

Corporate Governance Statement



“The Board views well-balanced corporate governance as critical to providing effective stewardship and enabling informed, accountable decision-making.”

Liz McMeikan
Non-Executive Chair

Chair's introduction

I have pleasure in introducing our 2025 Corporate Governance Statement.

The Board is committed to ensuring that our corporate governance standards are appropriate and robust, serving the needs of the business and the expectations of our stakeholders. Our governance framework has continued to enable the Board to act effectively and efficiently to support the management team in making timely decisions and taking appropriate actions.

In March 2025 we were deeply saddened by the death of our Chief Financial Officer, Richard Newman. Richard made a significant contribution to the Company over his 12 months in post and his insight and leadership were noteworthy. He is deeply missed by everyone who had the privilege of working with him. David Taylor supported the Company and the Board as non-Board Finance Director between March and November this year which provided important continuity. During the year the Board has been considering permanent succession arrangements for the Chief Financial Officer role and in November we were pleased to announce that Matthew Rothwell will be joining the Board as Chief Financial Officer and Company Secretary in April 2026. Matthew brings extensive and relevant experience to Nichols, having held senior financial leadership roles across a number of UK listed consumer facing businesses. The Board is confident that his expertise and strategic insight will be instrumental in supporting the Group's continued development and growth.

John Gittins stepped down from the Board as an independent Non-Executive Director and Chair of the Audit Committee in August 2025. As announced during the year, Alan Williams joined the Board as an independent Non-Executive Director in March 2025 and was appointed as Chair of the Audit Committee in August 2025. More detail on Alan's skills and experience can be found in the Board of Directors section on page 74 of the Annual Report.

Helen Keays, independent Non-Executive Director and Chair of the Remuneration Committee, will have served as a director of the Company for nine years by the second half of 2026, and, following recommendation from the Nomination Committee to the Board, a formal search process for Helen's successor has commenced.

In June, the Nomination Committee held its annual Talent Day on site at Ross-on-Wye, led by the People Director. The day offered the Committee a strategic focus on people and the workplace in 2025, including the talent pipeline, succession plans, the Board skills matrix, agreeing formal development plans for the Board and workplace trends. A key responsibility of the Nomination Committee is to be assured of the strength and depth of talent within the organisation and for the Committee to be satisfied that the culture is conducive to delivery of the strategy: all of which the Talent Day was able to evidence.

Enhancing the Board's skills and knowledge remains a key area of focus. Following our Board evaluation process in 2024 and follow up discussions in early 2025, our 2025/2026 Board Development plan was agreed. Where development needs were identified, actions have been agreed and in 2025 we have held externally facilitated training in Takeover Defence and Diversity, Equity and Inclusion, as well as a session on Horizon Scanning at our Talent Day.



We strive to promote a culture of continual improvement and our approach to evaluating the performance of the Board is of great importance to us. We review our approach on an annual basis to ensure it is the most effective way to carry out a valuable and insightful evaluation. For 2025, the Board undertook an internal performance evaluation using an anonymous survey, enabling all members, alongside senior management and key advisers, to provide candid and constructive feedback on the Board's effectiveness and areas for development. The Board reviewed the results at the February 2026 Board meeting and agreed specific actions that have been added to our Board Development Plan. More information on our approach to our Board performance evaluation can be found on page 8 of this report.

Looking ahead, the Board intends to conduct a more in-depth independent evaluation and observation process during 2026, once our new Chief Financial Officer and Non-Executive Director and Chair of the Remuneration Committee have joined, to ensure a comprehensive review of Board dynamics and performance.

For the year ended 31 December 2025, the Company has applied the 2023 Quoted Companies Alliance Corporate Governance Code. More information on our application of the Code is provided on pages 3 and 4 and throughout this Corporate Governance Report.

