

QCA Code Corporate Governance Statement

(The information contained in this document was last reviewed on 10 September 2020)

In this document, unless the context otherwise requires:

- references to **IGas** or to the **Company** are to IGas Energy plc (and reference to **our, us** and **we** is to be construed accordingly);
- references to the **Group** are to the group of companies of which IGas is the parent company; and
- references to the **Board** are to the board of directors of the Company.

Chair's Corporate Governance Statement

As Interim Non-executive Chair (“**Chair**”) of the Company, I have overall responsibility for ensuring that good corporate governance is embraced by IGas and the Group as a whole. In doing so, I work with and consider the views of all Board members, the Executive Committee (“**Excom**”) and the Company’s advisors. The Board is fully committed to ensuring that high standards of governance, values and behaviours are consistently applied throughout the Group, helping to ensure the integrity of our business, the successful delivery of our strategy and the long-term success of the Group as a whole.

As an AIM-listed company, IGas must comply with the AIM Rules. In March 2018, the AIM Rules were changed such that all AIM-listed companies were obliged, from 28 September 2018, to apply a recognised corporate governance code, providing details of that code on its website along with details of how the company complies with or departs from that code. On 10 September 2018, the Board resolved to adopt the Quoted Companies Alliance Corporate Governance Code, 2018 edition (the “**QCA Code**”). The Board continues to believe that the QCA Code provides the Group with the right governance framework in view of its size, strategy, resources and stage of development, as it offers a flexible but rigorous outcome-oriented framework in which we can continue to develop our governance model to support our business.

Our primary means of communicating the Group’s corporate governance structure is through the Company’s annual report and accounts (“**Annual Report**”) and various disclosures made on our website. Nevertheless, where specific questions are raised by private individual shareholders and institutional investors, we engage directly with those shareholders, principally through the Chief Executive Officer or, where appropriate, certain members of our Excom, including the Technical Director and Director of Corporate Affairs¹. I have set out below how the Board is led, its responsibilities, our approach to risk management, our governance structure and how we engage with stakeholders.

Finally, a word about our corporate culture. We seek to communicate our corporate culture through staff presentations and inductions. We rely on our management structure, and our internal reporting structures to assess whether these core values have been respected, and our Director of Human Resources is tasked with monitoring internal compliance on an ongoing basis. We seek to promote our core values of: (i) respect for our people, environment, partners and the safety of others; (ii) performing to the highest standards internally and externally to deliver against our targets; (iii) collaboration through mutual trust, knowledge sharing and teamwork; (iv) commitment to the preservation of the environment whilst providing safe and healthy working conditions; and (v) transparency by being honest about what we do, how we do it, and the challenges we face.

Fundamentally, IGas is committed to diversity, including gender diversity, and we have a number of women in senior management roles. However, we fully recognise that the Board could be more diverse in its composition and will seek to further address gender diversity when recruiting for Board vacancies. I also note that since the resignation of Mr McTighe as Chair in October 2019, the Board includes one independent non-executive director. Whilst this does not follow the best practice recommended by the QCA Code, which envisages that the Board has at least two independent non-executive directors, it is noted that the composition of the Board is a matter for review by the Nomination Committee in 2020² and that the culture of good corporate governance of the Company subsists under the current composition of the Board.

Cuth McDowell **Interim Non-executive Chair**

¹ We note that this section of the Chair’s letter has been updated since the 2019 Annual Report was issued, to reflect the resignation of the Chief Financial Officer from the Group.

² We note that this review may now take place in 2021 as a result of the impact of Covid-19 on the priorities of the activities of the Group in 2020.

