

# The Nomination Committee

During the year, the work of the Nomination Committee was focused on the process for the recruitment of a non-executive director to join the board and chair the Remuneration Committee, ensuring that the new director had the attributes, skills and experience needed to make a positive contribution to enable the board to continue to be effective, during what is a period of significant change for the Group. The committee also considered the board’s composition and diversity in light of the current and future needs of the Group as well as succession planning.



**JOHN CONNOLLY**  
NOMINATION COMMITTEE CHAIRMAN

### Responsibilities

The Nomination Committee’s remit covers broadly five areas. These are: board composition, making recommendations to the board on appointments (based on merit and objective criteria, with a view to maintaining a balance of skills and experience on the board and its committees and to promote diversity), succession planning for the board and the group executive committee and the development of a diverse pipeline, board performance evaluation and annual reporting.

During 2019, the committee reviewed and updated its terms of reference to ensure full alignment with the Code. The committee’s terms of reference are available at [g4s.com/investors](http://g4s.com/investors).

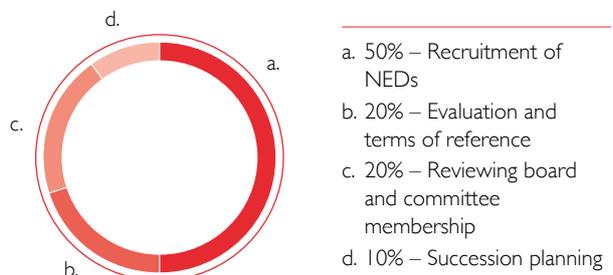
### Committee Membership during 2019

	Member since
John Connolly (Chairman)	June 2012
Steve Mogford	May 2016
Barbara Thoralfsson	July 2016

The Nomination Committee meets on an ad hoc basis, when the need arises. In 2019, the committee met twice.

Members’ attendance at committee meetings is shown on page 102.

### Main activities (%)



### Links to strategic priority



## Board composition

Following the announcement in March 2019 that John Daly would step down from the board and as chair of the Remuneration Committee at the conclusion of the AGM on 16 May 2019, the Nomination Committee initiated a recruitment process for the appointment of a new non-executive director to succeed Mr Daly.

Russell Reynolds was appointed to assist the committee with the recruitment. A candidate specification setting out the requirements for the role (including the Code requirement that the newly appointed chair should have served on a remuneration committee for at least 12 months) and the preferred attributes of potential candidates (such as international experience, the ability to make a positive and broad contribution to the board and the need to continue to enhance board diversity) was prepared.

Shortlisted candidates were interviewed by the chairman, other members of the Nomination Committee, and the CEO.

The process resulted in Clare Chapman joining the board as non-executive director and chair of the Remuneration Committee on 23 September 2019. Information about the induction programme undertaken by Ms Chapman is provided on page 104.

Following Paul Spence stepping down from the board on 31 March 2020, the Nomination Committee initiated another recruitment process supported by Russell Reynolds. Again a candidate specification setting out the requirements for the role and the preferred attributes of potential candidates was prepared. A strong international operational experience with a good knowledge of disruptive technologies were key considerations as well as corporate culture and fit. The process is currently on-going.

Russell Reynolds has no connection with the company other than as provider of recruitment consultancy services to the Nomination Committee.

## Committees' composition

The composition of board committees was reviewed at the committee's December meeting and again early in 2020. Taking account of the balance of skills and experience on each committee, it was thought that while Mr Ramsay, as chair of the Audit Committee would bring additional relevant knowledge to the Risk Committee, Ms Thoralfsson's broad business experience would prove useful to the Audit Committee.

## Diversity

Diversity is a matter for the board as a whole and is an integral part of succession planning and recruitment for the board and senior management team. The board's approach to diversity is set out on page 101.

