



**Colin Matthews**  
Chairman

We continue to give equal consideration to balancing the interests of our customers, shareholders, employees and the wider communities in which Renewi operates

# CORPORATE GOVERNANCE REPORT

## INTRODUCTION

On behalf of the Board, I am pleased to present our Corporate Governance Report and confirm our compliance with the UK Corporate Governance Code published in April 2016, for the year ended 31 March 2019.

The Board is aware of the forthcoming revisions to the UK Corporate Governance Code which will apply to companies with financial year ends beginning on or after 1 January 2019. In consideration of the forthcoming changes, over the last year we have reviewed the activities of our organisation to implement the necessary adjustments. Wherever possible we have applied the reporting revisions ahead of schedule and included them within this report.

Under the revised Code, for example, Boards must engage with employees and the wider workforce to enhance the “employee voice” in the boardroom. In addition to the existing channels of communication via our Works Council arrangements in the Netherlands and Belgium, the Board has designated Non-Executive Director Jolande Sap to assist the Board with workforce reporting.

In March, Renewi also launched its new Code of Conduct together with a range of policies and protocols. Specifically, that Code formalises the required behaviours and procedures in key business integrity areas such as fraud and bribery prevention, whistle blowing, management of confidential information and modern slavery prevention.

The non-executive directors, all of whom the Company regard as independent, bring considerable international experience to the Board across a number of sectors. They play a full role in constructively challenging and developing strategic proposals, as well as chairing and being members of Board committees. The executive directors implement Board strategy to deliver growth and returns by driving margin expansion, investing in infrastructure and actively managing the portfolio of businesses. In particular, the Board ensures that the Group as a whole remains committed to achieving the highest standards of legal compliance, environmental protection and safety.

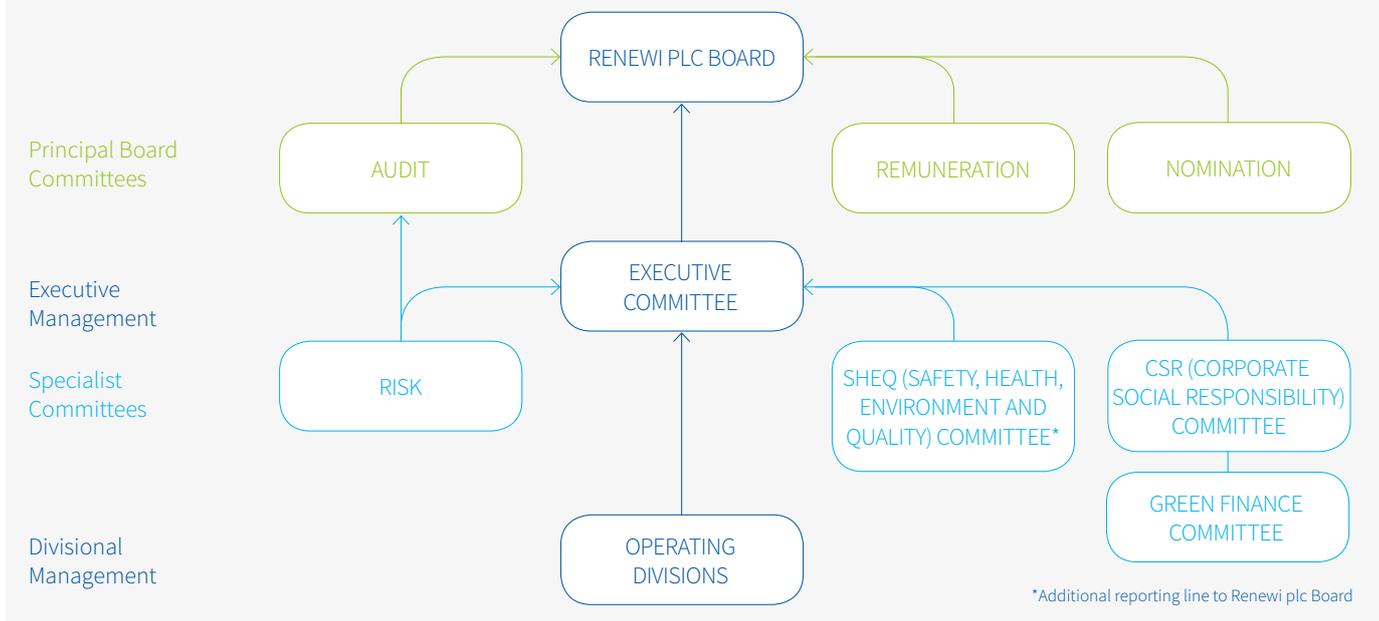
The Board is required to confirm that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group’s performance, business model and strategy. The Audit Committee has again assisted the Board in its assessment of these matters together with those of Going Concern and Viability Statement disclosures. The full Audit Committee Report is set out on pages 84 to 87.

