England. The registered office of DCC International Holdings B.V. is Zuiderzeestraatweg 1, 3882 NC, Putten, The Netherlands.

6.5 TRADE AND OTHER RECEIVABLES

	2024 £'000	2023 £'000
Amounts owed by subsidiary undertakings	339,191	293,884

All amounts owed by subsidiary undertakings are interest-free and repayable on demand. There were no past due or impaired trade receivables in the Company at 31 March 2024 (31 March 2023: nil). The Company does not expect any material loss in relation to trade and other receivables at 31 March 2024.

NOTES TO THE COMPANY FINANCIAL STATEMENTS Continued

6.6 TRADE AND OTHER PAYABLES

	2024 £'000	2023 £'000
Amounts due to subsidiary undertakings	599	50,554
Other creditors and accruals	49,420	538
	50,019	51,092

6.7 CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Cash at bank and in hand	5,375	10,691

6.8 OTHER RESERVES

	Share based payment reserve[1] £'000	Foreign currency translation reserve[2] £'000	Other reserves[3] £'000	Total £'000
At 1 April 2022	47,436	57,749	229	105,414
Share based payment	7,160	–	–	7,160
Currency translation	–	52,963	–	52,963
At 31 March 2023	54,596	110,712	229	165,537
Share based payment	9,210	–	–	9,210
Currency translation	–	(39,697)	–	(39,697)
At 31 March 2024	63,806	71,015	229	135,050

1. The share based payment reserve comprises capital contributions and cash settlements for share based payments to subsidiaries.
2. The Company's foreign currency translation reserve represents all foreign exchange differences from 1 April 2004 arising from the translation of the net assets of the Company's euro denominated operations into sterling (the presentation currency), including the translation of the profits and losses of the Company from the average rate for the year to the closing rate at the balance sheet date.
3. The Company's other reserves is a capital conversion reserve fund.

6.9 RETAINED EARNINGS

	2024 £'000	2023 £'000
At 1 April	360,947	318,532
Total comprehensive income for the financial year	228,035	220,258
Dividends	(188,817)	(177,843)
At 31 March	400,165	360,947

6.10 CASH GENERATED FROM OPERATIONS

	2024 £'000	2023 £'000
Profit for the financial year	228,035	220,258
Add back non-operating income:		
– net operating exceptionals	–	712
– net finance income	(12,199)	(10,348)
– dividend income	(217,065)	(210,581)
Operating profit before exceptionals	(1,229)	41
Changes in working capital:		
– trade and other receivables	(44,763)	(72,521)
– trade and other payables	332	7,052
Cash generated from operations	(45,660)	(65,428)

6.11 RELATED PARTY TRANSACTIONS

SUBSIDIARIES AND ASSOCIATES

The Company's Income Statement includes dividends from its subsidiary companies DCC Financial Services Holdings Unlimited Company (£63.128 million), DCC Financial Services International dac (£62.315 million), DCC Management Services Limited (£38.921 million), DCC Treasury Solutions Unlimited Company (£22.429 million), DCC Healthcare Limited (£20.758 million) and DCC Vital Limited (£9.514 million). Details of loan balances to/from subsidiaries are provided in the Company Balance Sheet on page 224, in note 6.5 'Trade and Other Receivables' and in note 6.6 'Trade and Other Payables'.

6.12 FINANCIAL RISK MANAGEMENT

A description of the Group's financial risk management objectives and policies is provided in note 5.7 to the Group financial statements. These financial risk management objectives and policies also apply to the Parent Company.

CREDIT RISK MANAGEMENT

Credit risk arises from credit exposure to intercompany receivables and cash and cash equivalents including deposits with banks and financial institutions.

As detailed in note 6.5, the Group's intercompany receivables at 31 March 2024 amount to £339.191 million (2023: £293.884 million). None of these balances include a provision for impairment and all amounts are expected to be recoverable in full.

Risk of counterparty default arising on cash and cash equivalents is controlled within a framework of dealing with high-quality institutions and, by policy, limiting the amount of credit exposure to any one bank or institution. DCC plc transacts with a variety of high credit quality financial institutions for the purpose of placing deposits. The Group actively monitors its credit exposure to each counterparty to ensure compliance with the counterparty risk limits of the Board approved treasury policy. The cash and cash equivalents balance at 31 March 2024 of £5.374 million was held with financial institutions with minimum short-term ratings of A-2 (Standard and Poor's) or P-1 (Moody's).

LIQUIDITY RISK MANAGEMENT

The tables below show the expected undiscounted total cash outflows (principal and interest) arising from the Company's trade and other payables. These projections are based on the interest and foreign exchange rates applying at the end of the relevant financial year.

As at 31 March 2024	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	50,019	–	–	–	50,019
	50,019	–	–	–	50,019

As at 31 March 2023	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	51,092	–	–	–	51,092
	51,092	–	–	–	51,092

The Company has sufficient cash resources and liquid assets to enable it to meet its trade and other payables.

MARKET RISK MANAGEMENT

Foreign exchange risk management

The Company does not have any material assets or liabilities denominated in any currency other than euro at 31 March 2024 or at 31 March 2023 which would give rise to a significant transactional currency exposure. However, as the presentation currency for the Company is sterling, it is exposed to fluctuations in the sterling/euro exchange rate. A change in the value of euro by 10% against sterling would have a £1.0 million (2023: £0.9 million) impact on the Company's profit before tax, would change the Company's equity by £130.6 million and change the Company's net cash by £0.5 million (2023: £124.9 million and £0.9 million respectively).