Corporate governance principles applicable to IGas

The ten QCA Code corporate governance principles, which apply to IGas, are:

1. *Establish a strategy and business model which promote long-term value for shareholders*
2. *Seek to understand and meet shareholder needs and expectations*
3. *Take into account wider stakeholder and social responsibilities and their implications for long-term success*
4. *Embed effective risk management, considering both opportunities and threats, throughout the organisation*
5. *Maintain the board as a well-functioning, balanced team led by the chair*
6. *Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities*
7. *Evaluate board performance based on clear and relevant objectives, seeking continuous improvement*
8. *Promote a corporate culture that is based on ethical values and behaviours*
9. *Maintain governance structures and processes that are fit for purpose and support good decision-making by the board*
10. *Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders*

Application of the QCA Code and required disclosures

The QCA Code requires us to apply the principles set out above and to publish certain related disclosures in our Annual Report, on our website, or a combination of the two. We have followed the QCA Code's recommendations and have therefore provided disclosure relating to Principles 2, 3 and 9 in this corporate governance statement, as well as those aspects of Principles 7, 8 and 10 recommended to be disclosed on our website, and have covered the remaining principles in our Annual Report for the year ended 31 December 2019 (the "**2019 Annual Report**"). An index (the "**Index**") setting out where each required disclosure can be found is at the end of this corporate governance statement.

Principle 2

Seek to understand and meet shareholder needs and expectations

The Group values its communications with shareholders. The Board recognises its primary role of representing and promoting the interests of the Company's shareholders. The Board is accountable to shareholders for the long-term performance and success of the Company.

The primary contact with shareholders and other interested parties (including investors and analysts) is through the Chief Executive Officer. Other senior management (including members of the Excom), however, regularly speak to investors and analysts during the year through one-to-one meetings, site visits, telephone calls and, occasionally, capital markets days. Company circulars and press releases are also issued throughout the year for the purpose of keeping shareholders and other interested parties informed about the Group's progress and in accordance with AIM regulations.

The 'Media Centre' and 'Investors' section of the Company's website, available [here](#), contains all publicly available financial information, regulatory information, press releases concerning the Company and provides details of how shareholders can directly raise particular issues with the Company.

We have an on-going programme of individual and group meetings with institutional shareholders and analysts following the preliminary and half-year results presentations. These meetings allow the Chief Executive Officer, Finance Director, Director of Corporate Affairs and, as appropriate, other members of the Excom to update shareholders on strategy and the Group's performance. Additional meetings with institutional investors, private client brokers and analysts are arranged from time to time as well

as site visits to our operations. All Board members receive copies of feedback reports from these presentations and meetings, which helps them to understand shareholder opinion and voting decisions.

The Board supports the use of the annual general meeting (“AGM”) to communicate with shareholders, and we publish a statement on the morning of the day of the AGM to provide shareholders with a trading update for the period from 1 January to the date of the AGM. All shareholders attending the AGM are given the opportunity to ask questions and raise issues. This can be done formally during the meeting or informally with the attending Board members after the conclusion of the business of the AGM.

Notwithstanding the departure from the ordinary practice of the Company at the AGM held on 5 June 2020 (the “2020 AGM”), necessitated by Coronavirus (Covid-19), at an AGM separate resolutions are proposed on each substantially separate issue. For each resolution, proxy appointment forms are issued which provide voting shareholders with the option to vote in advance of the AGM if they are unable to attend in person. All valid proxy votes received for the AGM are properly recorded and counted by Computershare, our registrars. Voting at the AGM is by a poll, which we believe is the fairest approach in a Company such as ours. On a poll, each member voting in person, by authorised representative or by proxy, has a vote for every share of which they are the holder. As soon as practicable after the AGM has finished, the results of the meeting are released through a regulatory information service, and a copy of the announcement is posted on the Company’s regulatory news page within the investors section of the Company’s website, available [here](#). The published results of the AGM set out the result of the poll, including votes for, votes against and votes withheld. Votes withheld are not votes in law and are not counted in the calculation of the proportion of votes “for” or “against” a resolution. Proxy appointments which gave discretion to the chair of the AGM are included in the “for” total.

