

# Composition, Succession and Evaluation

## Tony Rice | Non-Executive Chairman



## Letter from the Nomination Committee Chairman

4

Nomination Committee Meetings Held

### Areas of Focus this Year

- Diversity
- Board appointments and succession planning
- SET succession planning and leadership needs of the Group
- Board and Committee Evaluation

### Key Responsibilities

- To oversee the development of a diverse pipeline and to satisfy itself that plans are in place for orderly succession
- To recommend appointments to the Board
- To review the results of the performance evaluation of the Board, its individual members and its Committees

### Committee Membership and Attendance

<b>Tony Rice</b> Joined: 5 May 2016	4 4	<b>Lawson Macartney</b> Joined: 1 December 2016	4 4
<b>Julian Heslop</b> Joined: 1 January 2013	4 4	<b>Lisa Bright*</b> Joined: 1 February 2019	3 4
<b>Ishbel Macpherson</b> Joined: 1 February 2013	4 4	<b>Alison Platt</b> Joined: 1 March 2020	4 4
<b>Denise Goode</b> Joined: 26 April 2021	1 1		

\* Lisa Bright was unable to attend one meeting due to a prior commitment.

### Dear Shareholder

On behalf of the Board, I am pleased to present this year's Nomination Committee (the Committee) report.

### Succession Planning

The Committee has continued the work it commenced last year to address the Board succession plans in relation to Non-Executive Directors, and during the year Denise Goode was appointed as a Non-Executive Director. She brings a wealth of financial, commercial and life science industry experience, both from her extensive career as a senior executive and from board roles held since 2008. Denise will replace Julian Heslop as Audit Committee Chairman following the conclusion of the Annual General Meeting and prior to his retirement from the Board.

The Committee regularly considers succession and emergency planning both for the Executive Directors and the Senior Executive Team (SET). Following the death of Simon Francis, we have appointed Milton McCann, previously Group Supply and Procurement Director, to the role of Group Manufacturing & Supply Director.

### Composition

The Committee believes that the Board continues to have the appropriate skills, knowledge and experience to oversee the effective delivery of our strategy. The Committee also believes that the Group has an experienced SET to lead the development and implementation of this strategy.

### External Evaluation

During the financial year, I have led the annual board evaluation, which was an external evaluation, with the support of the Company Secretary and Senior Independent Director as appropriate. Independent Audit Limited undertook an objective, tailored and rigorous evaluation, the details of which can be found on pages 110 and 111 of this report.

The following report provides an overview of the work carried out during the year under review.

Should you have any questions in relation to this report or the Committee, please contact me or the Company Secretary.

### Tony Rice

Nomination Committee Chairman  
6 September 2021

# Composition, Succession and Evaluation continued

## Purpose

The purpose of the Committee is to lead the appointment process, satisfy itself that plans are in place for orderly succession for appointments to the Board and Senior Management, and oversee the development of a diverse pipeline for succession.

## Membership, Meetings and Attendance

The membership of the Committee, together with appointment dates and attendance at meetings during the year, is set out above. Denise Goode joined the Committee on her appointment to the Board in April 2021. All Committee members are Non-Executive Directors, all of which were deemed to be independent. Other attendees at the meetings include the Chief Executive Officer, the Group HR Director and the Company Secretary (who acts as secretary to the Committee).

The Chairman does not chair the Committee meeting if it is dealing with the appointment of his successor. The Senior Independent Director, Ishbel Macpherson, takes the chair when required.

## Effectiveness of the Committee

The Committee's performance was evaluated as part of the 2021 Board and Committee External Evaluation (further details of which are provided on page 110 of the Governance Report). The findings of the external evaluation were presented to the Committee for discussion at the June 2021 meeting. The Committee considered the results and it was agreed that the Committee remained effective and was covering all areas within its remit. However, it was acknowledged that Senior Executive Team succession needs to remain a key focus of the Board.