NOTES TO THE COMPANY FINANCIAL STATEMENTS Continued

6.12 FINANCIAL RISK MANAGEMENT continued

Interest rate risk management

Based on the composition of net cash at 31 March 2024 a one percentage point (100 basis points) change in average floating interest rates would have a £0.1 million (2023: £0.1 million) impact on the Company's profit before tax. Finance income principally comprises guarantee fees charged at fixed rates on intergroup loans. Finance costs comprise interest on intergroup loans payable at variable market rates.

Commodity price risk management

The Company has no exposure to commodity price risk.

Fair values of financial assets and financial liabilities

The following is a comparison by category of book values and fair values of the Company's financial assets and financial liabilities:

	2024		2023	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Financial assets				
Trade and other receivables	339,191	339,191	293,884	293,884
Cash and cash equivalents	5,375	5,375	10,691	10,691
	344,566	344,566	304,575	304,575
Financial liabilities				
Trade and other payables	50,019	50,019	51,092	51,092
	50,019	50,019	51,092	51,092

As at 31 March 2024 and 31 March 2023 the Company had no financial assets or financial liabilities which were carried at fair value.

6.13 CONTINGENCIES

Guarantees given in respect of borrowings and other obligations are detailed in note 5.5 to the Group financial statements.

SUPPLEMENTARY INFORMATION

PRINCIPAL SUBSIDIARIES AND ASSOCIATES[1]

DCC ENERGY

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
DCC Energy Limited	DCC House, Leopardstown Road, Foxrock, Dublin 18, D18 PK00, Ireland	Holding and divisional management company	Ireland	100

ENERGY SOLUTIONS

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
Benegas BV	Zuiderzeestraatweg 1, 3882NC, Putten, The Netherlands	Procurement, sales, marketing and distribution of liquid gas	The Netherlands	100
Butagaz SAS	47-53 Rue Raspail, 92300 Levallois – Perret, Paris, France	Procurement, sales, marketing and distribution of liquid gas fuels and the provision of lower carbon and renewable energy products and services	France	100
Certa Ireland Limited	Clonminam Industrial Estate, Portlaoise, Co. Laois, R32 YY26, Ireland	Procurement, sales, marketing and distribution of liquid fuels and the provision of lower carbon and renewable energy products and services	Ireland	100
Certas Energy UK Limited	1st Floor, Allday House, Warrington Road, Birchwood, Warrington WA3 6GR, England	Procurement, sales, marketing and distribution of liquid fuels and the provision of lower carbon and renewable energy products and services	Britain	100
DCC Energi Danmark A/S	Naerum Hovedgade 8, 2850 Naerum, Denmark	Procurement, sales, marketing and distribution of liquid fuels and the provision of lower carbon and renewable energy products and services	Denmark	60
DCC Germany Holding GmbH	Werner-von Siemens-Str. 18, 97076 Würzburg, Germany	Holding company	Germany	100
DCC Propane LLC	1001 Warrenville Road, Suite 350 Lisle, IL 6053, USA	Procurement, sales, marketing and distribution of liquid gas	USA	100
DSG Energy Limited	Suites 2201-2, 22nd Floor, AIA Kowloon Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Procurement, sales, marketing and distribution of liquid gas	Hong Kong	100
Energie Direct Austria GmbH	Alte Poststraße 400, A-8055 Graz, Austria	Procurement, sales, marketing and distribution of liquid fuels, lubricant products, natural gas and the provision of lower carbon and renewable energy products and services	Austria	100
Flogas Britain Limited	81 Rayns Way, Syston, Leicester LE7 1PF, England	Procurement, sales, marketing and distribution of liquid gas fuels and the provision of lower carbon and renewable energy products and services	Britain	100
Flogas Ireland Limited	Knockbrack House, Matthew's Lane, Donore Road, Drogheda, Co. Louth, A92 T803, Ireland	Procurement, sales, marketing and distribution of liquid gas fuels, natural gas and the provision of lower carbon and renewable energy products and services	Ireland	100
Flogas Norge AS	Sandakerveien 116, 0484 Oslo, Norway	Procurement, sales, marketing and distribution of liquid gas	Norway	100

1. The information in this section relates only to the Group's principal subsidiaries and associates. A full list of subsidiaries and associates will be annexed to the Annual Return of the Company to be filed with the Irish Registrar of Companies.

DCC ENERGY Continued

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
Flogas Sverige AB	Brännkyrkagatan 63, 11822 Stockholm, Sweden	Procurement, sales, marketing and distribution of liquid gas	Sweden	100
Gaz de Paris SAS (trading as Gaz Européen)	47-53 Rue Raspail, 92300 Levallois – Perret, Paris, France	Procurement, sales, marketing and distribution of natural gas and electricity	France	100
Progas GmbH	Westfalendamm 84/86, 44141 Dortmund, Germany	Procurement, sales, marketing and distribution of liquid gas	Germany	100
PVO International B.V.	Graafsebaan 139, 5248 NL Rosmalen, The Netherlands	Distributor of solar panels, invertors, batteries and accessories used in the commercial, industrial and domestic energy sectors	The Netherlands	100
Solcellekraft Holdings AS	Idrettsvegen 103C, 5353 Straume, Norway	Solar PV installation company, servicing residential and commercial	Norway	100
TEGA – Technische Gase und Gasetechnik GmbH	Werner-von-Siemens-Str. 18, 97076 Würzburg, Germany	Procurement, sales, marketing and distribution of liquid gas and refrigerant gases	Germany	100

