

QCA Code Corporate Governance Statement

(The information contained in this document was last reviewed on 10 September 2018)

In this document, unless the context otherwise requires:

- references to **IGas** or to the **Company** are to IGas Energy plc (and reference to **our, us** and **we** is to be construed accordingly);
- references to the **Group** are to the group of companies of which IGas is the parent company; and
- references to the **Board** are to the board of directors of the Company.

Chair's Corporate Governance Statement

As Chair of the Company, I have overall responsibility for ensuring that good corporate governance is embraced by IGas and the Group as a whole. In doing so, I work with and consider the views of Board members, the Executive Committee (“**Excom**”) and the Company’s advisors.

In March 2018, the AIM Rules were changed such that all AIM companies are obliged, from 28 September 2018, to apply a recognised corporate governance code, providing details of that code on its website along with details of how the company complies with or departs from that code. On 10 September 2018 the Board resolved to adopt the Quoted Companies Alliance Corporate Governance Code, 2018 edition (the “**QCA Code**”). The Board believes that the QCA Code provides the Group with the right governance framework in view of its size, strategy, resources and stage of development, as it offers a flexible but rigorous outcome-oriented framework in which we can continue to develop our governance model to support our business.

I have therefore set out below how the QCA Code is applied by the Company and, where the Company does not comply fully with the expectations of the QCA Code, an explanation of the reasons for doing so. We will review our position regularly and when preparing our annual report and accounts (“**Annual Report**”) will identify any significant changes in our corporate governance over the previous 12 months. During this process we will also consider our governance framework and whether it should evolve further in line with the Group’s development.

Our primary means of communicating the Group’s corporate governance structure is through the Annual Report and various disclosures made on the Company’s website. Nevertheless, where specific questions are raised by private individual shareholders and institutional investors, we engage directly with those shareholders, principally through the Chief Executive Officer or, where appropriate, certain members of our Excom, namely the Chief Financial Officer and Director of Corporate Affairs. I have set out below how the Board is led, its responsibilities, our approach to risk management, our governance structure and how we engage with stakeholders.

Finally, a word about our corporate culture. We seek to communicate our corporate culture through staff presentations and inductions. We rely on our management structure, and our internal reporting structures to assess whether these core values have been respected, and the current state of our corporate culture and our Director of Human Resources is tasked with monitoring internal compliance on an ongoing basis. We seek to promote our core values of: (i) respect for our people, environment, partners and the safety of others; (ii) performing to the highest standards internally and externally to deliver against our targets; (iii) collaboration through mutual trust, knowledge sharing and teamwork; (iv) commitment to preservation of the environment whilst providing safe and healthy working conditions; and (v) transparency by being honest about what we do, how we do it, and the challenges we face.

IGas is committed to gender diversity and we have a number of women in senior management roles. When recruiting for Board vacancies we fully recognise our responsibility for gender diversity as we seek to ensure that we have an appropriate mix of skills on the Board.

Mike McTighe
Chair

Corporate governance principles applicable to IGas

The ten QCA Code corporate governance principles, which apply to IGas, are:

1. *Establish a strategy and business model which promote long-term value for shareholders*
2. *Seek to understand and meet shareholder needs and expectations*
3. *Take into account wider stakeholder and social responsibilities and their implications for long-term success*
4. *Embed effective risk management, considering both opportunities and threats, throughout the organisation*
5. *Maintain the board as a well-functioning, balanced team led by the chair*
6. *Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities*
7. *Evaluate board performance based on clear and relevant objectives, seeking continuous improvement*
8. *Promote a corporate culture that is based on ethical values and behaviours*
9. *Maintain governance structures and processes that are fit for purpose and support good decision-making by the board*
10. *Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders*

Application of the QCA Code and required disclosures

The QCA Code requires us to apply the principles set out above and to publish certain related disclosures in our Annual Report, on our website, or a combination of the two. We have followed the QCA Code's recommendations and have therefore provided disclosure relating to Principles 2, 3, 7, 8, 9 and 10 in this corporate governance statement and will cover the remaining principles in our next Annual Report. An index setting out where each required disclosure can be found is at the end of this corporate governance statement.

Principle 2

Seek to understand and meet shareholder needs and expectations

The Group values its communications with shareholders. The Board recognises its primary role of representing and promoting the interests of the Company's shareholders. The Board is accountable to shareholders for the long-term performance and success of the Company.

