

Nomination Committee Report

For the year ended 31 December 2019

The work of the Committee in the year included reviewing the results of the new all-employee survey and the approval of an enhanced succession planning and talent management framework.

The Committee also reviewed its effectiveness in the year and agreed a timetable of work for 2020.

Since the year-end the Committee has met to agree the succession plan for the Group's Finance Director. As announced on 23 January 2020, Bruce Ferguson has been proposed by the Board for appointment by shareholders at the Company's Annual General Meeting.

John (Jay) F. Glick

Chair of the Nomination Committee

Composition and Frequency of Meetings

The Committee currently comprises the Company Chairman and the independent non-executive Directors of the Company and is chaired by John (Jay) Glick.

The Committee meets as required to discuss succession matters and, in 2019, met once in December.

The Committee operates under written terms of reference approved by the Board, which are published on the Company's website at www.huntingplc.com.

Attendance at the Nomination Committee meetings during the year is detailed in the table below:

	Member	Invitation
Number of meetings held:	1	
Number of meetings attended (actual/possible):		
Annell Bay	1/1	–
Carol Chesney	1/1	–
Jay Glick (Committee Chair)	1/1	–
Richard Hunting	–	1/1
Jim Johnson	–	1/1
Keith Lough	1/1	–
Peter Rose	–	1/1

Employee Engagement

The Group appointed a global Chief HR Officer during 2018, who reports directly to the Chief Executive.

In December 2019, the Committee and Board received a presentation on the activities of the Group's HR function, which included a review of the all-employee survey results, which had been initiated in July 2019.

Senior Management Development and Succession

As part of the new procedures introduced, evaluation of the senior leadership team and their direct reports has been undertaken. This has led to the Board identifying high-potential candidates, who will receive formal development and training to enhance the pipeline of talent for the most senior roles within the Company, including at Executive Committee and Board levels.

Change of Finance Director

The Company announced on 23 January 2020 the retirement of Peter Rose as Hunting's Finance Director. Peter has been an integral member of the Group's leadership team since 1997, helping to transform Hunting from a diversified conglomerate with interests in aviation, defence and energy, into a focused international energy services group.

Peter was appointed to the Board in April 2008 and has overseen major divestments and acquisitions, and leaves the Company in a very strong financial position. As previously announced, Peter will step down from the Board at the conclusion of the Company's Annual General Meeting on 15 April 2020. The Board is grateful for the leadership and direction Peter has provided over the Group's finance matters during this time and wish him a happy retirement.

The Committee has met since the start of 2020 to deliberate on the succession of the Group's Finance Director. Since 2018, a formal succession plan for all members of Hunting's leadership team has been in place and, following discussion and unanimous agreement, was delighted to recommend the appointment of Bruce Ferguson, currently managing director of the Group's EMEA operating segment.

Bruce is a qualified Chartered Management Accountant. He joined Hunting in 1994 and has held a number of senior finance and operational roles within the Group's European businesses and, since 2011, has been the managing director of the Group's EMEA segment.

Bruce has been proposed for appointment as Finance Director of the Company at Hunting PLC's 2020 Annual General Meeting and, subject to his election by shareholders, will join the Board on 15 April 2020. His proposed remuneration package is also detailed on page 103 of the Annual Report on Remuneration.

As part of the succession and appointment process, Heidrick & Struggles assisted the Committee in the interview and benchmarking process. Apart from this brief, Heidrick & Struggles do not have any other connection to the Company. Further, Kepler Associates provided benchmarked remuneration data which was reviewed by the Remuneration Committee.

Board Evaluation

As noted in the Corporate Governance Report on page 80, the Board undertook an internally facilitated Board evaluation in 2019. The process concluded that the skills and experience of the Directors were strong and appropriate for the size and profile of the Group.

Committee Effectiveness

At its December meeting, the Committee reviewed its terms of reference and considered its effectiveness, concluding that its performance had been satisfactory during the year.

Gender Diversity

Hunting's gender diversity policy commits the Group to:

- an embedded culture of equal opportunities for all employees, regardless of gender;
- require external recruitment consultants to submit their diversity policies to the Group prior to appointment;
- ensure that external consultants appointed by Hunting provide candidate shortlists comprising of an appropriate gender balance for consideration by the Nomination Committee; and
- a periodic review by the Nomination Committee of its progress in complying with best practice recommendations.

Following the appointment of Annell Bay in 2015 and Carol Chesney in 2018, Hunting's Board comprises 29% of female Directors, which is close to the recommended UK gender target of 33%.



John (Jay) F. Glick

Chair of the Nomination Committee

27 February 2020