MOBILITY

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
Certas Energy France SAS	9 Avenue Edouard Belin, 92500 Rueil Malmaison, Paris, France	Sales and marketing of liquid fuels and related products and services to the retail sector	France	100
Certas Energy Norway AS	Elias Smiths vei 24, 1337 Sandvika, Norway	Sales and marketing of liquid fuels and related products and services	Norway	100
Certas Energy UK Limited	1st Floor, Allday House, Warrington Road, Birchwood, Warrington WA3 6GR, England	Procurement, sales, marketing and distribution of liquid fuels and the provision of lower carbon and renewable energy products and services	Britain	100
DCC Energi Mobility A/S	Naerum Hovedgade 8, 2850 Naerum, Denmark	Procurement, sales and marketing of liquid fuels and related products and services	Denmark	60
Energy Procurement Ireland 2013 Limited	DCC House, Leopardstown Road, Foxrock, Dublin 18, D18 PK00, Ireland	Procurement, sales and marketing of petroleum products	Ireland	100
Fuel Card Services Limited	Alexandra House, Lawnswood Business Park, Redvers Close, Leeds LS16 6QY, England	Sale and administration of liquid fuels and related products and services using fuel cards	Britain	100
Qstar Försäljning AB	Spårgatan 5, Box 633, 601 14 Norrköping, Sweden	Procurement, sales and marketing of liquid fuels and related products and services	Sweden	100

DCC HEALTHCARE

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
DCC Healthcare Limited	DCC House, Leopardstown Road, Foxrock, Dublin 18, D18 PK00, Ireland	Holding and divisional management company	Ireland	100

DCC VITAL

DCC Vital Limited	Fannin House, South County Business Park, Leopardstown, Dublin 18, D18 Y0C9, Ireland	Holding company for the operations of the DCC Vital group of companies	Ireland	100

PRINCIPAL SUBSIDIARIES AND ASSOCIATES[1] Continued

DCC HEALTHCARE Continued

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
Fannin Limited	Fannin House, South County Business Park, Leopardstown, Dublin 18, D18 Y0C9, Ireland	Sales, marketing and distribution of medical and pharmaceutical products to healthcare providers	Ireland	100
Fannin (UK) Limited	Westminster Industrial Estate, Repton Road, Measham, Swadlincote, Derbyshire DE12 7DT, England	Sales, marketing and distribution of medical and pharmaceutical products to healthcare providers	Britain	100
Medi-Globe Technologies GmbH	Medi-Globe-Straße 1-5, 83101, Achenmühle, Germany	Development, manufacture and distribution of single use medical devices	Germany	100
Medilab Medical Equipments AG	Hauptstrasse 160a, 8274 Tägerwilen, Switzerland	Sales, marketing and distribution of medical and laboratory supplies and services to the Swiss primary care healthcare market	Switzerland	100
Williams Medical Supplies Limited	Craiglas House, The Maerdy Industrial Estate, Rhymney, Gwent NP22 5PY, Wales	Sales, marketing and distribution of medical supplies and services to UK healthcare market, primarily GPs and primary care organisations	Britain	100
Wörner Medizinprodukte und Logistik GmbH	Ferdinand-Lassalle-Str. 37, 72770 Reutlingen, Germany	Sales, marketing and distribution of medical and laboratory supplies and services to the German primary care healthcare market	Germany	100

HEALTH & BEAUTY SOLUTIONS

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
DCC Health & Beauty Solutions Limited	9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Outsourced solutions for the health and beauty industry	Britain	100
Amerilab Technologies, Inc.	2765 Niagara Lane, North Plymouth, MN 55447, USA	Development, contract manufacture and packing of effervescent nutritional products in powder and tablet formats	USA	100
Design Plus Holdings Limited	Rowan House, 3 Stevant Way, White Lund, Morecambe, Lancashire LA3 3PU, England	Development, contract manufacture and packing of liquids and creams for the beauty and consumer healthcare sectors	Britain	100
EuroCaps Limited	Crown Business Park, Dukestown, Tredegar, Gwent NP22 4EF, Wales	Development and contract manufacture of nutritional products in softgel capsule format	Britain	100
Ion Nutritional Labs	8031 114th Ave, Suite 4000, Largo, FL 33773, USA	Development, contract manufacture and packing of nutritional products across a range of formats including tablets, capsules, powders and liquids	USA	100
Laleham Health and Beauty Limited	Sycamore Park, Mill Lane, Alton, Hampshire GU34 2PR, England	Development, contract manufacture and packing of liquids and creams for the beauty and consumer healthcare sectors	Britain	100
Thompson & Capper Limited	9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Development, contract manufacture and packing of nutritional products in tablet and hard shell capsule format	Britain	100