Liz McMeikan
Non-Executive Chair
10 March 2026

Corporate Governance Statement continued

The 2023 Quoted Companies Alliance Corporate Governance Code (the '2023 QCA Code')

For the year ended 31 December 2025, the Group has adopted the 2023 QCA Code and our application of the 2023 QCA Code is detailed below. Disclosures required by the 2023 QCA Code have been made both in this Annual Report and on our website.

The corporate governance framework within which the Group operates, including Board leadership and effectiveness, Board remuneration and internal controls, is based upon practices which the Board believes are proportional to the size, risks, complexity and operations of the Group.

Our governance structure provides a framework of clearly established roles, policies and procedures designed to support our compliance with the QCA Code, the AIM Rules and other legal, regulatory and compliance requirements which apply to the Group. More on our approach to corporate governance can be found at www.nicholsplc.co.uk/Home/Aim26.

Deliver growth

Principles of the Code

Our application

Further information

1. Establish a purpose, strategy and business model which promote long-term value for shareholders.

"We make life taste better."
The Board has collective responsibility for setting the purpose, strategic aims and objectives of the Group.

Our purpose, strategy and business model is articulated on pages 24 and 25 and 14 to 17 of the Annual Report and on our website: www.nicholsplc.co.uk/about-nichols/our-strategy/.

2. Promote a corporate culture that is based on ethical values and behaviours.

We are very proud of our inclusive culture. It is our people and how they go about their business that has been fundamental to the sustained success of the Group for many years.

Our culture is reflected in our values and the overarching theme of our values is 'doing the right thing'.

You can find out more about our culture on page 10 of this section.

3. Seek to understand and meet shareholder needs and expectations.

The Group maintains communication with key shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full-year results, enabling the Executive Directors to have an open dialogue and receive feedback.

See our S172 Statement on pages 51 to 57 of the Annual Report.

4. Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success.

We consider our key stakeholders to be our shareholders, our employees, our customers, our consumers, our suppliers and our community. The Board recognises the importance of maintaining regular dialogue with our stakeholders in order to listen to, understand and consider their views.

We also recognise that we have a duty of care to our environment and our communities and consider both to be key social responsibilities of the Group.

Information on how the Company engages with its key stakeholders is provided on pages 51 to 57 of the Annual Report.

5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation.

The Board has ultimate responsibility for the systems of internal control and risk management. The Audit Committee reviews the Group's internal controls and risk management processes on the Board's behalf.

The Group's significant risks related to mitigation/controls are disclosed in the Risk Management section on pages 63 to 69 of the Annual Report.

More of the work of the Audit Committee can be found on pages 88 to 91 of the Annual Report.

Maintain a dynamic management framework

Principles of the Code

Our application

Further information

6. Establish and maintain the board as a well-functioning, balanced team led by the Chair.

The Board is supported by three Committees – the Audit Committee, the Nomination Committee and the Remuneration Committee.

The composition and effectiveness of the Board and the Committees is reviewed annually.

More information on the Board and on our governance framework can be found on pages 72 to 75 of the Annual Report and pages 5 and 6.

More information on the Board performance evaluation can be found on page 8.

7. Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities.

The Board is satisfied that the governance framework, delegated authorities and processes and controls are fit for purpose and appropriate in supporting sound decision making and in promoting our long-term success.

The current Nichols plc Board has significant sector, financial and plc experience and the Executive Directors have broad experience in the soft drinks industry and in manufacturing. In the absence of a CFO, the Board has been supported by David Taylor, non-Board Interim Finance Director and Rebecca Hughes, Interim Finance Director.

More information on our governance framework can be found on pages 5 and 6.

See Board of Directors on pages 72 to 74 of the Annual Report and Board Evaluation on page 8.

8. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.

The Board, led by the Chair, carries out an annual review of its performance.

See Board Evaluation on page 8.

9. Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture.

A comprehensive review of our Directors' Remuneration Policy has been carried out during the year. More details on this and the remuneration structure of the Company's Directors can be found on pages 94 to 99 of the Annual Report.

Further information on our approach to remuneration can be found in the Remuneration Committee Report on pages 92 to 99 of the Annual Report.

