



A WORD FROM OUR CHAIRMAN

CORPORATE GOVERNANCE REPORT

I am pleased to present our Corporate Governance Report, which sets out the role of our Board and its Committees, along with their key activities in 2019.

As Chairman, I am responsible for leading our Board and making sure it is effective. Our approach to corporate governance is based on the principles and provisions of the UK Corporate Governance Code (the Code) published by the Financial Reporting Council, which we aim to comply with where it applies to a building society. Our commitment to operate to this standard helps to ensure the long-term success of the Society for our current and future members, customers, colleagues and all other stakeholders.

WHAT IS THE UK CORPORATE GOVERNANCE CODE?

Corporate governance is about the rules and policies we use to manage the Society. The Code only applies to publicly-listed companies (companies listed on the UK Stock Exchange) however, we seek to comply with the Code where it applies to a building society as we believe this is in the best interests of our members. This report sets out how we have done this during 2019.

For the 2019 financial year we have applied the Principles and complied with the Provisions of the Code published in July 2018 (available on the Financial Reporting Council's website frc.org.uk) as far as they apply to building societies (as set out in the Building Societies Association Guidance available at bsa.org.uk).

The approach to Workforce Engagement set out on page 69 was developed and implemented during the year.

WHAT CHANGES HAVE THERE BEEN TO OUR BOARD IN 2019?

Last year I confirmed the appointment of Guy Bainbridge as a Non-Executive Director. Guy joined our Board and Audit Committee in January 2019, making their mix of skills and experience even stronger. I am pleased to announce that Guy has since become Chair of our Audit Committee in October 2019. I would like to thank Mark Pain for his excellent contribution as Audit Committee Chair since April 2015 and his continued support as Vice Chair and Senior Independent Director. Guy's appointment was an important part of our succession planning and

this work continued in 2019 to make sure our Board has members with the skills and experience it needs both now and in the future

HOW DO WE MAKE SURE OUR BOARD LISTENS TO THE VOICE OF OUR KEY STAKEHOLDERS?

As a building society we put our members at the heart of all the decisions we make, but also understand how important it is to take into account the views and needs of all our key stakeholders. In 2019 the Board reviewed its engagement with key stakeholders to ensure that their voices continue to be part of all Board discussions. In particular we have developed our colleague engagement framework further during 2019 to reflect the requirements of the new Code and make sure our colleagues voice continues to be heard in decision making at YBS.



For more on how our Board engages with its stakeholders see page 68.

WHAT WILL OUR BOARD BE DOING IN 2020?

We will continue to oversee and support the development and delivery of our strategy during 2020 and make sure we continue to create long-term value for our stakeholders through strong governance.

On behalf of the Board,

John Heaps
Chairman

26 February 2020



BOARD LEADERSHIP AND COMPANY PURPOSE

OUR BOARD AND COMMITTEE STRUCTURE

OUR BOARD
Chair - John Heaps

Together our Board is responsible for our long-term success. It delegates some matters to Board Committees so that they can be looked at in more detail, by directors who have the most relevant skills and experience.

Key

- Board/Board Committee
- Management and Sub-Committee

CHAIRMAN'S COMMITTEE
Chair: John Heaps

Its role is to meet when asked by our Board to look at specific matters. Its members are usually the Chair, Vice Chair and Chief Executive.

GROUP RISK COMMITTEE
Chair: Neeta Atkar

Its role is to oversee Prudential Risk, Operational Risk and conduct Risk Strategy, Appetite and Oversight.
[Read more page 87](#)

AUDIT COMMITTEE
Chair: Guy Bainbridge

Its role is to oversee financial reporting, our internal controls and risk management systems, Internal and External Audit.
[Read more page 83](#)

REMUNERATION COMMITTEE
Chair: Guy Parsons

Its role is to agree and oversee our Remuneration Policy for Executive Directors and our colleagues.
[Read more page 95](#)

BOARD GOVERNANCE AND NOMINATIONS COMMITTEE
Chair: John Heaps

Its role is to oversee Board governance, including composition, succession and appointment processes for the Board.
[Read more page 79](#)

OPERATING COMMITTEE (OPCO)

Its role is to take Group level operational decisions with a specific focus on trading, service, people, cost and risk. Its members include all Chief Officers and the Leadership Team.

EXECUTIVE COMMITTEE (EXCO)

Its role is to oversee and direct the management of all aspects of the Society with delegated authority from the Board. All the Chief Officers are members.

