

Governance

Chair's Introduction**Committed to the highest standards**

The Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risk to be assessed and managed.

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DEAR SHAREHOLDER,

I am pleased to present the Corporate Governance Report for 2019. This report should be read in conjunction with the report on pages 66 to 71, which set out how we have complied in full with the UK Corporate Governance Code in 2019.

As a Board we have also considered our response to the UK Corporate Governance Code issued by the Financial Reporting Council in July 2018 ("the new Code"). We have set out within this Report the steps we have taken to comply with this new Code, which will be effective for our year ending 31 March 2020.

As outlined in my report on pages 14 to 15, 2019 has been a good year for the Company, with continued growth in our key operating metrics and an increase in our development pipeline to help drive the future growth of the Company.

Governance

The Board believes that the effective delivery of the Company's strategy requires the underpinning of strong corporate governance. The governance of the Group is supported by a robust structure which allows for constructive debate and challenge by its members. This allows the Directors to make effective decisions.

Engagement with our stakeholders

The Board is conscious that there are a number of stakeholders in our business and considers the interests of each of our stakeholder groups in its discussions.

We have a comprehensive investor relations programme in place, with the Executive team carrying out a significant number of meetings with our shareholders during the year. The Non-Executive Directors engage with our shareholders as appropriate. Independent feedback on presentations by the Executive Directors to major shareholders is provided to the Non-Executive Directors on a regular basis.

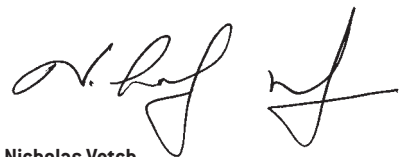
All Directors will attend this year's AGM which will again provide an opportunity for all shareholders to ask questions of the Board.

The culture of the business is a key part of our success, and we were delighted to be recognised in the Sunday Times 100 Best Companies to Work For 2019. The Executive Directors visit each of the Group's stores at least once a year, and maintain a flat, apolitical, non-hierarchical culture within the business.

We continue to monitor the Net Promoter Score that we receive from our customers, which remains at a very high level of 79.1.

Looking ahead

Following our performance this year, our attention for the coming year will again be focussed on delivering attractive long-term shareholder returns, behaving responsibly to our stakeholders including employees, customers, suppliers and the community, and appropriately managing risk.



Nicholas Vetch
Executive Chairman

20 May 2019