Build trust

Principles of the Code

Our application

Further information

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders.

In addition to the interim and full-year investor roadshows, regular meetings are held with analysts, retail investor groups and prospective investors.

More information on why and how we engage with our shareholders and other stakeholders is provided on pages 54 to 57 of the Annual Report.

The investors section of our website includes our Annual Report, results, presentations, notice of AGM and results of the AGM and general meetings.

Corporate Governance Statement continued

Governance in action

Board site visits

As part of our ongoing commitment to effective governance and stakeholder engagement, the Board continued its hands-on approach throughout the year. The Nomination Committee once again held its Annual Talent Day at our Ross-on-Wye manufacturing site, where members had the opportunity to tour the facility, interact with staff at all levels, and review both the site improvements and the capital projects planned for the year ahead.

Our Chair, Liz McMeikan, engaged in market visits with Helen Hartley, UK Packaged Commercial Director, and Gary Brookes, Operations Director. These visits provided valuable insights into the opportunities and challenges facing our various business areas.

In addition, Alan Williams, Audit Committee Chair, joined Helen and Ed Shoebridge, Out of Home Commercial Director on several market visits, deepening his understanding of commercial operations and supporting cross-functional collaboration.

Internationally, during Q4, John Nichols travelled to the Middle East, where he spent time with Aujan, one of our key partners in the region, further strengthening our global relationships.



Our governance framework

The Board

Led by the Chair, the Board provides leadership and sets the strategy of the Group, ensuring the long-term success for our shareholders, customers and wider stakeholders.

The matters reserved for the Board can be found on the Company's website at www.nicholsplc.co.uk.

The Chair Liz McMeikan

Guides, develops and leads the Board.

Ensures that the Group's corporate governance framework is appropriate, is communicated effectively and is adopted across the business.

Responsible for ensuring the Board agenda concentrates on the key operational and financial issues affecting the delivery of Nichols plc's strategy.

Chief Executive Officer Andrew Milne

Charged with the delivery of the business model within the strategy set by the Board.

Responsible for the day-to-day management of the business.

He is supported by the other members of his Executive team.

Chief Financial Officer Matthew Rothwell will join the Board as Chief Financial Officer in April 2026

Charged with the delivery of the business model within the strategy set by the Board.

Responsible for finance, strategy, risk and internal audit.

The Chief Financial Officer has primary responsibility for all financially related activities.

Independent Non-Executive Directors Alan Williams, Helen Keays

Alan and Helen are considered by the Company to be independent.

They provide oversight, scrutiny and challenge of the performance of the Executive Directors.

They bring independent judgement and oversight on issues of strategy, performance and resources, and, through the Board's Committees, on matters such as remuneration, risk management systems, financial controls, financial reporting and the appointment of further Directors.

Family Representative Directors John Nichols, Matthew Nichols

John and Matthew are family Representative Directors and represent the Nichols family, pursuant to a Relationship Agreement dated 22 July 2020 between the Company and the Nichols family.

The purpose of the Relationship Agreement is to formalise the effective and appropriate relationship between the Nichols family and the Company.

Further details of the terms of the Relationship Agreement are provided on page 101 of the Annual Report.

Board Committees

The Board delegates specific responsibilities to the Board Committees. Each Committee is chaired by a Board member, and members have the requisite skills and experience to enable the Committees to focus on specific topics on behalf of the Board.

The Nichols plc website at www.nicholsplc.co.uk describes the roles and Terms of Reference for the Committees.

Audit Committee

The Audit Committee is responsible for overseeing all financial reporting, external and internal audits, whistleblowing, related party transactions as well as risk and internal control matters.

See pages 88 to 91 of the Annual Report for the Audit Committee Report.

Remuneration Committee

The Remuneration Committee is responsible for oversight of the Group's approach to remuneration and sets key performance measures and targets for the Executive Directors.

See pages 92 to 99 of the Annual Report for the Remuneration Committee Report.