It is noted that the 2020 AGM was held behind closed doors as a result of Covid-19 and prevailing Government restrictions on travelling and gatherings. However, recognising the importance of the AGM as a forum for shareholders to address directors and other senior management of the Company directly, shareholders were given the opportunity to submit queries in advance of the AGM. Although shareholders could not attend the AGM in person, they were able to submit their votes via proxy, either by post or electronically, in the usual way.

According to our registration records, two individual shareholders attended our AGM held on 14 May 2019; we recognise that the majority of votes at our AGM (in any year) are lodged as proxy votes prior to the AGM and that shareholders prefer not to attend in person. As previously noted the 2020 AGM was held behind closed doors and, as a result, shareholders were required to lodge their votes via proxy in advance of the AGM.

We also recognise that approximately 80% of our individual shareholders are overseas shareholders³. Accordingly, we note the importance of our communications with shareholders by post and via the Company’s website. Copies of our Annual Report, notices of general meetings and the interim report are sent to all shareholders and copies can be downloaded from the ‘Investors’ section of the Company’s website, available [here](#). Other information for shareholders (and other interested parties) is also provided on the Company’s website.

At the 2020 AGM, all resolutions were duly passed with overwhelming levels of support, with even the least supported resolution achieving 98.78% of votes cast, in favour of the resolution. The most supported resolution achieved 99.99% of votes cast, in favour of the resolution. The overall participation in voting stood at approximately 62% of issued share capital.

Principle 3

Take into account wider stakeholder and social responsibilities and their implications for long-term success

³ Source: Company’s Registrar as at 8 July 2020.

Our strategic report (from page 8 of our 2019 Annual Report) explains our business model and strategy, which is to create a long-term material energy company in Britain. Strategies at the core of our business are: (1) reserves and production growth; (2) developing a portfolio of growth opportunities; and (3) local and national engagement.

Local Communities

We build relationships with our stakeholders in the communities we operate in. Since its launch in 2008, the IGas Community Fund has awarded c.£1 million to local communities. Many of the projects have been supported multiple times over the years. We are committed to working with regulators and within local communities to ensure that any activity is done safely and in an environmentally sensitive manner.

We regard communicating with our neighbours in local communities as essential, recognising that they have every right to be consulted and are given every opportunity to comment. An important part of local engagement involves setting up a community liaison group within the local area of any proposed site or planning application. We invite local parish councillors and representatives from the community to attend regular meetings where we can ensure that our neighbours have access to the most up-to-date and relevant information and expert guidance. This keeps them abreast of our progress and the current state of our operations. It also provides an opportunity for the community to share their concerns with us so that we can answer questions and offer independent guidance and expertise. We also operate a public information telephone line, distribute newsletters, hold open days and organise site visits to our operations.

Employees

At IGas we understand that the technological innovation, regulatory and legislative changes, and socio-economic developments impacting our business model mean we have to equip our staff with the ability to anticipate, and respond to, change. We constantly strive to help our employees develop their knowledge and skills. We are pleased to offer all staff training that is tailored to their experience and line of work in order to keep existing knowledge up to date and to learn new skills. We recognise the need to develop junior talent, and we have continuing relationships with various training associations and colleges for apprentices. All new employees continue to undergo obligatory health and safety training and our field operators are all enrolled in further training, including the International Minimum Industry Safety Training, part of the Offshore Petroleum Industry Training Organization standard, supporting global oil and gas industry safety standards.

During 2019, we continued our ongoing training programmes, partnering with a new online provider to ensure variety in the scope and range of courses offered to our employees. Between July 2016 and December 2019 employees participated in over 50 different online safety-based courses, successfully completing over 4,000 individual training assignments.

We also engage with employees through regular ‘Town Hall’ meetings held at our main regional offices across the UK. During these meetings, there is an open forum for employees to ask questions or give feedback. Members of the Group’s management ensure that they are readily accessible to all employees.

The Group has a whistleblowing policy in place, which allows staff to raise any concerns in confidence. Experience to date suggests that this policy is effective and staff members are aware of it.

