Remuneration policy for Executive Directors

Our policy is designed to offer competitive, but not excessive, remuneration structured so that there is a significant weighting towards performance-based elements. A significant proportion of our variable pay is delivered in shares with deferral and holding periods being mandatory, and with appropriate recovery and withholding provisions in place to safeguard against overpayments in the event of certain negative events occurring. The table below provides a full summary of the policy elements for Executive Directors.

Element	Purpose and link to strategy	Operation and performance conditions	Maximum opportunity	Performance assessment
Salary	To recruit and reward executives of high calibre. Recognises individual's experience, responsibility and performance.	Salaries are normally reviewed annually with changes effective from 1 April. Salary reviews will consider: > personal performance; > Group performance; > the individual's experience; and > increases elsewhere in the Company. Periodic account of practice in comparable companies in terms of size and complexity will be taken (eg the constituents of the FTSE250 Index). The Committee considers the impact of any salary increase on the total remuneration package.	There is no prescribed maximum. However, the Committee is guided by the average annual increase of the workforce. Higher increases (in percentage of salary terms) may be awarded at the discretion of the Committee, for example (but not limited to): in relation to the change in size, scale or scope of an individual's role, or following the appointment of a new Executive to bring that Executive Director's package inline with market levels over a number of years.	The Committee reviews the salaries of Executive Directors each year taking due account of all the factors described in how the salary policy operates.
Benefits	To provide competitive benefits to ensure the wellbeing of employees.	Executive Directors are entitled to the following benefits: > life assurance; > income protection insurance; and > private medical insurance. Executive Directors are also eligible to participate in all-employee share schemes on the same basis as other staff.	The value of benefits is not capped as it is determined by the insurance cost to the Company, which may vary. However, the nature of the benefits is expected to remain unchanged.	N/A
Pension	To provide retirement benefits for employees.	Directors are eligible to receive employer contributions to the Company's pension plan (which is a defined contribution plan) or a salary supplement in lieu of pension benefits.	5% of salary p.a.	N/A

Element	Purpose and link to strategy	Operation and performance conditions	Maximum opportunity	Performance assessment
Annual bonus[1,2,3]	To incentivise and reward the achievement of annual financial and operational objectives which are closely linked to the corporate strategy.	The annual bonus is based predominantly on stretching financial and operational objectives set at the beginning of the year and assessed by the Committee following the year end. Half of any bonus earned is subject to deferral in shares under the Deferred Annual Bonus Plan (DABP), typically for a period of two years. The deferred shares will vest subject to continued employment, but there are no further performance targets. A dividend equivalent provision allows the Committee to pay dividends, at the Committee's discretion, on vested shares (in cash or shares) at the time of vesting and may assume the reinvestment of dividends on a cumulative basis. Recovery and withholding provisions apply as described in note 1. Participation in the bonus plan, and all bonus payments, are at the discretion of the Committee.	The Chief Executive Officer's bonus is capped at 150% of salary and the Finance Director's is capped at 130% of salary annually.	Financial measures will normally represent the majority of bonus, with clearly defined non-financial targets representing the balance (if any). With regard to financial targets, not more than 20% of this part of the bonus will be payable for achieving the relevant threshold hurdle. Where non-financial targets operate, it may not always be practicable to set targets on a graduated scale. Where these operate, not more than 33% will be payable for achieving the threshold target. Measures and weightings may change each year to reflect any year-on-year changes to business priorities.
Performance Share Plan (PSP)[1,2,4]	To incentivise and recognise successful execution of the business strategy over the longer term. To align the long-term interests of Executives with those of shareholders.	Awards will normally be made annually under the PSP, and will take the form of nil-cost options or conditional share awards. Participation and individual award levels will be determined at the discretion of the Committee within the policy. Awards normally vest after three years subject to the extent to which the performance conditions specified for the awards are satisfied, and continued service. Recovery and withholding provisions apply as described in note 1. As a minimum, Executive Directors will ordinarily be required to retain their net of tax number of vested shares delivered under the PSP for at least two years from the point of vesting.[5] A dividend equivalent provision allows the Committee to pay dividends, at the Committee's discretion, on vested shares (in cash or shares) at the time of vesting and may assume the reinvestment of dividends on a cumulative basis.	Normal: maximum of 200% of salary. Exceptional circumstances: maximum of 300% of salary.	A blend of performance metrics, including financial and total shareholder return will be used. Financial metrics will comprise a majority of the awards. The metrics and weightings for each award will be set out in the Annual Report on Remuneration. The actual targets will be set out unless they are considered to be commercially sensitive. No more than 25% of the award vests for achieving threshold performance. 100% of the award vests for achieving maximum performance.