EXECUTIVE RISK COMMITTEE (ERC)

Its role is to oversee our day to day risk management activity with delegated authority from the Group Risk Committee.
[Read more page 89](#)

ASSET AND LIABILITY COMMITTEE (ALCO)

Its role is to optimise the balance between margin and delivery of benefits to customers within agreed risk limits.

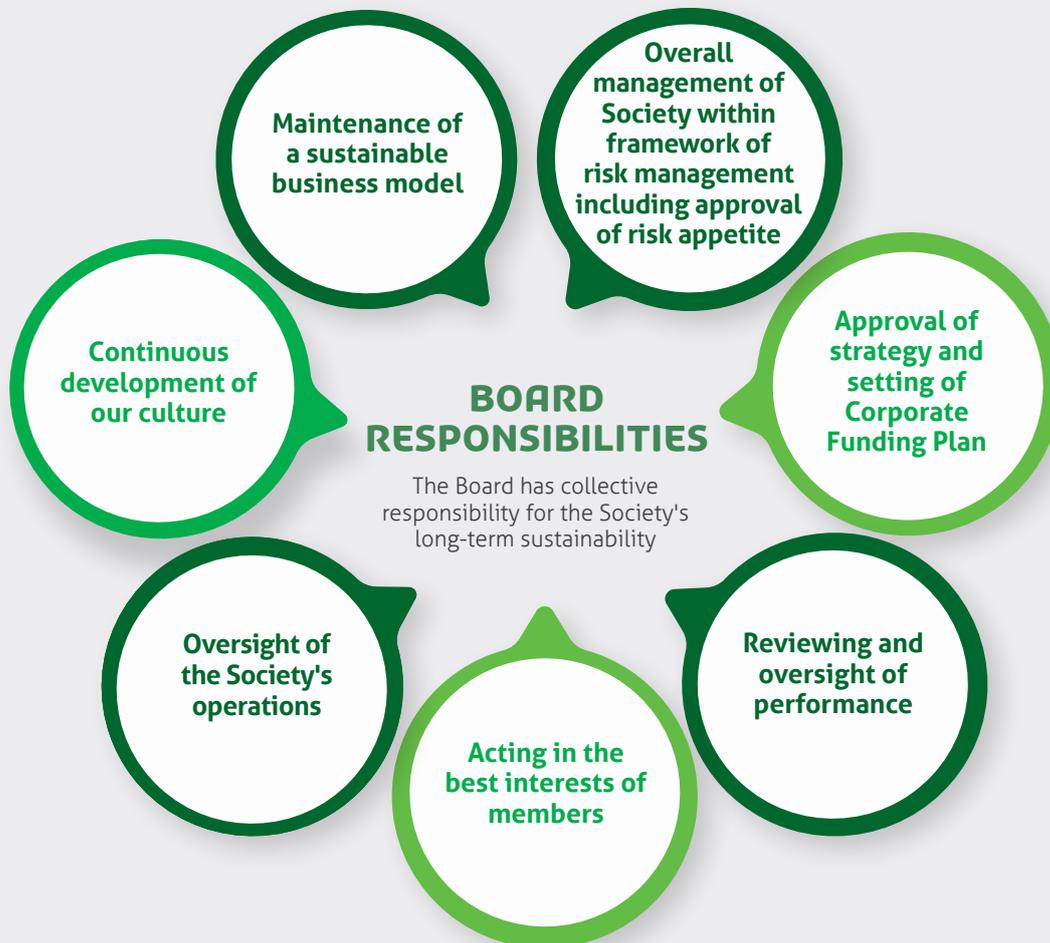
Our Board and Committee structure

The Board and each of its Committees have terms of reference which set out their roles and responsibilities.

[You can find the terms of reference of our Board, Remuneration, Audit, Group Risk and Board Governance and Nominations Committees on our website at ybs.co.uk/board.](http://ybs.co.uk/board)

BOARD'S RESPONSIBILITIES

Our Board is accountable to our members and its role and responsibilities shown in its Terms of Reference include:



The Board keeps certain key matters for its own approval which it does not delegate to any of its committees or any individual. These are set out in a Schedule of Matters Reserved which can be found on our website at ybs.co.uk/board.

