

16 June 2021

Lookers plc
(the “Company”)

Statement in relation to a significant vote against a resolution put to a General Meeting

Lookers plc is publishing this update statement as required by the UK Corporate Governance Code in response to the votes received against the Directors’ Remuneration Report resolution at our 2020 General Meeting on 28 December 2020, at which 28.91% of shares voted were not in favour of the resolution on the Annual Report on Remuneration.

The Board understands that the reason for the number of votes cast against was primarily concerned with the notice period for our previous Chief Financial Officer taking effect from his date of stepping down from the Board rather than from the date of announcement. While Mark Raban was recruited to the role of CFO in July 2019, there was a significant amount of handover work to be completed and therefore there was a requirement for Robin Gregson to continue employment until September to assist with this.

The Remuneration Committee determined at the time that it was fair given the circumstances surrounding Robin's departure that a full 12 month notice period should be provided for from his termination date. While we have not formally consulted with shareholders following the General Meeting given this is a legacy one-off event rather than an ongoing issue with the remuneration policy itself or levels of remuneration, we will take on board the response to this decision in future and continue a dialogue with shareholders. In particular, we do not intend to apply this treatment to leavers in future unless there is an exceptional business reason for doing so.

As reported in the 2019 Directors’ Remuneration Report, the Remuneration Committee had originally intended to review the remuneration policy for tabling at the 2021 AGM. After careful consideration, in the context of the business and external environment, it has been agreed that the existing policy remains fit for purpose for 2021. The Board and the Remuneration Committee are committed to keeping the remuneration policy under review and continuing their engagement with the Company's shareholders and their advisory bodies on these and other matters.