The primary contact with shareholders and other interested parties (including bondholders) is through the Chief Executive Officer, however certain members of the Excom, namely the Chief Financial Officer, Director of Corporate Affairs and the Chief Operating Officer regularly speak to investors and analysts during the year through one-to-one meetings, site visits, telephone calls and, occasionally capital markets days. Company circulars and press releases are also issued throughout the year for the purpose of keeping shareholders and other interested parties informed about the Group's progress.

The 'Media Centre' and 'Investors' section of the Company's website, available [here](#), contains all publicly available financial information, Regulatory information, press releases concerning the Company and provides details of how shareholders can directly raise particular issues with the Company.

We have an on-going programme of individual and group meetings with institutional shareholders and analysts following the preliminary and half-year results presentations. These meetings allow the Chief Executive Officer, Chief Financial Officer, Director of Corporate Affairs and Chief Operating Officer to update shareholders on strategy and the Group's performance. Additional meetings with institutional investors, private client brokers and analysts are arranged from time to time as well as site visits to our

operations. All Board members receive copies of feedback reports from these presentations and meetings, which helps them to understand shareholder opinion and voting decisions.

The Board supports the use of the annual general meeting (“AGM”) to communicate with shareholders, in particular, private shareholders, and we publish an AGM statement on the morning of the day of the AGM to provide shareholders with a trading update for the period from 1 January to the date of the AGM. All shareholders attending the AGM are given the opportunity to ask questions and raise issues; this can be done formally during the meeting or informally with the attending Board members after the conclusion of the business of the AGM.

At the AGM, separate resolutions are proposed on each substantially separate issue. For each resolution, proxy appointment forms are issued which provide voting shareholders with the option to vote in advance of the AGM if they are unable to attend in person. All valid proxy votes received for the AGM are properly recorded and counted by Computershare, our registrars. Voting at the AGM is by a poll, which we believe is the fairest approach in a Company such as ours. On a poll, each member voting in person, by authorised representative or by proxy, has a vote for every share of which they are the holder. As soon as practicable after the AGM has finished, the results of the meeting are released through a regulatory information service, and a copy of the announcement is posted on the Company’s regulatory news page within the investors section of the Company’s website, available [here](#). The published results of the AGM set out the result of the poll, including votes for, votes against and votes withheld. Votes withheld are not votes in law and are not counted in the calculation of the proportion of votes “for” or “against” a resolution. Proxy appointments which gave discretion to the Chair are included in the “for” total.

According to our registration records, six individual shareholders attended our 2018 AGM, along with one corporate representative and one third party proxy; we therefore recognise that the majority of votes at our AGM are lodged as proxy votes prior to the AGM and that shareholders prefer not to attend in person.

We also recognise that approximately 87% of our individual shareholders are overseas shareholders¹. Accordingly, we note the importance of our communications with shareholders by post and via the Company’s website. Copies of our Annual Report, notices of general meetings and the interim report are sent to all shareholders and copies can be downloaded from the ‘Investors’ section of the Company’s website, available [here](#). Other information for shareholders (and other interested parties) is also provided on the Company’s website.

At last year’s AGM, all resolutions were duly passed with overwhelming levels of support, with even the least supported resolution achieving 99.92% of votes cast, in favour of the resolution. The most supported resolution achieved 100% of votes cast, in favour of the resolution. We are very satisfied with the level of support, but would, of course, welcome an increase in the overall participation in voting, which stood at 44.67% of issued share capital.

Principle 3

Take into account wider stakeholder and social responsibilities and their implications for long-term success

Our strategic report (from page 10 of our Annual Report for the year ending 31 December 2017) explains our business model and strategy, which is to create a long-term material onshore energy company in Britain. Strategies at the core of our business are: (1) reserves and production growth; (2) developing shale portfolio; and (3) local and national engagement.

¹ Source: Company’s Registrar as at 10 September 2018.

Local Communities

We build relationships with our stakeholders in the communities we operate in. Since its launch in 2008, the IGas Community Fund has awarded almost £1 million to local communities. Many of the projects have been supported multiple times over the years. We are committed to working with regulators and within local communities to ensure that any activity is done safely and in an environmentally sensitive manner.

