

Key performance indicators

Financial KPIs

Underlying cash conversion ratio (%)¹

2023	48.9%
(66.8)% 2022	
2021	147.9%

Definition

Underlying cash generated from operations as a percentage of underlying EBITDA

Why we measure it

Our quality of earnings is reflected in our ability to consistently turn underlying EBITDA into cash, allowing us to maintain a sustainable return of cash back into the business to fund our ongoing growth journey

Our progress in FY23

We returned to a positive conversion of underlying EBITDA into cash this year as compared to the previous year due to reduced investments in working capital (notably stock) compared to FY22. We expect to revert to a more normalised level of 70-80% once the macroenvironment settles

Working capital as a percentage of revenue (%)¹

2023	45.9%
2022	46.5%
2021	34.1%

Definition

Current assets excluding cash, less current liabilities excluding debt-like items

Why we measure it

An efficient allocation of capital on the balance sheet drives improved quality of earnings and reduces the additional investment needed to support organic growth. Working capital efficiency remains an ongoing focus, which we expect to be further assisted by the continued roll out of Project Atlas

Our progress in FY23

The ongoing macroeconomic uncertainty and supply chain challenges necessitated a much higher investment in stock in FY22 which continued in HY1 FY23. Our working capital as a percentage of revenue reduced from 49.3% as at HY1 FY23 to 45.9% as at the year end. A major focus on working capital management continues, reducing our inventory levels further and managing debtors

Underlying diluted earnings per share (EPS)¹

2023	5.13p
2022	8.13p
2021	6.24p

Definition

Underlying profit after tax divided by the weighted average number of diluted ordinary shares outstanding during the year

Why we measure it

EPS is a key metric for the Group and our wider stakeholders. Our strategy for growth is therefore focused on increasing this ratio year-on-year

Our progress in FY23

Our EPS has decreased by 36.9% primarily due to lower underlying profit against a reasonably static number of shares in issue

1. Our KPIs/KSIs include a number of Alternative Performance Measures (APMs) to provide further information on the Group's financial performance and position. Where we refer to 'underlying' this is defined as being before separately disclosed items (see note 2). For further details on the APMs, see note 32

Key performance indicators continued

Non-financial KPIs

Employee engagement index

2023	7.4
2022	7.5
2021	7.4

Definition

The overall rating that our employees have scored the Group (out of ten) in our latest Group-wide 'Happiness Index' survey

Why we measure it

It is important that we are aware of how our employees are feeling on a number of topics, so we can take any necessary actions to ensure we continue to appropriately support our people

Our progress in FY23

The latest survey was run in November 2022. Results are made available to all Trifast employees and have been formally reported to the Board. Our overall score of 7.4 is considered good, however action plans are in place to ensure we react to specific findings as appropriate



Find out more in the sustainability section on pages 32 to 37