SETTING OUR PURPOSE AND GENERATING LONG-TERM SUCCESS

Our Board is committed to delivering our purpose and creating long-term value for our stakeholders through good governance. It does this through:

- Effective decision making**
 a strong governance structure supports quicker and better decision making, in line with our strategy, for our long-term success.
- Ensuring good quality reporting**
 the quality of the information provided to the Board, including details of any impact on its stakeholders, wider community and the environment, ensures it is able to make informed decisions which can improve value creation and reduce costs.
- Compliance**
 good corporate governance ensures that we meet legal and regulatory requirements and avoid any consequences of not doing so.
- Brand and reputation**
 a clear and effective framework of corporate governance provides confidence to our stakeholders, supporting a positive brand reputation.

Further details on our purpose can be found in the Strategic Report on pages 26 to 29.

BOARD ACTIVITIES IN 2019: Summary of key areas considered by the Board during 2019

Our Board's activities during the year are based around an annual cycle to make sure it meets its responsibilities and oversees the overall management of our operations.

The key matters considered by the Board are planned on a rolling 12 month basis with additional items included through the year as appropriate.

At each meeting
the Board receives:

- Comprehensive management information including financial and non-financial.
- Scorecards to monitor progress against key performance indicators (KPIs).
- External environment and consumer update.
- Chief Executive's Report including an update on key issues.
- Updates from and minutes of Board Committee meetings and Executive Committee minutes.

In addition to the list to the left, during 2019, Board agendas have also included the following key topics at appropriate scheduled meetings in the year:

- Approval of Annual Report and Accounts and Interim Group Accounts.
- Approval of key policies.
- Minutes of Accord Board meetings and bi-annual governance updates.
- Member engagement and feedback.
- Succession planning and the diversity pipeline.
- Whistleblowing Policy and Annual Report.
- Approval of Modern Slavery Act Statement.
- Updates in relation to the management of cyber security and resilience.
- Approval of the 2019 Internal Capital Adequacy Assessment Process (ICAAP).
- Approval of the 2019 Internal Liquidity Adequacy Assessment Process (ILAAP).
- Non-Executive Director and Chief Officer appointments.
- Updates on the approach to culture and diversity.
- Review of lending initiatives.
- Consideration of the risk position and its management.
- Internal Ratings Based (IRB) application process.
- Approval of Risk Appetite and ongoing monitoring of adherence.

The Board also holds two separate strategy sessions each year.

OUR BOARD'S ENGAGEMENT WITH STAKEHOLDERS

It is important that our Board understands the areas of interest or concern for our key stakeholders when it makes decisions. The relationship our Board has with all our stakeholders will help to drive the achievement of our purpose and priorities.

Each report to our Board includes details of the impact or potential impact of a decision on our key stakeholders.



OUR MEMBERS

As a mutual we have no external shareholders – we are owned by our members. We encourage feedback from them on any aspect of our activities and use this to inform the Board's decisions. We hold an Annual General Meeting (AGM) to present to our members details of how we performed during the previous year and our plans

for the future. It is an opportunity for members to ask our Board questions and provide us with their feedback.

Eligible members are asked to vote on a number of resolutions including the election and re-election of all our directors. The Code expects that if there is a vote of 20 per cent or more against any resolution put forward by our Board at the AGM, we should

give details of how we will consult our members to understand the reason why. The Society has a process in place if this happens, however there were no votes of 20 per cent or more against any of the resolutions our Board put forward at the 2019 AGM.

Board Members at Our Time to Talk Events

In addition to our AGM, we hold 'Our Time to Talk' events, which are an opportunity for members to meet our leadership team, including members of our Board, ask questions and provide feedback on what is important to them. In August 2019 we held an Our Time to Talk event in Birmingham which was attended by Neeta Atkar, a Non-Executive Director and Chair of our Group Risk Committee.

Neeta Atkar, Non-Executive Director "Our Time to Talk sessions are really valuable - they provide a great opportunity for colleagues, including those of us who sit on the Board, to meet members of the Society to hear first-hand what's at the top of their agenda and to answer their questions directly, but also to thank them personally for continuing to be members of the Society."



YBS Member

"I actually felt valued as a customer and it had quite a personal feel about it. It was good to feel we are recognised out there as customers and people."