We regard communicating with our neighbours in local communities as essential, recognising that they have every right to be consulted and are given every opportunity to comment. An important part of local engagement involves setting up a community liaison group within the local area of any proposed site or planning application. Examples include the Springs Road liaison group set up in the East Midlands in June 2014 and the Tinker Lane Community Liaison Group established in January 2016. We invite local parish councillors and representatives from the community to attend regular meetings where we can ensure that our neighbours have access to the most up-to-date and relevant information and expert guidance. This keeps them abreast of our progress and the current state of our operations. It also provides an opportunity for the community to share their concerns with us so that we can answer questions and offer independent guidance and expertise.

Employees

At IGas we understand that the technological innovation, regulatory and legislative changes, and socio-economic developments impacting our business model mean we have to equip our staff with the ability to anticipate and respond to change. We constantly strive to help our employees develop their knowledge and skills. We are pleased to offer all staff training that is tailored to their experience and line of work, in order to keep existing knowledge up to date and to learn new skills. We recognise the need to develop junior talent, and we have continuing relationships with various training associations and colleges for apprentices. All new employees continue to undergo obligatory health and safety training and our field operators are all enrolled in further training, including the International Minimum Industry Safety Training, part of the Offshore Petroleum Industry Training Organization standard, supporting global oil and gas industry safety standards.

We also engage with employees through regular ‘Town Hall’ meetings held at our main regional offices across the UK. During these meetings, there is an open forum for employees to ask questions or give feedback. Members of the Group’s management ensure that they are readily accessible to all employees.

The Group has a whistleblowing policy in place, which allows staff to raise any concerns in confidence. Experience to date suggests that this policy is effective and staff members are aware of it.

Suppliers and partners

We seek to maintain long-term relationships with suppliers, and seek to engage both them and our joint venture partners, with whom we maintain a continuous open dialogue.

When Board decisions are taken, the Board takes into account and recognises its duty to promote the success of the Company, the interests of the shareholders as well as the interests of and relationships with local communities, suppliers, partners and employees. The Board is aware of, and complies with, its obligations under section 172 of the Companies Act 2006.

Principle 7

Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

We have not conducted a formal Board evaluation process but plan to do so in 2019, with external assistance, and thereafter on an annual basis. Prior to said formal Board evaluation process we will develop the criteria against which Board, committee, and individual effectiveness is considered and

will update this corporate governance statement and, thereafter, the subsequent Annual Report, with a high-level explanation of the Board performance evaluation process and a brief overview of the results and any recommendations from said process.

As part of the aforementioned evaluation process, the Board is currently considering the Company's approach to succession planning and the procedures by which the Executive Committee determines senior management appointments. The Board will work with the Nomination Committee of the Board on the Board evaluation process. The Executive Committee and, at a more junior level, senior departmental managers address progression of employees through annual appraisals and competency reviews. The launch of a structured Management Training Programme in September 2018 will further assist key managers with training and learning opportunities.

Principle 8

Promote a corporate culture that is based on ethical values and behaviours

Please see Principle 3 above for an outline of our engagement with the communities' local to our operations and our staff, which we view as key to our business.

Our strategic report (from page 10 of our Annual Report for the year ending 31 December 2017) explains our approach to corporate social responsibility based on our core values:

- Respect – Respect is paramount, for our people, our environment, our partners and the safety of others.
- Collaboration - We take on challenges and find solutions through mutual trust, knowledge sharing and teamwork.
- Performance - Performing to the highest standards internally and externally and delivering against our targets.
- Commitment - We are fully committed to preserving the environment and providing safe and healthy working conditions.
- Transparency - We are honest about what we do, how we do it and the challenges we face. We are open to challenge, to discussion and to improving how we work to reflect our values.

IGas is committed to delivering the highest standards in occupational Health, Safety, Environment and Quality (“HSEQ”). The Board works to continuously improve safety and risk management across IGas. ISO 9001/14001 accreditation continues to be an important part of the business as it helps to demonstrate that we have management systems in place that meet the requirement of the International Standards recognised by other businesses and regulatory authorities. The Company was pleased to announce Certificate Renewal during 2017. Following the revision of ISO 9001/14001:2015 standards the Company is required to update its management system to fulfil the requirements of the new standards, a transition process which was completed in July 2018. The Board receives regular information on the HSEQ performance of the Company, and specifically monitors health and safety and environmental reporting at each Board meeting. In 2017, IGas maintained its commitment to the delivery of continual improvement in HSEQ performance, with excellent results in many areas, but with some areas below target and requiring renewed actions to be undertaken. During 2017 there were two recorded Lost Time Injuries. A detailed investigation was undertaken into both incidents and this has proved invaluable in establishing further improvements in our risk analysis of work tasks and assessment of established processes and behaviours. Overall reporting of hazardous observations increased by 23% in the year to 31 December 2017 compared to 2016, which demonstrates our focus on improvement through the detection and resolution of issues.

