

Nominations and Governance Committee Report



William Rucker
Chair of the Nominations and Governance Committee

AREAS OF FOCUS

Culture, diversity and inclusion

- Employee engagement and development
- Gender diversity considerations

Succession planning

- NED, Executive and senior management succession planning
- Talent development

Director skills and experience

- Director induction
- Director training

Appointments

- New Chairman, New CFO
- Board composition

Committee members

- William Rucker (Chair since 31 January 2023)
- Virginia Holmes
- Matthew Lester
- Andrew Sykes (Chair until 31 January 2023)
- Stephen Welton

The role of the Committee is to oversee the membership of the Board to ensure a balance of skills, diversity and experience among the Directors, and to oversee senior management succession planning and the governance practices and processes of the Group.

Dear shareholders

I am pleased to present the Nominations and Governance Committee report for the financial year ending 31 March 2023.

Good governance requires the appropriate balance of skills, diversity of thought and experience, independence and knowledge, making the work of the Nominations and Governance Committee a key part of our oversight and effectiveness.

The Committee’s main focus during the year was in respect of my appointment as Chair of the Board; please see the letter from Andrew Sykes on the facing page in respect of this exercise.

Shortly after my appointment, the Committee met to discuss the composition of the Board and concluded that the Board remains well balanced and of an appropriate size and diverse skillset. The Committee noted the strong contribution to the Board of all Directors, regardless of their tenure. It was agreed that one or more further NED appointments should be made to replace Kathryn Purves following her retirement, to ensure adequate long-term succession planning and to enhance the diversity of the Board while maintaining its current skillset. We have commenced a process to search for appropriate candidates. The Committee also carried out its search with Russell Reynolds for the replacement of Vijay Bharadia as CFO on the basis of maintaining an appropriate spread of skills and experience on the Board and, after a thorough search, David Bicarregui was welcomed to the Group on 2 April 2023 and is working closely with Vijay in preparation for his handover in July 2023. The Committee has continued to monitor feedback received from employees gained through focus group sessions led by Amy Schioldager, the NED responsible for liaising with employees in order to gain insight into the culture of the Company. Employee views are always important to Committee and Board discussions, and I look forward to hearing more insight from her as we work together in the coming years.

During the year, the Committee also heard from management on the results of a detailed exercise on executive succession planning for key individuals and ensuring development and training opportunities for our key talent. NEDs have worked closely with the Chief People and External Affairs Officer with a focus on developing and growing our employees, particular emphasis has been placed on enhancing bench strength across the organisation, including the development of targeted development programmes for leadership, newly promoted individuals and emerging future leaders. ICG is a people business and developing our talent is crucial in helping to deliver the Group’s strategic objectives.

The output from both internal and external Board evaluations is always front of mind for the Committee as we continue to evaluate the skills, composition and cohesion of our Board in the context of our business and strategy. We will bear the results of the forthcoming evaluation in mind as we continue to plan for long-term succession for our Board.

I would be pleased to respond to any shareholder questions about the Committee's work either at the AGM or otherwise.

William Rucker

Chair of the Nominations and Governance Committee
24 May 2023



Dear shareholders

Throughout the year being reported on, I acted as Chair of the Board and the Committee until the commencement of William Rucker's tenure as Chair on 31 January 2023. The primary activity of the Committee during this period was to conduct a search for a long term Chair of the Company following the unanticipated retirement of Lord Davies of Abersoch in January 2022.

This search was conducted with regard to a range of skillset, experience and diversity criteria, and taking into account the profiles of the existing Board members. The search, conducted with support from Russell Reynolds Associates, was thorough and robust. Members of the Committee and Executive Directors met with a number of candidates; after an extensive process, we were unanimously satisfied that William Rucker was the best possible candidate for the role given his extensive financial services industry expertise and his significant experience on boards of other listed companies.

I would like to thank my fellow Committee and Board members for their contribution to this process, including Kathryn Purves who acted as Senior Independent Director on an interim basis until 31 January 2023.

I would be happy to discuss the matters set out above with any shareholder.

Andrew Sykes

Senior Independent Director
24 May 2023

Committee governance

The Committee is responsible for:

- Identifying, and nominating for the Board's approval, candidates to fill any Board vacancy
- Succession planning, including the progressive refreshing of the Board, and developing executive talent below Executive Director level
- Ensuring that all appointments to the Board are made on objective criteria and that candidates have sufficient time to devote to their prospective responsibilities
- Appointing a NED as the Whistleblowing Champion
- Appointing a NED as the Employee Engagement Champion
- Appointing a NED as the ESG Champion
- Considering the composition of the Board to ensure that the balance of its membership between Executive Directors and NEDs is appropriate
- Overseeing diversity and inclusion, culture, employee engagement and other governance-related matters within the Group
- Annually assessing the continued fitness and propriety of the Senior Management Function (SMF) holders, including the NEDs, together with reviewing the Group's responsibilities map which describes the management and governance arrangements, as required under the Senior Managers and Certification Regime (SM&CR)
- Ensuring the Group is managed to high standards of corporate governance

Composition

The Nominations and Governance Committee consists of NEDs: William Rucker (Chair of the Committee), Andrew Sykes, Virginia Holmes, Matthew Lester and Stephen Welton. Biographical details can be found on pages 78 to 80.

