

The Role of the Chairman

1. The Chairman's primary role is to ensure that the Board is effective in its tasks of setting and implementing direction and strategy.
2. The main features of the role of the Chairman are as follows:
 - as well as being Chairman of the Board, he / she is expected in conjunction with the Chief Executive to act as one of the leading representatives in presenting the Company's aims and policies to the outside world
 - to take the chair at general meetings and at Board meetings. With regard to the latter this will involve the determination of the order and content of the agenda and ensuring that the Board receives proper information
 - keeping track of the contribution of individual directors and ensuring that they are all involved in discussions and decision-making. At all meetings the Chairman should direct discussions towards the emergence of a consensus view and sum up discussions so that everyone understands what has been agreed
 - to take a leading role in determining the composition and structure of the Board. This will involve regular reviews of the overall size of the Board, the balance between executive and non-executive directors and the balance of age, experience and personality of the directors
3. In particular, it is the responsibility of the Chairman to:
 - a) provide leadership to the Board
 - b) maintain an ongoing dialogue with the Chief Executive and executive directors
 - c) run the Board and set its agenda. The agenda should take full account of the issues and concerns of all Board members. Agendas should be forward-looking and concentrate on strategic matters, performance, value creation and accountability, rather than formulaic approvals of proposals which can be the subject of appropriate delegated powers to management.
 - d) ensure that all members of the Board receive accurate, timely and clear information, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company
 - e) manage the Board to ensure that sufficient time is allowed for discussion of complex or contentious issues, where appropriate arranging for informal meetings beforehand to enable thorough preparation for the Board discussion. It is particularly important that non-executive directors have sufficient time to consider critical issues and are not faced with unrealistic deadlines for decision-making.
 - f) making certain that the Board determines the nature and extent of the significant risks the Company is willing to embrace in the implementation of its strategy and that there are no "no go" areas which prevent directors from operating effective oversight in this area.
 - g) ensure that the Board will discharge its duties in fulfilment of good corporate governance practice
 - h) ensure effective communication with shareholders and others and ensure that members of the Board develop an understanding of the views of the major investors
 - i) chair the Nomination Committee and lead the recruitment of new non-executive directors and oversee the succession planning of executive management
 - j) take a lead in providing a properly constructed induction programme for new directors that is comprehensive, formal and tailored
 - k) take the lead in identifying and meeting the development needs of individual directors. It is the responsibility of the Chairman to address the development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team.
 - l) ensure that the performance of the Board as a whole and its committees is evaluated at least once a year and act on the results of the Board evaluation
 - m) encourage active engagement by all members of the Board
4. The effective Chairman:
 - upholds the highest standards of integrity and probity
 - sets the agenda, style and tone of Board discussions to promote effective decision-making and constructive debate
 - promotes effective relationships and open communication, both inside and outside the Boardroom, between non-executive directors and the executive team
 - builds an effective and complementary Board, initiating change and planning succession in Board appointments, subject to Board and shareholders' approval
 - promotes the highest standards of corporate governance and seeks compliance with the provisions of the UK Corporate Governance Code wherever possible
 - ensures clear structure for and the effective running of Board committees
 - ensures effective implementation of Board decisions
 - establishes a close relationship of trust with the Chief Executive, providing support and advice while respecting executive responsibility, and
 - provides coherent leadership of the Company, including representing the Company to external interests and understanding the views of shareholders.

The Role of the Chief Executive

1. The Chief Executive's role is to be responsible for the performance of the Company as dictated by the Board's agreed overall strategy.
2. The Chief Executive is accountable to the Board and reports to the Chairman.
3. The Chief Executive is responsible for:
 - a) formulating and successfully implementing Company policy
 - b) directing strategy towards the profitable growth and operation of the Company
 - c) developing strategic operating plans that reflect the objectives and priorities established by the Board
 - d) maintaining an ongoing dialogue with the Chairman of the Board
 - e) putting in place adequate operational planning and financial control systems
 - f) ensuring the operating objectives and standards of performance are not only understood but owned by the management
 - g) closely monitoring the operating and financial results against plans and budgets
 - h) taking remedial action where necessary and informing the Board of significant changes
 - i) maintaining the operational performance of the Company
 - j) leading the involvement of the executive directors and senior management and maintaining oversight of their activities
 - k) assuming full accountability to the Board for all Company operations
 - l) representing the Company to major customers and professional associations
 - m) building and maintaining an effective executive team
 - n) acting as the principal spokesperson for the Company to external parties, investors, media, local communities, government and current and prospective customers.

The Role of the Senior Independent Director

1. The Senior Independent Director's primary role is to support the Chairman in ensuring that the Board is effective in its tasks of setting and implementing direction and strategy.
2. The main features of the role of the Senior Independent Director are as follows:
 - as well as being the Senior Independent Director, he / she is expected in conjunction with the Chairman and Chief Executive to act as one of the leading representatives of the Company
 - in the absence of the Chairman, to take the chair at general meetings and at Board meetings
 - to take a supporting role in determining the composition and structure of the Board
3. In particular, it is the responsibility of the Senior Independent Director to:
 - a) provide leadership to the Board in the absence of the Chairman
 - b) maintain a dialogue with the Chairman, non-executive directors and executive directors
 - c) support the running of the Board by the Chairman
 - d) support the Chairman in ensuring that all members of the Board receive accurate, timely and clear information
 - e) support the Chairman's management of the Board in ensuring that sufficient time is allowed for discussion of complex or contentious issues
 - f) be available to the other non-executive and executive directors and take the lead in responding to and considering the most appropriate way to resolve any concerns or contentious issues raised, with suitable discussion with the Chairman and the other directors
 - g) be available, if required, to assist in facilitating and monitoring the existence and maintaining of a constructive and effective relationship between the Chairman and Chief Executive
 - h) support the Chairman in ensuring that the Board will discharge its duties in fulfilment of good corporate governance practice
 - i) support effective communication with shareholders and, if necessary, attend sufficient meetings with major shareholders to listen to their views and develop a balanced understanding of their issues and concerns
 - j) be available to shareholders should they have any concerns which contact through the normal channels has failed to resolve or where such contact is not appropriate
 - k) lead the annual performance evaluation of the Chairman carried out by the non-executive directors and meet with the non-executive directors without the Chairman present, when appropriate
- 4 The effective Senior Independent Director:
 - upholds the highest standards of integrity and probity
 - supports Board discussions to promote effective decision-making and constructive debate
 - supports effective relationships and open communication, both inside and outside the Boardroom, between non-executive directors and the executive team
 - supports the highest standards of corporate governance and seeks compliance with the provisions of the UK Corporate Governance Code wherever possible
 - supports the effective implementation of Board decisions
 - establishes a relationship of trust with the Chairman and Chief Executive, providing support and advice as required, and
 - supports coherent leadership of the Company, including representing the Company when required and understanding the views of major shareholders.