

# NOMINATION COMMITTEE REPORT



**NIGEL STEIN**  
CHAIR

## DEAR SHAREHOLDER

I am pleased to present the report of the Nomination Committee for the year ended 31 December 2021 which aims to set out how we have discharged our duties during the year.

Board composition and succession planning continues to be the main focus of the Committee. 2021 saw several changes, with the appointment of Nayantara Bali and the departure of Rachel Empey.

Nayantara Bali joined the Board following the AGM in May 2021 and is co-owner and director of ANV Consulting, a boutique management consultancy specialising in leveraging data analytics. Prior to this, Nayantara was with Procter & Gamble for over 28 years holding several senior regional and global positions based in Singapore, Thailand, and India.

Rachel Empey left the Board in April 2021 to join the supervisory board of BMW Group in Germany and I would like to thank her for the strong contribution she made to the Board over the past five years. We began the recruitment process to find a successor during 2021 and had a clear idea of the skills and attributes required to support the achievement of the strategic goals in the short and longer-term.

Following a rigorous search process, I am delighted that Sarah Kuijlaars joined the Board as a Non-Executive Director in January 2022. Sarah is currently Chief Financial Officer and Executive Director of De Beers plc and was previously a Non-Executive Director at Aggreko plc. Sarah was also previously CFO of Arcadis NV, deputy CFO at Rolls-Royce Holdings plc, and has held a number of senior financial leadership roles during a 25-year career at Royal Dutch Shell plc. Sarah's extensive financial and international experience will both strengthen and complement the existing Board's skill set.

Till Vestring completed nine years' service in 2020, however, agreed to remain on the Board to assist with the recruitment of Nayantara Bali, and to provide additional support for Ruslan Kinebas who assumed the role of CEO APAC in April 2021. As we were unable to travel for the majority of 2021, Till's support in the recruitment process and the onboarding of Nayantara has been invaluable as they are both based in Singapore. Till will remain a member of the Board before he intends to step down at the 2022 AGM.

## NIGEL STEIN CHAIR OF THE NOMINATION COMMITTEE

### DIRECTOR INDEPENDENCE

Provision 10 of the Code sets out circumstances which "which are likely to impair, or could appear to impair" a director's independence. During 2021, Till did not:

- Act as employee of the Group within the last five years;
- Have a material business relationship with the Group within the last three years;
- Receive additional remuneration from the Company (apart from his basic remuneration);
- Participate in the Company's share option or performance-related pay schemes;
- Become a member of the Company's pension scheme;

## MEMBERSHIP

	Number of meetings held/attendance	Ad hoc meetings held/attended
Nigel Stein (Chair)	2/2	2/2
Jerry Buhlmann	2/2	2/2
Nayantara Bali*	1/1	0/0
Rachel Empey**	1/1	1/1
Alex Jensen	2/2	2/2
Jane Kingston	2/2	1/1
John Langston	2/2	2/2
Till Vestring	2/2	2/2

\* Nayantara Bali joined the Group in May 2021.

\*\* Rachel Empey left the Group on 30 April 2021.

The Committee's terms of reference can be found at [www.inchcape.com/governance](http://www.inchcape.com/governance).

## ALLOCATION OF TIME SPENT (%)



- Have close family ties with any of the Company's advisers, directors or senior employees;
- Hold cross-directorships or have significant links with other directors through involvement in other companies or bodies;
- Represent a significant shareholder; or
- Chair any Committee meeting.

There were no agreements or relationships which could compromise Till's ability to hold management to account. By serving the Board whilst we looked to appoint two new Non-Executive Directors – which has since taken place – Till's continued service was in the best interests of the Company and its stakeholders. The Committee is satisfied that despite having over nine years' service, Till continues to demonstrate independent character, judgement and objectivity, and Till's continued service has not impaired his independence.

The Board ensures, through the Nomination Committee, that Board composition is kept under review, that appropriate succession plans are in place, that the independence of Non-Executive Directors is not compromised and that they have the time and resources necessary to devote to the role.