Suppliers and partners

We seek to maintain long-term relationships with suppliers, and seek to engage both them and our joint venture partners, with whom we maintain a continuous open dialogue.

When decisions are taken by the Board, the Board takes into account and recognises its duty to promote the success of the Company, the interests of the shareholders as well as the interests of and relationships

with local communities, suppliers, partners and employees. The Board is aware of, and complies with, its obligations under section 172 of the Companies Act 2006.

Principle 7

Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

See page 38 of our 2019 Annual Report in respect of the summary of the criteria against which board, committee and individual effectiveness is considered. As noted in the 2019 Annual Return (page 38), in 2019 a self-evaluation process was formalised with respect to the Board and the overall result of the 2019 evaluation was that the Board concluded that it was operating effectively. The Board considered its strengths to be the effectiveness of the Board Committees, the open and honest discussions of the Board and the effectiveness of decision making by the Board.

The role of Chief Executive Officer is clearly defined with performance targets set each year and the elements of the reward package are set out at pages 48 to 49 of the 2019 Annual Report.

The self-evaluation process in respect of Board performance will be undertaken in 2020 or (as a result of the impact of Covid-19) 2021, and an assessment of Board effectiveness is intended to be repeated annually thereafter.

See page 38 of our 2019 Annual Report in respect of the Company's approach to succession planning and the processes by which it determines board and other senior management appointments, including any links to the board evaluation process.

As noted in the Chair's Corporate Governance Statement on page 2 of this document, IGas is committed to diversity, including gender diversity, and we have a number of women in senior management roles. However, we fully recognise that the Board could be more diverse in its composition and will seek to further address gender diversity when recruiting for Board vacancies. It is also noted that the composition of the Board is a matter for review by the Nomination Committee in 2020.

Principle 8

Promote a corporate culture that is based on ethical values and behaviours

Please see Principle 3 above for an outline of our engagement with the communities' local to our operations and our staff, which we view as key to our business.

Our strategic report (from page 10 of our 2019 Annual Report) explains our approach to corporate social responsibility based on our core values:

- Respect – Respect is paramount, for our people, our environment, our partners and the safety of others.
- Performance - Performing to the highest standards internally and externally and delivering against our targets.
- Transparency - We are honest about what we do, how we do it and the challenges we face. We are open to challenge, to discussion and to improving how we work to reflect our values.
- Collaboration - We take on challenges and find solutions through mutual trust, knowledge sharing and teamwork.
- Commitment - We are fully committed to preserving the environment and providing safe and healthy working conditions.

IGas is committed to delivering the highest standards in occupational Health, Safety, Environment and Quality (“**HSEQ**”). The Board works to continuously improve safety and risk management across IGas. ISO 9001/14001 accreditation, which was maintained in 2019, continues to be an important part of the

business as it helps to demonstrate that we have management systems in place that meet the requirement of the international standards recognised by other businesses and regulatory authorities.

The Board receives regular information on the HSEQ performance of the Company, and specifically monitors health and safety and environmental reporting at each Board meeting. The Company has achieved all of its' HSEQ Leading Indicator KPIs and its' incident rate is substantially below published (HSE Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 RIDDOR) industry statistic rates, based on number of employees and hours worked. The business continues to drive improvements through awareness campaigns and engagements through its committee of Representatives for Safety. This is demonstrated through IGas achieving the ROSPA Presidents Award again, representing 13 years of commitment to Occupational Health and Safety. We achieved our goal, set in 2019, to eliminate work place injuries during that year.

Our Director of Human Resources regularly reports to the Excom on matters pertinent to our corporate culture and assists the Chair by providing feedback as and when requested. All employees feedback via 'Town Hall' meetings, Safety Representatives, staff "Suggestion Boxes" or less formal channels is both encouraged and welcomed.

