Board Report on Remuneration

Remuneration-related disclosures for Premium Listed companies incorporated in the UK need to comply with the BIS Directors' Remuneration Reporting Regulations (the 'Remuneration Regulations'). As an AIM listed company, the Company is not required to fully apply the Remuneration Regulations and hence is not required, and has not, presented a Board Report on Remuneration in accordance with those rules. Nevertheless, the Board considers it appropriate for the Company to provide Shareholders with information with respect to Executive remuneration.

The information presented within this Board Report on Remuneration has, therefore, been prepared on a consistent basis with that in prior years.

Remuneration Committee

Throughout 2018, membership of the Remuneration Committee (the 'Committee') was comprised of the Chairman of the Company and the Independent Non-Executive Directors and has been chaired by myself. None of the members of the Committee have, or had, any personal financial interests in the Company (other than as Shareholders), conflicts of interests arising from cross-directorships or day to day involvement in running the business.

The Committee is responsible for overseeing the policy regarding Executive remuneration and for determining the remuneration packages for the Executive Directors and the Group Management Board.

Periodically, the Committee engage PricewaterhouseCoopers LLP (PwC) to provide guidance on standard market practice with regard to Executive remuneration, including the provision of factual reward surveys, based on a comparator group determined by the Remuneration Committee, which is used for benchmarking purposes.

Remuneration Policy

The Committee reviews the Company's remuneration philosophy and structure each year to ensure that the remuneration framework remains effective in supporting the Company's business objectives, in line with best practice, and fairly rewards individuals for the contribution that they make to the business, having regard to the size and complexity of the Group's operations and the need to retain, motivate and attract employees of the highest calibre.

The Committee intends that base salary and total remuneration of Executive Directors should be in line with the market. Remuneration is periodically benchmarked against rewards available for equivalent roles in a suitable comparator group with the aim of paying neither significantly above nor below the median for each element of remuneration. The Committee also considers general pay and employment conditions of all employees within the Group and is sensitive to these, to prevailing market conditions, and to governance trends when assessing the level of salaries and remuneration packages of Executive Directors.

The total remuneration package links corporate and individual performance with an appropriate balance between short and long term elements, and fixed and variable components.

The policy is designed to incentivise executives to meet the Company's strategic objectives, such that a significant portion of total remuneration is performance related, based on a mixture of internal targets linked to the Company's strategic business drivers (which can be easily measured, understood and accepted by both executives and Shareholders) and appropriate external comparator groups.

The Committee considers that the targets set for the different elements of performance related remuneration are both appropriate and demanding in the context of the business environment and the challenges with which the Group is faced.

Prior to proposing the adoption of new or amended employee share schemes, the Company will consult in advance with, and seek feedback from, major Shareholders. New schemes may need to be proposed in order for the Company to be able to continue to operate its executive and all employee share schemes, for example, due to the incumbent scheme nearing the end of its lifetime. Existing schemes may need to be amended to reflect current or emerging best practice. Following any consultation process, the adoption of new or amended employee share schemes will then be proposed at the next relevant AGM (as evidenced at the 2018 AGM).

Full details of all current schemes are included within this Report.

As stated above, the Committee benchmarks Executive rewards with the aim of paying neither significantly above nor below the median. Notwithstanding this, we have typically appointed new Executive Directors at pay levels below the median rate and then moved their pay up to reflect experience and performance in the role. Peter Egan was appointed to the Board on 1 April 2018 as Chief Operating Officer, his first role as a PLC director. His subsequent appointment to the role of Chief Executive Officer came nine months later, when his annual basic salary was increased from £220,000 to £338,250. His performance will be measured over the coming year, but we anticipate further increments in his base pay ahead of market movement over the next two to three years to align his pay better with that of his peers, subject of course, to his performance in the role. As CEO, Peter's annual bonus and LTIP opportunities are in line with that of the previous CEO, being a maximum entitlement for each of 125% of basic salary.

Malus and Clawback

To reflect best practice, and to align with Shareholder interests, the Committee introduced malus and clawback provisions in relation to all annual bonus and LTIP schemes (together 'Awards') granted on or after 1 January 2015.

The provisions enable the Committee to decide, up until the second anniversary of an Award becoming payable, in circumstances in which the Committee considers it appropriate, to reduce the quantum of an Award, cancel an Award or impose further conditions on an Award. The provisions also enable the Committee to decide, up until the second anniversary of an Award becoming payable that, in the relevant circumstances, the participant must repay to the Company (or any person nominated by the Company) some or all of the cash or shares received under an Award.