## Role and Responsibilities

The role and responsibilities of the Committee are set out in the written terms of reference, which are available on the Company's website at [www.dechra.com](http://www.dechra.com). The Committee's terms of reference are reviewed on an annual basis. During the 2021 financial year this took place at the February meeting and they were amended to include additional wording around the Committee's duties and in particular the widening of their remit to include senior management. Additional wording has also been included in relation to induction and training of Directors and the requirement to consider diversity in any appointments. An overview of the terms of reference is detailed on pages 100 and 103 of the Governance Report.

The Committee provides a report to the Board on its activities at the Board's next scheduled meeting.

## Major Activities of the Committee during the Year

The Committee met four times since the last Annual Report was issued, three of these meetings were scheduled and one was ad hoc and dealt with the nomination of a Non-Executive Director. The Committee Chairman and the Company Secretary have developed an annual programme of business. This allows the Committee to consider standing items of business alongside any exceptional matters that may arise during the course of the year.

The table below shows the other key areas of the Committee activities:

<b>Purpose and Function</b> (see page 104)	<ul style="list-style-type: none"> <li>Review of the Committee's terms of reference</li> <li>Review of the effectiveness of the Committee</li> </ul>
<b>Composition</b> (see pages 105 and 106)	<ul style="list-style-type: none"> <li>Review of Board skills, knowledge and experience</li> <li>Recruitment of Non-Executive Director</li> </ul>
<b>Succession</b> (see pages 109 and 110)	<ul style="list-style-type: none"> <li>Consideration of Non-Executive Directors' tenure</li> <li>Review of SET succession plans and leadership needs</li> </ul>
<b>Evaluation</b> (see pages 110 and 111)	<ul style="list-style-type: none"> <li>Review of composition of Board</li> <li>Review of Director effectiveness</li> </ul>
<b>Diversity and Inclusion</b> (see pages 107 to 109)	<ul style="list-style-type: none"> <li>Review and approval of Diversity Policy</li> <li>Review of the Dignity at Work Policy</li> </ul>

**Composition**

The Board seeks to ensure that both the Board and the Committees have an appropriate composition to manage their duties effectively and manage succession issues. It supports diversity in its broadest sense and considers it an essential driver of Board effectiveness. The Board recognises it is important that its composition is sufficiently diverse and reflects a wide range of knowledge, skills and experience. The Committee reviews the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least once a year and usually at the June meeting. Both the Audit Committee and Remuneration Committee undertake an annual review of their composition, and any concerns would be reported to the Board.

**Board Skills, Knowledge and Experience**



Following the review of the Board, the Committee concluded that the Board had a combination of skills, experience and knowledge as illustrated in the diagram above. The Non-Executive Directors have relevant and complementary expertise, including industry and listed company experience, international markets, finance, corporate finance, pharmaceuticals, sales and marketing. Lawson Macartney is a veterinarian by training with a pharmaceuticals background, which allows him to give good insight into the customer base and the products. The Executive Directors are highly regarded for their contribution to the Board, insights into the business, and their high level of transparency and openness.

The Committee concluded that the Board is deemed to be of an appropriate size, as the temporary increase in size was of benefit in the short term for effective succession, and to allow for the wealth of knowledge and experience of the outgoing Non-Executive Directors to be shared with the new Non-Executive Directors. The external evaluation found

that the Non-Executive Directors provide an excellent range of relevant and complementary skills, with the most recent Non-Executive Directors providing fresh thinking and contribution.

**Training**

Regular briefings are provided to the Directors, which cover a number of legal and regulatory changes and developments relevant to each Director’s area of responsibility. In addition, the Company Secretary informs the Directors of any external training courses which may be of relevance, and all Directors are encouraged to raise any training needs with the Company Secretary. During the year, DLA Piper LLP provided training on Director’s duties, which included ongoing responsibilities and obligations, to Denise Goode. The Remuneration Committee has been provided with updates from Deloitte LLP. In addition all new Directors are encouraged to enrol on the Deloitte Academy, which provides a wide-ranging programme of technical briefings and education.

Paul Sandland is currently taking part in the Wavelength Connect programme, which focuses on the future of businesses. This programme allows Paul to meet and interact with a wide range of leaders from other successful innovative companies with the opportunity to share experiences and learnings from them.