The business continues to drive improvements through awareness campaigns and engagement through its committee of Representatives for Safety which comprises staff representatives from a cross-section of departments. This is demonstrated through IGas achieving the ROSPA Presidents Award for an 11th consecutive year, showing our commitment to occupational monitoring and improvements, of which the first visit received a positive assessment.

Our Director of Human Resources regularly reports to the Excom on matters pertinent to our corporate culture and assists the Chair by providing feedback as and when requested. All employee feedback via ‘Town Hall’ meetings, Safety Representatives or less formal channels is both encouraged and welcome.

Principle 9

Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board and its committees:

The Board consists of one Executive Director, Stephen Bowler, and four Non-executive Directors; Mike McTighe, Cuth McDowell, Philip Jackson and Tushar Kumar, with Mike McTighe and Cuth McDowell being considered independent (thereby satisfying the QCA Code requirement of two independent non-executive directors on the Board). The Senior Independent Non-executive Director is Cuth McDowell and biographies of all the Directors can be found [here](#).

The Board retains full and effective control over the Group. The Board meets regularly, at least eight times a year, to consider reports on the operational and financial performance of the Group and to decide on matters reserved unto itself, which include reviewing and approving the Group’s strategy, budgets, major items of capital expenditure and senior personnel appointments.

The roles of each member of the Board are outlined below:

Chair:

Mike McTighe, as Chair, is responsible for leading an effective Board, fostering a good corporate governance culture and ensuring appropriate strategic focus and direction. He is also responsible for making sure that the Board agenda concentrates on the key issues, both operational and financial, with regular reviews of the Company’s strategy and its overall implementation. The Chair must ensure that the Board receives accurate, timely and clear information and that there is good dialogue between the Board and its committees, as well as between Non-executive Directors, Excom and senior management. Mike chairs any general meetings of the Company where shareholders have an opportunity to address questions and matters for discussion with attending Board members. Mike is also available to shareholders as and when required.

Non-executive Directors:

The Non-executive Directors participate in all Board level decisions and play a particular role in the determination and articulation of strategy of the Company. The Non-executive Directors also provide oversight and scrutiny on the performance of the Chief Executive Officer and the Excom. They possess the critical skills relevant to the Company, including technical experience and the ability to positively challenge and listen in equal measure, acting as sounding boards to the Excom. When joining the Company, our Non-executive Directors follow a formal appointment process, including satisfying the requirements of our Nominated Adviser, and a structured induction process which includes meeting with key shareholders. Non-executive Directors’ appointment letters prescribe that they must dedicate an appropriate amount of time to the Company and not, without the prior consent of the Board, accept any new appointment reasonably likely to give rise to a conflict of interest with the Group.

The Non-executive Directors have access to the Chief Executive Officer, the Excom members, the Company's advisors and to the extent appropriate, the Company Secretary (please see below). The Non-executive Directors are also able to call upon independent professional advice, at the Company's expense, if they consider it necessary to discharge their responsibilities as directors.

The Non-executive Directors receive ongoing training and development through relevant Board meeting presentations. Please see Principle 7 above for further details of our ongoing work on Board evaluations.

Non-executive Directors do not participate in performance-related remuneration schemes or have a significant interest in the Company's share option scheme. If the Company were to propose a remuneration plan that may lead to a significant dilution of holding of investors, the Company would intend to follow the QCA Code recommendation that such remuneration plan be pre-brokered with investors.

Senior Independent Director:

Cuth McDowell, the senior independent director, acts as a sounding board and intermediary for the Chair or other Board members as necessary. At present, the Non-executive Directors do not formally meet without the Chair being present. However, the first of such meetings is envisaged to take place in 2018 and thereafter on at least an annual basis; Cuth McDowell will chair said meetings. As part of our ongoing work on Board evaluations, we envisage that Cuth McDowell will be responsible for leading the evaluation of the Chair.