DCC TECHNOLOGY

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
DCC Technology Limited	DCC House, Leopardstown Road, Foxrock, Dublin 18, D18 PK00, Ireland	Holding and divisional management company	Ireland	100
Almo Corporation	2709 Commerce Way, Philadelphia, PA19154, USA	Sales, marketing and distribution of technology, appliances and lifestyle products	United States	100
Amacom Holding BV	De Tweeling 24-A, 5215 MC 's-Hertogenbosch, The Netherlands	Sales, marketing and distribution of technology products and consumer electronics	The Netherlands	100
Comm-Tec GmbH (trading as Exertis AV)	Siemensstraße 14, 73066 Uhingen, Germany	Sales, marketing and distribution of professional audiovisual and IT products	Germany	100
CUC SAS (trading as Exertis Connect)	Zone Industrielle Buchelay 3000, BP 1126, 78204 Mantes en Yvelines Cedex, France	Sales, marketing and distribution of technology products and connecting solutions	France	100
Exertis Arc Telecom Limited	Unit No. 702, X3 Building, Jumeirah Lake Towers, Dubai, UAE	Sales, marketing and distribution of technology products	Ireland and operating in Dubai	100
Exertis CapTech AB	Aminogatan 17, SE- 43153 Mölndal, Götëborg, Sweden	Sales, marketing and distribution of technology products	Sweden	100
Exertis France SAS	5 Rue Pleyel, 93200 Saint Denis, France	Sales, marketing and distribution of technology peripherals and accessories	France	100
Exertis Ireland Limited	Unit 21, Fonthill Business Park, Fonthill Road, Dublin 22, D22 FR82, Ireland	Sales, marketing and distribution of technology products	Ireland	100
Exertis Supply Chain Services Limited	Unit 21, Fonthill Business Park, Fonthill Road, Dublin 22, D22 FR82, Ireland	Provision of supply chain management and outsourced procurement services	Ireland	100
Exertis (UK) Ltd	Technology House, Magnesium Way, Hapton, Burnley BB12 7BF, England	Sales, marketing and distribution of technology products	Britain	100
Jam Industries Ltd.	21000 Trans-Canada Highway, Baie-D'Urfe, Quebec H9X 4B7, Canada	Sales, marketing and distribution of professional audio products, musical instruments and consumer electronics	Canada	100

ASSOCIATES

Company name	Company address	Principal activity	Incorporated and operating in	Group shareholding %
KSG Dining Limited	McKee Avenue, Finglas, Dublin 11, D11 NY90, Ireland	Restaurant and hospitality service provider	Ireland	47.5
Geogaz Lavera SA	2 Rue des Martinets, 92500 Rueil Malmaison, Paris, France	Owns and operates a liquid gas storage facility	France	25
Norgal (GIE)	Route de la Chimie, 76700 Gonfreville L'Orcher, France	Receiving, storage and distribution site for liquid gas products	France	18

SHAREHOLDER INFORMATION

SHARE LISTING

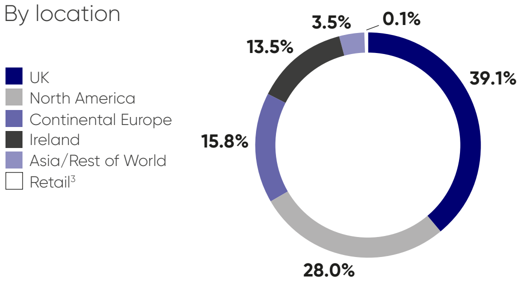
DCC's shares have a Premium Listing on the Official List of the United Kingdom Listing Authority ('UKLA Official List') and are traded solely on the London Stock Exchange in sterling.

Share Price Data	2024 £	2023 £
Share price at 13 May	59.05	–
Market capitalisation at 13 May	5,837m	–
Share price at 31 March	57.60	47.18
Market capitalisation at 31 March	5,694m	4,659m
Share price movement during the year		
– High	58.26	62.68
– Low	41.71	40.30

DCC plc's ordinary share price information can be accessed on the Company's website under the 'Investors' tab.

Shareholdings as at 31 March 2024

By location



Geographic division[1]	Number of shares[2]	% of shares
UK	38,685,066	39.1%
North America	27,672,686	28.0%
Continental Europe	15,635,543	15.8%
Ireland	13,366,446	13.5%
Asia/Rest of World	3,374,807	3.4%
Retail[3]	117,951	0.1%
Total	98,852,499	100%

Notes:
1. This represents the best estimate of the number of shares controlled by fund managers resident in the relevant geographic regions.
2. Excludes 2,481,405 shares held as Treasury Shares.
3. Retail includes shareholdings of less than 5,000 shares.

Details of shareholdings in excess of 3% in the Company are set out on page 154.

DIVIDENDS

DCC normally pays dividends twice yearly, in July and in December, to shareholders on the register of members on the record date for the dividend. An interim dividend of 63.04 pence per share was paid on 15 December 2023.

Subject to shareholders' approval at the Annual General Meeting, a final dividend of 133.53 pence per share will be paid on 18 July 2024 to shareholders on the register of members at the close of business on 24 May 2024.

Dividends are declared in sterling and shareholders have the option to elect to receive dividends in either sterling or euro. Shareholders may also elect to receive dividend payments by electronic funds transfer directly into their bank accounts, rather than by cheque. Shareholders should contact the Company's Registrar for details of these options.

The Company is obliged to deduct Dividend Withholding Tax ('DWT') at the rate of 25% from dividends paid to its shareholders, unless a particular shareholder is entitled to an exemption from DWT and has completed and returned to the Company's Registrar a declaration form claiming entitlement to the particular exemption. Exemption from DWT may be available to shareholders resident in another EU Member State or in a country with which the Republic of Ireland has a double taxation agreement in place and to non-individual shareholders resident in Ireland (for example companies, pension funds and charities). If shares are held via Euroclear Bank or CREST, the owners of the shares will need to contact the intermediary through whom the shares are held to ascertain arrangements for tax relief to be applied at source.

The Irish Revenue Commissioners have published a tax and duty manual entitled 'Dividend Withholding Tax – Details of Scheme', which was updated in April 2024 and can be obtained by contacting the Company's Registrar.

