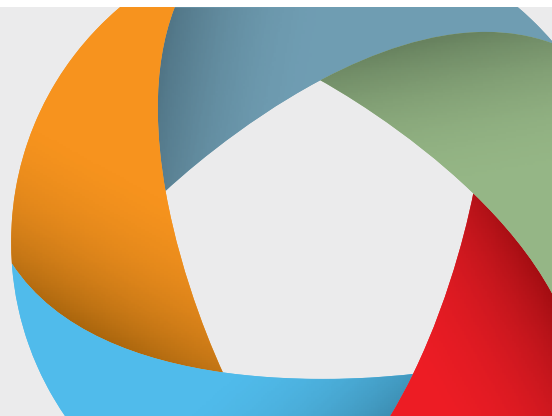


Nomination and Governance Committee Report



The Nomination and Governance Committee comprises Michael Buckley (Chairman) and three independent non-executive Directors, Róisín Brennan, David Byrne and Leslie Van De Walle.



Dear Shareholder,

As Chairman of DCC's Nomination and Governance Committee, I am pleased to present the report of the Committee for the year ended 31 March 2013 which has been prepared by the Committee and approved by the Board.

The Nomination and Governance Committee is responsible for keeping Board renewal, structure, size and composition under constant review, including the skills, knowledge and experience required, taking account of the Group's businesses, strategic direction and diversity objectives. The Committee also actively manages the open and transparent process for appointment of new Directors as outlined under 'Appointment' on page 69 and summarised in the table on page 79. The Committee uses the services of independent consultants to assist with the search for suitable candidates.

The Nomination and Governance Committee is cognisant of the significant advantages of diversity at the level of the Board, senior management and the Group as a whole. There have been a number of changes to the Board and this has been an area of focus for the Nomination and Governance Committee. The Committee recommended the appointment of Jane Lodge on 4 October 2012 as a new non-executive Director, in place of Bernard Somers who retired from the Board on 5 November 2012.

The Committee is also responsible for reviewing corporate governance developments and in particular has reviewed the changes to the UK Corporate Governance Code issued in September 2012 ('the 2012 Code'), which will apply to DCC's financial year commencing on 1 April 2013.

Composition

The Nomination and Governance Committee comprises the Chairman and three independent non-executive Directors, as shown above. Each member's length of service at 31 March 2013 is set out in the table on page 80. Biographical details for these Directors are set out on pages 62 to 63.

Role and Responsibilities

The role and responsibilities of the Nomination and Governance Committee are set out in its written terms of reference, which are reviewed annually, and are available on the Company's website www.dcc.ie. The terms of reference will be updated to reflect the changes in the 2012 Code.

Meetings

The Nomination and Governance Committee met four times during the year ended 31 March 2013. Individual attendance at these meetings is set out in the table on page 80.

The Chief Executive, other executives and external advisers are invited to attend all or part of any meeting. The Company Secretary is the secretary to the Nomination and Governance Committee.

The Chairman of the Board does not chair the Committee when it is dealing with the matter of succession to the chairmanship.



Diversity

Board diversity is a regular agenda item which is considered at Committee meetings during the year. The Committee is aware of the need to improve gender diversity at Board level. During the year, the Committee developed a Board Diversity Policy which was approved by the Board. This Policy is available on the Company's website www.dcc.ie.

In addition, upon the recommendation of the Committee, the Board has approved a Group Diversity and Equal Opportunities Policy Statement, developed by Group Human Resources, which will be implemented in Group subsidiaries in conjunction with local legislative requirements.

