

Nominations Committee

Committee members

- Stephen Karle (Chairman)
- Patrick Storey
- Sir Nigel Knowles
- Joanne Lake
- Peter Ward

Regular attendees

- Company Secretary

What does the Committee do?

The Committee is responsible for:

1. Ensuring that the Board has a formal and transparent appointments procedure and that the balance of Directors on the Board remains appropriate as the Group develops in order to ensure that the business can compete effectively in the marketplace;
2. Identifying and nominating candidates to fill Board vacancies as and when they arise;
3. Evaluating the balance of skills, knowledge, experience and diversity of the Board in order to ensure an optimum mix; and
4. Considering the succession planning for Directors, executives and senior managers to ensure that any succession is managed smoothly.

The Committee comprises all of the Group's Non-Executive Directors.

The Committee's terms of reference are available on the Group's website.

The Committee was in place during the year and held one meeting.

Prior to the Group's IPO in May 2016, a wide-ranging search was undertaken in order to appoint three additional Non-Executive Directors with the skills and experience required to ensure that the Board was well-placed to address the future needs of the business for the foreseeable future.

Since then, both the Board and the Executive Management Team have remained unchanged. For this reason, the Committee has not been required to fill any vacancies amongst the Group's Directors or senior executives.

The Committee has agreed a process whereby any future search for a Non-Executive Director will be conducted by an independent search firm, supplemented by open advertising as appropriate.

Diversity

The Group recognises the importance of diversity both at Board level and throughout the whole organisation. The Board remains committed to increasing diversity. Consequently, diversity is taken into account during each recruitment and appointment process, working to attract outstanding candidates with diverse backgrounds, skills, ideas and culture.

Nominations Committee *continued*

Activities during the year

During the year, the Committee has:

- Reviewed the membership of the Board and its sub-committees;
- Initiated a formal internal evaluation process for both the Chairman and the Board as a whole;
- Concluded that the Board works effectively, both as a group and in its individual committees, bringing a wealth of relevant experience to the Company;
- Reviewed the retirement and re-election arrangements for the Directors and agreed that three Directors will stand for re-election at the AGM in June 2018, with two doing so in each of 2019 and 2020;
- Agreed, as part of the discussion concerning the re-election of Directors, that the following should not stand for re-election in the same year: (i) the Chairman and CEO; (ii) the CFO and the Audit Committee Chairman; (iii) the Board Chairman and the Senior Independent Director; or (iv) both Executive Directors;
- Considered succession planning for the Executive team; and
- Reviewed and updated the Committee's terms of reference.

Matters after the financial year

At its meeting on 20 March 2018, the Nominations Committee unanimously agreed to retain the non-independent Director as a member of the Audit and Remuneration & Corporate Social Responsibility Committees owing to his experience and much-valued contribution. At the Nominations Committee meeting on 20 March 2018, a second independent Director was appointed to the Remuneration & Corporate Social Responsibility Committee. As a result, all of these committees now have a majority of independent members, excluding the Chairman of the Board.

Approval

On behalf of the Nominations Committee

Stephen Karle

Chairman
26 April 2018