Nomination Committee

The Nomination Committee makes recommendations on the structure, size and composition of the Board and its Committees. This includes succession planning for Directors and other senior executives.

See pages 86 and 87 of the Annual Report for the Nomination Committee Report.



Executive Committees

The CEO and CFO are supported by additional Executive Committees consisting of members of the Senior Leadership Team.

Capital Expenditure Committee

Risk Management Committee

Treasury Committee

Our Board and our strategy

The Board has collective responsibility for setting the strategic aims and objectives of the Group.

In the course of implementing our strategy, the Board takes into account the expectations of the Company's stakeholders and wider social and environmental responsibilities.

The Board actively participates in setting, and regularly reviewing, the strategy of the business, and is responsible for ensuring that the Company's business model is, and remains, aligned to the achievement of its strategic objectives.

We are grateful to David Taylor who rejoined the Company as a non-Board Interim Finance Director in February 2025 and provided invaluable support to the Board. In September, Rebecca Hughes, our Group Financial Controller, succeeded him as Interim Finance Director and will continue in that capacity until the arrival of our new CFO, Matthew Rothwell, in April 2026. In October 2025, the Board dedicated a full day to a focused strategy session, during which all Directors were present, including Rebecca Hughes Interim Finance Director. The purpose of the day was to review the Group's medium-term strategic plans and financial objectives.

Discussions centred on strategic priorities for each route to market and enabling functions over the next three years, with particular emphasis on growth opportunities, key business priorities, risks and major strategic projects both within the UK and internationally.

More information on our strategy and values can be found in the Strategic Report.

Corporate Governance Statement continued

Risk management and internal controls

Nichols plc has robust internal controls, delegated authorities and authorisation processes. The controls are subject to review, both internally by individual teams within the Company. In addition, the Company has appointed EY as its co-sourcing partner, to assist management in the continued development of its internal audit strategy and deployment of internal audits across the business. Further detail of the Group's internal audit process is provided on page 91 of the Annual Report.

The Company's Risk Management Team (RMT) comprises senior controllers within the business, including, but not limited to, the Risk Controller and both a Legal and a Health and Safety representative. The RMT has met regularly throughout 2025. The RMT reports to the Senior Leadership Team, in addition to providing an update to the Audit Committee three times a year.

The responsibility for overseeing the Group's risk management and internal controls is delegated to the Audit Committee.

The Nichols Board

Activities of the Board during 2025

There were seven Board meetings held during the year. Board and Committee meeting attendance can be found in the Board of Directors section on page 75 of the Annual Report.

Directors are expected to attend all meetings of the Board and of the Committees on which they sit and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chair, so that their contribution can be included as part of the wider Board discussion.

Boardroom insight

During 2025, the Board covered a range of topics that included strategic, financial, operational and governance matters.

A number of standing items are reviewed and discussed at each meeting which include the minutes and matters arising from the last meeting, updates from the Executive Directors and governance and regulatory development updates where relevant to the Company.

Other matters covered in the Boardroom during the year are:

- Interim and preliminary results announcements, the Annual Report and Accounts
- Annual General Meeting matters, including the reappointment of auditors and Directors for re-election and approval of circular
- Interim, final and special dividend approvals
- Strategic projects
- Quality and health and safety updates
- Internal audit updates
- Budget approval
- Capital allocation
- Annual Board and Committee performance evaluation review
- Review of arrangements around significant production and manufacturing contracts
- Review of the Group's corporate governance arrangements and framework in accordance with the 2023 Quoted Companies Alliance Corporate Governance Code
- Externally facilitated Takeover Defence training session
- Externally facilitated Diversity, Equity and Inclusion training session
- Market updates from the Group's NOMAD Singer Capital Markets

Board experience and skills

The current Nichols plc Board has significant sector; financial and plc experience and the Executive Directors have broad experience in the soft drinks industry and in manufacturing.