The circumstances in which the Committee may apply the 'malus' and 'clawback' provisions include, but are not limited to, a material misstatement of the Company's audited financial results, a miscalculation of the extent to which a performance target, applying to any Award granted on or after 1 January 2015, has been met, a material failure of risk management by the Company and serious reputational damage to the Company.

Personal Shareholding Requirement and Holding Periods

In order that their interests are linked with those of Shareholders, Executive Directors are expected to build up and maintain a personal shareholding in the Company, equal to at least the value of base salary, over a period of five years from appointment. Non-Executive Directors are encouraged, but are not required, to hold a personal shareholding in the Company.

The Committee has considered whether Executive Directors should be required to hold any shares for a further period after vesting or exercise of an LTIP award, subject to the need to finance any costs of acquisition and associated tax liabilities. It was previously determined that a further restriction over the personal shareholding requirement was unnecessary, however, in order to take into account of developments in best practice, the rules of the 2018 Long-Term Incentive Plan (the 'New LTIP'), which was approved by Shareholders at the 2018 AGM, contain provisions which allow the Committee to require that shares acquired from vesting LTIP awards must be retained for a prescribed period post vesting.

The Committee's intention is that the grant of any awards under the New LTIP will be subject to a further two year holding period over and above the three year vesting period of an LTIP award.

Components of Executive Remuneration

The current remuneration of Executive Directors comprises the following five components:

- basic salary;
- annual bonus;
- taxable benefits;
- share options; and
- pension arrangements (only basic salary is pensionable).

Details of how the various components of remuneration are delivered are set out below.

Basic Salary

Basic salary represents a value which reflects the Remuneration Committee's assessment of the market rate for relevant positions and the individual Director's experience and value to the business. Annual reviews are considered against published information for similar sized groups and the level of increases awarded to staff throughout the Group.

Annual Bonus

In order to incentivise and reward the achievement of stretching one year performance targets, the Group operates a Short Term Incentive Programme ('STIP') which provides for a performance related bonus based on the Group's financial results. All payouts are in cash and are subject to malus and clawback provisions.

The individual targets for the Executive Directors are established by the Committee prior to the start of each financial year with a view to maximising Shareholder value and meeting other Group objectives. Targets are set with reference to internal budgets, which have been robustly challenged by the Non-Executive Directors, with maximum payout requiring performance significantly ahead of budget. The minimum performance target threshold in 2018 was linked to the Group's Adjusted Profit Before Taxation measure; no bonus is payable for below threshold performance. Maximum payout requires the achievement of 130% of the minimum performance target threshold.

The Committee reviews, on an ongoing basis, the performance criteria for each Executive Director to ensure that they remain appropriate and retains the discretion to adjust the performance criteria during the year to ensure that they continue to reflect underlying business performance, for example, following an acquisition. By way of example, the 2018 performance target, set in November 2017, was increased during the year by the Committee to reflect the acquisition of StarCounty in December 2017 and South West Laundry in August 2018.

Subject to the achievement of the targets, the maximum amount of basic salary paid during 2018, or from the date of appointment to the Board if the role has not been held for the full year, to which any annual performance related bonus can represent is as follows:

	2018 Executive Role	Maximum amount of basic salary paid
Chris Sander	Chief Executive Officer	125%
Yvonne Monaghan	Chief Financial Officer	110%
Peter Egan *	Chief Operating Officer	100%

*** Note that further to being appointed Chief Executive Officer on 1 January 2019, the maximum bonus payable to Peter Egan in respect of 2019, subject to the achievement of the performance targets, will be increased to 125% of his basic salary.**

The Chairman and the Independent Non-Executive Directors are not eligible to participate in the STIP.

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Taxable Benefits

Taxable benefits, which are not performance related, principally include the provision of a car or car allowance, private medical insurance and, in 2018 and in respect of Chris Sander only, payment in respect of accrued annual leave entitlement not taken.

Share Options

2009 Long-Term Incentive Plan (the '2009 LTIP')

To incentivise certain employees to maximise Shareholder value and to ensure the employees' services are retained, the Company adopted the 2009 LTIP, which was approved by a resolution of the Board on 7 May 2009. All employees of the Group are eligible to participate in the 2009 LTIP, although in practice, participants will be limited to Executive Directors and Senior Management. Participants in the 2009 LTIP will be selected by the Remuneration Committee.

