

**Appendix 1**  
**Requirements for disclosure – UK Corporate Governance Code**

Rule	Disclosure in the annual report
A.1.1	A statement of how the board operates, including a high level statement of which types of decisions are to be taken by the board and which are to be delegated to management.
A.1.2	The names of the chairman, the deputy chairman (where there is one), the chief executive, the senior independent director and the chairmen and members of the board committees.
A.1.2	The number of meetings of the board and board committees, and individual attendance by directors.
A.3.1	<p>Where a chief executive is appointed chairman, the reasons for their appointment (this only needs to be done in the annual report following the appointment).</p> <p><i>Note 1 - generally, per Rule A.2.1, the roles of chairman and chief executive should not be exercised by the same individual.</i></p> <p><i>Note 2 – Rule A.3.1 states that the chairman should on appointment meet the independence criteria set out below. Only in exception circumstances should a chief executive go on to be chairman of the same company.</i></p>
B.1.1	<p>The names of the non-executive directors whom the board determines to be independent, with reasons where necessary.</p> <p><i>Note 1 - Rule A.4.1 states that the board should appoint one of the independent non-executive directors to be the senior independent director.</i></p> <p><i>Note - Rule B.1.2 adds that, except for smaller companies (i.e. a company that is below the FTSE 350 throughout the year immediately prior to the reporting year), at least half the board, excluding the chairman, should comprise non-executive directors determined by the board to be independent. A smaller company should have at least two independent non-executive directors.</i></p> <p><i>Note – Rule B.1.1 gives examples of where independence is brought into question, including if the director (i) has been an employee of the company or group within the last five years, (ii) has, or has had within the last three years, a material business relationship with the company either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship with the company, (iii) has received or receives additional remuneration from the company apart from a director’s fee, participates in the company’s share option or a performance related pay scheme, or is a member of the company’s pension scheme, (iv) has close family ties with any of the company’s advisers, directors or senior employees, (v) holds cross-directorships or has significant links with other directors through involvement in other companies or bodies, (vi) represents a significant shareholder, or (vii) has served on the board for more than nine years from the date of their first election.</i></p>
B.2.4	<p>A separate section describing the work of the nomination committee, including the process it has used in relation to board appointments; a description of the board’s policy on diversity, including gender; any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives. An explanation should be given if neither external search consultancy nor open advertising has been used in the appointment of a chairman or a non-executive director. Where an external search consultancy has been used it should be identified and a statement made as to whether it has any other connection with the company.</p> <p><i>Note - Rule B.2.1 states that a majority of members of the nomination committee should be independent non-executive directors.</i></p>
B.3.1	The impact of any changes to the other significant commitments of the chairman

	during the year should explained.
B.6.2	<p>A statement of how performance evaluation of the board, its committees and its directors has been conducted (B.6.1). Where an external facilitator has been used, they should be identified and a statement made as to whether they have any other connection to the company.</p> <p><i>Note - Rule B.7.1 states that all directors of FTSE 350 companies should be subject to annual election by shareholders. All other directors should be subject to election by shareholders at the first annual general meeting after their appointment, and to re-election thereafter at intervals of no more than three years. Non-executive directors who have served longer than nine years should be subject to annual re-election.</i></p>
C.1.1	An explanation from the directors of their responsibility for preparing the accounts and a statement that they consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy. There should also be a statement by the auditor about their reporting responsibilities.
C.1.2	An explanation from the directors of the basis on which the company generates or preserves value over the longer term (the business model) and the strategy for delivering the objectives of the company.
C.1.3	A statement from the directors whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and identify any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.
C.2.1	Confirmation by the directors that they have carried out a robust assessment of the principal risks facing the company, including those that would threaten its business model, future performance, solvency or liquidity. The directors should describe the risks and explain how they are being managed or mitigated.
C.2.2	A statement from the directors explaining how they have assessed the prospects of the company (taking account of the company's current position and principal risks), over what period they have done so and why they consider that period to be appropriate. The directors should state whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, drawing attention to any qualifications or assumptions as necessary. □
C.2.3	A report on the board's review of the effectiveness of the company's risk management and internal controls systems.
C.3.6	<p>Where there is no internal audit function, the reasons for the absence of such a function.</p> <p><i>Note - Rule C.3.1 states that the board should establish an audit committee of at least three, or in the case of smaller companies two, independent non-executive directors. The board should satisfy itself that at least one member of the audit committee has recent and relevant financial experience.</i></p>
C.3.7	Where the board does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, a statement from the audit committee explaining the recommendation and the reasons why the board has taken a different position.
C.3.8	A separate section describing the work of the audit committee in discharging its responsibilities, including: the significant issues that it considered in relation to the financial statements, and how these issues were addressed; an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, including the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans; and, if the external auditor provides non-audit services, an explanation of how auditor objectivity and independence is safeguarded.
D.1.2	A description of the work of the remuneration committee as required under the Large and

	<p>Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2013, including, where an executive director serves as a non-executive director elsewhere, whether or not the director will retain such earnings and, if so, what the remuneration is.</p> <p><i>Note - rule D.2.1 states that the remuneration committee should consist of at least three, or in the case of smaller companies two, independent non-executive directors.</i></p>
D.2.1	Where remuneration consultants are appointed they should be identified and a statement made as to whether they have any other connection with the company.
E.1.2	The steps the board has taken to ensure that members of the board, and in particular the non-executive directors, develop an understanding of the views of major shareholders about their company.
<b>Rule</b>	<b>Disclosure to be made available (which may be met by placing the information on the company's website)</b>
B.2.1, C.3.3 and D.2.1	The terms of reference of the nomination, audit and remuneration committees, explaining their role and the authority delegated to them by the board.
B.3.2	The terms and conditions of appointment of non-executive directors.
<b>Rule</b>	<b>Disclosure to be made to shareholders in the papers accompanying a resolution to elect or re-elect directors</b>
B.7.1	Sufficient biographical details to enable shareholders to take an informed decision on their election or re-election.
B.7.2	Why they believe an individual should be elected to a non-executive role.
B.7.2	On re-election of a non-executive director, confirmation from the chairman that, following formal performance evaluation, the individual's performance continues to be effective and to demonstrate commitment to the role.
<b>Rule</b>	<b>Disclosure to be made to shareholders in the papers recommending appointment or reappointment of an external auditor</b>
C.3.7	If the board does not accept the audit committee's recommendation, a statement from the audit committee explaining the recommendation from the board setting out reasons why they have taken a different position.