During the year, both the Nomination and Remuneration Committees were focused primarily on considering Board composition and succession. Their full reports can be found on pages 88 to 89 and 90 to 107 respectively. In January 2019 the Board was strengthened further by the appointment of Neil Hartley as an independent non-executive director. At the end of the year, following the departure of Peter Dilnot, succession to the role of Chief Executive Officer was achieved through internal promotion. Otto de Bont, former Managing Director of our Netherlands Commercial Waste Division, joined the Board as CEO with effect from the start of our 2019/20 financial year.

We believe that both the Board collectively and directors individually have a responsibility to set and demonstrate high standards of corporate governance. The following pages outline the structures, processes and procedures by which the Board ensures that these high standards are maintained throughout the Group.

**Colin Matthews**  
Chairman  
23 May 2019

OUR CORPORATE GOVERNANCE REPORTING MANAGEMENT FRAMEWORK



The Board fully supports the principles of good corporate governance. This report, together with the Directors’ Remuneration Report on pages 90 to 107, explains how the Group has applied and complied fully with the provisions of the UK Corporate Governance Code 2016 in force for the year to 31 March 2019.

**The Board**

The Board comprises the Chairman, a further six independent non-executive directors, the Chief Executive Officer and Chief Financial Officer.

The Chairman, who is independent, has primary responsibility for running the Board. The Chief Executive Officer is responsible for the operations of the Group and for the development of strategic plans and initiatives for consideration by the Board. The formal division of responsibilities between the Chairman and the Chief Executive Officer has been agreed by the Board and documented, a copy of which is available on the Group’s website.

The non-executive directors bring a wide range of experience to the Group and are considered by the Board to be independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

The non-executive directors make a significant contribution to the functioning of the Board, thereby ensuring that no individual or group dominates the decision-making process. Non-executive directors are not eligible to participate in any of the Company’s share option or pension schemes. The Chairman also meets and communicates regularly with the non-executive directors without the presence of the executive directors.

Jacques Petry continues to hold the position of Senior Independent Director. The Senior

Independent Director will be available to shareholders should they have concerns which contact through the normal channels of Chairman, Chief Executive Officer or Chief Financial Officer has failed to resolve, or where such contact is inappropriate.

The table below details the number of formal Board meetings held in the year and the attendance record of each director.

The calendar of meetings of the Board and its Committees for 2018/19 is shown overleaf.

Director	Board meetings 2018/19
Colin Matthews (Chairman)	13 (13)
Allard Castelein	12 (13)
Jacques Petry	13 (13)
Marina Wyatt	13 (13)
Luc Sterckx	13 (13)
Jolande Sap	12 (13)
Neil Hartley	3 (3)
Peter Dilnot	13 (13)
Toby Woolrych	12 (13)

Bracketed figures indicate maximum potential attendance of each director. Neil Hartley was appointed to the Board on 17 January 2019. Otto de Bont did not join the Board until 1 April 2019. Toby Woolrych was absent from the Board meeting held in October 2018 and Allard Castelein was absent from that held in January 2019, both due to prior diary commitments. Both meetings were unscheduled and held at short notice. Jolande Sap notified the Company prior to appointment that she would be absent from the Board meeting held on 28 June 2018 due to a prior commitment.