Eligible participants will be granted awards entitling them to receive, subject to the rules of the 2009 LTIP, Ordinary shares in the Company after a specified vesting period and subject to the achievement of specified performance conditions. Vesting of awards granted under the 2009 LTIP will normally occur after a three year performance period.

Performance Conditions

The performance conditions attached to the awards are linked to the Company's Total Shareholder Return and Earnings per Share performance:

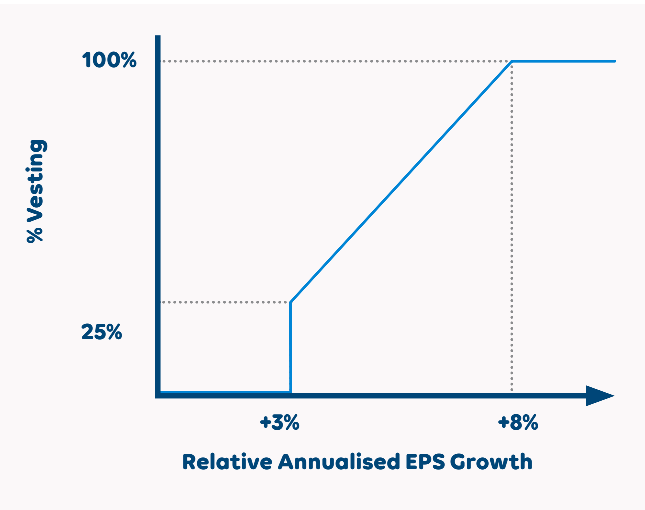
- 50 per cent of an award will vest by reference to the annualised growth in the Company's net return index ('TSR') over the performance period relative to the annualised growth in the FTSE AIM All-Share Industrial Goods and Services net return index (the 'Index') over the performance period. None of the award will vest if the TSR growth is less than the Index growth. One quarter of the award will vest if the TSR growth is equal to the Index growth. The whole of the award will vest if the TSR growth is at least seven per cent above the Index growth. Vesting of the award will be on a straight line basis between these points.
- The remaining 50 per cent of the award will vest by reference to the annualised growth in the Company's adjusted fully diluted earnings per share from continuing operations ('EPS') over the performance period relative to the annualised growth in the retail price index ('RPI') over the performance period. None of the remaining award will vest if the EPS growth is less than three per cent above the RPI growth. One quarter of the remaining award will vest if the EPS growth is three per cent above the RPI growth. The whole of the remaining award will vest if the EPS growth is at least eight per cent above the RPI growth. Vesting of the remaining award will be on a straight line basis if EPS growth is between three per cent and eight per cent above the RPI growth.

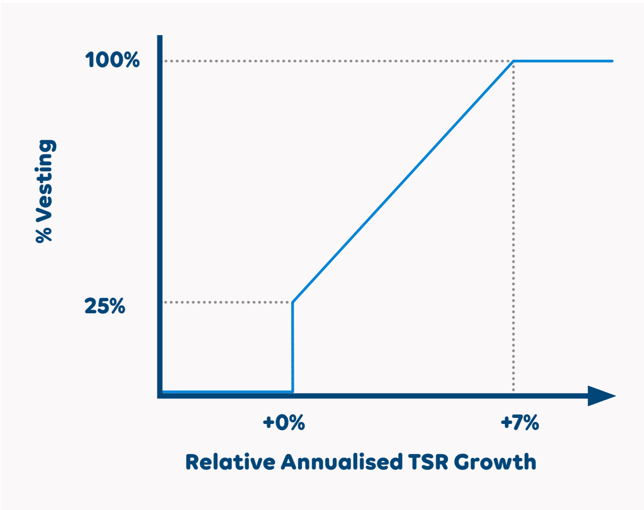
For the purpose of calculating TSR and Index growth, the average of the net return index over the dealing days falling in the period of one month ending on the last day of the performance period will be compared to the average of the net return index over the dealing days falling in the period of one month immediately preceding the first day of the performance period, in each respect of the Company and for the FTSE AIM All-Share Industrial Goods and Services index.

For the purpose of calculating EPS growth, the Company's adjusted fully diluted earnings per share from continuing operations for the final financial year in the performance period will be compared to the Company's adjusted fully diluted earnings per share from continuing operations for the financial year immediately before the start of the performance period.

For the purpose of calculating RPI growth, the retail prices index value for the last month of the final financial year in the performance period will be compared to the retail prices index value for the last month of the financial year immediately before the start of the performance period.