Each Director is entitled, upon request, to receive information to enable them to make informed judgements in order to discharge their duties adequately. In addition, all Directors have access to the advice and services of the Company Secretary and senior managers, and may take independent professional advice at the Company’s expense in connection with their duties.

In order to assist the Board in maintaining its knowledge and familiarity with the Group’s operations, at least one Board meeting per year is held at one of the Group’s operational sites. Due to COVID-19’s restrictions on travel, the Board has been unable to visit any of the Group’s operations during the 2021 financial year.

**Board Appointments**

The Board understands the importance of balance and refreshment in terms of its composition and keeps these matters under review. During the 2020 financial year, the Committee commenced the recruitment of an additional Non-Executive Director who would both further strengthen the Board and also have the relevant experience required for the role of an Audit Committee Chairman. The search, conducted by Robert Walters, produced two outstanding potential candidates who went through the full scrutiny process. We were pleased to appoint Denise Goode to the Board on 26 April 2021.

The Committee recommended the appointment of Denise due to her wealth of financial, commercial and life science industry experience. She also has a deep understanding of the pharmaceuticals sector and is highly experienced in business development. In addition, her appointment will provide continuity for the Board in light of the forthcoming retirement of the Audit Committee Chairman in 2022.

Robert Walters were previously retained in 2020 in relation to the recruitment of the DVP EU Finance Director, and have no other connection with the Company or individual Directors.

# Composition, Succession and Evaluation continued

## Appointment Process

### 1 Nomination Committee

One of the criteria was that the candidates should have financial experience in an international company, as well as broad business experience and be a good fit with the culture of the Company.

### 2 Engage

Robert Walters was appointed.

### 3 Meet

To assist Robert Walters with the understanding of the requirements of the role, they met with the Group HR Director, Chief Executive Officer and the Audit Committee Chairman.

### 4 Consider

The long list of candidates was circulated to the Committee for comments before a short list was agreed.

### 5 Select

All of the candidates had a broad range of experience from a wide range of different backgrounds including executives in blue chip FTSE organisations, partners in consulting firms and a number of candidates with an established portfolio career.

### 6 Interview

The first interviews were with the Chief Executive Officer and Group HR Director, the second interviews were held with the Audit Committee Chairman, and successful interviewees met with the remaining Non-Executive Directors and the Chief Financial Officer prior to appointment.

Denise's other appointments were considered to check there was no conflict of interest or time. References were taken.

### 7 Appoint

Denise Goode was appointed to the Board on 26 April 2021. Further details relating to her background and experience can be found on page 89.

### 8 Induct

See case study on page 107.

## Induction

Any newly appointed Directors are provided with comprehensive documentation in relation to the remit and obligations of the role, current areas under consideration for the Board and the latest equity research reports. New Directors visit the various business units in order to allow them to meet with the management teams and to be shown around the operations. Due to the impact of COVID-19, there has been some restrictions around Denise's induction, however, during the initial couple of months we scheduled a number of one-to-one virtual meetings with the Senior Executive Team, Corporate Development Director, Head of Internal Audit and Risk Assurance, Group Financial Controller, Group Treasury Manager, Group Legal Director and the Group Sustainability Director. She also attended the Group Finance Lead Team meeting and director's duties training. In addition Denise has met with the Audit Committee Chairman and the Lead Audit Engagement Partner.

It is hoped that in the Autumn we will be able to recommence a more traditional induction and enable both Denise and Alison, whose induction was also disrupted due to the pandemic, to complete step four of our induction process as our teams start to return to offices and we are able to allow visitors to our manufacturing and warehousing facilities.

## Induction Process

### 1 Understanding the Business

Key documentation is provided such as a schedule of Board and Committee dates, Schedule of Matters and Delegation of Authority, Programmes of Business, Articles of Association, and Group Policies and Procedures.

### 2 Meeting the Management Team

Meet the SET informally and formally.

Meet key management at Head Office and leadership teams at the main sites.

### 3 Director and Committee Responsibilities

Receive induction/training on Director and Committee responsibilities (if applicable).

Market Abuse Regulations online training course.

