

NOMINATION COMMITTEE REPORT



“Dear Shareholders, 2016 has been busy for the Nomination Committee, the highlight of which was the appointment of Susanne Given to the Board in September 2016. Susanne brings with her a wealth of general and online retail experience and provides an insight for the existing Directors into the needs of and the challenges faced by many of our tenants. We are very pleased with her appointment and look forward to a fruitful exchange of ideas at Board meetings.”

Membership

Richard Jewson (Chairman)
Jim Prower, Stephen Smith, Mark Shaw

Priorities for 2016

- The appointment of a Non-Executive Director to the Board and to the Audit Committee
- A formal review of the remuneration of the full Board
- A formal review of the terms of appointment for the Non-Executive Directors
- The proposal for re-appointment of the Non-Executive Directors and the appointment of Susanne Given as a Non-Executive Director at the AGM in 2017

Meeting attendance register

PERSON	MEETINGS ELIGIBLE TO ATTENDED	MEETINGS ATTENDED
Richard Jewson	4	4
Jim Prower	4	4
Stephen Smith	4	4
Mark Shaw	4	4

The Committee’s role is to review the size, structure and composition of the Board; to ensure that the Board has the right mix of skills, experience and knowledge to enable the Company to fulfil its strategic objectives. The Committee is also responsible for making recommendations for new appointments to the Board and for reviewing the performance and terms of engagement for the existing Directors. The Committee operates within defined terms of reference which are available on the Company’s website [or](#) from the Company Secretary.

Appointment of a new Non-Executive Director

In late 2015, two years after the Company’s IPO and following the Company’s admission to the FTSE 250, the Nomination Committee identified the need to appoint a further independent Non-Executive Director to the Board, and to appoint a new director to the Audit Committee to replace me following my retirement from the Audit Committee in order to comply with best governance practice. The recruitment process began in early 2016.

The Nomination Committee’s first task was to appoint a suitable recruitment consultant for the role and the Committee asked Colin Godfrey and the Company Secretary to undertake this. Quotes were obtained from four recruitment consultancy firms and three recruitment consultancy firms were interviewed. Following the feedback to the Committee from Colin Godfrey and the Company Secretary, Korn Ferry was appointed. Korn Ferry is independent from the Company and the Manager and, as far as the Company and the Manager are aware, there is no other connection between the Company or the Manager and Korn Ferry.

The Nomination Committee then evaluated the skills and experience considered necessary to complement the existing Board composition. We particularly wanted the new candidate to have strong experience in the logistical requirements of online retailers as well as strong general retail sales experience. We were also amenable to considering a candidate for whom this would be their first experience as a member of a FTSE 250 Board, provided that the candidate could devote sufficient time to the role and we were mindful of the recommendations of the Davies Report and our commitment as a Company to diversity. We met with Korn Ferry to discuss the appointment, the Company and its strategy in May 2016.

GOVERNANCE: [NOMINATION COMMITTEE REPORT](#)

Korn Ferry presented to the Committee a list of candidates who had expressed an interest in the role. We reviewed the list, identifying those candidates who appeared to hold the correct blend of skills, and requested interviews.

The first round of interviews was conducted by a sub-committee of myself, representing the Board, and Colin Godfrey and Henry Franklin, representing the Manager. We selected one candidate, Susanne Given, to proceed to the next stage. As the Company has a relatively small Board of Directors and is externally managed, the other Board members as well as the partners of the Manager were keen to meet with Susanne Given before a final decision was taken. Over the course of the summer of 2016, Susanne Given met with the Board as well as the key members of the Manager. The Committee considered her skills and experience, as well as her ability to devote enough time to the position, before we recommended her appointment to the Board. The Board appointed Susanne Given as a new Non-Executive Director of the Company on 13 September 2016. She will hold office until the Company's AGM on 17 May 2017 when she will be submitted for election by the Shareholders as a Director of the Company.

Director remuneration review

As the Company does not have any executive directors it does not have a remuneration committee. Further to feedback received from last year's Board evaluation and to coincide with the Company's third anniversary, the Committee decided to review the terms of appointment of each Director. As we reviewed the terms of appointment of the Directors it was considered sensible for us to also review the level of fees to be awarded to the Board, particularly given the Company's considerable growth since IPO in December 2013. Jim Prower as the Senior Independent Director led the Remuneration Review [↗](#).

Policy on tenure and succession planning

We considered the ongoing independence of each of the Directors as well as their respective skills and experience and whether each Director is able to commit sufficient time to the Company, as well as any other external appointments held by

the Directors. The Board, following the advice of the Committee, will recommend the election and re-election of each Director at the forthcoming AGM.

The Company's Lawyers also reviewed and updated the Directors' letters and terms of appointment. Specifically we sought to revise the notice periods to be given should a Director wish to resign in order to prevent more than one Director resigning at any one time (except in extenuating circumstances). Richard Jewson, Stephen Smith and Jim Prower were all initially appointed on 18 November 2013 for a term of two years. Mark Shaw was appointed on 8 November 2013 for a term of one year. Susanne Given was appointed for an initial term of two years commencing on 13 September 2016 subject to election by the Shareholders at the forthcoming AGM and re-election at each AGM thereafter. Please refer to the Directors' Remuneration Report [↗](#) for more information.

Pursuant to the Articles of Association of the Company, at every AGM of the Company, one third of the Directors who are subject to the requirement to retire by rotation (not including any Director who was appointed by the Board and is standing for election) will retire from office and may offer themselves for re-election. However, notwithstanding the provisions of the Articles, all the Directors will offer themselves for re-election at each AGM in accordance with the provisions of the AIC Code [↗](#).

When renewing current appointments, all Directors except the individual in question are able to vote at the Annual General Meeting.

Board diversity

We regularly review the Company's policy on diversity and consider that the Directors have a balance of skills, qualifications and experience which are relevant to the Company. We support the recommendations of the Davies Report and believe in the value and importance of diversity in the Boardroom but we do not consider it appropriate, or in the interest of the Company and its Shareholders, to set prescriptive diversity targets on the Board.

Richard Jewson Chairman of the Nomination Committee

7 March 2017