The above performance conditions, used for each of the 2015 Award, 2016 Award, 2017 Award and 2018 Award were selected to incentivise award holders to maximise Shareholder value. The charts below demonstrate the effect on vesting of the above performance conditions:





2015 Award
Awards were granted to certain employees on 8 May 2015 with an exercise price of £nil. The performance period was the three financial years starting 1 January 2015 and ending 31 December 2017. The awards vested in full on 8 May 2018.

2016 Award
Awards were granted to certain employees on 6 May 2016 with an exercise price of £nil. The performance period was the three financial years starting 1 January 2016 and ending 31 December 2018. The performance conditions, calculated as set out above, were met as follows:

EPS Performance Condition: 100.0%
TSR Performance Condition: 60.9%

Although the performance period has now elapsed, the awards cannot vest before the third anniversary of the grant date. Once the awards vest on 6 May 2019, award recipients will then be eligible, subject to the rules of the LTIP, to exercise their award up to and including 6 May 2026.

2017 Award
Awards were granted to certain employees on 27 March 2017 with an exercise price of £nil. The performance period is the three financial years starting 1 January 2017 and ending 31 December 2019. The performance conditions are as set out above.

2018 Award
Awards were granted to certain employees on 28 February 2018 with an exercise price of £nil. The performance period is the three financial years starting 1 January 2018 and ending 31 December 2020. The performance conditions are as set out above.

2009 Long-Term Incentive Plan Approved Section (the 'Approved 2009 LTIP')
The Approved 2009 LTIP was approved by a resolution of the Board on 7 May 2009, and received approval from HM Revenue & Customs on 25 June 2009. The Approved 2009 LTIP is linked to the 2009 LTIP award referred to above. The linked awards give the holder the same potential gross gain as if they had just received the 2009 LTIP award, however, as the Approved 2009 LTIP is tax favoured, in certain circumstances all or part of any gain on the 2009 LTIP award will be received through the Approved 2009 LTIP and therefore taxed at a lower rate, or even zero.

The actual number of shares the award holder will receive when exercising options will depend on the date of exercise, whether the performance conditions of the 2009 LTIP are achieved and the extent to which they are achieved, and also on how much of the gain (if any) can be delivered through the Approved 2009 LTIP. Part of the total award will be forfeited once the gain is determined, however, this will still leave the holder with the same gross gain that would have been received had only an award been made under the 2009 LTIP arrangement.

On 8 May 2015, certain employees were granted awards under the Approved 2009 LTIP, linked to the awards granted on the same date under the 2009 LTIP, at an exercise price of 80 pence. The award vested in full on 8 May 2018, being the third anniversary of the linked 2015 Award grant date. Award recipients are eligible, subject to the rules of the 2009 LTIP, to exercise their Award up to and including 8 May 2025.

2018 Long-Term Incentive Plan (the '2018 LTIP')
Awards could only be granted under the 2009 LTIP until 4 July 2018. The Committee, therefore, adopted a new plan on substantially the same terms as the 2009 LTIP in order for the Company to be able to continue to operate its executive and senior management incentive arrangements after this date. The 2018 LTIP was approved by Shareholders at the 2018 Annual General Meeting; a summary of the principle features of the rules of the 2018 LTIP is included within the 2018 Notice of Annual General Meeting.

As with the 2009 LTIP, the 2018 LTIP comprises an "unapproved" section, under which nil cost awards are made, and a "CSOP" section under which UK tax-advantaged market value options are awarded and which are linked to the nil cost awards such that the total value delivered under both awards is never more than would be delivered under the nil cost awards alone. The use of the CSOP section allows the potential for tax favoured treatment for participants in the 2018 LTIP.

In addition to updating the CSOP section to take account of changes in tax law since the 2009 LTIP was introduced, malus and clawback provisions have been added to the rules of the 2018 LTIP, to reflect the fact that such provisions have been applicable to LTIP awards granted by the Company from 2015. In addition, to take into account potential future developments in best practice, the rules of the 2018 LTIP contain provisions which allow the Committee to require that shares acquired from vesting LTIP awards must be retained for a prescribed period post vesting. The Committee's intention is that the first grant of awards under the 2018 LTIP, which is expected to be made on or around 5 March 2019, will be subject to such a holding period of two years.

Sharesave Plan (the 'SAYE Scheme')
The SAYE Scheme is open to all employees, including Executive Directors, who have completed two years' service at the date of invitation and who open an approved savings contract.