FINANCIAL CALENDAR

14 May 2024	Final results announcement for 2024
23 May 2024	Ex-dividend date – final dividend
24 May 2024	Record date – final dividend
11 July 2024	Interim Management Statement
11 July 2024	Annual General Meeting
18 July 2024	Proposed payment date – final dividend
12 November 2024	Interim results announcement
December 2024	Proposed payment date – interim dividend
February 2025	Interim Management Statement

ANNUAL GENERAL MEETING, ELECTRONIC PROXY VOTING AND EUROCLEAR BANK VOTING

The Annual General Meeting will be held at 2.00 pm on 11 July 2024 at The Powerscourt Hotel, Powerscourt Estate, Enniskerry, Co. Wicklow, A98 DR12, Ireland. The Notice of Meeting together with an explanatory letter from the Chair and a Form of Proxy accompany this Annual Report.

Shareholders (being registered members) may lodge a Form of Proxy for the 2024 Annual General Meeting electronically. Shareholders who wish to submit their proxy in this manner may do so by accessing the Company's Registrar's website, www.eproxyappointment.com, and following the instructions that are set out on the Form of Proxy or in the email broadcast that you will have received if you have elected to receive communications via electronic means.

Persons who hold their interests in ordinary shares as Belgian law rights through the Euroclear system or as CDIs through the CREST System should consult with their stockbroker or other intermediary for information on the processes and timelines for submitting proxy votes for the Annual General Meeting through the respective systems. Further details are contained in the notes to the Notice of Annual General Meeting.

DCC WEBSITE

Our corporate website, www.dcc.ie, provides access to share price information through downloadable reports and interactive share price tools. The site also provides access to information on the Group's activities, results, annual reports, stock exchange announcements and investor presentations.

ELECTRONIC COMMUNICATIONS

The use of electronic communications enables the faster receipt of documents, in an environmentally friendly and cost-effective manner. Shareholders who wish to alter the method by which they receive communications should contact the Company's Registrar.

REGISTRAR

All administrative queries about the holding of DCC shares should be addressed to the Company's Registrar, Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland.

Tel: + 353 1 247 5698
Fax: + 353 1 447 5571
www.investorcentre.com/ie/contactus

INVESTOR RELATIONS

For investor enquiries, please contact Rossa White, Head of Group Investor Relations, DCC plc, DCC House, Leopardstown Road, Foxrock, Dublin 18, D18 PK00, Ireland.

Tel: + 353 1 2799 400
email: investorrelations@dcc.ie

CORPORATE INFORMATION

COMPANY SECRETARY
Darragh Byrne

REGISTERED AND HEAD OFFICE
DCC House
Leopardstown Road
Foxrock
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D18 PK00
Ireland

AUDITOR
KPMG
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

REGISTRAR
Computershare Investor Services
(Ireland) Limited
3100 Lake Drive
Citywest Business Campus
Dublin 24
D24 AK82
Ireland

SOLICITORS
William Fry
2 Grand Canal Square
Dublin 2
D02 A342
Ireland

Pinsent Masons
1 Park Row
Leeds LS1 5AB
England

STOCKBROKERS
Davy
49 Dawson Street
Dublin 2
D02 PY05
Ireland

J.P. Morgan Cazenove
25 Bank Street
Canary Wharf
London E14 5JP
England

UBS
5 Broadgate
London EC2M 2QS
England

WEBSITE
www.dcc.ie

INDEPENDENT ASSURANCE STATEMENT

DCC PLC

Scope

We have been engaged by DCC plc ('DCC') to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the Engagement, to report on DCC's (the 'Company's') selected subject matter information marked with the symbol Δ (the 'Subject Matter') in the DCC Annual Report ('the Report') for the year ended 31 March 2024.

The Subject Matter comprises the following:

- Scope 1 greenhouse gas ('GHG') emissions ('tCO_2e');
- Scope 2 GHG emissions (location and market based) '(tCO_2e');
- Scope 1 and 2 GHG emissions target reduction on 2019 baseline (%);
- Scope 3 GHG emissions ('tCO_2e') limited to the categories listed below:
  - *Category 3: upstream emissions associated with the extraction, refining, storage and distribution of products;* and
  - *Category 11: downstream emissions from the use of sold products by customers;*
- Total biogenic content of energy sold ('% GJ'); and
- Carbon intensity per megajoule of energy sold ('gCO_2e/MJ').

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by DCC

In preparing the Subject Matter, DCC applied their internally developed General Reporting Boundaries and Carbon Criteria ('Criteria'). Such Criteria were specifically designed by DCC for the purposes of reporting on the Subject Matter. As a result, the subject matter information may not be suitable for another purpose.

DCC's responsibilities

DCC's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our Engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 Revised'), the International Standard for Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410')*, and the terms of reference for this Engagement as agreed with DCC on 19 February 2024. Those standards require that we plan and perform our Engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT ASSURANCE STATEMENT Continued

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than, for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds existing scientific knowledge.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Interviewed management to understand the key processes, systems and controls in place for the preparation of the Subject Matter.
- Performed a review of the data management systems, tested reasonableness of conversion factors applied, reviewed alignment with the Criteria and conducted analytical review procedures over the Subject Matter.
- Undertook a remote desktop review to two selected DCC operations to understand the process of data collection and reporting from site level to head office.
- Tested, on a sample basis, underlying source information to check the accuracy of data and re-performed calculations.
- Assessed the appropriateness of the Criteria for the Subject Matter.
- Reviewed the Report for the appropriate presentation of the Subject Matter, including the discussion of limitations and assumptions relating to the data presented.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 13 May 2024 for the year ended 31 March 2024, in order for it to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of DCC and is not intended to be and should not be used by anyone other than DCC.