Principle 9

Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board and its committees:

The Board consists of one Executive Director, Stephen Bowler, and four Non-executive Directors: Cuth McDowell, Philip Jackson, Tushar Kumar and Hans Arstad, with Cuth McDowell being considered independent. Biographies of all the Directors can be found [here](#).

The Board retains full and effective control over the Group. The Board meets regularly, at least eight times a year, to consider reports on the operational and financial performance of the Group and to decide on matters reserved unto itself, which include reviewing and approving the Group's strategy, budgets, major items of capital expenditure and senior personnel appointments.

The roles of each member of the Board are outlined below:

Chair:

Cuth McDowell, as Chair, is responsible for leading an effective Board, fostering a good corporate governance culture and ensuring appropriate strategic focus and direction. He is also responsible for making sure that the Board agenda concentrates on the key issues, both operational and financial, with regular reviews of the Company's strategy and its overall implementation. The Chair must ensure that the Board receives accurate, timely and clear information and that there is good dialogue between the Board and its committees, as well as between Non-executive Directors, Excom and senior management. Cuth chairs any general meetings of the Company where, at an AGM conducted in the ordinary course, shareholders have an opportunity to address questions and matters for discussion with attending Board members. Cuth is also available to shareholders as and when required.

Non-executive Directors:

The Non-executive Directors participate in all Board-level decisions and play a particular role in the determination and articulation of strategy of the Company. The Non-executive Directors also provide oversight and scrutiny on the performance of the Chief Executive Officer and the Excom. They possess the critical skills relevant to the Company, including technical experience and the ability to positively challenge and listen in equal measure, acting as sounding boards to the Excom. When joining the

Company, our Non-executive Directors follow a formal appointment process, including satisfying the requirements of our Nominated Adviser, and a structured induction process which includes meeting with key shareholders. Non-executive Directors' appointment letters prescribe that they must dedicate an appropriate amount of time to the Company and not, without the prior consent of the Board, accept any new appointment reasonably likely to give rise to a conflict of interest with the Group.

The Non-executive Directors have access to the Chief Executive Officer, the Excom members, the Company's advisors and to the extent appropriate, the Company Secretary (please see below). The Non-executive Directors are also able to call upon independent professional advice, at the Company's expense, if they consider it necessary to discharge their responsibilities as directors.

The Non-executive Directors receive ongoing training and development through relevant Board meeting presentations. Please see page 38 of our 2019 Annual Report for further details of the self-evaluation that was undertaken in 2019 in respect of the assessment of Board effectiveness.

Non-executive Directors do not participate in performance-related remuneration schemes or have a significant interest in the Company's share option scheme. If the Company were to propose a remuneration plan that may lead to a significant dilution of holding of investors, the Company would intend to follow the QCA Code recommendation that such remuneration plan be pre-brokered with investors.

Senior Independent Director:

The Company has no Senior Independent Director; following Mike McTighe's resignation in October 2019 and Cuth McDowell's subsequent appointment as Chair in October 2019, Cuth is no longer acting as the senior independent director of the Company.

Chief Executive Officer:

The Chief Executive Officer, Stephen Bowler, has overall responsibility for proposing the strategic focus to the Board, implementing the strategy once it has been approved and managing the Group's business. The Chief Executive Officer is supported by the Excom which, under his authority, is responsible for the day-to-day running of the operational business with a focus on performance management and ensuring that the Group key performance indicators ("KPIs") are being met. Biographies of the Excom are found [here](#).

Company Secretary:

The Company has appointed, the Group's General Counsel, Thamala Perera Schuetze as its Company Secretary, a role which includes attending board meetings and assisting the Chair in conducting general meetings and ensuring statutory and regulatory compliance. The Company Secretary and/or external advisers are available to provide advice to the Board and its members.