The Board also benefits from the substantial retail experience that our incoming Chief Financial Officer, who will join in April 2026, brings, alongside his expertise in e-commerce and digital transformation. Furthermore, Alan Williams, who joined as a Director in April 2025, contributes significant knowledge of the FMCG and beverage sectors, enhancing the Board's overall breadth of sector insight.

Prism Cossec Limited was appointed as Company Secretary earlier in 2025 and will continue to provide certain company secretarial services and governance advice to the Company to support Matthew Rothwell in his role as Chief Financial Officer and Company Secretary from April 2026.

With the support of our NOMAD and our advisers, the Board training and development needs are met. The Company's in-house legal counsel presents to the Board regularly on legal and regulatory matters and a written report on governance developments is presented at each Board meeting by Prism Cossec.

The Board does not consider that the appointment of a Senior Independent Director is required at this time, although this is kept under review. Shareholders have access to our INEDs, Alan Williams, Chair of the Audit Committee and Helen Keays, Chair of the Remuneration Committee.

As mentioned earlier in this report, during the year the Board received Takeover Defence and Diversity, Equity and Inclusion training. At the Talent Day held in June 2025, the Board also discussed and agreed the 2025/2026 Board development plan which provides more structure around the development and training needs of the Board members.

Biographies on all Directors, giving details of their experience and roles on the Board and its Committees, are shown on pages 72 to 75 of the Annual Report.

Time commitment

Our iNEDs are expected to devote such time as is necessary for the proper performance of their duties and are normally expected to spend a minimum of 12 days per annum on Company business, after the induction phase, typically including attendance at six Board meetings, the AGM, Committee meetings plus other events as required, including meetings with our employees and attendance at strategy meetings. The iNEDs and the Company recognise, however, that due to the nature of their role, it is impossible to be specific about the required time commitment; additional time commitment will inevitably be required when the Company is undergoing a period of increased activity. In accordance with their appointment letter, our iNEDs agree to commit sufficient time to perform their duties.

iNEDs communicate with Executive Directors and senior management between formal Board meetings.

Nichols family Representative Directors

John Nichols and Matthew Nichols are Nichols family Representative Directors, pursuant to a Relationship Agreement dated 22 July 2020 between the Company and the Nichols family which entitles the Nichols family to two such positions. The purpose of the Relationship Agreement is to formalise the effective and appropriate relationship between the Nichols family and the Company. John and Matthew are not independent but they do have fiduciary responsibilities as Directors of the Board.

The Relationship Agreement states that a Representative Director may also be an employee of the Nichols plc Group. Matthew also holds the position of International Commercial Director and is a member of the Company's Senior Leadership Team. He is not considered to be an Executive Director of the Company.

Matthew possesses extensive operational knowledge of the Group's industry and operations which contributes to the valuable insight and challenge he brings to the Board. Matthew's role as a Representative Director ensures family interests are aligned with Company goals and Matthew and the other Board members are comfortable that a clear separation of responsibilities is maintained.

Processes are in place to avoid conflicts of interest and both John and Matthew are excluded from Board discussions and decisions where a conflict of interest may arise. The Board currently includes three independent Non-Executive directors, in accordance with the requirements of the Quoted Companies Alliance Corporate Governance Code.

Further details of the terms of the Relationship Agreement are provided on page 101 of the Annual Report.

Board and Committee performance evaluation

The Board and Committees carried out internal reviews of their 2025 performance by distribution of anonymous surveys, allowing all members to share open and constructive feedback regarding the Board and Committee overall effectiveness and possible areas for improvement. At its meeting in February 2026, the Board discussed the results.

Key themes for the 2025 performance evaluation included strategy and purpose, stakeholder engagement, culture, risk and the role of the Chairs of the Board and the Committees.

The results highlighted strength in areas such as a clear overall strategy and organisational purpose, strong discipline in the selection for Board appointments and succession plans and the assessment of the external auditor. Areas of focus were identified and key actions coming out of the evaluation are being agreed and will be added to the 2025 – 2026 Board Development Plan during the first quarter of 2026. Further information on these specific actions and progress made on them in 2026 will be disclosed in our 2026 Annual Report and Accounts.

