

13 May 2021

**CVS Group plc**  
("CVS", the "Company" or the "Group")

**Shareholder Consultation regarding 2020 AGM**

CVS, one of the UK's leading providers of integrated veterinary services, is pleased to provide the following update in relation to the 2020 AGM and our subsequent consultation with major shareholders.

In the 2020 Result of AGM announcement, the Board of CVS noted that all the resolutions had been passed with the requisite majority, but that the resolution to reappoint Richard Connell as Chairman received 75.1% support and the resolution to approve the Remuneration Committee report received 78.5% support. Whilst a clear majority of shareholders were supportive, in accordance with Provision 4 of the UK Corporate Governance Code the Board of CVS has consulted with major shareholders in order to better understand their views on these matters.

Following feedback from one major shareholder who withheld support for the Chairman's re-election, we understand that their concern was that Richard Connell's membership of the audit committee resulted in this committee not being deemed fully independent. In light of this feedback, and to ensure all the board committees are fully independent, Richard Connell stepped down from all Board committees with effect from 30 April 2021. All of our committees were already chaired by independent non-executive directors and are now entirely constituted from our three independent non-executive directors.

While there was broad based support for the Remuneration Committee report for the financial year ended 30 June 2020, certain corporate governance teams remain opposed to specific elements of the remuneration policy that, when looked at in isolation, do not conform to commonly referenced executive compensation guidelines. In light of this, the Remuneration Committee has decided that a two year holding period will be applied to future Long Term Incentive Plan ("LTIP") awards to executive directors, commencing in 2021. This follows changes already implemented which include the introduction of malus and clawback conditions for LTIP and bonus awards, and the amendment of LTIP performance vesting criteria such that 50% of the performance condition is now based on meeting a total shareholder return threshold.

The Remuneration Committee will continue to consider and develop its approach to executive remuneration arrangements taking due account of matters specified in the UK Corporate Governance Code and the Investment Association Principles of Remuneration in the light of the Company's growth and its status as an 'AIM 50' company.

The Board appreciates the feedback it receives from shareholders and will continue to engage with them to ensure their views are fully understood and considered.

**CVS Group plc**  
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**Notes to Editors**

CVS Group is a fully integrated provider of veterinary services in the UK, with practices in the Netherlands and the Republic of Ireland. CVS is focused on providing high quality clinical services to its customers and their animals, with outstanding and dedicated clinical teams and support colleagues at the core of its strategy.

The Group has 498 veterinary practices across its three markets, including eight specialist referral hospitals and 34 dedicated out-of-hours sites. Alongside the core Practices division, CVS operates Laboratories (providing diagnostic services to CVS and third parties), Crematoria (providing pet cremation and clinical waste disposal for CVS and third party practices), Buying Groups and Animed Direct (the Group's online retail business).

The Group employs approximately 7,400 personnel, including circa 1,900 veterinary surgeons and 2,500 nurses.