### 4 Visit the Business

Visit a key site for each function (PDRA, Manufacturing, Sales and Marketing, and Head Office).

## Case Study

### Denise Goode’s Induction

I formally joined the Dechra Board in April this year. Dechra’s Company Secretary and her team put together a very well appreciated induction programme for me. This programme was arranged entirely by digital means and, after a year of us all embracing the technology, this worked seamlessly and, importantly, safely for all. My discussions have been not only with the internal team but also with key external advisers, including investment, legal and audit. Internally, it included all members of the Senior Executive Team and also members of their teams, and I truly appreciate the time that has been given.

From the support and professionalism of this induction process I have learnt more about the animal health market dynamics, its key trends, and the competitive landscape. There are clear overlaps with my experience with human pharma, but also some important differences. I have been able to better understand the organisation and I have seen a purpose and strategy being well executed, clearly underpinned by Dechra Values and Culture. I have been given the time to ask my

questions to clarify my understanding of Dechra’s business direction, its opportunities, its challenges and its governance structures. I am a curious person and will fill the gaps in my knowledge by continuing this process.

I plan to visit the sites and meet the wider teams. It’s important to me to meet the Dechra people in person and that will happen as we emerge from restrictions around the world and as the year progresses. However, it has indeed been an efficient and comprehensive introduction, allowing a concentration of focused ‘one-to-one’ sessions with Dechra people into just two months. I do wonder whether so much could have been achieved so quickly with travel and the challenges of diary management!

My key takeaways have been of a healthy, focused business being delivered by in-depth experience and expertise, with a commitment by each person I have met to driving Dechra’s success as part of one motivated team. It’s a real privilege to have joined the Board.

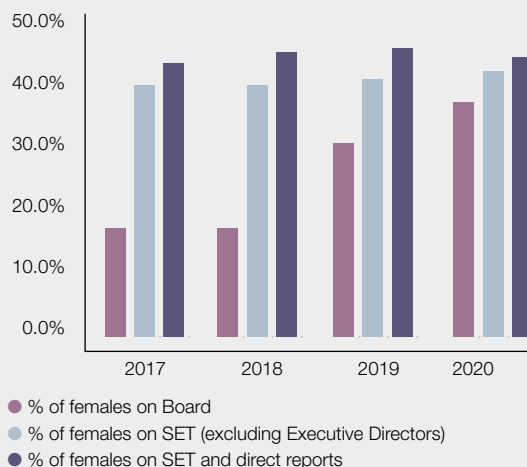
### Diversity and Inclusion

The Committee reviews the policy on diversity and its implementation every year and, during 2021 this review took place in June. The Group recognises that the diversity of thinking and skills and an inclusive culture is beneficial for the Dechra business, its processes, and its performance. Our objective is to continue to be a high performing business driven by highly skilled and committed teams. In the market in which we compete, we believe that the diversity of our workforce contributes significantly to developing strong relationships with veterinarians, a significant and growing proportion of whom are women, in the many markets and cultures in which we trade.

As a global company with operations in 25 countries, we recognise that a rich and diverse employee base is key to our continued success. We are committed to providing an inclusive culture at Dechra and in the last 12 months have developed two core modules that will be included in all our company development programmes; Diversity and Inclusion in Dechra and OneDechra; an exploration of our Company Culture and Values and what they mean to our people.

The chart on page 89 illustrates the diversity characteristics of our Board.