OUR COLLEAGUES

The Board has an important role in making sure that the views of our colleagues influence the decisions we make. The revised Code, effective from 1 January 2019, recommends:

'For engagement with the workforce, one or a combination of the following methods should be used:

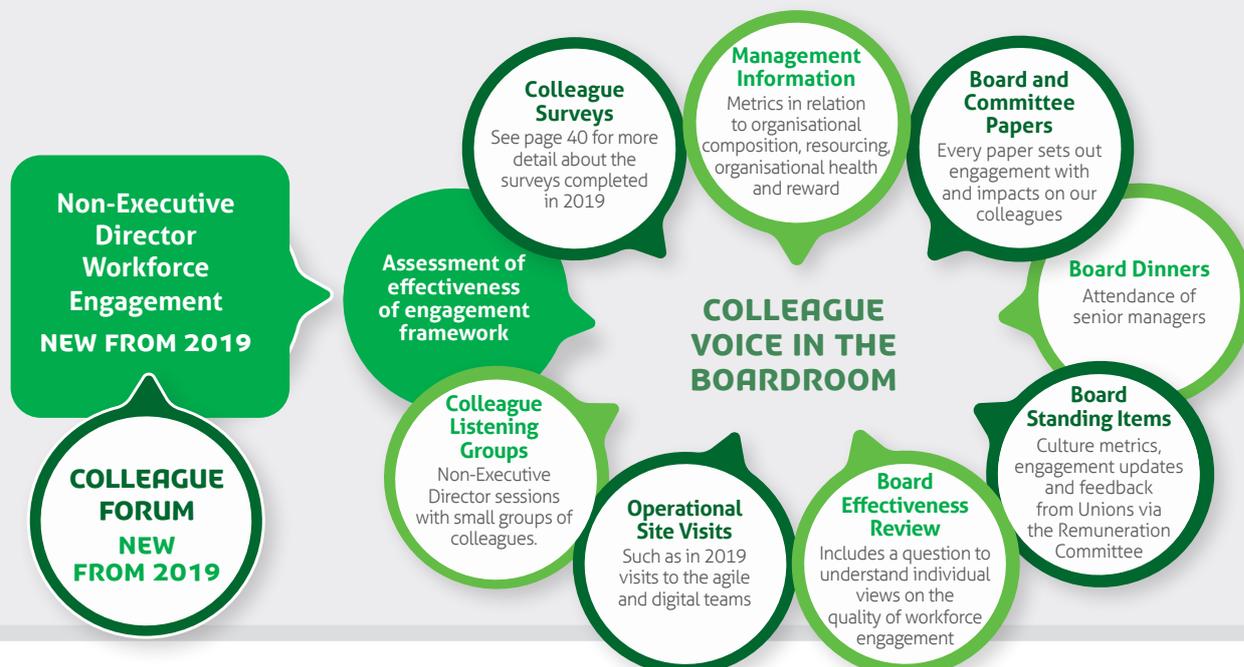
- i. a designated Non-Executive Director
- ii. a Director appointed from the workforce
- iii. a formal workforce advisory panel.'

As referred to earlier we chose to appoint Alison Hutchinson as our Non-Executive Director for Workforce

Engagement in April 2019 to make sure the views of our colleagues are understood.

The role is an important part of our Board's commitment to making sure that the employee voice is a part of all Board discussions.

There has been a significant drive over the last few years to develop a framework for colleague engagement and as part of this dialogue with colleagues is maintained in a number of ways. In 2019, building on this foundation, we created the Colleague Forum as an additional mechanism to support Alison Hutchinson in spending significantly more time talking to colleagues in her Workforce Engagement role:



Creation of Colleague Forum

In 2019, we created the Colleague Forum as an additional way in which Alison Hutchinson could spend more time in dialogue with colleagues, as part of her workforce engagement role.

Alison attended the first Colleague Forum in October 2019, with colleagues from around the business sharing their views on Board topics of interest as well as issues that are important to our colleague experience. The session was engaging and key areas of discussion were our colleagues' understanding of the strategy, colleagues' ability to influence our activity and their views on Leadership. This feedback is enabling us to test whether we are focusing on the right things and will inform the agenda in 2020.



YBS Colleagues:

"Plenty of opportunity to share your thoughts and views and hear from other colleagues across the business"

"Open friendly atmosphere with free exchange of views across the room with no political restrictions"



OUR CULTURE

We have a strong and positive culture which supports our purpose and the delivery of our strategy. Whilst the revised Code made culture a key principle for the first time, work on refining ours had already started in early 2016, led by our Board.

Our Board has continued to monitor its development throughout 2019 and all our Directors lead by example in promoting our culture. Board members receive periodic cultural insight updates, which helps them support its ongoing development and shaping.

WHISTLEBLOWING

We are committed to making sure that anyone, including our colleagues, can be confident that any concerns raised with us will be taken seriously and treated as confidential. Nobody will be the subject of victimisation,

subsequent discrimination or disadvantage for reporting their concerns, whatever the outcome. We have clear processes in our Whistleblowing Policy which is approved by our Board annually. Our Board also oversees how the policy works.