The Nomination Committee seeks to engage executive search agencies which are signatories of the Enhanced Voluntary Code of Conduct to help ensure the most diverse talent pools are reached and an approach in line with best practice is adopted. Diversity is also expressly included in the specification provided to search agencies for each vacancy, to ensure candidates are considered on merit against objective criteria, promoting diversity of gender, social and ethnic backgrounds and cognitive and personal strengths.

Consideration is also given to diversity when reviewing board composition and the result of the annual board performance evaluation. In doing so, the committee took account of the results of the fourth Hampton-Alexander review into gender diversity on boards of FTSE 350 companies published, as well as the recommendations of the Parker review on ethnic diversity in which they participated.

## Succession planning

At its December meeting, the Nomination Committee reviewed the board committees composition as well as the current skills and experience available on the board.

The committee also considered what further skills or experience may be useful to enable the board to support the developing changes to the Group. The results of the board evaluation were also considered. Reviewing these various parameters helps inform future board recruitment. The board reviewed succession plans in place for the group executive committee as well as the pool of talent available to the company for such appointments.

## Independence and re-election to the board

John Ramsay's term of appointment, due to expire in December 2019, was considered by the committee, which was satisfied that John continues to remain independent and committed to his role as a director and as chairman of the Audit Committee.

The committee was satisfied that the non-executive directors continue to remain independent and committed to their role as directors of the company.

The committee is mindful that the Code requires a clear explanation to be provided where a non-executive director is considered by the board to remain independent beyond nine years.

In relation to Winnie Fok, who joined the board in late 2010, both the committee and the board are satisfied that her experience relating to the Group's Chinese and Asian markets combined with her general business experience and expertise remained valuable to the board in supporting the development of the business in one of its fastest growing markets. Her knowledge and experience of the business also provide helpful continuity at a time of great change for the Group.

The committee and the board are mindful of the need to refresh the board however, and a recruitment process is underway to seek an additional new non-executive director to join the board.

### Directors' length of service

As part of its annual review of board composition, the Nomination Committee reviews the directors' length of service.

In line with our remuneration policy, executive directors have a rolling service contract, whereas non-executive directors are appointed for an initial term of two years. Further information about the key features of the executive directors' service contracts and non-executive directors' letters of appointment can be found on page 135.

As part of the review of the directors remuneration policy undertaken in 2019, the terms of the letters of engagement for non-executive directors were reviewed, which led to some proposed changes to better align with market practice. Changes cover increasing the initial term of appointment from two to three years (subject to successful election or re-election at the company's annual general meeting), which better aligns with the Code's independence criteria regarding tenure as well as various changes to update other terms.

The table sets out the date of appointment and (where applicable) unexpired term remaining for current members of the board.

### Committee performance

The performance of the Nomination Committee was reviewed as part of the process undertaken by each of the board committees, with assistance from Lintstock. The committee's performance in reviewing the composition of the board and running an effective recruitment process for the board were seen as good. The committee identified that more work remained to be done to continue to support greater diversity in particular below board level.

Director	Date of appointment	Unexpired term (based on two-year term) at date of this report
<b>Executive Directors</b>		
Ashley Almanza	1 May 2013 <sup>a</sup>	n/a
Tim Weller	1 April 2013 <sup>b</sup>	n/a
<b>Non-Executive Directors</b>		
John Connolly	8 June 2012	2 months
Clare Chapman	23 September 2019	17 months
Elisabeth Fleuriot	18 June 2018	2 months
Winnie Fok	1 October 2010	5 months
Steve Mogford	27 May 2016	1 month
John Ramsay	1 January 2018	21 months
Barbara Thoralfsson	1 July 2016	3 months

a. Ashley Almanza was appointed to the board on 1 May 2013 as chief financial officer and took on the role of chief executive officer on 1 June 2013.

b. Tim Weller joined the board on 1 April 2013 as a non-executive director until 24 October 2016, when he became chief financial officer.

Unexpired term calculated on the basis of the current two-year term for non-executive directors.