### Hampton Alexander Review



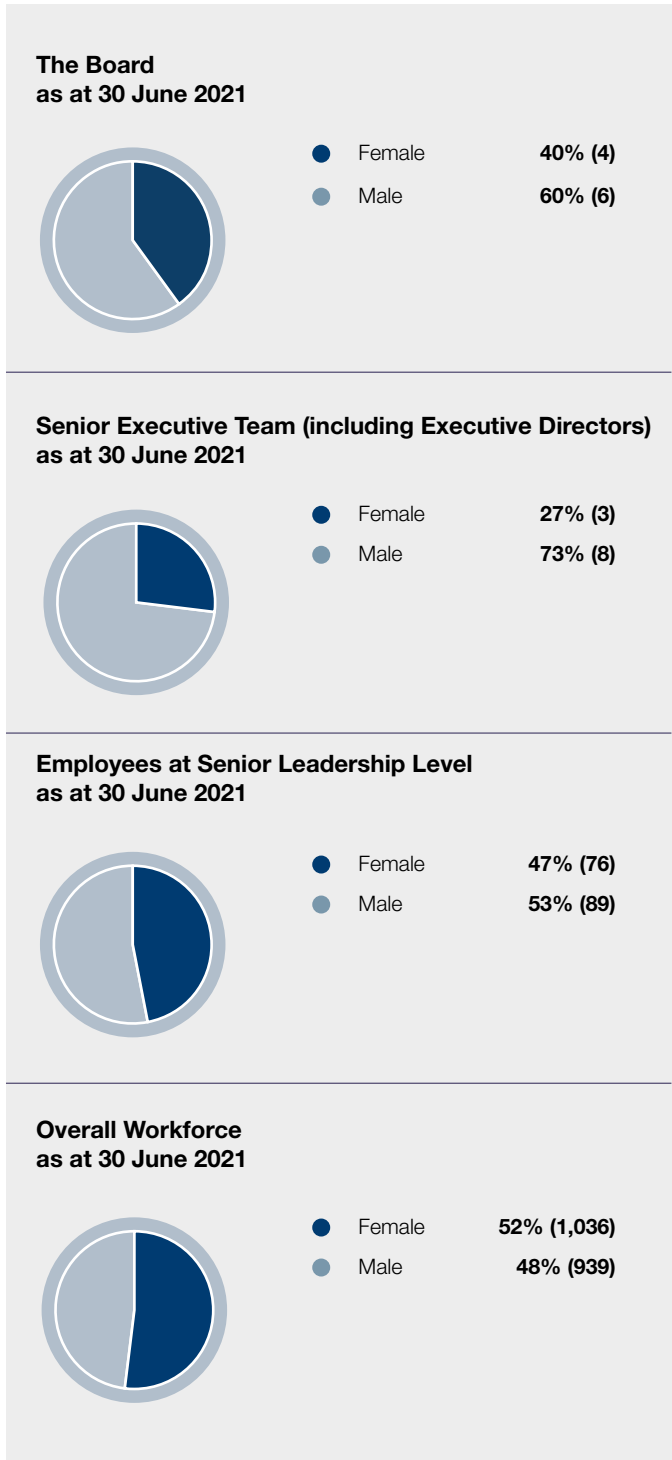
Dechra excludes the Executive Directors from the Senior Management data as per guidance from Hampton Alexander. However, the data includes their direct reports.

Direct reports will cover employees at various grades of the Group and will cover managers and junior professionals.

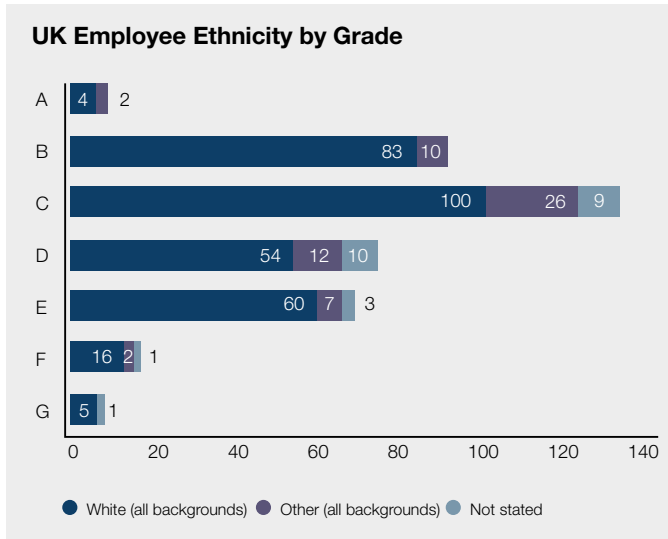
# Composition, Succession and Evaluation continued