We disclaim any assumption of responsibility for any reliance on this assurance report or its conclusions to any persons other than DCC, or for any purpose other than that for which it was prepared.

Accordingly, we accept no liability whatsoever, whether in contract, tort or otherwise, to any third party for any consequences of the use or misuse of this assurance report or its conclusions.

ERNST & YOUNG
13 May 2024
Dublin Ireland

ALTERNATIVE PERFORMANCE MEASURES

The Group reports certain alternative performance measures ('APMs') that are not required under International Financial Reporting Standards ('IFRS') which represent the generally accepted accounting principles ('GAAP') under which the Group reports. The Group believes that the presentation of these APMs provides useful supplemental information which, when viewed in conjunction with our IFRS financial information, provides investors with a more meaningful understanding of the underlying financial and operating performance of the Group and its divisions.

These APMs are primarily used for the following purposes:

- to evaluate the historical and planned underlying results of our operations;
- to set Director and management remuneration; and
- to discuss and explain the Group's performance with the investment analyst community.

None of the APMs should be considered as an alternative to financial measures derived in accordance with GAAP. The APMs can have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. These performance measures may not be calculated uniformly by all companies and therefore may not be directly comparable with similarly titled measures and disclosures of other companies.

The principal APMs used by the Group, together with reconciliations where the non-GAAP measures are not readily identifiable from the financial statements, are as follows:

ADJUSTED OPERATING PROFIT ('EBITA')

Definition

This comprises operating profit as reported in the Group Income Statement before net operating exceptional items and amortisation of intangible assets. Net operating exceptional items and amortisation of intangible assets are excluded to assess the underlying performance of our operations. In addition, neither metric forms part of Director or management remuneration targets.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Operating profit	Income Statement	529,396	511,988
Net operating exceptional items	Income Statement	39,309	32,528
Amortisation of intangible assets	Income Statement	114,075	111,146
Adjusted operating profit (EBITA)		682,780	655,662

ADJUSTED OPERATING PROFIT BEFORE DEPRECIATION ('EBITDA')

Definition

EBITDA represents earnings before net interest, tax, depreciation on property, plant and equipment, amortisation of intangible assets, share of equity accounted investments' profit after tax and net exceptional items. This metric is used to compare profitability between companies by eliminating the effects of financing, tax environments, asset bases and business combinations history. It is also utilised as a proxy for a company's cash flow.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Adjusted operating profit ('EBITA')	Per above	682,780	655,662
Depreciation of property, plant and equipment	Note 3.1	157,356	144,443
Adjusted operating profit before depreciation ('EBITDA')		840,136	800,105

NET INTEREST BEFORE EXCEPTIONAL ITEMS

Definition

The Group defines net interest before exceptional items as the net total of finance costs and finance income before interest related exceptional items as presented in the Group Income Statement.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Finance costs before exceptional items	Income Statement	(121,888)	(96,735)
Finance income before exceptional items	Income Statement	16,512	16,111
Net interest before exceptional items		(105,376)	(80,624)

ALTERNATIVE PERFORMANCE MEASURES Continued

INTEREST COVER – EBITDA INTEREST COVER

Definition

The EBITDA interest cover ratio measures the Group's ability to pay interest charges on debt from cash flows. To maintain comparability with the definitions contained in the Group's lending arrangements, EBITDA and net interest exclude the impact arising from the adoption of IFRS 16.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
EBITDA	Per above	840,136	800,105
Less: impact of IFRS 16		(6,970)	(6,041)
EBITDA for covenant purposes		833,166	794,064
Net interest before exceptional items	Per above	(105,376)	(80,624)
Less: impact of IFRS 16	Note 2.7	11,486	9,577
Net interest for covenant purposes		(93,890)	(71,047)
EBITDA interest cover (times)		8.9x	11.2x

EFFECTIVE TAX RATE

Definition

The Group's effective tax rate expresses the income tax expense before exceptionals and deferred tax attaching to the amortisation of intangible assets as a percentage of adjusted operating profit less net interest before exceptional items.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Adjusted operating profit	Per above	682,780	655,662
Net interest before exceptional items	Per above	(105,376)	(80,624)
		577,404	575,038
Income tax expense	Income Statement	83,213	84,762
Income tax attaching to exceptional items	Note 2.9	6,418	2,764
Deferred tax attaching to amortisation of intangible assets	Note 2.9	24,118	23,456
Total Income tax expense before exceptionals and deferred tax attaching to amortisation of intangible assets		113,749	110,982
Effective tax rate (%)		19.7%	19.3%

DIVIDEND COVER

Definition

The dividend cover ratio measures the Group's ability to pay dividends from earnings.

Calculation	Reference in Financial Statements	2024 pence	2023 pence
Adjusted earnings per share	Note 2.11	455.01	456.27
Dividend	Note 2.10	196.57	187.21
Dividend cover (times)		2.3x	2.4x

CONSTANT CURRENCY

Definition

The translation of foreign denominated earnings can be impacted by movements in foreign exchange rates versus sterling, the Group's presentation currency. To present a better reflection of underlying performance in the period, the Group retranslates foreign denominated current year earnings at prior year exchange rates.