When the savings contract is started, options are granted to acquire the number of shares that the total savings will buy when the savings contract matures. Details of the exercise periods and normal expiry dates are given in note 26 of the Consolidated Financial Statements.

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Fixed and Variable Remuneration

As stated above, the Company's policy is to provide a total remuneration package that links corporate and individual performance with an appropriate balance between short and long term elements, and fixed and variable components.

By way of illustration, the balance between the aggregated fixed and variable elements for the Executive Directors who were in office during the year is shown in the charts below for varying levels of vesting of the 2009 Long-Term Incentive Plan (LTIP), granted in 2015, 2016, 2017 and 2018, each of which were either unexercised or unvested at 31 December 2018, together with actual bonus and the maximum achievable bonus. Broadly, and assuming actual bonus achievement in 2018, there is a 60:40 split between fixed and variable pay if none of the LTIP were to vest and a 29:71 split between fixed and variable pay assuming maximum bonus achievement and maximum performance of the LTIP, showing the high proportion of performance-related pay that is 'at risk' in the total remuneration package.

NO LTIP VESTING & ACTUAL BONUS

Fixed: 60%
Variable: 40%

50% LTIP VESTING & ACTUAL BONUS

Fixed: 43%
Variable: 57%

100% LTIP VESTING & MAXIMUM BONUS

Fixed: 29%
Variable: 71%

The above illustration is based on a number of assumptions:

- fixed remuneration includes basic salary only and represents actual annual salary paid to Executive Directors during 2018 (and in the case of Peter Egan, the annualised salary payable had he been an Executive Director for the full year);
- variable remuneration includes annual bonus (assumed at either actual achievement for 2018 or maximum achievement where indicated within this illustration (and in the case of Peter Egan, the relevant annualised amounts had he been an Executive Director for the full year)) and, where indicated within this illustration, a hypothetical annualised gain in respect of the LTIP; and
- the amount included in respect of the LTIP represents a hypothetical annualised gross gain over the three year performance period for each of the unexercised or unvested schemes, at an assumed vesting of 50% and then at 100% and assuming a share price at the date of exercise of 117 pence, this being the share price of the Company at 31 December 2018.

Non-Executive Directors

The Chairman and Non-Executive Directors receive fees which are set by the Board and which are commensurate with their experience and contribution to the Group. The Chairman and Non-Executive Directors do not participate in decisions regarding their own remuneration. They do not participate in any of the Group's pension, share option or performance related bonus schemes.

Service Contracts

In the event of termination, without cause, the Company has a contractual obligation to compensate the Director for the unexpired period of his or her notice. The Company will seek to reduce this payment by means of the Director's duty to mitigate this payment wherever possible.

Executive Directors

Peter Egan is employed under a service agreement dated 30 March 2018, as amended by a Variation Letter dated 21 December 2018 on the appointment to Chief Executive Officer on 1 January 2019, which has no fixed expiry date and provides that the Company is required to give twelve months' notice and Peter Egan is required to give six months' notice.

Yvonne Monaghan is employed under a service agreement dated 14 January 2004, as amended with the appointment to Chief Financial Officer on 31 August 2007, which has no fixed expiry date and provides that the Company is required to give twelve months' notice and Yvonne Monaghan is required to give six months' notice.

Up until his retirement on 31 December 2018, Chris Sander was employed under a service agreement dated 6 July 2004, as amended by a Variation Letter dated 20 October 2009 and as further amended on the appointment to Chief Executive Officer on 3 January 2014, which had no fixed expiry date and provided that the Company was required to give twelve months' notice and Chris Sander was required to give six months' notice.

Chairman and Non-Executive Directors

The Chairman and Non-Executive Directors each have fixed term appointments. Each has a letter of appointment, dated as set out below, which requires the Company to provide three months' notice, the Chairman to provide at least three months' notice and each Non-Executive Director to provide at least one months' notice.