The Company Secretary acts as Secretary to the Committee.

Kathryn Purves served as a member of the Committee until her retirement from the Board on 1 April 2023.

Appointments of Executive Directors and NEDs are made as necessary as a result of discussions by the Committee and are subject to full Board approval and election or re-election at a General Meeting of the shareholders.

Terms of reference

The Committee's terms of reference are approved and reviewed by the Board on a regular basis, most recently in May 2023.

The terms of reference are available on the Group's website, www.icgam.com, or by contacting the Company Secretary.

Effectiveness

The operations of the Committee were reviewed as part of the internal Board evaluation led by the Chairman in March 2022; the Committee was found to be operating effectively. For more details of this exercise, please see page 83.

Summary of meetings in the year

The Committee held five meetings during the year. Over the course of the year the Committee considered and discussed the following significant matters:

- The search for, and appointment of, William Rucker as Chair of the Company. The Committee set parameters for a search (having discussed desired skills and experience and the importance of diversity to the Board), reviewed long-lists and short-lists of candidates provided by Russell Reynolds Associates, conducted interviews with a number of candidates and approved the offer of the role to Mr Rucker.
- The search with Russell Reynolds for, and recruitment of, David Bicarregui to succeed Vijay Bharadia, who will retire from the Board and his role as CFO in July 2023. The Committee's search was focused on ensuring the ongoing balance of skillsets and experience on the Board.
- Whether it may be appropriate to appoint further NEDs to the Board to supplement the existing skillsets of the Board and to assist with long-term succession planning. It was concluded that in the current year no further appointments were needed, but this should be reviewed in the coming months by the Committee under the leadership of the new Chair.
- The appointment of Rosemary Leith as Chair of the Risk Committee following the retirement of Kathryn Purves from the Board.
- A detailed review of succession planning in respect of senior executive positions, including each Executive Director and other key leadership personnel within the organisation.
- The employee engagement NED, Amy Schioldager, provided insights on the culture of the Group and other feedback from the ongoing informal engagement programme to a joint session of the Committee and the Board. This was based on her engagement during the year with several groups and included the views of a wide range of employees drawn from a number of the different geographies in which the Group is active. She regularly met employees virtually or in person in groups of 10-12 and sought their views on a range of issues; more details are provided on page 22.

Other matters considered

The Committee also conducted a review of the size and composition of the Board and its Committees, the skillset of all Directors, their ongoing training and development and the independence of NEDs. No points of concern were raised.

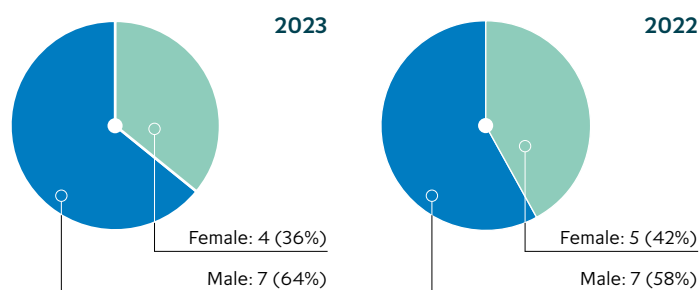
Non Executive Director area of expertise

Name	Asset Management	Investment	UK Corporate Governance	International	Risk Management	Financial
William Rucker (Chair)	●	●	●			●
Virginia Holmes	●	●	●	●		
Rusty Nelligan				●	●	●
Amy Schioldager	●	●		●	●	
Andrew Sykes (SID)	●	●	●		●	●
Stephen Welton	●	●			●	●
Rosemary Leith		●	●	●	●	
Matthew Lester	●	●	●		●	●

Diversity is very important to our Board. For the financial year ending 31 March 2023, we were compliant in respect of all Listing Rule requirements for board diversity – the percentage of female Board members was above 40%, we had a female SID (until Kathryn Purves stepped down as SID on 31 January 2023) and one Director from an ethnic minority background. At the date of publication, as a result of changes to the Board (namely the departure of Kathryn Purves in April 2023 and the retirement of Vijay Bharadia in July 2023), we are focusing efforts on hiring further Directors to increase diversity on the Board. The Committee monitors the diversity of the Group with a specific focus on senior management roles and their direct reports (see page 28). We are aware of the Listing Rules requirements for gender diversity in senior board roles and are factoring this in to our considerations.

Board gender diversity

2023 figures are as at publication date - throughout the year ended 31 March 2023 female Board representation was above 40%, see page 82 for more details.



Number of senior positions on the board at current date: Male: 4; Female: 0

Reporting table on ethnicity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)
White British or other White (Including minority-white groups)	9	82%	3
Asian/Asian British	1	9%	1
Not specified/ prefer not to say	1	9%	