## Progress on Diversity Policy

Policy	Progress
<b>Dignity at Work</b>	<p>Our Dignity at Work Policy was drafted and launched within the UK in January 2020, and is now incorporated into the Code of Conduct. In accordance with the Dechra Values, we believe that our position on diversity and inclusion is key to providing a place of work that is free from bullying and harassment, and which is characterised by respect, collaboration, openness, safety and equality.</p> <p>One of our aims is to promote a climate in which employees feel able to raise complaints of harassment, bullying or discrimination without fear of victimisation.</p> <p>After initially launching training to our UK managers, we are now able to provide online training to a wider audience using an externally hosted training portal. In addition to this, we have developed a Diversity and Inclusion module which also covers unconscious bias which is one of three core modules that will be included initially in all Leadership and Management development programmes, but will later be rolled out more widely across our employee base.</p> <p>We encourage all employees to speak out and report any direct or indirect discrimination, harassment or bullying. This is supported by our Grievance Policy and our How to Raise a Concern Handbook. All reports are investigated and acted upon.</p> <p>In the forthcoming year we aim to launch an externally hosted 'whistle-blowing' hotline to facilitate this process further and to provide further reassurance to employees. We have also trained 12 employees across the Group to be able to investigate any concerns raised formally through this procedure.</p>
<b>Fair Pay</b>	<p>In the UK, only one of our subsidiaries, Dechra Limited, has to report under the Gender Pay Gap regulation. Dechra Limited employees sit within our UK manufacturing, product development and regulatory affairs businesses.</p> <p>We are pleased to report that as a result of our proactive management, the gender pay gap has reduced from 9.2% in 2018 to 7.4% in 2019 and further again to 5.5% in 2020. This is something that we are looking to continue to build upon as we continue to make Dechra an increasingly attractive place to work.</p> <p>We are very pleased to report that in March 2021, we were accredited with being a Living Wage employer in the UK. This was following a review of our Group pay principles, whereby we implemented pay increases globally with effect from 1 January 2021 for all our lower paid employees. In countries where there is no equivalent of the Living Wage, we have used the OECD low pay formulation, or pay at least twice the local/federal minimum wage.</p>
<b>Applicant Tracking System</b>	<p>Our applicant tracking system allows us to track, report on and monitor key recruitment metrics, including time to hire, source of hire, number of open positions and in some countries (depending on local laws) the diversity of our applicants. It provides us a platform in which we can build on our global talent brand such that we can continue to attract and retain the best talent into the organisation.</p> <p>To support the Group's diversity and inclusion policy further and check that our core recruitment messaging is as inclusive as possible, the system features a "gender bias decoder" tool which is capable of analysing the text within our job adverts to help us understand any hidden implications within the language that is used. Research shows that many words can be associated with masculine or feminine stereotypes.</p> <p>During the forthcoming year, we will accurately analyse our metrics relating to diversity both relating to gender and ethnicity and potentially identify areas for improvement.</p>
<b>Board and Senior Executive Directors</b>	<p>We recognise that gender and ethnic diversity at Board level offers a competitive advantage to our organisation, as a global company with a very wide range of stakeholders we are committed to greater alignment with our customer base at home and overseas as our growth continues. Our approach to recruiting at Board level has always been based on our stated policy; that everyone should be recruited and promoted on the basis of their personal ability, contribution and potential. However, we acknowledge that we need to work harder to make sure that we are attracting a wider and more diverse talent pool to these roles. To this end, we are working at Board level with the recruitment company, Robert Walters, on an exercise to identify future potential candidates from a wide range of backgrounds, culture and experiences that we can open dialogue with as part of our succession planning.</p>



Numbers in brackets represent the number of females and males.