At 31 December 2018, the unexpired terms of the Chairman and Independent Non-Executive Directors letters of appointment were:

	Date of Latest Letter of Appointment	Service Agreement Start Date	Service Agreement End Date	Unexpired Term at 31 December 2018
Bill Shannon[1]	26 January 2018	8 May 2018	7 May 2019	4 months
Nick Gregg	16 October 2018	1 January 2019	31 December 2021	3 years
Chris Girling	29 August 2018	29 August 2018	28 August 2021	2 years 8 months

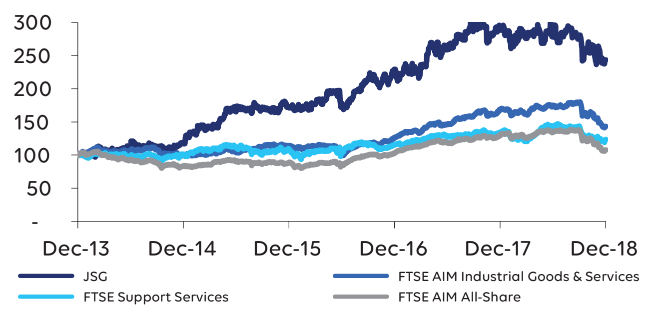
Note 1: On 27 February 2019, a new letter of appointment was issued which extended the unexpired term shown above by 12 months.

Performance Graph

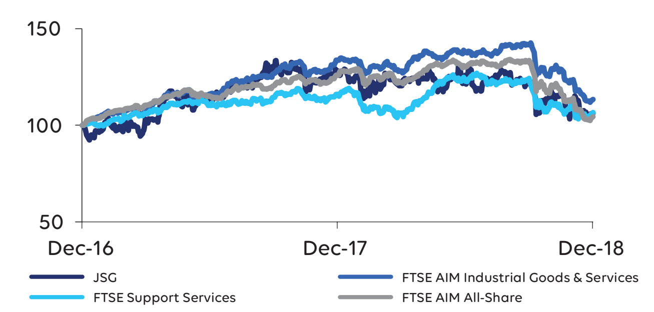
Over the five years to 31 December 2018 the Company has outperformed the FTSE AIM Industrial Goods and Services Index, the FTSE Support Services Index and the FTSE AIM All-Share Index with a net total shareholder return of 244% against a net total shareholder return of 143%, 123% and 108% respectively.

Over the two years to 31 December 2018 the Company has outperformed the FTSE AIM All-Share Index with a net total shareholder return of 106% against a net total shareholder return of 104%, however, it has underperformed the FTSE AIM Industrial Goods and Services Index and the FTSE Support Services Index which saw a net total shareholder return of 113% and 107% respectively.

These indices have been selected for this comparison as, in the opinion of the Directors, they represent the general and specific sectors in which the Group operates.



TSR 5 Year Performance



TSR 2 Year Performance

Board Report on Remuneration

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Directors' Remuneration (Audited)

	Note	Basic Salary / Fees 2018 £000	Annual Bonus 2018 £000	Pension / Cash in Lieu of Pension 2018 £000	Taxable Benefits 2018 £000	Total 2018 £000	Total 2017 £000
Executive Directors							
Peter Egan	1,2	165	96	23	16	300	-
Yvonne Monaghan	2,3,4	294	188	52	19	553	560
Chris Sander	2,5,8	405	294	72	58	829	841
Non-Executive Directors							
Chris Girling	6	19	-	-	-	19	-
Nick Gregg		44	-	-	-	44	40
Bill Shannon	7	83	-	-	-	83	45
Former Directors							
Paul Moody	8	62	-	-	-	62	105
		1,072	**578**	**147**	**93**	**1,890**	1,591

The amounts included in the table above in respect of Non-Executive Directors and Former Directors all relate to fees. For Executive Directors, a year-on-year analysis of remuneration by component is provided below:

	Basic Salary / Fees £000	Annual Bonus £000	Pension / Cash in Lieu of Pension £000	Taxable Benefits £000	Total £000
Peter Egan					
2018	165	96	23	16	300
2017	-	-	-	-	-
Yvonne Monaghan					
2018	294	188	52	19	553
2017	270	215	48	27	560
Chris Sander					
2018	405	294	72	58	829
2017	395	357	70	19	841

Note 1: **The figures included in the table above in respect of Peter Egan represent the amounts paid or payable since his appointment to the Board as Chief Operating Officer on 1 April 2018. Earnings prior to that date are excluded from the table. The annual basic salary payable to Peter Egan in his role of Chief Operating Officer was £220,000. Following his appointment to the role of Chief Executive Officer on 1 January 2019, Peter's annual basic salary was increased to £338,250.**

Note 2: **Details of the amounts shown in the table above under 'Pension / Cash in Lieu of Pension' are set out on page 63.**