Element	Purpose and link to strategy	Operation and performance conditions	Maximum opportunity	Performance assessment
All-employee Share Plans – SIP & SAYE[6]	To encourage Group-wide equity ownership across all employees, and create a culture of ownership.	The Company has adopted two all-employee tax-advantaged plans, namely a savings-related share option scheme (SAYE) and a SIP for the benefit of Group employees. The operation of these plans will be at the discretion of the Committee, and Executive Directors will be eligible to participate on the same basis as other employees.	Maximum permitted savings based on HMRC limits from time to time.	N/A
Share ownership guidelines	To increase alignment between executives and shareholders.	Executive Directors are required to build and maintain a holding of shares in the Company. This is to be built through retaining a minimum of 50% of the net of tax vested PSP and DABP shares, until the guideline level is met.	At least 200% of salary for the Chief Executive and at least 150% of salary for the Finance Director, or such higher level as the Committee may determine from time to time.	N/A

1 Recovery and withholding provisions apply to variable pay, to enable the Company to recover amounts paid under the annual bonus and PSP in the event of the following negative events occurring within three years of the payment date: a material misstatement of or restatement to the audited financial statements or other data; an error in calculation leading to over-payment of bonus; or individual gross misconduct. Should such an event be suspected, there will be a further two years in which the Committee may investigate the event. The amount to be recovered would generally be the excess payment over the amount which would otherwise be paid, and recovery may be satisfied in a variety of ways, including through the reduction of outstanding deferred awards, reduction of the next bonus or PSP vesting and seeking a cash repayment.

2 In order to ensure that the remuneration policy is capable of achieving its intended aims, the Committee retains certain discretions over the operation of the variable pay policy. These include the ability to vary the operation of the plans in certain circumstances (such as a change of control, rights issue, corporate restructuring event or special dividend) including the timing and determination of payouts/vesting; and making appropriate adjustments to performance targets as necessary to ensure that performance conditions remain appropriate. However, it should be noted that in the event that the measures or targets are varied for outstanding awards in the light of a corporate event, the revised targets may not be materially less difficult to satisfy. Should these discretions be used, they would be explained in the Annual Report on Remuneration and may be subject to consultation with shareholders as appropriate.

3 Annual bonus performance measures are selected annually to reflect the Group's key strategic initiatives for the year and include both financial and non-financial objectives. A majority weighting is placed on financial performance, including a significant element being based on profit-based metrics, ensuring that payouts are closely linked to the Group's growth.

4 The use of a combination of internal financial performance and total shareholder return (TSR) measures within the PSP is designed to ensure that rewards are linked to long-term shareholder value creation. The financial metrics chosen will be the measure or measures considered by the Committee at the time of each grant to be most likely to support the Company's long-term growth strategy. The use of TSR aligns with the Company's focus on shareholder value creation and rewards management for outperformance of sector peers.

5 In exceptional circumstances, the Committee may at its discretion allow participants to sell, transfer, assign or dispose of some or all of these shares before the end of the holding period.

6 Although eligible, the Executive Directors opted out of the offer of free shares made to all employees in April 2015.

7 A description of how the Company intends to implement the policy set out in this table for 2016 is set out in the Annual Report on Remuneration.

8 For the avoidance of doubt, in approving this Directors' remuneration policy, authority is given to the Company to honour any commitments entered into previously with Directors.

Differences in remuneration policy between Executive Directors and other employees