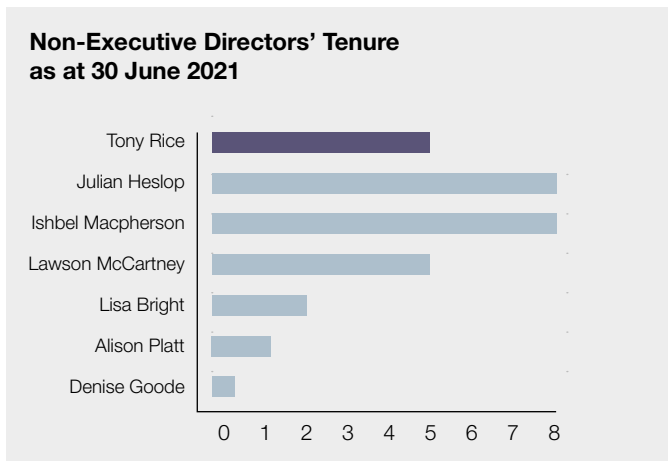


**Board Succession Planning**

**Non-Executive Directors**

As reported in previous Committee reports, two of the Non-Executive Directors (the Audit Committee Chairman and Senior Independent Non-Executive Director) will be retiring in 2022. The Committee has now concluded the recruitment process for the replacement Non-Executive Directors with sufficient time to enable the wealth of knowledge to be shared.

After five years of successfully chairing the Group, Tony Rice has indicated that he has decided to step down to devote more time to his family and his other business and charitable activities. We will commence the search for his replacement; at this time no specific date has been set for his departure. He will continue as Chairman of the Group until a successor has been appointed.



# Composition, Succession and Evaluation continued

## SET Succession Planning (including Executive Directors) and Leadership Needs of the Group

Two of our key risks are people focused and they are the failure to:

- have robust succession plans in place leading to gaps in knowledge and experience in key roles in the business; and
- adequately resource the business to meet strategic ambitions, including geographical expansion, and acquisitions.

To assist with this, the Group HR Director presents to the Committee on the Group's succession planning annually. The Committee discusses the succession plan for the SET, which includes the Executive Directors, and the Non-Executive Board. Plans are in place for sudden, unforeseen absences, for medium term orderly succession and for longer term succession. For each SET member, we have either identified an internal candidate who is in the pipeline for succession, or we accept that for some roles, where we have no successor we will need to approach the open market. In these cases, we aim to build strength and depth in the team below to allow a smooth transition to the new leader. Over the next few years the Committee will prepare for a potential generational shift of the Senior Executive Team, in particular the Chief Scientific Officer (CSO) is scheduled to retire at the end of this year. Work has commenced on recruitment of her successor.

The Committee has reviewed the emergency succession planning, which clearly identified individuals capable of covering key management roles on an interim basis. All these individuals will receive, or have received, the necessary coaching to assist them in obtaining the required skills to provide any critical support when needed. This planning has facilitated the Group Supply Chain and Procurement Director for Dechra Pharmaceuticals Manufacturing & Supply (DPM&S), Milton McCann, being appointed as the Group Manufacturing & Supply Director, following 12 months as Interim. Furthermore, a forward looking review of the future anticipated shape of the organisation has been undertaken to identify any potential gaps that may emerge, and plans have been outlined to enable the organisation's structure to remain fit for purpose.

We encourage regular contact between members of the SET and the Board, with all SET members presenting to the Board at least once a year, leading site visits of their respective businesses and attending one-to-one sessions with Non-Executive Directors to discuss specific issues when applicable.

## Evaluation

### Annual Evaluation

The Board undertakes an annual evaluation of its performance and that of its Committees to monitor that they remain fit for purpose, details of which can be found on page 111. This year's evaluation was externally facilitated. The Committee's review of the structure, size and composition of the Board can be found above on page 105.

### Board Evaluation

The Chairman manages the Board and oversees the operation of its Committees with the aim of monitoring that they operate effectively by utilising the diverse range of skills and experience of the various Board members. The effectiveness of the Board is imperative for the success

of the Group and the Board undertakes an annual evaluation of its performance and that of its Committees to monitor that they remain fit for purpose.

### The 2020 Internal Board Evaluation

Below is an update from the actions arising from the 2020 internal evaluation:

Action	Progress
<b>Succession Planning</b>	Non-Executive Directors succession planning actions completed. An in depth update on the succession plans for the SET was presented which showed that 60% of the SET roles now have an internal successor identified.
<b>Strategy</b>	The last strategic update covered the areas under debate, however it is acknowledged that further discussion/ understanding was required on routes to market.