Revenue (constant currency)

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Revenue	Income Statement	19,858,763	22,204,846
Currency impact		204,499	–
Revenue (constant currency)		20,063,262	22,204,846

Adjusted operating profit (constant currency)

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Adjusted operating profit	Per above	682,780	655,662
Currency impact		7,935	–
Adjusted operating profit (constant currency)		690,715	655,662

Adjusted earnings per share (constant currency)

Calculation	Reference in Financial Statements	2023 £'000	2022 £'000
Adjusted profit after tax and non-controlling interests	Note 2.11	449,527	450,373
Currency impact		5,154	–
Adjusted profit after tax and non-controlling interests (constant currency)		454,681	450,373
Weighted average number of ordinary shares in issue ('000)	Note 2.11	98,794	98,707
Adjusted earnings per share (constant currency)		460.23p	456.27p

NET CAPITAL EXPENDITURE

Definition

Net capital expenditure comprises purchases of property, plant and equipment, proceeds from the disposal of property, plant and equipment and government grants received in relation to property, plant and equipment.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Purchase of property, plant and equipment	Group Cash Flow Statement	230,354	229,440
Government grants received in relation to property, plant and equipment	Group Cash Flow Statement	(2,669)	(216)
Proceeds from disposal of property, plant and equipment	Group Cash Flow Statement	(6,666)	(22,643)
Net capital expenditure		221,019	206,581

FREE CASH FLOW

Definition

Free cash flow is defined by the Group as cash generated from operations before exceptional items as reported in the Group Cash Flow Statement after repayment of lease creditors and net capital expenditure.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Cash generated from operations before exceptionals	Group Cash Flow Statement	995,793	860,746
Repayment of lease creditors	Note 3.12	(93,673)	(83,796)
Net capital expenditure	Per above	(221,019)	(206,581)
Free cash flow		681,101	570,369

FREE CASH FLOW (AFTER INTEREST AND TAX PAYMENTS)

Definition

Free cash flow (after interest and tax payments) is defined by the Group as free cash flow after interest paid (excluding interest relating to lease creditors), income tax paid, dividends received from equity accounted investments and interest received. As noted in the definition of free cash flow, interest amounts relating to the repayment of lease creditors has been deducted in arriving at the Group's free cash flow and are therefore excluded from the interest paid figure in arriving at the Group's free cash flow (after interest and tax payments).

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Free cash flow	Per above	681,101	570,369
Interest paid (including interest relating to lease creditors)	Group Cash Flow Statement	(118,780)	(82,576)
Interest relating to lease creditors	Note 3.12	11,486	9,577
Income tax paid	Group Cash Flow Statement	(124,057)	(97,485)
Dividends received from equity accounted investments	Group Cash Flow Statement	1,261	–
Interest received	Group Cash Flow Statement	15,285	15,535
Free cash flow (after interest and tax payments)		466,296	415,420

ALTERNATIVE PERFORMANCE MEASURES Continued

CASH CONVERSION RATIO

Definition

The cash conversion ratio expresses free cash flow as a percentage of adjusted operating profit.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Free cash flow	Per above	681,101	570,369
Adjusted operating profit	Per above	682,780	655,662
Cash conversion ratio (%)		100%	87%

RETURN ON CAPITAL EMPLOYED ('ROCE')

Definition

ROCE represents adjusted operating profit expressed as a percentage of the average total capital employed.

The Group adopted IFRS 16 Leases on the transition date of 1 April 2019 using the modified retrospective approach, meaning that comparatives were not restated. To assist comparability with prior years, the Group presents ROCE excluding the impact of IFRS 16 ('ROCE excl. IFRS 16') as well as ROCE including the impact of IFRS 16 ('ROCE incl. IFRS 16'). Total capital employed (excl. IFRS 16) represents total equity adjusted for net debt/cash (including lease creditors), goodwill and intangibles written off, right-of-use leased assets, acquisition related liabilities and equity accounted investments whilst total capital employed (incl. IFRS 16) includes right-of-use leased assets.

Similarly, adjusted operating profit is presented both excluding and including the impact of IFRS 16. Net operating exceptional items and amortisation of intangible assets are excluded in order to assess the underlying performance of our operations. In addition, neither metric forms part of Director or management remuneration targets.

ROCE (excl. IFRS 16)

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Total equity	Group Balance Sheet	3,183,032	3,058,310
Net debt (including lease creditors)	Note 3.13	1,147,081	1,113,881
Goodwill and intangibles written off		772,034	657,959
Right-of-use leased assets	Note 3.2	(349,925)	(336,221)
Equity accounted investments	Group Balance Sheet	(38,825)	(47,789)
Acquisition related liabilities (current and non-current)	Note 3.16	141,777	127,393
Closing total capital employed (excl. IFRS 16)		4,861,174	4,573,533
Average total capital employed (excl. IFRS 16)		4,717,354	4,294,686
Adjusted operating profit	Per above	682,780	655,662
Less: impact of IFRS 16 on operating profit		(6,970)	(6,041)
		675,810	649,621
Return on capital employed (%) excl. IFRS 16		14.3%	15.1%

ROCE (incl. IFRS 16)

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Total capital employed	Per above	4,861,174	4,573,533
Right-of-use leased assets	Note 3.2	349,925	336,221
Closing total capital employed (incl. IFRS 16)		5,211,099	4,909,754
Average total capital employed (incl. IFRS 16)		5,060,427	4,626,572
Adjusted operating profit	Per above	682,780	655,662
Return on capital employed (%) incl. IFRS 16		13.5%	14.2%

COMMITTED ACQUISITION EXPENDITURE

Definition

The Group defines committed acquisition expenditure as the total acquisition cost of subsidiaries as presented in the Group Cash Flow Statement (excluding amounts related to acquisitions which were committed to in previous years) and future acquisition related liabilities for acquisitions committed to during the year.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Net cash outflow on acquisitions during the year	Group Cash Flow Statement	288,155	318,486
Cash outflow on acquisitions which were committed to in the previous year		(16,651)	(26,059)
Acquisition related liabilities arising on acquisitions during the year	Note 3.16	82,809	46,654
Acquisition related liabilities which were committed to in the previous year		(8,549)	(431)
Amounts committed in the current year		143,803	23,060
Committed acquisition expenditure		489,567	361,710

NET WORKING CAPITAL

Definition

Net working capital represents the net total of inventories, trade and other receivables (excluding interest receivable), and trade and other payables (excluding interest payable, amounts due in respect of property, plant and equipment and current government grants).