Shareholders:

During the re-financing undertaken by the Company in 2017, the Company carefully considered its arrangements with major shareholders, in particular Kerogen, and entered into a relationship agreement with Unconventional Energy Limited (the "**Kerogen Investor**") providing that:

- (a) for so long as the Kerogen Group (the Kerogen Investor and its group) holds 10 per cent or more of the voting rights of the ordinary shares of the Company in issue from time to time, the Kerogen Investor undertakes: (i) not to take any action so as to prevent the Group from carrying on its business independently of the Kerogen Group; (ii) to conduct all transactions with members of the Group on an arm's length basis and normal commercial terms; (iii) not to take

any action to prevent the Company from complying with its legal and regulatory obligations; and (iv) not to take any action to prevent the business and affairs of the Company from being conducted in accordance with its articles of association;

- (b) for so long as the Kerogen Group holds 20 per cent or more of the voting rights of the Ordinary Shares, the Kerogen Investor has the right to nominate two Directors to the Board (each a “**Nominated Director**”). The appointment of any Nominated Director shall be subject to the prior consultation with the Company’s nominated adviser, to enable the nominated adviser to conduct reasonable due diligence on the proposed Nominated Director;
- (c) in the event that the percentage holding of the Kerogen Group drops to below 20 per cent but stays above 10 per cent, the Kerogen Investor will retain the right to appoint at least one Nominated Director;
- (d) the Kerogen Investor also has the right to nominate a Nominated Director to each of the existing Committees of the Board;
- (e) the Company will also establish a technical and operating committee (the “**TechCom**”) whose purpose will be to review and consider technical and operational matters, together with other risk issues, before they are presented to the Board.

Technical and operating matters shall include (without limitation):

- (i) review of any new projects or acreage;
 - (ii) review of any key operating activities including G&G programmes, drilling and testing activities, field development plans, etc.; and
 - (iii) review of operational and financial performance (such as KPIs, HSE metrics, operating and other costs, and performance against budgets); and
- (f) for so long as the Kerogen Group owns more than 10% of the Ordinary Shares of IGas, the Kerogen Investor shall be permitted to nominate two representatives to the TechCom.

Under the terms of the relationship agreement, the directors nominated to the Board by the Kerogen Investor are Philip Jackson and Tushar Kumar, whose particular skills and experience can be found [here](#).

Also pursuant to the re-financing undertaken by the Company in 2017, the Company agreed that the largest holder by face value of the Secured Bonds, Trans European Oil & Gas Luxco II S.a.r.l. (now KOG Investments S.à r.l. (“**KOG**”)) shall have the right to appoint one director to the Board for so long as KOG and/or any entity or entities controlled directly or indirectly by KOG’s parent or Kohlberg Kravis Roberts, in aggregate, hold 10 per cent. or more of the issued share capital of the Company. The exercise of the right to appoint any person as a director is subject to the Company’s nominated adviser being in a position to confirm, having undertaken its customary due diligence in respect of the proposed director, that such person is suitable to be a director of a UK public company.

Under the terms of the appointment agreement, the director nominated to the Board by KOG is Hans Arstad, whose particular skills and experience can be found [here](#).

Committees:

The Board has established three separate committees, being the Audit Committee, Remuneration Committee and Nomination Committee. The composition of these committees and a summary of their

responsibilities can be found on pages 39 to 45 of the 2019 Annual Report [here](#). The full terms of reference of each of these Committees is located [here](#).

The Chief Executive Officer has also appointed and is supported by the Excom, comprising senior management of the Company. The Excom has an executive function within the Group and reports to the Chief Executive Officer. Further details can be found [here](#). The Excom, not being appointed by the Board, has no formal terms of reference.

Matters reserved for the Board:

The Board has a formal written schedule of matters reserved for its review and approval, which is available [here](#).

Plans for evolution of the governance framework:

As noted in the Chair's Corporate Governance Statement on page 2 of this document, the composition of the Board is a matter for review by the Nomination Committee in 2020 or 2021. Please also see Principle 7 above (and described on page 38 of our 2019 Annual Report) where it is noted that a further review of Board effectiveness will take place in 2020 or 2021. Outside of the aforementioned matters of on-going review, the Company does not currently have any plans for evolution of the governance framework in line with the Company's plans for growth.