With effect from 2019, responsibility for the Whistleblowing Policy and how it works moved from the Audit Committee to the Board as recommended by the revised Code.

CONFLICTS OF INTEREST

Our Board has a Conflicts of Interest Policy for Directors and Chief Officers which sets out how we will review and, where appropriate, approve any conflicts or potential conflicts of interest. These are recorded in a Register of Interests which is reviewed and approved by our Board Governance and Nominations Committee at each meeting.

If any director wants to take on a new external position it must first be approved by our Board, which will consider whether there could be any conflicts of interest and / or an impact on the time they commit to their role with the Society.



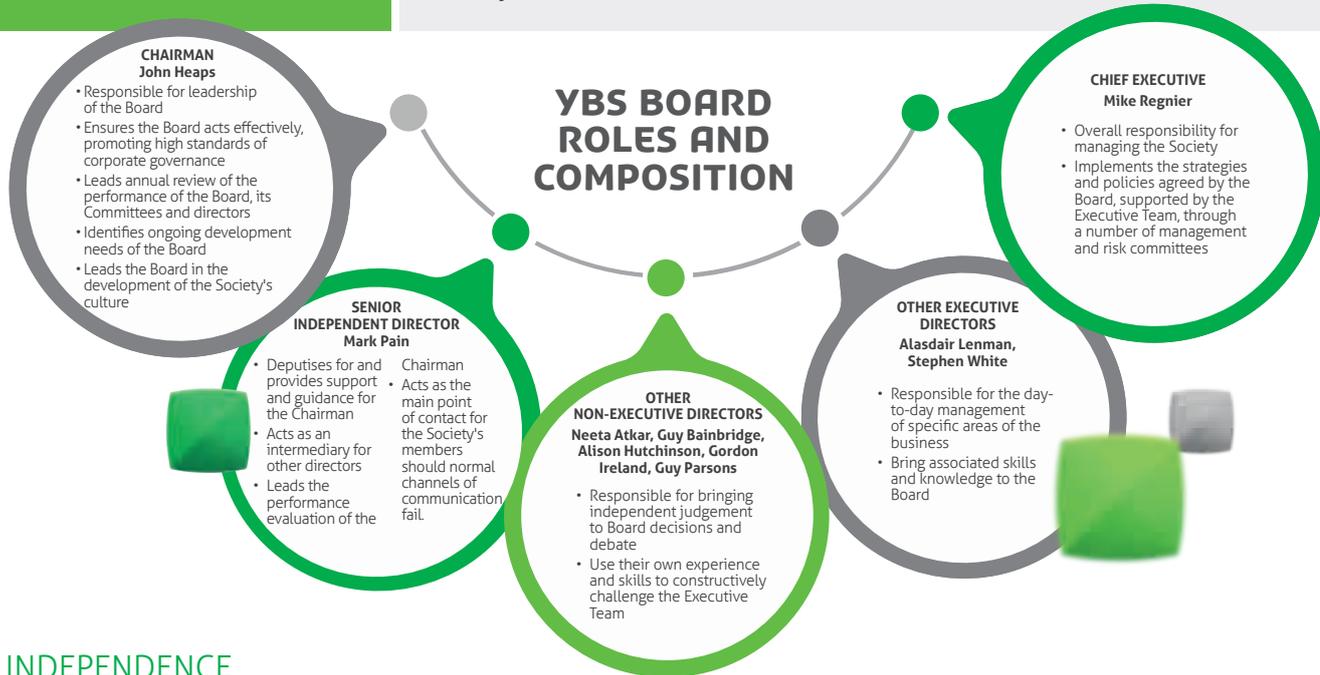
DIRECTORS DUTIES

Section 172 of the Companies Act 2006 sets out the duties of company directors. This does not apply to the Society's Directors as we are a building society not a company, but the revised Code expects boards to report on how they have considered the matters set out in Section 172 in decision making. The table below gives examples of where our Board has considered the matters during 2019:

