

ADDENDUM TO THE REMUNERATION REPORT

It has been brought to our attention that the vesting of option grants made in 2012 and 2016 were not reflected in a number of the tables in the Remuneration Report although they were disclosed in other sections of the report. We apologise for this oversight and in order to assist the reader of our 2019 Annual Report and Accounts (“ARA”) we are providing this addendum to show the relevant tables disclosed on pages 98 and 99 of the ARA, now including the vesting of the 2012 and 2016 option grants.

CHIEF EXECUTIVE OFFICER REMUNERATION

The table below sets out the details of the Director undertaking the role of Chief Executive Officer.

£ Thousands	Base salary	Pension	Benefits	Annual bonus	Value of vested share awards	Total CEO remuneration
2013	260	8	3	-	-	271
2014	260	8	3	-	-	271
2015	260	8	3	39	-	310
2016	260	8	3	71	458	800
2017	260	8	3	260	-	531
2018	390	14	4	276	-	684
2019	399	15	4	43	101	562

The table below sets out the single figure for total remuneration for the Chief Executive Officer for the last five financial years.

	2015	2016	2017	2018	2019
Total remuneration (£ Thousands)	310	800	531	684	562
Annual bonus (% of max)	15%	27%	100%	71%	11%
Total LTIP vesting (% of max)	-	81%	-	-	80%

The table below shows the percentage change in remuneration of the Director undertaking the role of Chief Executive Officer and the Company’s employees as a whole in 2019.

Percentage increase in remuneration in 2019 compared with 2018	CEO	Chosen employee group Note 1
Base salary	2%	4%
All taxable benefits	6%	10%
Value of vested share awards	100%	100%
Annual bonus	(84%)	(64%)
Total	(18%)	6%

Note 1 - The chosen employee group for this comparison excludes Chinese and Vietnamese employees where there has been significant salary inflation.

The ratio of remuneration of the Chief Executive Officer to the average employee of the entire Group (excluding China and Vietnam) over the last five years was as follows:

	2015	2016	2017	2018	2019
Chief Executive remuneration (£'000)	310	800	531	684	562
Average employee remuneration (£'000)	53	69	66	71	55
Ratio	6:1	12:1	8:1	10:1	10:1

The UK government has now introduced legislation requiring companies to publish the ratio of their Chief Executive to that of the median, 25th and 75th percentile total remuneration of full-time equivalent employees. The table below shows the ratio of the pay of the Chief Executive Officer to that of the UK lower quartile, median and upper quartile employees in 2019.

Year	Method ¹	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2019	A	21:1	13:1	7:1

Note 1 - Under method A, employee data is based on full-time equivalent pay for UK colleagues as at 31 December 2019. Method A has been selected as a basis of the disclosure as it is the best reflection of the underlying colleague data required by the Companies (Miscellaneous Reporting) Regulations 2018. The CEO's pay is based on the single figure of remuneration set out above. Because a large portion of the CEO's pay is variable, the pay ratio is heavily dependent on the outcomes of variable pay plans and, in the case of long-term share-based awards, share price movements.

AGGREGATE DIRECTORS' REMUNERATION

The total amounts for Directors' remuneration were as follows:

£	2019	2018
Basic salaries	907,549	1,053,893
Benefits-in-kind	80,656	113,665
Annual bonus	212,368	655,632
Value of vested share awards	171,688	-
Money purchase pension contributions	40,266	39,662
Non-Executive Director fees	140,757	177,595
Total remuneration	1,553,284	2,040,447

DIRECTORS' REMUNERATION FOR 2019

Name of Director	Salary and fees	Annual bonus	Value of vested share awards	Pension	Benefits	2019 Total
£						
Executive						
Duncan Penny	398,775	43,109	100,993	15,600	3,717	562,194
Gavin Griggs	286,300	30,950	-	11,683	23,007	351,940
Mike Laver (retired from the Board 16 April 2019)	75,713	8,015	50,496	3,028	11,856	149,108
Andy Sng	146,761	130,295	20,199	9,955	42,075	349,285
Non-Executive						
James Peters	50,000	-	-	-	2,424	52,424
Terry Twigger	45,000	-	-	-	-	45,000
Polly Williams	40,000	-	-	-	-	40,000
Pauline Lafferty (appointed on 3 December 2019)	3,333	-	-	-	-	3,333