

Chairman's Introduction

Letter from the Chairman

Dear Shareholder,

I am pleased to report that, in our third year as a listed business, Eurocell has delivered more progress and continued to develop and improve its systems of governance and internal control.

This Corporate Governance Statement, together with the Reports of the Nomination, Audit and Risk and Remuneration Committees on pages 46 to 64, explain how our governance framework operates and how we apply the principles of business integrity, high ethical values and professionalism in all our activities. I hope that it provides you with a meaningful insight into how we operate and the matters on which we have focused during the year.

As a Board, we recognise that we are accountable to Shareholders for good corporate governance. We seek to promote consistently high standards of governance throughout the Group, which are recognised and understood by all.

Good governance involves good and effective leadership, robust systems and processes that are regularly tested, and a good understanding of risk appetite. The Board seeks to add value through guiding the strategy of the Group, constructive challenge and dialogue and through engagement with Shareholders and other stakeholders. Each Director continues to make a very valuable contribution to the Board.

This Corporate Governance Statement, which is part of the Directors' Report, has been prepared in accordance with the principles of the UK Corporate Governance Code published in April 2016 (the 'Code'), which the Board fully supports. The Code is published by the Financial Reporting Council and is available on its website at www.frc.org.uk.

I am committed to ensuring that the Company manages its affairs in compliance with the principles and provisions of the Code. I am pleased to report that the Board considers the Company to have complied with the relevant provisions of the Code throughout the year in all material respects. I can also confirm that, in the opinion of the Directors, this Annual Report presents a fair, balanced and understandable assessment of the Group's position and prospects and provides the information necessary for Shareholders to assess the Group's strategy, business model and performance.

The Group's strategy is outlined on pages 20 and 21 of the Strategic Report.

The respective responsibilities of the Directors and the auditors in connection with the Financial Statements are explained in the Statement of Directors' Responsibilities on page 68 and Auditors' Report pages 69 to 75.

I would like to thank my Board and management colleagues for their contributions to the governance of the Company. I look forward to working with them in 2018 to continue to build on the foundations and system of governance that we have established in support of our long-term objectives.

Bob Lawson
Chairman

8 March 2018

“

*I am pleased to report
that, in our third year as a
listed business, Eurocell
has delivered more
progress and continued to
develop and improve its
systems of governance
and internal control.”*