Summary of Section 172 Requirements (as applied to a building society)	Example Board Decision Making
<p>A director must act in a way they consider, in good faith would most likely promote the success of the business for the benefit of its members as a whole (i.e. the company's shareholders)</p>	<p>As a mutual the Society does not have external shareholders, we are owned by our members. The Board is committed to promoting the long-term success of the Society for the benefit of our current and future members.</p> <p>Example – Our Purpose</p> <p>Our Board considered papers in March, June and October 2019 on the development of our new strategy, built around our purpose of providing Real Help with Real Life. It was supported by research which had been completed with a wide range of stakeholders. The aim of the strategy is to have a wider societal impact, creating long-term value for our stakeholders.</p>
<p>and in doing so have regard (amongst other matters) to the:</p>	
<ul style="list-style-type: none"> likely consequences of any decision in the long-term 	<p>Our Board recognises the importance of ensuring the likely consequences of decisions in the long term are considered.</p> <p>Example – Corporate and Operating Plans</p> <p>The Board reviewed and approved our Corporate Plan in October 2019 which sets out our longer term financial targets from 2020 to 2024. The Plan is stress tested to ensure that the Society can deal with the risks we face and help the Board in its decision making.</p> <p>In December 2019 the Board approved our Operating Plan which operationalises the first year of the Corporate Plan and helps the Board to understand the challenges, threats and opportunities we face.</p>
<ul style="list-style-type: none"> interests of employees 	<p>The Board understands that our people are the foundation of our business and recognises the importance of ensuring that their voice is heard in the board room.</p> <p>Example – Workforce Engagement</p> <p>We run a range of activities, both formal and informal, to understand our colleagues' views. Our Board agreed to support the activities already in place by appointing a Non-Executive Director for Workforce Engagement in April 2019, and in June 2019 it looked at how our colleague engagement activities would fit with this role. This will help to make sure that the colleague voice is heard in all relevant Board discussions.</p>
<ul style="list-style-type: none"> need to foster business relationships with suppliers, customers and others 	<p>The Society's Board is committed to fostering and monitoring the effectiveness of our wider business relationships with all our key stakeholders.</p> <p>Example – Lending Initiatives</p> <p>As a mutual, our Board recognises the importance of keeping our members and customers at the heart of what we do. In February 2019, it considered a paper on the approach to new lending initiatives to facilitate developing a wider range of offers to our customers and members. The aim being to help deliver our strategy and purpose including supporting our customers through the provision of solutions to help them buy a house or manage a mortgage.</p>
<ul style="list-style-type: none"> impact of the businesses operations on the community and the environment 	<p>Each paper considered by the Board sets out any social or environmental implications of a decision ensuring that the Board has regard to the impact of these as part of its overall approach to promoting the success of the Society.</p> <p>Example – Integrated Strategy</p> <p>Our Board considered a paper in March 2019 to make sure that our purpose-driven strategy takes into account environmental and societal impacts.</p>
<ul style="list-style-type: none"> desirability of maintaining a reputation for high standards of business conduct 	<p>The Board's commitment to maintaining high standards of business conduct helps to ensure the long-term success of the Society for our current and future members, customers, colleagues and all other stakeholders.</p> <p>Example – Securitisation Transaction</p> <p>Our Board considered proposals in June 2019 for our latest securitisation transaction which is one of the ways we fund our business. Moving into new markets for the first time, it was important to ensure that we built on our reputation for the highest standards of conduct.</p>
<ul style="list-style-type: none"> need to act fairly as between members (i.e. the company's shareholders) 	<p>The Society does not have external shareholders, instead our members are our owners and at the heart of what we do. The Board understands the importance of engaging with our members and is committed to ensuring their views inform future decision making to ensure it is fair and in the interests of members as a whole.</p> <p>Example – Member Engagement</p> <p>In January 2019 our Board considered a paper on Member Engagement in the context of the new Code and understanding our relationship with both our members and customers. The discussions were then used to inform the wider work taking place in relation to the development of our strategy and the delivery of value to our stakeholders, including our members and customers.</p>

DIVISION OF RESPONSIBILITIES

The size and composition of our Board and its Committees are kept under constant review, including future succession planning and all aspects of diversity and inclusion.



INDEPENDENCE

The Board has agreed that all the Non-Executive Directors continue to be independent based on the guidance set out in the Code, including the Chairman, who was independent on appointment.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

The table below shows our directors and the scheduled Board and Committee meetings they attended during 2019 (where they were a member during the year). The figure in brackets shows the number of meetings the director was eligible to attend.