Principle 10

Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Clear and transparent disclosure of voting outcomes:

As soon as practicable after any general meeting has concluded, the results of the meeting are released through a regulatory news service and a copy of the announcement is posted on the Company's regulatory news page [here](#). In accordance with the Company's Articles of Association, votes at general meetings are held on a poll, where every member has one vote for every share held. The published results set out the result of the poll for each resolution, including votes for, votes against and votes withheld. Votes withheld are not votes in law and have not been counted in the calculation of the proportion of vote "for" or "against" a resolution. Proxy appointments which gave discretion to the Chair are included in the "for" total.

If it became relevant, where a significant proportion of votes (e.g. 20% of independent votes) were cast against a resolution at any general meeting, the Company would explain what actions it would intend to take to understand the reasons behind the vote. For information, in the last five years no such proportion has been cast against any resolution put to shareholders.

Inclusion of historical Annual Reports and other governance-related material, including notices of all general meetings over the last five years:

The 'Investors' section of the Company's website includes historical Annual Reports and other governance-related material. Notices of the past five AGMs and general meetings are published [here](#).

Index

Set out in the following table is a list of the disclosures required to be published by us under the QCA Code. The table also indicates where each disclosure appears in our 2019 Annual Report or in this document. As explained on page 1 of this document, the disclosures appear in the locations recommended in the QCA Code. Unless stated otherwise, reference to a page is to a page in this document.

| Corporate Governance Principle | Disclosure | Location |
|--------------------------------|---|--|
| 1 | Explain the company's business model and strategy, including key challenges in their execution (and how those will be addressed). | Our 2019 Annual Report – Strategic Report, pages 2 to 34. |
| 2 | Explain the ways in which the company seeks to engage with shareholders and how successful this has been. This should include information on those responsible for shareholder liaison or specification of the point of contact for such matters. | Pages 3 to 4 of this document. |
| 3 | Explain how the business model identifies the key resources and relationships on which the business relies. Explain how the company obtains feedback from stakeholders and the actions that have been generated as a result of this feedback (e.g. changes to inputs or improvements in products). | Pages 4 to 6 of this document. Pages 3 to 4 of this document. |
| 4 | Describe how the board has embedded effective risk management in order to execute and deliver strategy. This should include a description of what the board does to identify, assess and manage risk and how it gets assurance that the risk management and related control systems in place are effective. | Our 2019 Annual Report, pages 26 to 29. See also Pages 39 and 44 of the 2019 Annual Report in respect of the role of the Audit Committee in relation to risk management. |
| 5 | Identify those directors who are considered to be independent; where there are grounds to question the independence of a director, through length of service or otherwise, this must be explained. Describe the time commitment required from directors (including Non-executive Directors as well as part-time Executive Directors). Include the number of meetings of the board (and any committees) during the year, together with the attendance record of each director. | Our 2019 Annual Report, page 43. Our 2019 Annual Report, pages 43 to 45. Our 2019 Annual Report, pages 43 to 45. |
| 6 | Identify each director. | Our 2019 Annual Report, page 40 and page [8] of this document. |