### CALENDAR OF MEETINGS OF THE BOARD AND ITS COMMITTEES FOR 2018/19

	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March
Board	●	●	●	●		●●	●	●	●	●●	●	●
Audit Committee		●						●			●	
Remuneration Committee		●						●			●	●
Nomination Committee				●		●		●●				
Shareholder (AGM)				●								

In addition, 14 duly authorised Board Committee meetings, comprising at least two directors, were held during the year.

#### Board governance

There is a formal schedule of matters reserved specifically for the Board's decision. These include approval of financial statements, strategic policy, acquisitions and disposals, capital projects over defined limits, annual budgets and new borrowing facilities. The Board meets regularly, having met 13 times during the year.

The Board is provided with appropriate information in a timely manner to enable it to discharge its duties effectively. All directors have access to the Company Secretary, whose role includes ensuring that Board procedures and regulations are followed. In addition, directors are entitled, if necessary, to seek independent professional advice in connection with their duties at the Company's expense.

In recognition of the importance of their stewardship responsibilities, the first standing item of business at every scheduled Board meeting is the consideration of the Safety, Health, Environment and Quality report. Other regular reports include those from the Chief Executive Officer and Chief Financial Officer covering business performance, markets and competition, investor and analyst updates as well as progress against strategic objectives and capital expenditure projects.

All directors are required to notify the Company on an ongoing basis of any other commitments and, through the Company Secretary, there are procedures for ensuring that the Board's powers for authorising directors' conflicts of interest are operated effectively.

The work of the Board is further supported by three formal Committees (Audit, Remuneration and Nomination). In addition, while not a Committee with specific powers of its own delegated by the Board, the Chief Executive Officer is assisted in the performance of his duties by the Executive Committee. This Committee meets monthly and comprises

the Chief Executive Officer and Chief Financial Officer, the Divisional Managing Directors and Corporate Function Directors. In addition, there are three main specialist committees covering: Risk, SHEQ and CSR matters.

In reviewing Renewi's overall corporate governance arrangements, the Board continues to give equal consideration to balancing the interests of customers, shareholders, employees and the wider communities in which Renewi operates.

#### Board induction and professional development

On appointment, directors are given an introduction to the Group's operations, including visits to principal sites and meetings with operational management.

Specific training requirements of directors are met either directly or by the Company through legal/regulatory updates. Non-executive directors also have access to PricewaterhouseCoopers' non-executive database and course programme. There is a rolling programme of holding Board meetings at different Group locations in order to review local operations, with a focus on safety during site visits.

#### Diversity

At the current time it has not been determined to set a specific female or ethnicity Board member quota. However, the Board recognises both the Lord Davies and Hampton-Alexander Reviews on female representation, including the recommendation that 33% of FTSE 350 Board positions should be held by women by 2020. The Board also acknowledges that the Parker Review recommends that each FTSE 250 Board has at least one director from an ethnic minority background by 2024. Appointments to the Board and throughout the Group continue to be based on the diversity of contribution and required competencies,

#### GENDER DIVERSITY

	Female	Male	Total
Board	2 (22%)	7 (78%)	9
Executive Committee	1* (9%)	10 (91%)	11
Group	1,229 (17%)	5,806 (83%)	7,035
Senior Managers	67 (22%)	239 (78%)	306

\*A second female Executive Committee member was appointed on 1 April 2019.

#### BOARD BALANCE

- EXECUTIVE DIRECTORS 2
- NON-EXECUTIVE DIRECTORS 7



#### BOARD DIVERSITY

- FEMALE 2
- MALE 7



irrespective of gender, age, nationality or any other personal characteristic.

The Nomination Committee and the Board continue to closely monitor all aspects of diversity in recruitment and promotions across the workforce.

Statistical employment data for the Group can be found in the Corporate Social Responsibility Report which will be available on the Renewi website in June 2019. Further summary details, in addition to those shown below including those on gender pay gap reporting, can also be found in the People section on page 63.