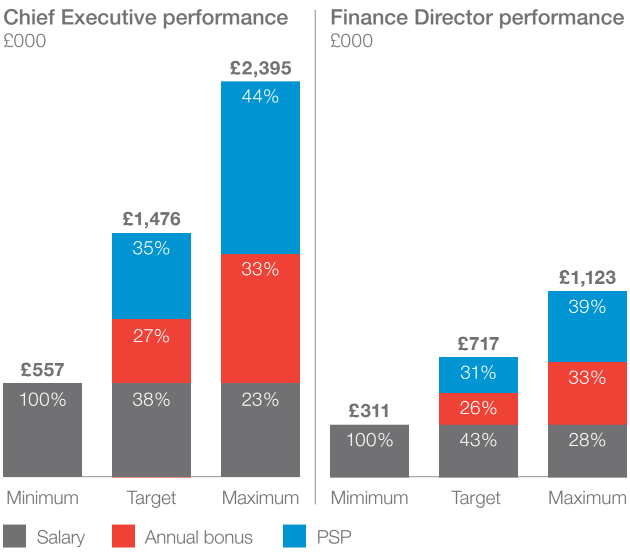
Whilst the policy described above applies specifically to the Company's Executive Directors, the policy principles are designed with due regard to employees across the Group.

'At risk pay', via participation in the annual bonus and PSP, is restricted to the most senior employees in the Company, as it is this group that is most influential in driving corporate performance.

The Committee is committed to promoting a culture of widespread share ownership across all levels of the organisation. At senior levels this will predominantly be achieved through participation in the PSP, whilst across the rest of the workforce it will be supported via all-employee share plans.

Illustration of application of remuneration policy

The chart below illustrates how the composition of the Executive Directors' remuneration packages varies under three different performance scenarios: threshold, on-target and maximum, both as a percentage of total remuneration opportunity and as a total value:



Assumptions

- Minimum = fixed pay (base salary, benefits and pension)
- Target = fixed pay plus 50% of maximum bonus payout and 50% vesting under the PSP
- Maximum = fixed pay plus 100% of bonus payout and 100% PSP vesting
- Salary levels (on which other elements of the package are calculated) are based on those applying on 1 April 2015. The value of taxable benefits is based on the cost of supplying those benefits (as disclosed) for the year ending 31 March 2015

Service contracts and policy for payments on loss of office

The service contracts for the Executive Directors are terminable by either the Company or the Executive Director on 12 months' notice and make provision for early termination by way of payment of a cash sum equal to 12 months' salary, and pension.

Payment in lieu of notice can be paid either as a lump sum or in equal monthly instalments over the notice period, with mitigation. The Committee will consider the particular circumstances of each leaver and retains flexibility as to at what point, and the extent to which, payments are reduced.

At the discretion of the Committee, a contribution to reasonable outplacement costs in the event of termination of employment due to redundancy may also be made. A payment to the value of 12 months' contractual benefits may also be made. The Committee also retains the ability to reimburse reasonable legal costs incurred in connection with a termination of employment and may make a payment for any statutory entitlements or to settle or compromise claims in connection with a termination of employment of any existing or future Executive Director as necessary.

Relevant details will be provided in the Annual Report on Remuneration should such circumstances apply.

In summary, the contractual provisions on termination where the Company elects to make a payment in lieu of notice are as follows:

Provision	Detailed terms
Notice period	12 months by either party
Termination payments over the notice period	> 100% of salary > 5% in respect of pension contributions
Change of control	No enhanced provisions on a change of control

The Executive Directors are subject to annual re-election at the AGM. Service contracts are available for inspection at the Company's registered office.

Annual bonus on termination

There is no automatic or contractual right to bonus payment. At the discretion of the Committee, for certain leavers, a pro-rata bonus may become payable at the normal payment date for the period of employment and based on full-year performance. Should the Committee decide to make a payment in such circumstances, the rationale would be fully disclosed in the Annual Report on Remuneration.

Service contracts and policy for payments on loss of office continued

PSP on termination
Share-based awards are outside of service contracts provisions.

Normally, PSP awards will lapse upon a participant ceasing to hold employment. However, under the rules of the PSP, in certain prescribed circumstances (namely death, disability, injury, redundancy, retirement, sale of employing company from the business or otherwise at the discretion of the Committee), 'good leaver' status can be applied. In exercising its discretion as to whether an Executive Director should be treated as a good leaver the Committee will take into account the performance of the individual and the reasons for their departure and, in the event of this determination being made, will set out its rationale in the following Annual Report on Remuneration.

The extent to which PSP awards will vest in good leaver circumstances will depend on:

(i) the extent to which the performance conditions have been satisfied at the relevant time; and
(ii) the pro-rating of the award determined by the period of time served in employment during the vesting period.