### SKILLS, EXPERIENCE AND DIVERSITY

The Committee recognises the importance of the right mix of skills, experience and diversity to deliver the Accelerate strategy. With digital, data, analytics and cyber security as key enablers for Distribution Excellence and the acceleration of omni-channel, this remains a key skill area for the Board. Experience and knowledge were strengthened during the year with the appointment of Nayantara Bali who also brings international experience.

During the year the Committee:

- Carried out a review of skills, experience and diversity;
- Reviewed the length of service and re-appointment following three-year term;
- Assessed the Non-Executive Directors' independence;
- Recommended election and re-election at the AGM; and
- Approved the policy on multi-board appointments.

### SUCCESSION PLANNING

When considering succession planning, the Committee looks at length of service in addition to the required skills and experience. It is usual practice for Non-Executives to complete nine years' service and the succession planning process takes this into account to ensure the continual refreshment of the Board. However, a director may resign before they have completed nine years' service. In these circumstances, a long-list of potential candidates is continually kept up to date so the appointment process can begin immediately to fill vacancies as they arise.

During the year the Committee recommended the appointment of Nayantara Bali to the Board for approval and continued the search for a Non-Executive Director to fill the current vacancy.

The performance of the Group Executive Team is considered by the Board as a whole during the annual organisational health check and the Non-Executive Directors discuss succession planning for senior leadership during the year without the presence of executive management. There were several changes to the executive team, including internal moves and external hires, during 2021. George Ashford assumed the role of temporary CEO of the UK business and Romeo Lacerda was appointed as CEO of Americas & Africa.

### APPOINTMENT PROCESS

An external recruitment consultant is appointed to assist with the recruitment of directors. The Chairman will develop an appropriate job specification, and set out any other desirable attributes, and agree a long-list of potential candidates with the consultant. From this, a short-list is agreed, and the interview process begins. Potential candidates meet with the Chairman, Senior Independent Director and other Board members. Once a preferred candidate has been identified, the Committee makes its recommendation to the Board for approval. During the recruitment process a comprehensive assessment is carried out to evaluate each candidate's capability, strengths and personal attributes needed to complement and enhance the skills, experience and knowledge of the Board members.

Korn Ferry was appointed to assist with the recruitment of Nayantara Bali and Odgers Berndtson was appointed to assist with the recruitment of Sarah Kuijlaars. Korn Ferry and Odgers Berndtson are signatories of the Voluntary Code of Conduct for Executive Search Firms and neither firm has any other connection to the Company or any individual director.

### DIVERSITY POLICY STATEMENT

We value diversity in the broadest sense, including but not limited to, gender, race, social and ethnic backgrounds, skills, industry experience, professional and educational backgrounds. We believe increasing diversity adds fresh perspectives which enrich our decision making and the aim of the policy is to reflect this ethos. The Board's policy on diversity is a verbally agreed principles-based policy. The importance of Board diversity is clearly understood by our recruitment consultants and is built into the process of succession planning and external hires. We continue to consider all aspects of diversity in our nomination process while also appointing candidates with the skills and experience that are necessary for the continuing growth of our operations.

The Board remains dedicated to meeting recommendations set-out in the Hampton-Alexander and Parker reviews and has an overall ambition of achieving gender parity and greater representation of diverse ethnic backgrounds over time.

With the appointment of Nayantara Bali in May 2021 and Sarah Kuijlaars in January 2022, the Board has 40% female representation and 10% diverse ethnic representation therefore has exceeded the minimum diversity requirements of both the Hampton-Alexander and Parker reviews.

The Board's philosophy on diversity is also reflected throughout Inchcape and the business has continued to strive for increased diversity of all identities, backgrounds and experiences across its workforce and is building a more inclusive environment where everyone believes they can belong, be themselves and succeed. For more information on workforce inclusion and diversity see page 35.