**Audit Committee**

The Audit Committee met three times in the year and is formally constituted with written terms of reference which are available on the Group’s website. The Committee is solely comprised of non-executive directors: Marina Wyatt who chairs the Committee, Jacques Petry, Allard Castelein, Luc Sterckx, and since 17 January 2019, Neil Hartley.

As required under the UK Corporate Governance Code, Marina Wyatt has current and relevant financial experience. She is a chartered accountant and currently holds the position of Chief Financial Officer of the Associated British Ports Group. In addition, the Board considers that the Audit Committee as a whole has competence relevant to the waste-to-product sector.

The Chairman, the executive directors and representatives from the external auditors PricewaterhouseCoopers LLP are regularly invited to attend meetings. The Committee

also has access to the external auditors’ advice without the presence of the executive directors.

The Audit Committee Report on pages 84 to 87 sets out the role of the Committee and its main activities during the year.

**Remuneration Committee**

The Remuneration Committee met four times in the year and is formally constituted with written terms of reference which are available on the Group’s website. The Committee is solely comprised of non-executive directors: Allard Castelein, Colin Matthews, Jacques Petry, Marina Wyatt, Luc Sterckx, Jolande Sap and, since 17 January 2019, Neil Hartley. The Committee, which is chaired by Allard Castelein, formulates the Company’s Remuneration Policy and the individual remuneration packages for executive directors. The Committee also determines the remuneration of the Group’s senior management and that of the Chairman.

The Committee recommends the remuneration of the non-executive directors for determination by the Board. In exercising its responsibilities, the Committee has access to professional advice, both internally and externally, and may consult the Chief Executive Officer about its proposals. The Directors’ Remuneration Report on pages 90 to 107 contains particulars of Directors’ remuneration and their interests in the Company’s shares.

**Nomination Committee**

The Nomination Committee met four times in the year and is formally constituted with written terms of reference which are available on the Group’s website. The Committee is chaired by Colin Matthews and is comprised

solely of non-executive directors: Jacques Petry, Marina Wyatt, Allard Castelein, Luc Sterckx, Jolande Sap and, since 17 January 2019, Neil Hartley.

The Committee is responsible for making recommendations to the Board on the appointment of Directors and succession planning. It also reviews organisation and resourcing plans for the purpose of providing assurance that appropriate processes are in place to ensure a sufficient supply of competent executive and senior management.

The Nomination Committee Report on pages 88 to 89 sets out the role of the Committee in further detail and its main activities during the year.

**Other information**

Other information, necessary to fulfil the requirements of the Corporate Governance Statement, relating to the Company’s share capital structure and the appointment and powers of the directors, can be found in the Other Disclosures section on pages 108 to 110.

APPOINTMENTS TO THE BOARD CONTINUE TO BE BASED ON THE DIVERSITY OF CONTRIBUTION

**MEETING ATTENDANCE**

Director	Audit Committee Meetings	Director	Remuneration Committee Meetings	Director	Nomination Committee Meetings
Marina Wyatt (Chair)	3 (3)	Allard Castelein (Chair)	4 (4)	Colin Matthews (Chair)	4 (4)
Allard Castelein	3 (3)	Colin Matthews	4 (4)	Allard Castelein	4 (4)
Jacques Petry	3 (3)	Jacques Petry	3 (4)	Jacques Petry	3 (4)
Luc Sterckx	3 (3)	Marina Wyatt	4 (4)	Luc Sterckx	4 (4)
Neil Hartley	1 (1)	Luc Sterckx	4 (4)	Marina Wyatt	4 (4)
		Jolande Sap	4 (4)	Jolande Sap	4 (4)
		Neil Hartley	2 (2)	Neil Hartley	0 (0)

Bracketed figures indicate maximum potential attendance of each director. Neil Hartley was appointed to the Board and the Nomination, Remuneration and Audit Committees on 17 January 2019. Jacques Petry was absent from the Remuneration and Nomination Committee Meetings held on 4 November 2018 due to prior diary commitments. Both meetings were unscheduled and held at short notice.