The Committee retains the discretion to reduce or eliminate time pro-rating, if it regards it to be appropriate in particular circumstances. However, if the time pro-rating is varied from the default position under the PSP rules, an explanation will be set out in the following Annual Report on Remuneration. For the avoidance of doubt, the application of the performance condition may not be waived, although the Committee may at its discretion alter the date to which performance is measured (eg to the date of cessation of employment as opposed to over the full performance period).

Approach to recruitment and promotions

The recruitment package for a new Executive Director would be set in accordance with the terms of the Company's approved remuneration policy. Currently, this would include an annual bonus opportunity of up to 150% of salary and policy PSP award of up to 200% of salary (other than in exceptional circumstances where up to 300% of salary may be made).

On recruitment, salary may (but need not necessarily) be set at a level below the normal market rate, with phased increases greater than those received by others as the Executive Director gains experience. The rate of salary should be set so as to reflect the individual's experience and skills.

The Committee recognises that it may be necessary in some circumstances to compensate for amounts foregone from a previous employer (using Listing Rule 9.4.2). Any such compensatory award would be limited to what is felt to be a fair estimate of the value of remuneration foregone taking into account the value of the award, the extent to which performance conditions apply, the form of award and the time left to vesting.

For an internal appointment, any variable pay element awarded in respect of the individual's prior role would normally be allowed to pay out according to its outstanding terms. In addition, any other ongoing remuneration obligations existing prior to appointment may continue, provided that, if they are outside the approved policy, they are put to shareholders for approval at the earliest opportunity.

For all appointments, the Committee may agree that the Company will meet certain appropriate relocation costs.

Policy on external appointments

Subject to Board approval, Executive Directors are permitted to take on one non-executive position with another company and to retain their fees in respect of such position. Details of outside directorships held by the Executive Directors and any fees that they received are provided in the Annual Report on Remuneration.

The remuneration policy for the Chairman and Non-Executive Directors

The Non-Executive Directors do not have service contracts with the Company, but instead have letters of appointment.

Element	Purpose and link to strategy	Operation	Maximum opportunity
Fees	To attract and retain a high-calibre Chairman and Non-Executive Directors by offering a market-competitive fee level.	Fees are reviewed periodically and approved by the Board, with Non-Executive Directors abstaining from any discussion in relation to their fees. Both the Chairman and the Non-Executive Directors are paid annual fees and do not participate in any of the Company's incentive arrangements, or receive any pension provision or other benefits. The Chairman receives a single fee covering all of his duties. The Non-Executive Directors receive a basic Board fee, with additional fees payable for chairing the Audit and Remuneration Committees and for performing the Senior Independent Director role. The Chairman and Non-Executive Directors shall be entitled to have reimbursed all expenses that they reasonably incur in the performance of their duties.	There is no prescribed maximum annual increase nor is there a cap on fees. The fee levels are reviewed on a periodic basis, with reference to the time commitment of the role and market levels in companies of comparable size and complexity.

Letters of appointment

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years, subject to annual re-election at the AGM. Appointment is terminable on six months' written notice. The appointment letters for the Non-Executive Directors provide that no compensation is payable upon termination of employment.

Letters of appointment are available for inspection at the Company's registered office.

Approach to recruitment

For the appointment of a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved remuneration policy in force at that time.

Annual Report on Remuneration

Implementation of the remuneration policy for the year ending 29 March 2015

This section sets out how the Committee intends to implement the remuneration policy in the 2016 financial year.

Base salary

The Executive Directors' salaries were reviewed prior to the IPO. Salaries will be reviewed again in early 2016 with any increases to take effect from 1 April 2016.

The current salaries, which became effective on 1 April 2015, are as follows:

Trevor Mather	£525,000
Sean Glithero	£290,000

Pension and benefits

As described in the policy report, Executive Directors will receive a pension contribution at the rate of 5% of base salary, payable into the Company pension scheme or as a cash alternative. Ancillary benefits are provided in the form of private medical cover, life assurance, income protection insurance and a temporary travel allowance in connection with the office relocations.

Annual bonus

As described in the Policy Report, Trevor Mather's maximum bonus opportunity is capped at 150% of base salary whilst Sean Glithero's is capped at 130% of base salary.

Half of any bonus earned will be payable in shares, deferred for two years under the DABP.