Note 3: **As disclosed within the 2017 Annual Report, the salary payable to Yvonne Monaghan in 2017 was £270,000. A 2.5% increase was applied with effect from 1 January 2018 such that her revised annual salary was £276,750. A further increase was applied with effect from 1 April 2018 such that her revised annual salary was £300,000. In line with the Remuneration Policy, the increase was to reflect her considerable experience as an Executive Director, the continued growth of JSG and the change in Board composition following Peter Egan's appointment. This change reflects market rate and is within the current benchmarking parameters set by the Remuneration Committee as referred to on page 56. The figure included in the table above under 'Basic Salary / Fees' represents the actual salary paid to Yvonne Monaghan during the year.**

Note 4: **As set out within the Director biographies on page 34, Yvonne Monaghan is also a Non-Executive Director of NWF Group plc. She received, and retained, fees of £39,000 in each of 2018 and 2017 for her services.**

Note 5: **The amount shown in the table above under 'Taxable Benefits' includes £38,930 in respect of frozen holiday pay, further details of which are set out on page 58.**

Note 6: **Chris Girling was appointed as a Non-Executive Director on 29 August 2018. The figure included in the table above for 2018 reflects the amount paid to him since that date.**

Note 7: **Following the retirement of Paul Moody on 3 August 2018, Bill Shannon assumed the role of Non-Executive Chairman. The figure included in the table above for 2018 reflects the increased amount paid to him in respect of his additional responsibility since that date.**

Note 8: **Paul Moody retired on 3 August 2018; Chris Sander retired on 31 December 2018. The figures included in the tables above for 2018 reflect the amounts paid or payable up until the date of retirement.**

No Director waived any emoluments in respect of the years ended 31 December 2018 and 31 December 2017.

Pension Benefits of Executive Directors

Executive Directors are contractually entitled to receive retirement benefits, which are calculated on basic salary, under one or more of the Group's contributory defined benefit or defined contribution schemes. Details of the schemes are given in note 23 of the Consolidated Financial Statements.

Each Executive Director, who served during the current year, has left active pensionable service in the Johnson Group Defined Benefit Scheme (the 'JGDBS'), which is of the defined benefit type, and is entitled to a preserved benefit. The accrued pension entitlement shown below is the amount that would be paid annually on retirement (at normal retirement age). This pension is calculated based on the total period of pensionable service to the Company, both before and after becoming a Director.

	Accrued pension entitlement at December 2018 £000	Accrued pension entitlement at December 2017 £000
Peter Egan	12	12
Yvonne Monaghan	50	49
Chris Sander	61	59

From 1 January 2015, Peter Egan became a deferred member of the JGDBS. From that date, he is contractually entitled to a monthly employer pension contribution, equal to up to 14% of his monthly salary, which is paid to the JSG Pension Plan (the 'Plan'), a defined contribution scheme. The majority of employees within the Group are eligible to participate in the Plan. Employer contribution rates to the Plan are on a matching plus basis determined with reference to the employee's own pension contribution together with their salary banding; the maximum employer contribution is 14%, based upon a 7% employee contribution, for all employees currently earning an annual salary greater than £108,314.

From 1 January 2012, Yvonne Monaghan opted to become a deferred member of the JGDBS and is contractually entitled to receive a monthly cash amount equal to 17.8% of her monthly salary.

From 1 April 2011, Chris Sander opted to become a deferred member of the JGDBS and was contractually entitled to receive a monthly cash amount equal to 16.0% of his monthly salary. From 1 January 2014, his contract was amended such that the monthly cash amount increased to 17.8% of his monthly salary.

The amounts payable in the year to Yvonne Monaghan and Chris Sander under the above arrangements were £52,365 and £72,068 respectively (2017: £48,060 and £70,310 respectively).

Both Yvonne Monaghan and Chris Sander took a partial transfer of benefits from the JGDBS on 31 March 2012.

Interests in Share Capital

The interests of the Directors who were in office at 31 December 2018, together with the interests of their close family, in the shares of the Company at the start, or date of appointment if later, and close of the financial year, were as follows:

	31 December 2018 Ordinary shares of 10p each	31 December 2017 Ordinary shares of 10p each
Beneficial		
Peter Egan	34,716	24,716
Yvonne Monaghan	564,086	564,086
Chris Sander	535,930	525,930
Bill Shannon	125,000	125,000
Chris Girling	8,638	-
Nick Gregg	15,000	15,000
	1,283,370	**1,254,732**
Issued share capital *	367,574,210	366,499,375
Directors' share holding	0.35%	0.34%
Non Beneficial		
Yvonne Monaghan and others	588,452	588,452

*** Issued share capital is as at the balance sheet date**

Board Report on Remuneration
Continued >

The Non Beneficial shares referred to above are held by the Johnson Brothers Employee Benefit Trust (the "Trust"). The Trust is governed by a Trust deed dated 18 August 1936 and was set up for the benefit of employees or ex-employees of the Company or their respective widows, widowers, children or other dependants. Yvonne Monaghan is a Trustee of the Trust.