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| | <p>Describe the relevant experience, skills and personal qualities and capabilities that each director brings to the board (a simple list of current and past roles is insufficient);</p> <p>the statement should demonstrate how the board as a whole contains (or will contain) the necessary mix of experience, skills, personal qualities (including gender balance) and capabilities to deliver the strategy of the company for the benefit of the shareholders over the medium to long-term.</p> <p>Explain how each director keeps his / her skillset up-to-date.</p> <p>Where the board or any committee has sought external advice on a significant matter, this must be described and explained. Where external advisers to the board or any of its committees have been engaged, explain their role.</p> <p>Describe any internal advisory responsibilities, such as the roles performed by the company secretary and the senior independent director, in advising and supporting the board.</p> | <p>Our 2019 Annual Report, page 40 and page 7 of this document.</p> <p>Our 2019 Annual Report, page 37. Note also the Chair’s Corporate Governance Statement on page 2 of this document.</p> <p>Our 2019 Annual Report, page 37.</p> <p>Our 2019 Annual Report, page 37.</p> <p>Pages 7 to 8 of this document.</p> |
| 7 | <p>Include a high-level explanation of the board performance effectiveness process.</p> <p>Where a board performance evaluation has taken place in the year, provide a brief overview of it, how it was conducted and its results and recommendations. Progress against previous recommendations should also be addressed.</p> <p>Include a more detailed description of the board performance evaluation process / cycle adopted by the company. This should include a summary of:</p> <ul style="list-style-type: none"> • The criteria against which board, committee, and individual effectiveness is considered; • How evaluation procedures have evolved from previous years, the results of the evaluation process and action taken or planned as a result; and • How often board evaluations take place. <p>Explain how the company approaches succession planning and the processes by which it determines board and other senior management appointments, including any links to the board evaluation process.</p> | <p>See page 6 of this document and 38 of our 2019 Annual Report, where we explain our evaluation process in 2019 and process envisaged for 2020 in relation to Board evaluation.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p> |

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| 8 | <p>Include in the chair’s corporate governance statement how the culture is consistent with the company’s objectives, strategy and business model in the strategic report and with the description of principal risks and uncertainties. The statement should explain what the board does to monitor and promote a healthy corporate culture and how the board assesses the state of the culture at present.</p> <p>Explain how the board ensures that the company has the means to determine that ethical values and behaviours are recognised and respected.</p> | <p>Our 2019 Annual Report, page 35 and page 2 of this document.</p> <p>Our 2019 Annual Report, page 35 and pages 2 and 6-7 of this document.</p> |
| 9 | <p>In addition to the high level explanation of the application of the QCA Code set out in the chair’s corporate governance statement:</p> <ul style="list-style-type: none"> • Describe the roles and responsibilities of the chair, chief executive and any other directors who have specific individual responsibilities or remits (e.g. for engagement with shareholders or other stakeholder groups). • Describe the roles of any committees (e.g. audit, remuneration and nomination committees) setting out any terms of reference and matters reserved by the board for its consideration • Describe which matters are reserved for the board. • Describe any plans for evolution of the governance framework in line with the company’s plans for growth. | <p>Pages 7 to 8 of this document</p> <p>Pages 9 to 10 of this document</p> <p>Page 10 of this document</p> <p>Page 10 of this document</p> |
| 10 | <p>Describe the work of any board committees undertaken during the year.</p> <p>Include an audit committee report (or equivalent report if such committee is not in place).</p> | <p>Our 2019 Annual Report, pages 43 to 45.</p> <p>Our 2019 Annual Report did not include a separate audit committee report. However pages 26 to 29 of our 2019 Annual Report outline the principle risks and uncertainties of the Group, key areas of focus of the Audit Committee in the year ended 31 December 2019 at page 44 and we will further assess internally as to whether it is necessary and appropriate to make further disclosures under the QCA Code, either through a report of the Audit Committee or more likely in sections of the next annual report.</p> |

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| | <p>Include a remuneration committee report (or equivalent report if such committee is not in place).</p> <p>If the company has not published one or more of the disclosures set out under Principles 1-9, the omitted disclosures must be identified and the reason for their omission explained.</p> <p>Disclose the outcomes of all votes in a clear and transparent manner.</p> <p>Where a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting, the company should include, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.</p> <p>Include historical annual reports and other governance related material, including notices of all general meetings over the last five years.</p> | <p>Directors' Remuneration Report contained in our 2019 Annual Report from page 47.</p> <p>N/A</p> <p>Page 10 of this document.</p> <p>Page 10 of this document.</p> <p>Page 10 of this document.</p> |
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