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Inventories	Note 3.5	1,072,061	1,192,803
Trade and other receivables	Note 3.6	2,172,422	2,312,269
Less: interest receivable		(1,391)	(558)
Trade and other payables	Note 3.7	(3,054,108)	(3,279,898)
Less: interest payable	Note 3.7	21,369	25,231
Less: amounts due in respect of property, plant and equipment	Note 3.7	17,574	24,492
Less: government grants	Note 3.7	36	31
Net working capital		227,963	274,370

WORKING CAPITAL (DAYS)

Definition

Working capital days measures how long it takes in days for the Group to convert working capital into revenue.

Calculation	Reference in Financial Statements	2024 £'000	2023 £'000
Net working capital	Per above	227,963	274,370
March revenue		1,767,388	2,068,648
Working capital (days)		4.0 days	4.1 days

5 YEAR REVIEW

Group Income Statement Year ended 31 March	2020 £'m	2021 £'m	2022 £'m	2023 £'m	2024 £'m
Revenue	14,755.4	13,412.5	17,732.0	22,204.8	**19,858.8**
Adjusted operating profit	494.3	530.2	589.2	655.7	**682.8**
Exceptional items	(65.5)	(40.5)	(46.5)	(32.5)	**(39.3)**
Amortisation of intangible assets	(62.1)	(66.9)	(84.3)	(111.2)	**(114.1)**
Operating profit	366.7	422.8	458.4	512.0	**529.4**
Finance costs (net)	(56.2)	(57.9)	(53.0)	(79.7)	**(106.2)**
Share of equity accounted investments	1.0	0.2	0.3	(0.7)	**0.6**
Profit before tax	311.5	365.1	405.7	431.6	**423.8**
Income tax expense	(57.3)	(62.3)	(79.7)	(84.8)	**(83.2)**
Non-controlling interests	(8.7)	(10.2)	(13.6)	(12.8)	**(14.3)**
Profit attributable to owners of the Parent Company	245.5	292.6	312.4	334.0	**326.3**
Earnings per share					
– basic (pence)	249.64p	297.04p	316.78p	338.40p	**330.24p**
– basic adjusted (pence)	362.64p	386.62p	430.11p	456.27p	**455.01p**
Dividend per share (pence)	145.27p	159.80p	175.78p	187.21p	**196.57p**
Dividend cover (times)	2.5x	2.4x	2.4x	2.4x	**2.3x**
Interest cover (times)*	10.5x	10.6x	13.0x	9.1x	**7.2x**

* excludes exceptional items.

Group Balance Sheet As at 31 March	2020 £'m	2021 £'m	2022 £'m	2023 £'m	2024 £'m
Non-current and current assets:					
Property, plant and equipment	1,089.0	1,137.6	1,253.3	1,354.8	**1,430.5**
Right-of-use leased assets	304.1	308.9	327.6	336.2	**349.9**
Intangible assets	2,126.9	2,206.7	2,634.4	2,957.6	**3,136.9**
Equity accounted investments	27.7	27.1	26.8	47.8	**32.8**
Cash/derivatives	2,059.9	1,948.5	1,620.2	1,570.2	**1,207.3**
Other assets	2,313.5	2,406.0	3,696.9	3,574.2	**3,325.8**
Total assets	7,921.1	8,034.8	9,559.2	9,840.8	**9,483.2**
Equity	2,541.5	2,705.6	2,970.6	3,058.3	**3,183.0**
Non-current and current liabilities:					
Borrowings/derivatives	2,120.0	1,783.3	2,040.1	2,337.5	**1,992.0**
Lease creditors	306.8	315.2	336.7	346.5	**362.4**
Retirement benefit obligations	(7.3)	(8.0)	(7.7)	(11.7)	**6.6**
Other liabilities	2,960.1	3,238.7	4,219.5	4,110.2	**3,939.2**
Total liabilities	5,379.6	5,329.2	6,588.6	6,782.5	**6,300.2**
Total equity and liabilities	7,921.1	8,034.8	9,559.2	9,840.8	**9,483.2**
Net (debt)/cash included above (excl. lease creditors)	(60.2)	165.1	(419.9)	(767.3)	**(784.7)**

Group Cash Flow Year ended 31 March	2020 £'m	2021 £'m	2022 £'m	2023 £'m	2024 £'m
Operating cash flow	724.0	903.7	628.4	860.7	**995.8**
Capital expenditure	167.8	147.0	170.8	206.6	**221.0**
Acquisitions	227.5	272.6	720.1	340.5	**338.5**

Other Information	2020	2021	2022	2023	2024
Return on capital employed (%)	16.5%	17.1%	16.5%	15.1%	**14.3%**
Working capital (days)	(0.6)	(4.3)	2.8	4.1	**4.0**

INDEX

INDEX Continued

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