

# Nomination Committee report

## Nomination Committee

The Committee is responsible for overseeing succession planning for the Board and senior management and assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any Board Committees.

The purpose of this report is to highlight the role that the Nomination Committee plays in monitoring the Board's balance of skills, knowledge and experience and to provide the diversity of thinking and perspective required to provide effective leadership.

It is primarily responsible for:

- Leading the process and making recommendations to the Board for the appointment of new Directors.
- Regularly reviewing the Board structure, size and composition (including the skills, knowledge, independence, experience and diversity), recommending any necessary changes and considering plans for orderly succession.
- Making recommendations to the Board about suitable candidates for the role of Senior Independent Director, and membership of the Audit, Risk, ESG and Remuneration Committees in consultation with the Chairs of the relevant Committees.
- External and internal Board and Committee evaluations.

### Meetings attended:

Richard Last (Chair)	10/10
Charlotta Ginman <sup>1</sup>	8/8
Martin Lea	10/10
Henrietta Marsh	10/10
Xavier Robert <sup>1</sup>	8/8
Wu Long Peng <sup>2</sup>	2/2

1 Charlotta Ginman and Xavier Robert joined the Nomination Committee on 19 May 2022.

2 Wu Long Peng left the Committee at the time he stood down from the Board at the AGM on 19 May 2022.

## Dear Shareholder,

On behalf of the Nomination Committee, I am pleased to present our report for the year ended 31 December 2022. This report sets out the Committee's key activities in 2022 as well as the Committee's priorities for 2023.

2022 was an extremely important year for the Committee, during which it met ten times. The principal matters dealt with included:

- Succession planning for the Chair and Senior Independent Director roles.
- Succession planning and evaluation of candidates for the CEO role.
- Evaluation of potential Independent Non-Executive Director candidates.
- Recommendation to the Board of changes to the composition of the Audit Committee.
- Evaluation of candidates for the Company Secretary role.
- Appointment of external supplier to complete Board evaluation.

Long Peng retired from the Board in May 2022. Martin Lea and I will have each served on the Board for nine years in 2023 and Martin has confirmed his intention to step down from the Board at the conclusion of the AGM in May 2023. The Nomination Committee has therefore engaged a search agency to look for my successor which is detailed later in this report. Subject to that process, it is intended that I will step down, as Chair and Director, at the later of the AGM and the date on which my successor's appointment commences. I will therefore offer myself for re-election at the forthcoming AGM to ensure continuity and time for a handover with the incoming Chair. The Committee has therefore spent much of its time in the last year planning for these changes and ensuring that the Board has a diverse mix of directors with the appropriate skills and experience to guide Gamma in the future. Long Peng and Martin have supported Gamma, its Board and executive management team from being a private company, through IPO, to the substantial Company it is today and have contributed significantly to the development and execution of the Group's long-term planning and growth strategy and I want to thank them both for their noteworthy contributions.

## Appointment of CEO

As reported last year, in May 2022 we appointed Andrew Belshaw as Deputy Chief Executive Officer as part of a structured plan to strengthen and broaden the scope and capacity of Gamma's management team. At the same time, Bill Castell joined as Chief Financial Officer, which I reported in the 2021 Annual Report. We subsequently commenced a process in 2022 to identify candidates for the role of Chief Executive Officer, following Andrew Taylor's retirement from Gamma, forming part of the Committee's executive succession planning programme. The Committee engaged Egon Zehnder, a leading firm of consultants who specialise in the recruitment of CEOs, to identify a long list of potential candidates, both internal and external. These were considered against a detailed brief for the role and criteria against which candidates would be assessed. Short-listed candidates were interviewed by representatives from the Nomination Committee. It was unanimously agreed that Andrew Belshaw was the preferred candidate based on his understanding of the markets in which Gamma operates, his focus on future strategy and his leadership skills. We were extremely pleased to confirm his appointment as Chief Executive Officer with effect from 30 November 2022.

### **Succession planning for the Chair and Senior Independent Director roles**

In planning for the intended changes relating to myself and Martin retiring from the Board, the Nomination Committee therefore spent time during the year planning for successors in the roles of Board Chair and Senior Independent Director. After consideration of the skills and experience of the existing Non-Executive Directors and their tenures with Gamma, it was recommended to and agreed by the Board that Henrietta Marsh would assume the role of Senior Independent Director with effect from 20 December 2022.

As the Senior Independent Director, Henrietta has begun to lead the process for my replacement as Board Chair, commencing with a beauty parade to appoint a search firm to assist with the process. After receiving presentations from three firms and considering their experience against a set of objective criteria, Heidrick & Struggles were appointed in early 2023. The Committee has begun work on the role specification, desired characteristics and experiences that will be required of the Board Chair. I am not involved in the process given it relates to my replacement and further information will be announced when the Nomination Committee has made a recommendation to the Board and the Board has agreed the outcome.

### **Appointment of Non-Executive Directors**

We were pleased to announce the appointments of Shaun Gregory with effect from 1 July 2022 and Rachel Addison with effect from 3 October 2022.

We engage with external consultants where appropriate who assist in defining the role specifications, compiling shortlists of candidates and supporting with the interview process. The appointments of Shaun and Rachel were made with the knowledge of the retirements of myself and Martin, to ensure that the Board continued to comprise Directors with a range of skills and experiences.

Shaun has wide experience in the digital media and technology area as both an executive and non-executive director. He has driven the growth and development of multi-national businesses and will provide valuable insight as Gamma continues to execute its strategy. Shaun joined the ESG Committee on appointment and will assume the role of Chair of the ESG Committee on Martin's retirement.