The activities undertaken by the Nomination and Governance Committee in respect of its principal responsibilities during the year ended 31 March 2013 are summarised in the following table:

Responsibility	Activity
Composition of the Board: Review the structure, size and composition (including skills, knowledge and experience) required of the Board and make recommendations to the Board.	At each of its meetings during the year, the Nomination and Governance Committee considered the composition of the Board to ensure the Board has the appropriate combination of skills, knowledge and experience.
Review the leadership needs of the organisation and consider succession planning for Directors, in particular the Chairman and Chief Executive, and Group senior management.	The Committee has particular regard to the leadership needs of the organisation and gives full consideration to succession planning for Directors and senior management, in particular the Chairman and Chief Executive, taking into account the challenges and opportunities facing the Group and the skills and expertise required. A detailed succession management plan, prepared by the Chief Executive was considered at a meeting during the year and was presented to the Board for approval.
Keep the Board Diversity Policy under review and set measurable objectives for implementing the Policy.	Taking account of the 2012 UK Corporate Governance Code and the Board Diversity Policy, the Nomination and Governance Committee remains focused on increasing the number of female non-executive Directors and those with experience in the sectors in which we operate. Jane Lodge was appointed to the Board in 2012 and in the current year it is expected that a further new non-executive Director will be appointed, in line with the Board Diversity Policy.
Identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise and before making a nomination, to evaluate the balance of skills, knowledge, independence and experience on the Board.	The Nomination and Governance Committee conducted a search for a new non-executive Director resulting in the appointment of Jane Lodge. An international professional search firm, Egon Zehnder, assisted with this search.
In identifying suitable candidates, the Committee shall (i) use such methods to facilitate the search as it deems necessary (ii) consider candidates on merit against objective criteria and with due regard to the Board Diversity Policy and (iii) establish that candidates will have sufficient time to devote to the position.	<p>The Nomination and Governance Committee formally agrees criteria for new non-executive Director appointments, including experience of the industry sectors and geographies in which the Group operates, professional background, nationality and gender. An international professional search firm is employed to carry out a wide ranging, international search. At least two members of the Nomination and Governance Committee formally interview prospective candidates to arrive at a short list, which is reviewed by the Committee. Before any preferred candidate is proposed to the Board, he/she will have been met individually by a number of the executive and non-executive Directors. When an agreed candidate is identified, a formal proposal is put to the Board.</p> <p>In relation to the appointment of executive Directors, following discussion and agreement between the Chairman and Chief Executive, a proposal from the Chief Executive is put to the Nomination and Governance Committee, which may decide formally to interview the proposed candidate, before making a recommendation to the Board.</p>

Nomination and Governance Committee Report (continued)

Corporate Governance:

Ensure, that on appointment to the Board, that non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings.

The terms and conditions of appointment of non-executive Directors are set out in their letters of appointment, and include expected time commitment in respect of Board and Committee meetings, boardroom development training and visits to Group subsidiaries. The letters of appointment are available for inspection at the Company's registered office during normal office hours and at the Annual General Meeting of the Company.

Monitor the Company's compliance with corporate governance best practice and with applicable legal, regulatory and listing requirements and recommend to the Board such changes or additional action as the Committee deems necessary.

The Nomination and Governance Committee advised the Board on significant developments in the law and practice of corporate governance and monitors the Company's compliance with corporate governance best practice with particular reference to the UK Corporate Governance Code. The Committee has recommended any necessary action required to be adopted and implemented by the Board in respect of the 2012 Code.

Oversee the conduct of the annual evaluation of Board, Committee and individual Director performance.

The Nomination and Governance Committee oversaw the annual evaluation conducted by the Board of its own performance, that of each of its principal committees, the Audit, Nomination and Governance and Remuneration Committees, and that of individual Directors. This process is externally facilitated every three years.

Reporting:

The Chairman of the Nomination and Governance Committee reports to the Board at each meeting on the activities of the Committee.

The Nomination and Governance Committee reviewed and approved the Governance Report in the Annual Report and other material being made public in respect of the Company's corporate governance.

The Chairman of the Nomination and Governance Committee attends the Annual General Meeting.

Nomination and Governance Committee: Attendance at meetings during the year ended 31 March 2013 and length of service at 31 March 2013:

Member	Number of Committee Meetings ¹	Meeting Attendance	Length of Service on Committee
Michael Buckley (Chairman)	4	4	7.5 years
Róisín Brennan	4	4	2 years
David Byrne	4	4	4 years
Leslie Van De Walle	4	4	2 years

Note 1 Number of Meetings held during the period the Director was a member of the Committee

On behalf of the Nomination and Governance Committee

Michael Buckley

Chairman, Nomination and Governance Committee

13 May 2013