Chief Executive Officer:

The Chief Executive Officer, Stephen Bowler, has overall responsibility for proposing the strategic focus to the Board, implementing the strategy once it has been approved and managing the Group's business. The Chief Executive Officer is supported by the Excom which, under his authority, is responsible for the day-to-day running of the operational business with a focus on performance management and ensuring that the Group key performance indicators ("KPIs") are being met. Biographies of the Excom are found [here](#).

Company Secretary:

The Company has appointed Cooley Services Limited as its Company Secretary, which assists the Chair in conducting general meeting and statutory and regulatory compliance, as instructed by the in-house legal function which is headed by the General Counsel of the Company. The General Counsel and/or external advisers are available to provide advice to the Board and its members.

Shareholders:

During the re-financing undertaken by the Company in 2017, the Company carefully considered its arrangements with major shareholders, in particular Kerogen, and entered into a relationship agreement with Unconventional Energy Limited (the "**Kerogen Investor**") providing that:

- (a) for so long as the Kerogen Group (the Kerogen Investor and its group) holds 10 per cent or more of the voting rights of the ordinary shares of the Company in issue from time to time, the Kerogen Investor undertakes: (i) not to take any action so as to prevent the Group from carrying on its business independently of the Kerogen Group; (ii) to conduct all transactions with members of the Group on an arm's length basis and normal commercial terms; (iii) not to take any action to prevent the Company from complying with its legal and regulatory obligations; and (iv) not to take any action to prevent the business and affairs of the Company from being conducted in accordance with its articles of association;

- (b) for so long as the Kerogen Group holds 20 per cent or more of the voting rights of the Ordinary Shares, the Kerogen Investor has the right to nominate two Directors to the Board (each a “**Nominated Director**”). The appointment of any Nominated Director shall be subject to the prior consultation with the Company’s nominated adviser, to enable the nominated adviser to conduct reasonable due diligence on the proposed Nominated Director;
- (c) in the event that the percentage holding of the Kerogen Group drops to below 20 per cent but stays above 10 per cent, the Kerogen Investor will retain the right to appoint at least one Nominated Director;
- (d) the Kerogen Investor also has the right to nominate a Nominated Director to each of the existing Committees of the Board;
- (e) the Company will also establish a technical and operating committee (the “**TechCom**”) whose purpose will be to review and consider technical and operational matters, together with other risk issues, before they are presented to the Board.

Technical and operating matters shall include (without limitation):

- (i) review of any new projects or acreage;
 - (ii) review of any key operating activities including G&G programmes, drilling and testing activities, field development plans, etc.; and
 - (iii) review of operational and financial performance (such as KPIs, HSE metrics, operating and other costs, and performance against budgets); and
- (f) for so long as the Kerogen Group owns more than 10% of the Ordinary Shares of IGas, the Kerogen Investor shall be permitted to nominate two representatives to the TechCom.

Under the terms of the relationship agreement, the directors nominated to the Board by the Kerogen Investor are Philip Jackson and Tushar Kumar, whose particular skills and experience can be found [here](#).

Also pursuant to the re-financing undertaken by the Company in 2017, the Company agreed that the largest holder by face value of the Secured Bonds, Trans European Oil & Gas Luxco II S.a.r.l. (now KOG Investments S.à r.l. (“KOG”)) shall have the right to appoint one director to the Board for so long as KOG and/or any entity or entities controlled directly or indirectly by KOG’s parent or Kohlberg Kravis Roberts, in aggregate, hold 10 per cent. or more of the issued share capital of the Company. The exercise of the right to appoint any person as a director is subject to the Company’s nominated adviser being in a position to confirm, having undertaken its customary due diligence in respect of the proposed director, that such person is suitable to be a director of a UK public company.

Committees:

The Board has established three separate committees, being the Audit Committee, Remuneration Committee and Nomination Committee. The composition of these committees and a summary of their responsibilities can be found on pages 41 to 43 of the 2017 Annual Report [here](#). The full terms of reference of each of these Committees is located [here](#).

The Chief Executive Officer has also appointed and is supported by the Excom, comprising senior management of the Company. The Excom has an executive function within the Group and reports to the Chief Executive Officer. Further details can be found [here](#). The Excom, not being appointed by the Board, has no formal terms of reference.

Matters reserved for the Board:

The Board has a formal written schedule of matters reserved for its review and approval, which is available [here](#).