Director	Board	Board Strategy	Board Committees				
			Chairman's	Audit	Board Governance and Nominations	Remuneration	Group Risk
Non-Executive Directors							
John Heaps - Chairman	9 (9)	2 (2)	1 (1)	–	4 (4)	7 (7)	–
Mark Pain - Vice Chair / Senior Independent Director	9 (9)	2 (2)	1 (1)	3 (3)*	4 (4)	–	4 (4)
Neeta Atkar	9 (9)	2 (2)	–	4 (4)	–	–	4 (4)
Guy Bainbridge	9 (9)	2 (2)	–	4 (4)	–	–	1 (1)†
Alison Hutchinson	9 (9)	2 (2)	–	–	4 (4)	7 (7)	4 (4)
Gordon Ireland	7 (9)	2 (2)	–	4 (4)	–	–	4 (4)
Guy Parsons	9 (9)	2 (2)	–	–	–	7 (7)	–
Executive Directors							
Mike Regnier Chief Executive Officer	9 (9)	2 (2)	1 (1)	–	–	–	–
Alasdair Lenman Chief Finance Officer	9 (9)	2 (2)	–	–	–	–	–
Stephen White Chief Operating Officer	9 (9)	2 (2)	–	–	–	–	–

*Member to 3 October 2019 †Member from 3 October 2019

If a director cannot attend a meeting they will receive the papers and give any comments they have to the Chair of the meeting beforehand.

The Chairman and Chief Executive are usually invited to attend all Committee

meetings and the Chief Risk Officer is invited to attend all Board meetings.

If an urgent decision is needed when there is not a Board or Committee meeting, a decision can be taken in writing (known as a written resolution) if there is approval from

all Directors (or members in the case of a committee). Our rules set out the procedure for written resolutions and it was used one time by the Board and one time by the committees in 2019.

DIRECTORS' TIME COMMITMENT AND OTHER DIRECTORSHIPS

All Non-Executive Directors have to make sure that they have enough time for the responsibilities of their role and to support this:

- Availability and other commitments are reviewed when recruiting new Non-Executive Directors.
- Each Non-Executive Director has a letter of appointment which sets out the time they will be expected to commit to the role.
- If a Director is intending to take on an additional external appointment this is reviewed and, if appropriate, approved before it is taken up. Our Board will take into account the impact any additional role would have on the time they could commit to their role with the Society.
- A review of time commitment is also included as part of the one to one sessions held each year with individual directors.

None of the Executive Directors held a non-executive directorship in a FTSE100 company or any other significant appointment during 2019. Mike Regnier, Chief Executive, is currently the Chair of the Building Societies Association.

GROUP SECRETARY

The Group Secretary, Simon Waite, provides advice on all governance matters and is available to advise all the directors.

During the year, the Board considered and approved the following significant appointments for Non-Executive Directors:

Non-Executive Director	External Appointment	Reason for Approval
 <p>Guy Bainbridge</p>	ICE Clear Europe Ltd	The Board agreed that as Guy had no other significant commitments he had the available time to serve on the ICE board without affecting his commitment to YBS.
	Manulife Financial Corporation	The Board agreed that Guy had the available time to take on the additional commitment, noting that he had indicated that he had no intention of taking on any further business appointments at this time.

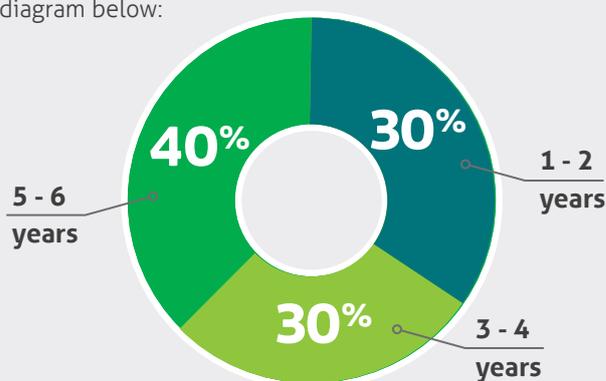
COMPOSITION, SUCCESSION AND EVALUATION

ELECTION OF DIRECTORS

All of our directors are subject to annual re-election by our members at the AGM based on the best practice set out in the Code (our rules require the re-election of our directors to take place at least every three years). Details of each individual director's contribution are set out in the booklet accompanying the Notice of AGM sent to all qualifying members.

TENURE OF DIRECTORS

Length of time spent as a member of our Board, for our Non-Executive and Executive Directors, is set out in the diagram below:



Our Chairman, John Heaps, was appointed as Chairman Designate in 2014 and became Chairman in 2015. His current time on the Board does not exceed the provision in the Code that states that the Chair should not remain in post beyond nine years from their first date of appointment, and our succession plans take this into account.