### The 2021 External Board Evaluation

The last external evaluation was in 2018. In October 2020, the Committee invited three companies to tender for the evaluation, which resulted in Independent Audit Limited (Independent Audit) being engaged to carry out the external evaluation of the Board and its Committees. This was the third time that Independent Audit has been engaged to undertake the external evaluation, with this in mind a new team were appointed to undertake the evaluation. Independent Audit has no connection with the Company or individual Directors.

Overall, the review once again indicated that the Board has many strengths, including:

- collegiate and inclusive dynamics fostered by the Chairman;
- strong contributions to the Board from the executive team;
- well functioning committees;
- a commendable focus on workforce engagement; and
- a Company Secretarial function providing high quality support to the Board.

The review noted that the following should be areas of future focus:

- Planning succession for SET members and strengthening diversity;
- Providing opportunities for the Board to consider major strategic themes as the Company emerges from the pandemic;
- Gaining further insight into stakeholders and in particular customers and routes to market;
- Continuing the focus on optimising the assurance framework to mitigate non-financial risks; and
- Reviewing speak up channels.

Progress made on these action points during the forthcoming year will be reported in next year's Annual Report. The Board has agreed that an internal evaluation will be undertaken during the 2022 financial year. The results of the 2022 internal Board evaluation will be reported in next year's Annual Report.



## External Board Evaluation Process

The process of the External Evaluation of the Board and its Committees were as follows:

### 1 Agree Scope

The Chairman and Company Secretary met with Independent Audit to agree objectives, scope and the interview list.

### 2 Review Documents

Independent Audit reviewed the Board papers to assess the ways information is communicated and assist them with understanding the issues the Board is tackling.

### 3 Interviews

One-to-one meetings with each member of the Board, the Group HR Director, Head of Internal Audit and Assurance, the 2020 financial year External Audit Partner and the Company Secretary. Prior to the meetings a list of 'focus items' was forwarded to each interviewee which included the role of the Board and its Committees, focus on strategic versus operational matters, the Chairman's leadership, relationships between Executive and Non-Executive Board members along with areas for discussion such as risk, Board composition and succession planning and how the Board dealt with the challenges presented by the pandemic.

### 4 Observe

Independent Audit observed a Board, and Audit, Nomination and Remuneration Committee meetings.

### 5 Report and Discussion

Independent Audit provided a draft report to the Chairman and Company Secretary, which was discussed at a meeting so that all suggestions were clear. Separately, the Senior Independent Director had a meeting with the Chairman to discuss the feedback from the draft report.

### 6 Meet with Board

Independent Audit presented their report to the Board at its April meeting and answered questions to enable the Board to consider its next steps.

### 7 Interviews

The Chairman held one to one interviews with the Executive Directors, Non-Executive Directors and Company Secretary on the general themes raised by the evaluation, and any other evaluation points they wished to discuss.

### 8 Outcomes

Following an initial review of the responses, the Chairman discussed with the Executive and Non-Executive Directors at the June 2021 Board meeting the general themes raised by the evaluation, and any other survey-related points they wished to discuss. The Senior Independent Director discussed with the Board (excluding the Chairman) the feedback from the evaluation with regards to the Chairman's performance.

## Effectiveness of Directors

Following the external evaluation, which concluded that the Board as a whole has responded well to the pandemic and is working smoothly in the virtual world (further details of which, including the outcomes and actions, are provided on page 110 of the Governance Report), the Committee has concluded that each of the Directors continues to perform effectively and demonstrates commitment, not only in respect of their roles and responsibilities, but also in relation to the Group and its shareholders. At the forthcoming Annual General Meeting, Denise Goode, who was appointed to the Board on 26 April 2021, will offer herself for election, and all of the remaining Directors will retire and offer themselves for re-election.

In addition, the Board has evaluated and determined that each Non-Executive Director has sufficient time to meet their Board responsibilities and any proposed new appointments are disclosed to enable the Board to assess whether there are any conflicts of interest or time. The Chairman, at the time of his appointment on 5 May 2016, met the independence criteria as set out in the Code.

### Tony Rice

Nomination Committee Chairman  
6 September 2021