Plans for evolution of the governance framework:

Please also see Principle 7 on page 5 and the Index, commencing on page 11 of this document where we note that we are currently reviewing aspects of the Group's corporate governance in line with the Company's strategy. Outside of the aforementioned matters of on-going review, the Company does not currently have any plans for evolution of the governance framework in line with the Company's plans for growth.

Principle 10

Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Clear and transparent disclosure of voting outcomes:

As soon as practicable after any general meeting has concluded, the results of the meeting are released through a regulatory news service and a copy of the announcement is posted on the Company's regulatory news page [here](#). In accordance with the Company's Articles of Association, votes at general meetings are held on a poll, where every member has one vote for every share held. The published results set out the result of the poll for each resolution, including votes for, votes against and votes withheld. Votes withheld are not votes in law and have not been counted in the calculation of the proportion of vote "for" or "against" a resolution. Proxy appointments which gave discretion to the Chair are included in the "for" total.

If it became relevant, where a significant proportion of votes (e.g. 20% of independent votes) were cast against a resolution at any general meeting, the Company would explain what actions it would intend to take to understand the reasons behind the vote. For information, in the last five years no such proportion has been cast against any resolution put to shareholders.

Inclusion of historical Annual Reports and other governance-related material, including notices of all general meetings over the last five years:

The 'Investors' section of the Company's website includes historical Annual Reports and other governance-related material. Notices of the past five AGMs and general meetings are published [here](#).

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Set out in the following table is a list of the disclosures required to be published by us under the QCA Code. The table also indicates where each disclosure appears in our Annual Report or in this document. As explained on page 1 of this document, the disclosures appear in the locations recommended in the QCA Code. Unless stated otherwise, reference to a page is to a page in this document.

Corporate Governance Principle	Disclosure	Location
1	Explain the company's business model and strategy, including key challenges in their execution (and how those will be addressed).	Our 2017 Annual Report – Strategic Report, pages 4 to 31
2	Explain the ways in which the company seeks to engage with shareholders and how successful this has been. This should include information on those responsible for shareholder liaison or specification of the point of contact for such matters.	Pages 3 to 4 of this document
3	<p>Explain how the business model identifies the key resources and relationships on which the business relies.</p> <p>Explain how the company obtains feedback from stakeholders and the actions that have been generated as a result of this feedback (e.g. changes to inputs or improvements in products).</p>	<p>Pages 4 to 5 of this document</p> <p>Pages 4 to 5 of this document. The Company is reviewing actions that have been generated as a result of feedback and will provide further details in the 2018 Annual Report</p>
4	Describe how the board has embedded effective risk management in order to execute and deliver strategy. This should include a description of what the board does to identify, assess and manage risk and how it gets assurance that the risk management and related control systems in place are effective.	Our 2017 Annual Report, page 28
5	<p>Identify those directors who are considered to be independent; where there are grounds to question the independence of a director, through length of service or otherwise, this must be explained.</p> <p>Describe the time commitment required from directors (including Non-executive Directors as well as part-time Executive Directors).</p>	<p>Our 2017 Annual Report, page 41 and page 7 of this document</p> <p>In view of the date of publication of the 2017 Annual Report prior to the Company's formal adoption of the QCA Code, it did not include detail about the time commitment required from directors, but this</p>

	<p>Include the number of meetings of the board (and any committees) during the year, together with the attendance record of each director.</p>	<p>will be addressed in the Annual Report for the year ended 31 December 2018</p> <p>Our 2017 Annual Report, pages 41 to 43</p>
6	<p>Identify each director.</p> <p>Describe the relevant experience, skills and personal qualities and capabilities that each director brings to the board (a simple list of current and past roles is insufficient);</p> <p>the statement should demonstrate how the board as a whole contains (or will contain) the necessary mix of experience, skills, personal qualities (including gender balance) and capabilities to deliver the strategy of the company for the benefit of the shareholders over the medium to long-term.</p> <p>Explain how each director keeps his / her skillset up-to-date.</p> <p>Where the board or any committee has sought external advice on a significant matter, this must be described and explained. Where external advisers to the board or any of its committees have been engaged, explain their role.</p> <p>Describe any internal advisory responsibilities, such as the roles performed by the company secretary and the senior independent director, in advising and supporting the board.</p>	<p>Our 2017 Annual Report, page 39 and page 7 of this document</p> <p>Our 2017 Annual Report, page 39</p> <p>Our 2017 Annual Report did not include such detail; this will be addressed in the Annual Report for the year ended 31 December 2018. We note that the Company is committed to gender diversity and we have a number of women in senior management roles.</p> <p>Our 2017 Annual Report did not include such detail; but this will be addressed in the Annual Report for the year ended 31 December 2018.</p> <p>As above</p> <p>As above</p> <p>See page 8, which will be updated as appropriate in our Annual Report for the year ended 31 December 2018</p>