There have been no changes in the Directors' interests in the shares of the Company during the period 31 December 2018 up until the time of signing this report.

Beneficial Interests in Share Options (Audited)

The interests of the Directors, who have served during the year, in share options of the Company at the commencement (or date of appointment if later) and close (or date of resignation if earlier) of the financial year were as follows:

	Date of Grant	At 31 December 2017	Options Granted During Year	Options Lapsed During Year	Options Cancelled During Year	Options Exercised During Year	At 31 December 2018	Option Price
Peter Egan								
Scheme 1	8 May 2015	120,000	-	-	-	-	120,000	nil
Scheme 2	8 May 2015	37,500	-	-	-	-	37,500	80.00p
Scheme 1	6 May 2016	110,000	-	-	-	-	110,000	nil
Scheme 1	27 March 2017	95,000	-	-	-	-	95,000	nil
Scheme 3	4 October 2017	7,157	-	-	-	-	7,157	125.75p
Scheme 1	28 February 2018	-	153,042	-	-	-	153,042	nil
		369,657	**153,042**	**-**	**-**	**-**	**522,699**	
Yvonne Monaghan								
Scheme 1	8 May 2015	308,750	-	-	-	-	308,750	nil
Scheme 2	8 May 2015	37,500	-	-	-	-	37,500	80.00p
Scheme 1	6 May 2016	274,456	-	-	-	-	274,456	nil
Scheme 1	27 March 2017	274,364	-	-	-	-	274,364	nil
Scheme 3	4 October 2017	7,157	-	-	-	-	7,157	125.75p
Scheme 1	28 February 2018	-	223,185	-	-	-	223,185	nil
		902,227	**223,185**	**-**	**-**	**-**	**1,125,412**	
Chris Sander								
Scheme 1	8 May 2015	393,750	-	-	-	-	393,750	nil
Scheme 2	8 May 2015	37,500	-	-	-	-	37,500	80.00p
Scheme 1	6 May 2016	359,782	-	-	-	-	359,782	nil
Scheme 1	27 March 2017	456,120	-	-	-	-	456,120	nil
Scheme 1	28 February 2018	-	371,036	-	-	-	371,036	nil
		1,247,152	**371,036**	**-**	**-**	**-**	**1,618,188**	

Scheme 1 - 2009 Long-Term Incentive Plan (the '2009 LTIP')
Scheme 2 - 2009 Long-Term Incentive Plan Approved Section (the '2009 Approved LTIP')
Scheme 3 - Sharesave Plan ('SAYE Scheme')

Details of the 2009 LTIP, the 2009 Approved LTIP and the SAYE Scheme are given on pages 58 to 59 of the Board Report on Remuneration.

Director Gains

No Director exercised options over shares in the Company during the year.

On 6 March 2017, Chris Sander and Yvonne Monaghan each exercised options under the Company's Sharesave Plan over 17,526 ordinary shares of 10 pence each ("Ordinary Shares") with an option price of 43.75 pence per share and each subsequently sold 17,526 Ordinary Shares at a price of 115.45 pence per share.

On 27 March 2017, Chris Sander exercised nil cost options under the Company's 2009 Long Term Incentive Plan over 461,855 Ordinary Shares and subsequently sold 461,855 Ordinary Shares at a price of 109.93 pence per share. On the same date, Yvonne Monaghan exercised nil cost options under the Company's 2009 Long Term Incentive Plan over 387,628 Ordinary Shares and subsequently sold 387,628 Ordinary Shares at a price of 109.93 pence per share.

Other Details

The mid-market price of the Ordinary shares of 10p each on 31 December 2018 and 31 December 2017 was 117.0 pence and 144.0 pence respectively. During the year, the mid-market price of the Ordinary shares of 10p each ranged between 113.6 pence and 145.2 pence (2017: 106.0 pence and 151.0 pence).

None of the terms or conditions of the share options were varied during the year.

There have been no changes in the Directors' interests during the period 31 December 2018 to 4 March 2019, this being the date of this report.

Annual General Meeting

A resolution will be proposed at the Annual General Meeting to seek approval of the Board Report on Remuneration.

Nick Gregg
Chairman, Remuneration Committee

4 March 2019