

Nomination Committee Report



Mike McTighe
Chair of the
Nomination Committee



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Members and attendance

Where Directors were unable to attend meetings, they gave the Chair their views in advance on the matters to be discussed.

● Meeting attended ○ Did not attend



Mike McTighe
Chair of the Committee



Wu Gang¹
Committee Member



Jonathan Moulds
Committee Member



Helen Stevenson¹
Committee Member



¹ Unable to attend as meetings were held on an ad hoc basis during the year.

FY22 key focus areas

- Non-Executive Director appointment
- CEO succession planning
- Appointments to the IGNA and IGT&I Boards

Mike McTighe, Chair of the Nomination Committee, gives his review of the Committee’s activities during the financial year.

Chair’s overview

The Nomination Committee reviews the structure, size, composition and independence of the Board and leads the process for Board appointments, including identifying and recommending suitable candidates. It ensures that the Board’s composition meets our needs, using external search consultancies to help source candidates based on objective criteria. The Board and Committee are committed to ensuring that we are a truly diverse organisation in all respects, which includes gender, social and ethnic backgrounds, cognitive and personal strengths and experience. The Committee also ensures that plans are in place for orderly succession to the Board and senior management positions, with a diverse pipeline identified for succession.

The Committee is responsible for ensuring that the Board has the necessary combination of skills, experience, knowledge, diversity and independence needed to lead us and to support the development and delivery of our strategy.

During the year, the Committee engaged Audeliss to facilitate the recruitment of Susan Skerritt, who, following the Committee’s recommendation, was appointed to the Board on 9 July 2021. Audeliss is independent of, and has no connection with, the Company or its individual Directors, other than in its role as a professional recruitment consultant for the Company. Russell Reynolds Associates, an independent external executive search firm, was appointed to support with a comprehensive CEO succession-planning process allowing the Committee to identify potential internal candidates and establish appropriate development plans.

Following a period of reconfiguring Board roles and Executive structures, the Committee is confident that the structure and composition of the Board of IGGH and the other nested entities and their sub-committees, as well as the Board of IGNA, provides effective leadership to support our future growth and strategy. Focus has now turned to individual and team development, succession plans for the Executive Committee and development plans for potential internal CEO candidates.

Role of the Nomination Committee

The principal roles and responsibilities of the Committee include:

- Reviewing the structure, size and composition of the Board and its Committees to ensure that they are appropriately balanced in terms of skills, knowledge, diversity, experience and independence, and making appropriate recommendations to the Board relating to succession planning at Board level
- Ensuring that there is a formal, rigorous and transparent procedure for the appointment of new Directors to the Board
- Identifying, and nominating for Board approval, suitable candidates to fill Board vacancies as and when they arise
- Reviewing leadership needs, with a view to ensuring our continued ability to compete effectively in our marketplace and deliver on our strategy
- Keeping apprised of strategic issues and commercial changes affecting us and the market in which we operate
- Performance evaluation of the Board

The Terms of Reference of the Committee, which were last reviewed in May 2022, are available on our website.

Membership and attendance

The Committee currently consists of four independent Non-Executive Directors. It met six times during the year. Going forward, the Committee will hold four scheduled meetings each year.

The Chair of the Board is also the Chair of the Committee. The CEO and Chief People Officer are standing attendees.

How the Committee operates

To ensure the Committee discharges its responsibilities appropriately, an annual forward calendar, linked to the Committee's Terms of Reference, is approved by the Committee. The Company Secretary and Chief People Officer assist the Chair of the Committee in drafting the agenda for each Committee meeting.

Following each Committee meeting, a formal report is made to the Board in which the Chair of the Committee, describes the discussions and challenges from the Committee meeting, and has the opportunity to escalate any items and make recommendations to the Board as appropriate.

Main activities during the financial year

- During the year, the Committee met principally to consider:
- The structure and composition of the Board and its Committees
 - The appointment of Susan Skerritt as a Non-Executive Director
 - The normal process of CEO succession planning and the identification and development of potential internal candidates
 - Appointments and changes to the IGNA Board and appointments to the IGT&I Board (the new UK-regulated entity) (the latter as part of the nested board structure)
 - Considered and, if appropriate, recommended that the Board approve the proposed external appointments of Non-Executive Directors

Oversight of IGNA Board Directors included recommending to that Board the appointment of JJ Kinahan as CEO.

CEO succession plans

The Committee appointed Russell Reynolds Associates to provide support with CEO succession planning and the identification and development of potential internal candidates and considered the capabilities, experience and personal attributes required of a future CEO.

Other activities

Membership of the Boards of IGNA and IGT&I has also been a focus. During the year all Non-Executive Directors were appointed as Directors of the IGT&I Board and two Non-Executive Directors (Malcolm Le May and Susan Skerritt) and one Executive Director (the CFO) were appointed to the Board of IGNA.

Board and Committee evaluation

An internal evaluation of the performance of the Committee was undertaken in line with the Committee's Terms of Reference. The evaluation process was facilitated by Lintstock, an independent consultancy.

The 2022 Board and Committee review process consisted of the following key elements:

- Performance evaluation surveys prepared and issued
- Feedback was analysed and outcomes presented to the Board and Committees
- The outcomes were discussed at Board and Committee meetings, with action plans and priorities set for 2023

Further information on the outcome of the evaluation of the Board and its Committees is given on page 70, together with a review of the progress on actions arising from the 2021 review.

Nomination Committee Report continued

Senior management gender balance

The table below analyses the gender balance of the Executive Committee and their direct reports as at 31 May 2022. We are pleased to see a slight increase to 34% total female representation despite a higher proportion of men in tastytrade. We continue to aspire to increase diversity across and at every level of our organisation. Our Diversity Commitment is available on our website.

		31 May 2022		31 May 2021		% Change
		Numbers	%	Numbers	%	
Board	Female	4	33%	5	38%	-5%
	Male	8	67%	8	62%	
Executive Committee	Female	5	38%	4	40%	-2%
	Male	8	62%	6	60%	
Senior leadership team ¹	Female	8	23%	8	29%	-6%
	Male	27	77%	20	71%	
Total employees	Female	811	34%	668	33%	1%
	Male	1,608	66%	1,336	67%	

¹ The gender disclosure shown here relates to the senior leadership team, who are the Executive Committee and the next level of leadership below them, as opposed to including more junior team members who may also report directly to Executive Committee members.

Diversity statement

As a business, we believe that a diverse workforce brings creative energy to our business, powers innovation and sets us up for continued global success. We're committed to developing teams of individuals with a wide variety of perspectives, skills and thinking approaches to help us realise our vision and strategy. We welcome people of any age, ethnicity, culture, faith, gender identity or expression, sexual orientation or physical capacity who connect with our values and bring something fresh to our business. Our Equality, Diversity and Inclusion Policy is available on request.

At the financial year end, the Board had 33.3% female representation (2021: 33.3%) continuing to meet the Hampton-Alexander target of at least one-third female representation on the Board and exceeding the Parker Review target of one ethnic minority Director on the Board ahead of time (deadline by 2024). We have three ethnic-minority Directors.

The Committee notes the recent FCA policy on Diversity and Inclusion issued in April 2022 and the Board will report on a comply or explain basis in next year's report as to how it has met the prescribed targets.

The Directors recognise the importance of diversity, in all of its forms, and understand the significant benefits that come with having a truly diverse Board.

The Board continues to appoint on merit, based on the skills and experience required for membership, while giving consideration to all forms of diversity, as well as independence. The Company insists on search firms presenting a diverse pool of candidates for consideration during the search process.



Mike McTighe
Chair of the Nomination Committee
20 July 2022