Rachel's experience as a listed company CFO along with listed non-executive board experience including as an audit committee chair will ensure that Gamma continues to have directors with relevant financial skills to support our strategy. Rachel joined the Audit Committee on appointment and will assume the role of Chair of the Risk Committee on Martin's retirement.

Further biographical details for both Shaun and Rachel can be found on page 55 and in the Notice of Meeting for the 2023 AGM.

### **Appointments to Board Committees**

During 2022 the Committee and Board completed a review of the composition of the main Board Committees (Audit, Risk, ESG, Nomination and Remuneration) having regard to the skills, experience, diversity and the time required of each of the Directors in discharging their responsibilities. As stated above, Shaun and Rachel joined, and will assume the roles of Chair of, the ESG and Risk Committees, respectively, following Martin's retirement at the AGM. I stood down as a member of the Audit Committee following Rachel's appointment in October 2022.

### **Appointment of Company Secretary**

We also oversaw the appointment of a new Company Secretary in 2022, with Rachael Matzopoulos joining us in January 2023 before Malcolm Goddard retires at the end of March 2023. Malcolm has acted as Company Secretary since the IPO in 2014 and I would like to thank him for his hard work and support as Company Secretary, which he has completed alongside his role as Commercial Director, and wish him well in his retirement.

### **Director induction and ongoing training**

Upon appointment, each Director is provided with an induction to the Group. This includes meeting with all Board members, the Executive Committee, key members of the Executive Committee and the Company's main external advisors. Ongoing training for new and existing Directors is available on request. The Company Secretary coordinates the induction process and ongoing training requirements.

### **Time commitments**

All Directors demonstrated strong time commitment to their roles on our Board and Committees during the year. The Directors have also given careful consideration to their external time commitments to confirm they are able to devote an appropriate amount of time to their roles on our Board and Committees.

### **Board and Committee evaluation**

The Board completed its first external evaluation in 2023, facilitated by Board Excellence and led by their managing partner, Kieran Moynihan. Board Excellence is an independent third party organisation which specialises in Board evaluations and holds no connection with the Company or any individual Director. The evaluation was conducted over a three month period in late 2022 and was focused around a core objective of completing an independent assessment of the Board's effectiveness, performance, and compliance with the Quoted Companies Alliance Corporate Governance Code, the UK Financial Reporting Council Guidance on Board effectiveness, internationally recognised board best practices and Board Excellence's own experience of best practices. I agreed the objectives, process and scope with Kieran before an online questionnaire was designed and sent to all Board members to complete. Kieran spent time reviewing the previous 12 months of Gamma Board materials including Board and Committee meeting agendas, packs, minutes and all accompanying documentation; corporate governance materials; the risk register and risk management materials; and strategy documentation, providing him with a detailed overview of the framework under which the Board and its Committees operate. Individual and confidential interviews between Kieran and myself, all the Non-Executive Directors, the CEO, the CFO and the Commercial Director/Company Secretary were undertaken along with observation of a Board meeting. An initial report with accompanying recommendations was presented to the Board, and I will work with my fellow Directors and the Company Secretary to agree which of those recommendations we will prioritise for implementation in 2023.

The findings of our first evaluation concluded that Gamma's Board, Executive Committee and Company are strong in terms of culture, purpose and values with a deep commitment to "do the right thing" and excel on behalf of shareholders, employees and stakeholders. The Board has highly effective Audit, Risk, Remuneration and ESG Committees, which are well led by their respective Committee Chairs, have strong support from the Executive Committee and who are delivering significant value to the main Board. Improvements to the operations of the Nominations Committee will be adopted in 2023. The Board and the Executive Committee will spend time in 2023 developing relationships and the Committee will consider the appointment of a technology sector specialist Non-Executive Director, in recognition of the skills the Board will require following the retirement of Martin Lea.

The Board expects to carry out an internal evaluation in 2023 and will report on those findings in the 2023 Annual Report.

#### Reappointment of Directors

The reappointment of Directors is subject to their ongoing commitment to Board activities and satisfactory performance. All Directors, with the exception of Martin at the 2023 AGM, will stand for re-election annually. The Committee has confirmed to the Board that the contributions made by the Directors offering themselves for re-election at the AGM continue to benefit the Board and the Company should support their re-election.

#### Diversity

Gamma is committed to creating a workplace where every person feels valued and where diverse views and ideas are embraced, whilst facilitating the delivery of our strategic goals. The Board and the Nomination Committee believe that being an inclusive employer is essential for our long-term success and we are more focused than ever on recruiting, retaining and engaging the broadest range of talent at every level of our Company. Following the departure of Long Peng, the Committee recognises that there are no ethnically diverse Directors on the Board and will keep this under review, including ensuring that long and short lists for Non-Executive Directors are suitably diverse. The Committee will also keep under review the diversity of the Executive Committee.

#### Succession planning

The Committee has considered not only succession plans for the Directors but also has had oversight of a deeper review into the Company's management structure to identify those with potential to develop in the longer term into future leaders of the business taking into account the challenges and opportunities facing the Company in the medium to long term.

#### Priorities for 2023

The Committee's priorities for the coming year will in the first instance be focused on the recruitment of a Board Chair. Consideration will also be made to ensure the Board has the right Directors with a mix of skills and experience, and including specialist knowledge of the markets in which Gamma operates. The Committee will continue to focus on increasing the diversity within the Board, Executive Committee and throughout the organisation and management has been incentivised through bonus targets relating to diversity matters in 2023.

#### Richard Last

Nomination Committee Chair

20 March 2023