OUTCOMES OF THE 2019 BOARD EVALUATION

Each year our Board reviews its performance, as well as that of its principal committees and the individual directors.

For further details on the process followed for the evaluations please see the Board Governance and Nominations Committee report on page 82.

Three main themes arose from the 2018 evaluation and good progress has been made on these during 2019:

Themes from 2018	What the Board did in 2019
Continue to challenge and identify opportunities to further strengthen work in relation to diversity of the Board.	Board diversity and the diversity of the talent pipeline of our colleagues continue to be reviewed through Board Governance and Nominations Committee.
Ensure succession plans for directors remain robust with ongoing monitoring.	Significant time has been spent during 2019 ensuring our Board has robust succession plans for the short, medium and long term.
Continue to ensure opportunities are available for Non-Executive Director's involvement in member engagement.	The Board remains committed to member engagement and to ensuring our members' voice is heard in all the decisions it makes.

The outcomes of the 2019 evaluation were reviewed by the Board in January 2020 and the following themes and actions were agreed:

Key themes from 2019	What the Board plans to do in 2020
Continue to seek ways of enhancing and developing the diversity of our Board.	Making sure the Board has a diverse composition with a wide range of different skills, experience and perspectives is an ongoing commitment and as such has been identified as an area for continued development in 2020. The Board Governance and Nominations Committee's role in supporting this commitment will continue during 2020.
Ensure succession plans meet both the medium and long-term needs of our Board.	The Board Governance and Nominations Committee has an important role in making sure our Board has succession plans in place for both the medium and long term. In 2020 it will focus on making sure we have got plans to replace those directors who will be reaching the end of their terms of office over the next few years.
Ensure the Board is engaging with and encouraging participation from our colleagues.	The Board appointed Alison Hutchinson as the new Non-Executive Director for Workforce Engagement in 2019 to support the Board's engagement with colleagues. During 2020 and as part of the evaluation completed at the end of the year, the Board will review the success of the new structure.

BOARD DEVELOPMENT

Our Board has an annual training plan to make sure that the skills and knowledge of its directors and the Board as a whole are kept up-to-date. Training is also provided on our strategy and changes taking place outside the Society. All new directors also have an induction when joining our Board, based on their skills and experience.

Induction of a Non-Executive Director

Guy Bainbridge joined the Board in January 2019 and to support him in his new role he took part in a thorough induction programme. The induction covered the Board's key areas of focus and also included meetings with senior managers and colleagues from across the business.

Guy was very positive about the benefits the induction programme provided. He suggested a small number of changes based on his experience, which will be taken into account for future appointments.

Overall I've found my induction to be a great experience. It's provided me with the big picture across all areas of the business, filled in knowledge gaps, introduced me to many of the senior management team and provided a small insight into our colleagues in general.

**Guy Bainbridge,
Non-Executive
Director**

More information about our Board is available in other parts of the Annual Report and Accounts:

Subject	Where to find this information
SUCCESSION PLANNING FOR THE BOARD	See our Board Governance and Nominations Committee report on page 79.
SKILLS AND EXPERIENCE OF OUR BOARD AND COMMITTEES	See our Leadership Team biographies on pages 57 to 62.
RECRUITMENT AND APPOINTMENT OF DIRECTORS	See our Board Governance and Nominations Committee report on page 79.
BOARD DIVERSITY AND INCLUSION	See our Board Governance and Nominations Committee report on page 79.

AUDIT, RISK AND INTERNAL CONTROL

Our Board has overall responsibility for audit, risk and internal control, and delegates oversight to its committees:

Subject	Where to find this information
ENSURING THAT BOTH INTERNAL AND EXTERNAL AUDIT ARE EFFECTIVE	More information can be found in the Audit Committee Report on pages 83 to 86.
SETTING OUR RISK APPETITE	More information can be found in the Risk Management Report on pages 87 to 94.
OUR SYSTEMS OF INTERNAL CONTROLS	More information about the internal controls framework can be found in the Audit Committee Report on pages 83 to 86.

REMUNERATION

Our Board has a Remuneration Committee which has delegated responsibility for setting the policy on the remuneration of Executive Directors as well as setting the remuneration for the Chairman, Executive Directors and other members of the Leadership Team.

For further details please see the Remuneration Committee Report on pages 95 to 113.

The remuneration of Non-Executive Directors is a decision reserved for our Board's approval and is reviewed by the Executive Directors and the Chairman only.

On behalf of the Board,

John Heaps
Chairman

26 February 2020