

NOMINATION COMMITTEE REPORT

David Grigson
Nomination Committee Chairman




“During the year, the Nomination Committee discussed succession plans, reviewed Board composition and carried out a review of the Board’s skills and experience.”


DEAR SHAREHOLDER,

After a number of busy years with various changes to the Board composition, we had relatively fewer activities during the year. Following Jason Gissing’s departure at the annual general meeting in 2014, the Nomination Committee discussed succession plans, reviewed Board composition and carried out a review of the Board skills and experience. Since period end, the Nomination Committee has given further consideration to Board composition and the formulation of a revised succession plan for the Board. Further details on the Nomination Committee’s work are set out in the following report.

I will be available at the AGM to answer any questions about the work of the Nomination Committee.








David Grigson
Chairman of the Nomination Committee
3 February 2015

 View more information about the skills review on pages 70 & 81

 View more information online at www.ocadogroup.com

MEMBERSHIP AND MEETINGS

The membership and attendance of the Nomination Committee, together with the appointment dates, are set out below:

David Grigson (Chairman)	Robert Gorrie	Jörn Rausing	Ruth Anderson	Douglas McCallum	Alex Mahon	Lord Rose
						
Nomination Committee member since 9 March 2010	Nomination Committee member since 9 March 2010	Nomination Committee member since 9 March 2010	Nomination Committee member since 9 March 2010	Nomination Committee member since 3 October 2011	Nomination Committee member since 1 June 2012	Nomination Committee member since 11 March 2013
Number of meetings 2	Number of meetings 2	Number of meetings 2	Number of meetings 2	Number of meetings 2	Number of meetings 2	Number of meetings 2
Number attended 2	Number attended 2	Number attended 1	Number attended 2	Number attended 2	Number attended 2	Number attended 2

The appointment of Douglas McCallum was renewed for a further three-year period from October 2014. The biography of each member of the Nomination Committee is set out in the Board of Directors section on pages 62 to 63.

Other attendees at the Nomination Committee meetings include the Chief Executive Officer, the Director of Human Resources and the Deputy Company Secretary.

PRINCIPAL ACTIVITIES OF THE NOMINATION COMMITTEE DURING 2014

The Nomination Committee undertook a number of activities during the period as described below.

Succession plans: The Nomination Committee is responsible for overseeing the process of succession and management development for the Executive Directors and the next layer of management, the Management Committee. The Chief Executive Officer and Director of Human Resources reported to the Nomination Committee the progress made on the succession plans, including restructuring reporting lines for senior management in light of Jason Gissing's retirement from the Board. The Nomination Committee was assured that appropriate succession and development plans are in place.

Reviewing Board composition: The Nomination Committee considered the Board's size and composition, including in the context of Jason Gissing's retirement from the Board. It was decided that there would not be an appointment to the Board role vacated by Jason Gissing, and that any future executive appointments would be dependent on the growth and direction of the business.

The Nomination Committee review of Board composition also took into account various considerations including diversity, Director tenure, independence and mix of Board knowledge, skills and experience. For an explanation of these considerations in relation to the current Board see the Statement of corporate governance on page 69.

The Nomination Committee recommended that the Board undertake a review of the current skills and experience of the Board. The review was intended to help the Board ensure that it has the right mix of skills, experience and backgrounds in the future to support the Company's strategic objectives. This review was carried out by way of self-assessment questionnaires which were prepared by the Company Secretary. A summary of the findings of the review was presented and discussed by the Board. The skills review will form part of the discussions of the Nomination Committee around the necessary skills and experience of future appointees to the Board as existing Non-Executive Directors retire from the Board.

Since the period end the Nomination Committee discussed revised succession plans in anticipation of Board changes in future. Further information on the results of the skills review is set out in the Statement of corporate governance on page 70.

Diversity: The Nomination Committee is also responsible for reviewing the composition of the Board, to ensure that its membership represents a mix of backgrounds and experience that will enhance the quality of its deliberations and decisions. For further information on Board diversity and long-serving Directors refer to the Statement of corporate governance on page 69 and on employee diversity refer to page 57 of the Our People section.

Annual review: In addition to its annual performance evaluation, discussed in the Statement of corporate governance on page 71, the Nomination Committee carried out a review of its terms of reference during the period. The review resulted in no changes to the terms of reference.