The metrics and their weightings for 2016 are:

Metric	Percentage of total bonus
Underlying operating profit	75%
Strategic objectives	25%

In relation to the financial target, a challenging graduated scale will operate set around the 2016 business plan. For achievement of the threshold target, 20% of this part of the bonus opportunity becomes payable, with the maximum becoming payable for outperforming the 2016 business plan. Underlying operating profit is defined as operating profit before share-based payments, exceptional items, and impairments.

The strategic targets relate to two key performance objectives for 2016. These are the level of audience share we achieve versus our competitors during the year, which will determine up to 12.5% of the total bonus opportunity, and new product initiatives (the adoption of Managing Pillar products in the current financial year), which will also determine up to 12.5% of the total bonus opportunity.

The specific targets themselves are commercially sensitive, but the Committee intends to disclose them in the next Annual Report on Remuneration provided they are no longer considered to be commercially sensitive.

Performance Share Plan

The Committee's policy is to award Executive Directors annual PSP awards. The Committee intends to grant the first PSP awards to Trevor Mather and Sean Glithero, at a level of 200% of salary and 150% of salary respectively. As detailed in the Prospectus dated 19 March 2015 prepared in connection with the IPO, the Offer Price for the IPO will be taken as market value when determining the number of shares comprising individual awards in 2015 under the PSP.

The performance metrics and their weightings for the first award are set out below:

Metric	Percentage of total PSP awards
Cumulative underlying operating profit	75%
Relative total shareholder return	25%

Each element will be assessed independently.

Performance Share Plan continued

Cumulative operating profit target

Cumulative underlying operating profit will be defined as the sum of the Company's underlying operating profit result (which is operating profit before share-based payments, management incentive schemes, exceptional items and impairment) over the three consecutive financial years to March 2018.

The Committee considered a range of factors when setting the range of targets, including internal planning, emerging market expectations for the future performance of the Company and marketing practice in terms of target-setting across the constituents of the FTSE250 index. The actual range of targets is considered commercially sensitive, but the awards will vest according to the following schedule:

Cumulative underlying operating profit performance achieved	Proportion of awards subject to cumulative operating profit that vest
Below threshold	0%
Equal to threshold	25%
Stretch or above	100%

Performance achievement between the threshold and stretch performance point results in pro-rata vesting of awards.

The actual range of cumulative operating profit targets will be set out at the time the award vests.

Relative TSR targets

The performance condition applying to one quarter of PSP awards will be based on total shareholder return (TSR) performance over a measurement period running from Admission until March 2018.

Under the TSR element, the TSR of the Company will be compared to that of the FTSE250 index (excluding investment trusts) over the performance period, and will vest according to the following schedule:

TSR performance relative to the FTSE250 index (excluding investment trusts)	Proportion of awards subject to TSR that vest
Below index TSR	0%
Equal to index TSR	25%
Equal to index TSR plus 25% or above	100%

Performance achievement between the threshold and stretch performance point results in pro-rata vesting of awards.

To ensure that the first awards to be granted under the PSP would be fully aligned with the Company's focus on creating returns for its shareholders from Admission, as detailed in the Prospectus prepared in connection with the Company's IPO, the performance period when measuring TSR will run from Admission with the Company's TSR being measured from the Offer Price of the IPO. More generally, consistent with market practice, a three month averaging period will normally apply for the purposes of calculating the start and end values for the purposes of measuring TSR.

Reflecting recent developments in institutional investors 'best practice', Executive Directors will ordinarily be required to retain their net of tax number of vested shares delivered under the PSP for at least two years from the point of vesting.

All-employee share plans

Following Admission all eligible employees, other than those under notice, were offered free shares under the SIP, valued at £3,600 per person at the time of the award.

The Committee's approach to the operation of the SIP and SAYE for future use remains under review.

Share ownership guidelines

The required share ownership level for the Executive Directors for 2016 will be 200% of salary for Trevor Mather and at least 150% of salary for Sean Glithero. Both Executive Directors currently hold well in excess of this limit, as set out on page 49.

Fees for the Chairman and Non-Executive Directors

The fee structure and levels were reviewed on Admission. The Chairman and Non-Executive Directors will next be eligible for an increase to fees in April 2016. A summary of current annual fees is shown below:

Chairman	£170,000
Non-Executive Director base fee	£52,500
Additional fees:	
Senior Independent Director	£9,000
Audit Committee Chairman	£9,000
Remuneration Committee Chairman	£9,000

Tom Hall and Nick Hartman have waived their entitlement to receive a fee.