

# NOMINATION COMMITTEE REPORT



**Keith Edelman**

Chairman of the Nomination Committee

## Dear shareholder

I am pleased to introduce the report of the Nomination Committee for the 52 weeks to 30 June 2018.

## Responsibilities

The Committee's terms of reference, which can be found on the Group's website and can be obtained from the Company Secretary, deal with such issues as membership and frequency of meetings, together with the requirements for quorum and notice procedure and the right to attend meetings. The responsibilities of the Committee covered in its terms of reference include reviewing Board composition, appointing new Directors, re-appointment and re-election of existing Directors, succession planning taking into account the skills and expertise that will be needed on the Board in the future, reviewing time required from Non-executive Directors, determining membership of other Board Committees and ensuring external facilitation of the evaluation of the Board. As part of its activities the Committee also considers the diversity of the Board.

## Composition

The Code recommends that a majority of the members of the Nomination Committee should be independent Non-executive Directors. The Committee is chaired by me, and its other members are Michael Shallow and Jemima Bird, who are independent Non-executive Directors, and the Chief Executive Officer (Mark McQuater up to 17 October 2017 and Rob Pitcher from 25 June 2018). Accordingly, the Committee complies with the Code recommendation. By invitation, the meetings of the Committee may be attended by the Chief Financial Officer, although this did not occur during the year under review.

## Meetings and attendance

During the 52 weeks ended 30 June 2018, the Nomination Committee met formally on one occasion with all members attending the meetings. The Committee will continue to meet formally at least once a year and at such other times as the Board or the Committee Chairman requires. The Committee has access to sufficient resources to carry out its duties, including the services of the Company Secretary. Independent external legal and professional advice can also be taken by the Committee if it believes it is necessary to do so.

## Election of Directors

On the recommendation of the Committee and in line with the Code, all of the Group's Directors will stand for election at the forthcoming AGM and will subsequently offer themselves for re-election on an annual basis.

The biographical details of the Directors are set out on pages 30 and 31. Following performance evaluations conducted during the year, the Committee is satisfied that the Directors who served during the 52 weeks ended 30 June 2018 performed effectively and demonstrated a commitment to their roles. Annual performance reviews will continue going forward.

## Diversity

We pride ourselves on being a diverse and inclusive business. All employees are welcomed and treated with respect, regardless of their background. We remain committed to offering equal opportunities for colleagues to develop, progress and grow.

The Committee supports the recommendations outlined in the Hampton-Alexander Review "FTSE Women Leaders" and is aware of the need to increase the number of women on the Board, and in other

senior management positions, to which it is committed over time. Within this overriding commitment, we will make appointments based on merit and against objective criteria to ensure we appoint the best individual for each role. The Committee and the Board understand the importance of a diverse Board membership and throughout the senior management team. The Committee also recognises that diversity encompasses not only gender but also background, ethnicity and disability. The Committee believes that all appointments should be made on merit, the key criterion being whether or not the appointee can add to or complement the existing range of skills and experience of the relevant team.

Jemima Bird is the only woman on the Company's Board in 2018 and two of the eight members of the senior management team are women (25 per cent). Across our business of over 3,200 employees, female employees represented approximately 44 per cent of the workforce as at 30 June 2018 (1 July 2017: 42 per cent). The Group is committed to continuing to develop the potential of its female employees through its training programmes and its corporate development pipeline.

## Gender pay gap

In accordance with statutory requirements, the Group published its gender pay reporting by the due date. To find out more and to understand what we are doing to support gender equality, please read our report on our corporate website.

I look forward to meeting with shareholders at the AGM to answer any questions on the work of the Nomination Committee.

**Keith Edelman**

Chairman of the Nomination Committee  
2 October 2018