

## Corporate Governance

The Directors recognise the value and importance of high standards of corporate governance and intend to observe the requirements of the UK Corporate Governance Code to the extent they consider appropriate in light of the Company size, stage of development and resources.

The Board comprises 2 executive directors and 4 non-executive directors. The Directors consider the composition of the Board to be a satisfactory balance for the purposes of decision making for the Group. In the last 12 months the Board has convened 7 times.

The Group has established an Audit and Nominations and Remuneration Committee of the Board with formally delegated duties and responsibilities. Sean Christie chairs the Audit Committee and Sir David Naish chairs the Nominations and Remuneration Committee.

The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring the financial performance of the Group is properly measured and reported on. The Audit Committee have access to financial reporting information throughout the year and have unrestricted access to the Group's auditor.

The Nominations and Remuneration Committee is responsible for making recommendations on the appointment of new directors and for reviewing the composition of the Board. It will also review the performance of the Executive Directors and make recommendations to the Board on matters pertaining to their remuneration, benefits and terms of employment.

Full details of the makeup and scope of these committees can be found on the Company's website at [www.produceinvestments.co.uk](http://www.produceinvestments.co.uk)

## Bribery Act

The Group have considered the implications of the recent legislation on bribery and corruption and have undertaken an in-depth review of policies and practices in conjunction with the Group's legal advisers.

Following this review the Directors have drawn up a policy, communicated this to all staff, and others, potentially affected by the implementation of the legislation and have held training sessions for all management to introduce the policy, underline the Group's attitude towards any such corrupt practices and to advise of their personal and corporate responsibility to ensure adherence. The Directors have also introduced a regular internal audit process to provide the stakeholders in the Group with the required reassurance that the legislation is being complied with.

## City Code on Takeovers and Mergers

The Company is subject to the City Code on Takeovers and Mergers