



Action taken in relation to our AGM resolutions

Two of the resolutions passed at the AGM held on 4 May 2017 in respect of the re-election of directors were passed, although a high number of votes were received against them. Resolution 4 in respect of the re-election of the Chairman, Adrian Bellamy, received 14.74% votes against, and Resolution 8 in respect of the re-election of the Chair of the Audit Committee, Ken Hydon, received 30.78% votes against.

In our announcement on 4 May 2017, we noted that the Board believed these related in part to the desire of certain shareholders to ensure Board level accountability for the tragic events in South Korea relating to a Humidifier Sanitiser product withdrawn in 2011. The Board accepts that this is a matter for the full Board and deeply regrets these events, for which an apology has been given and extensive remedial action taken. We have engaged extensively with our shareholders in relation to this.

We would also note the following:

- In July 2016 we announced the establishment of a new Corporate Responsibility, Sustainability, Ethics and Compliance Committee to support the Board in fulfilling its duty to safeguard and advance the Company's reputation for responsible and sustainable corporate conduct by reviewing, monitoring and assessing its approach to and management of corporate social responsibility, environmental and sustainability issues and behaviours, ethical conduct and regulatory compliance.
- Prior to the voting on the resolutions at the AGM we had already announced, in March 2017, the appointment of André Lacroix to the position of Audit Committee Chair following the conclusion of the 2017 AGM. This was as successor to Ken Hydon who had for several years been seeking to step down from the role but had remained as Chair at the request of the Board.
- Following the AGM, after a lengthy review process in connection with new requirements for periodic rotation of external audit firms, we announced on 5 May 2017 that we would be changing our auditors. KPMG will be our auditors for the financial year ending 31 December 2018 in place of PWC.
- On 19 September 2017, we announced that Adrian Bellamy plans to retire at the next annual general meeting in 2018, and will be replaced by Christopher Sinclair. Mr. Sinclair has been a member of the board since 2015 and is currently Chairman of our Nomination Committee. Mr Sinclair will be engaging with our shareholders over the coming months.

We will continue to constructively engage with all our shareholders.