

# REPORT OF THE NOMINATIONS COMMITTEE

Member	Number of meetings attended
Tim Clark* – Member	○
<b>Richard Cotton – Chairman and Senior Independent Director</b>	●●●
Georgina Harvey – Member	●●●
Steve Johnson – Member	●●●
Anna Keay – Member	●●●
Vince Niblett – Member	●●●

\* Tim Clark retired from the Board on 19 July 2018.  
○ attended

## INTRODUCTION

The Committee is responsible for reviewing the Composition of the Board. It also makes recommendations for membership of the Board and considers succession planning for Directors. The Committee is also responsible for evaluating Board and Committee performance.

The Nominations Committee is responsible for reviewing the structure, size and composition of the Board and giving consideration to succession planning for Directors and other senior Executives. Where changes are required, it is also responsible for the identification, selection and proposal to the Board for approval of persons suitable for appointment or reappointment to the Board, whether as Executive or Non-Executive Directors and to seek approval from the Remuneration Committee of the remuneration and terms and conditions of service of any proposed Executive Director appointment. The Chairman of the Committee reports to the Board as appropriate to enable the Board as a whole to agree the appointments of new Directors. The Committee meets at least once a year and otherwise as required and as determined by its members.

The terms and conditions of appointment for the Non-Executive Directors are available for inspection at the Company's Head Office during normal working hours. They are also available for inspection at the Company's AGM.

## Board performance evaluation

During 2017 the Board engaged Lomond Consulting to undertake an evaluation of the performance of the Board and its Committees. The aim was to seek to identify areas where the performance and the procedures of the Board may be improved. The scope of the review was agreed between the Chairman of the Committee and the Chief Executive. Lomond Consulting are independent of the Group.

Each Director completed a questionnaire on the performance of the Board, its Committees and the Chairman. Each Director was then interviewed in person by Lomond Consulting. The responses were anonymous to enable an open and honest sharing of views. Lomond Consulting then produced a report showing the results of the review.

The key topic discussed as part of the review was succession planning, which is further discussed in the section below, albeit the Committee considered no further action was necessary.

During the current year, the Executive Chairman evaluated the performance of the other Executive Directors, and the performance of the Chairman was evaluated by the Senior Independent Non-Executive Director. It was considered that the individuals, the Committees and the Board as a whole were operating effectively, with appropriate procedures put in place for minor areas identified for improvement. The Committee intends to commission a further external evaluation of the Board in the year ending 31 March 2020.

## Succession planning

The Board comprises a team of four Executive Directors, two of whom were co-founders of the Company, complemented by Non-Executive Directors who have wide business experience and skills as well as a detailed understanding of the Group's philosophy and strategy. Continuity of experience and knowledge, particularly of self storage, within the executive team is particularly important in a long-term focussed business such as Big Yellow.

It is a key responsibility of the Committee to advise the Board on succession planning. The Committee ensures that any future changes in the Board's composition are foreseen and effectively managed. In the event of unforeseen changes, the Committee ensures that management and oversight of the Group's business and long-term strategy will not be affected.

The Committee also addresses the development and continuity of the Senior Management team below Board level.

## Policy on diversity

All aspects of diversity, including gender are considered at every level of recruitment. All appointments to the Board are made on merit. The Board's policy states that the Board seeks a composition with the right balance of skills and diversity to meet the demands of the business. The Board considers it is important to increase the representation of women on the Board, and intends to meet the 30% recommended minimum proportion of women on the Board in the short to medium term.

At Senior Management Level, there is a balanced ratio between men and women.

## External appointments

On making new appointments, the Board takes into account the other demands on a Director's time. Prior to any appointment significant commitments are disclosed with an indication of the time involved. Any additional external appointments are only undertaken with prior approval of the Board. The Group's Executive Directors may not take on more than one non-executive Directorship within a FTSE 350 company or other significant and time-consuming appointment.

## Directors standing for re-election

All of the Directors will retire in accordance with the UK Corporate Governance Code and will offer themselves for re-election at the Annual General Meeting.

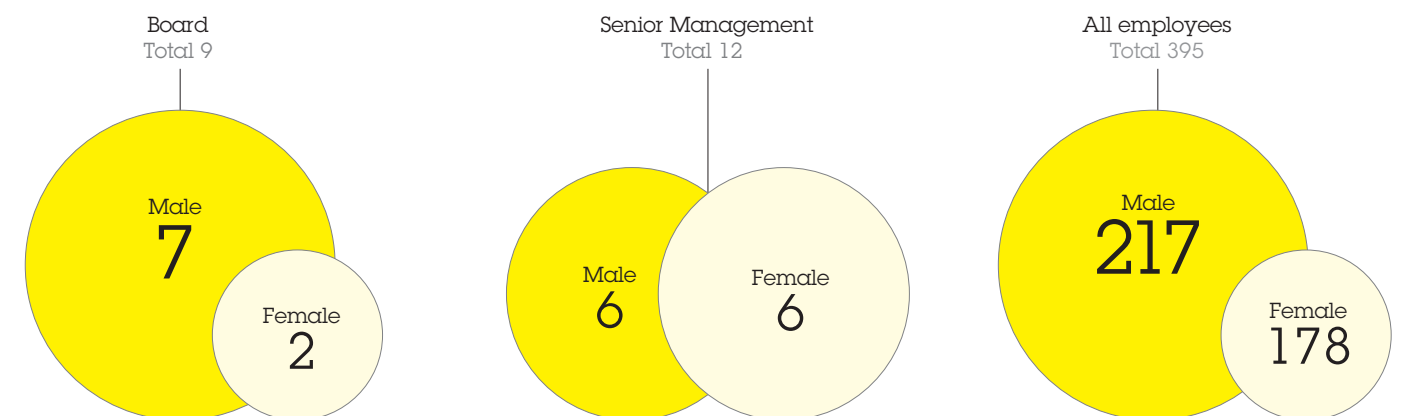
Following a performance appraisal process, the Board has concluded that the Directors retiring are effective, committed to their roles and operate as effective members of the Board.

The Board, on the advice of the Committee, therefore recommends the re-election of each Director standing for re-election. Full biographical details of each Director are available on page 64.

## Richard Cotton

Nominations Committee Chairman

## Board and company Gender diversity



(senior management are defined to be Heads of Department)