Corporate Governance Statement continued

Board and Committee performance evaluation continued

Looking to the future, the Board plans to undertake a more thorough independent evaluation and observation exercise in 2026, following the arrival of our new Chief Financial Officer and new Non-Executive Director, who will also assume the role of Remuneration Committee Chair. This will support a more comprehensive assessment of Board interactions and performance.

Theme	Key actions and focus	Progress
Growth strategy	<p>Focus on regular updates on identified growth opportunities, progress and execution</p> <p>Allocate sufficient time to macro-economic and industry trends</p>	<ul style="list-style-type: none"> Regular updates on all growth opportunities presented to the Board during the year Macro and industry trends were discussed in October, with further sessions planned
Technology	<p>Enhance technology and AI knowledge and understanding as it applies to advancement of strategy</p>	<ul style="list-style-type: none"> Board development sessions are planned to focus on AI and technology
Information and effective communication	<p>Embed ESG updates into Board discussions</p> <p>Strengthen engagement with the SLT</p> <p>Use more interactive formats for strategy days</p>	<ul style="list-style-type: none"> A strategic ESG update was delivered to the Board with further updates planned on a regular basis More frequent SLT dinners are supporting improved engagement and alignment, along with more frequent one on one engagement An interactive strategy day was successfully delivered in October
Audit Committee	<p>Risk and internal audit focus</p>	<ul style="list-style-type: none"> Scheduled annual assessments of risk register now included in annual Audit Committee planner A workshop was held on risk appetite and tolerance and the Committee reviewed and recommended adoption of Group risk appetite statements Scope of discussions now include identification of future risks Work carried out to ensure programme of internal audits is appropriate for the business
Remuneration Committee	<p>Scope of Committee and QCA Code considerations</p>	<ul style="list-style-type: none"> Review of scope of the Committee carried out giving considering the requirements of the 2023 QCA Code Further consideration given to employee remuneration and benefits policies and practices
Role of the Chair	<p>Engagement with key stakeholders</p>	<ul style="list-style-type: none"> During 2025 the Chair has continued to engage with investors, employees and to spend time in the trade

Our culture

Nichols plc is very proud of its inclusive culture. It is our people and how they go about their business that has been fundamental to the sustained success of the Group for many years. Our culture is reflected in our values and the overarching theme of our values is 'doing the right thing'.

Our values

- **People:** we value and respect our employees. Their enthusiasm, ideas and hard work are fundamental to the success of our Company and we recognise that the education and development of our people is important. We believe that developing our talent at Nichols is essential to our success and we identify the development needs of all our employees through our appraisal programme. We support the professional development of our employees
- **Sustainable business:** we value our commitment to having a sustainable business. Our sustainable business strategy takes into account our wider corporate, environmental and social responsibilities. Further details are included on pages 32 to 50 of the Strategic Report in our Annual Report
- **Customers and suppliers:** we believe in building long-term partnerships with our customers and suppliers
- **Community:** we actively encourage our employees to give something back to the wider community

The Company has adopted a Slavery and Human Trafficking Transparency Statement (the 'Statement') and has an anti-bribery policy. These set out the ethical behaviour expected of our employees, with our Human Slavery Statement also including details of actions that we have taken to ensure that human slavery does not exist within Nichols or within our supply chain. We have a zero-tolerance approach for giving or receiving of bribes or corrupt payments in any form. In addition, to ensure that any of our employees can raise any matters of genuine concern without fear of any action being taken against them, we also operate a whistleblowing policy. Further detail of the anti-bribery and whistleblowing policies and the Human Slavery Statement are available on the Company's website at www.nicholsplc.co.uk. This culture of challenge and continuous improvement is encouraged to ensure that controls evolve with the business.

Our Happier Future Progress Report provides more information on our culture on pages 36 to 41 of the Annual Report.



Liz McMeikan
Non-Executive Chair

10 March 2026