<p>7</p>	<p>Include a high-level explanation of the board performance effectiveness process.</p> <p>Where a board performance evaluation has taken place in the year, provide a brief overview of it, how it was conducted and its results and recommendations. Progress against previous recommendations should also be addressed.</p> <p>Include a more detailed description of the board performance evaluation process / cycle adopted by the company. This should include a summary of:</p> <ul style="list-style-type: none"> • The criteria against which board, committee, and individual effectiveness is considered; • How evaluation procedures have evolved from previous years, the results of the evaluation process and action taken or planned as a result; and • How often board evaluations take place. <p>Explain how the company approaches succession planning and the processes by which it determines board and other senior management appointments, including any links to the board evaluation process.</p>	<p>Our 2017 Annual Report did not include such an explanation; please see pages 5 to 6 of this document where we explain our current ongoing process with regards to Board evaluation and how we will address this in a forthcoming annual report and accounts.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p>
<p>8</p>	<p>Include in the chair's corporate governance statement how the culture is consistent with the company's objectives, strategy and business model in the strategic report and with the description of principal risks and uncertainties. The statement should explain what the board does to monitor and promote a healthy corporate culture and how the board assesses the state of the culture at present.</p> <p>Explain how the board ensures that the company has the means to determine that ethical values and behaviours are recognised and respected.</p>	<p>In view of the date of publication of the QCA Code, the Chair's statement (updated as necessary) will be in the Annual Report for the year ended 31 December 2018</p> <p>In view of the date of publication of the QCA Code, the Chair's statement (updated as necessary) will be in the Annual Report for the year ended 31 December 2018</p>
<p>9</p>	<p>In addition to the high level explanation of the application of the QCA Code set out in the chair's corporate governance statement:</p>	

	<ul style="list-style-type: none"> • Describe the roles and responsibilities of the chair, chief executive and any other directors who have specific individual responsibilities or remits (e.g. for engagement with shareholders or other stakeholder groups). • Describe the roles of any committees (e.g. audit, remuneration and nomination committees) setting out any terms of reference and matters reserved by the board for its consideration • Describe which matters are reserved for the board. • Describe any plans for evolution of the governance framework in line with the company's plans for growth. 	<p>Pages 7 to 8 of this document</p> <p>Page 9 of this document</p> <p>Page 10 of this document</p> <p>Page 10 of this document</p>
<p>10</p>	<p>Describe the work of any board committees undertaken during the year.</p> <p>Include an audit committee report (or equivalent report if such committee is not in place).</p> <p>Include a remuneration committee report (or equivalent report if such committee is not in place).</p> <p>If the company has not published one or more of the disclosures set out under Principles 1-9, the omitted disclosures must be identified and the reason for their omission explained.</p>	<p>Our 2017 Annual Report, pages 41 to 43.</p> <p>Our Annual Report did not include a separate audit committee report. However pages 28 to 29 of our 2017 Annual Report outline the principle risks and uncertainties of the Group, key areas of focus of the Audit Committee in the year ended 31 December 2017 at page 42 and we will further assess internally as to whether it is necessary and appropriate to make further disclosures under the QCA Code, either through a report of the Audit Committee or more likely in sections of the next annual report.</p> <p>Directors' Remuneration Report contained in our 2017 Annual Report from page 45.</p> <p>Not applicable to our 2017 Annual Report in view of timing of adoption of the QCA Code, but will be addressed in the 2018 Annual Report</p>

	<p>Disclose the outcomes of all votes in a clear and transparent manner.</p> <p>Where a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting, the company should include, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.</p> <p>Include historical annual reports and other governance related material, including notices of all general meetings over the last five years.</p>	<p>Page 10 of this document</p> <p>Page 10 of this document</p> <p>Page 10 of this document</p>
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