

Directors' Report: Other Information

Share capital and rights attaching to shares

The Company had 243,464,688 ordinary shares of £0.01 each in issue as at 31 December 2017. 382,597 ordinary shares were issued during 2017, 379,624 at a price of £1.34 and 2,973 at a price of £2.27. Further details relating to share capital can be found in note 40.

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such rights (including preferred, deferred or other special rights) or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine).

Authorities to allot and pre-emption rights

At the 2017 AGM, shareholders renewed the general authority for the Directors to allot up to £810,274 of the nominal value of ordinary shares of £0.01 each. In addition, shareholders gave authority for the Directors to grant rights to subscribe for, or to convert any security into regulatory capital convertible instruments up to £291,698 of the nominal value of ordinary shares equivalent to 12% of issued share capital.

Repurchase of shares

The Company has an unexpired authority to repurchase ordinary shares up to a maximum of 24,308,209 ordinary shares. The Company did not repurchase any of its ordinary shares during 2017 (2016: none).

Employee share schemes

The details of the Company's employee share schemes are set out on pages 84 to 85 in the Remuneration Report.

Results and dividends

The results for the year are set out in the Statement of Profit or Loss on page 107. The Directors recommend the payment of a final dividend of 9.3 pence per share on 16 May 2018, subject to approval at the AGM on 10 May 2018, with an ex-dividend date of 22 March 2018 and a record date of 23 March 2018. This is in addition to the 2017 interim dividend of 3.5 pence per share paid during the year (2016: 10.5 pence total dividend).

Directors' interests

Directors' interests in the shares of the Company are set out on pages 91 and 94 in the Remuneration Report. None of the Directors had interests in shares of the Company greater than 0.7% of the ordinary shares in issue. There were no changes to Directors' interests in shares since 31 December 2017.

Equal opportunities

The Group is committed to applying its equality and diversity policy at all stages of recruitment and selection. Shortlisting, interviewing and selection will always be carried out without regard to gender, gender reassignment, sexual orientation, marital or civil partnership status, colour, race, nationality, ethnic or national origins, religion or belief, age, pregnancy or maternity leave or trade union membership. Any candidate with a disability will not be excluded unless it is clear that the candidate is unable to perform a duty that is intrinsic to the role, having taken into account reasonable adjustments. Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of his/her disability. Line managers conducting recruitment interviews will ensure that the questions that they ask job applicants are not in any way discriminatory or unnecessarily intrusive. This commitment also applies to existing employees.

Employee engagement

Employees are kept informed of developments within the business and in respect of their employment through a variety of means, such as staff meetings, briefings and the intranet. Employee involvement is encouraged and views and suggestions are taken into account when planning new products and projects. The Sharesave 'save as you earn' Scheme is an all-employee share option scheme which is open to all UK-based employees. The Sharesave Scheme allows employees to purchase options by saving a fixed amount of between £5 and £500 per month over a period of either three or five years at the end of which the options, subject to leaver provisions, are usually exercisable. The Sharesave Scheme has been in operation since June 2014 and is granted annually, with the exercise price set at a 20% discount of the share price on the date of grant.

Greenhouse gas emissions

Information relating to greenhouse gas emissions can be found on page 55 in the Strategic report.

Political donations

Shareholder authority to make aggregate political donations not exceeding £50,000 was obtained at the 2017 AGM. Neither the Company nor any of its subsidiaries made any political donations this year.

Notifiable interests in share capital

At 31 December 2017, the Company had received the following notifications of major holdings of voting rights pursuant to the requirements of Rule 5 of the Disclosure Guidance and Transparency Rules:

	No. of ordinary shares	% of issued share capital
OSB Holdco Limited	52,447,557	21.54
Old Mutual plc	33,905,324	13.94
Aggregate of Standard Life Aberdeen plc	13,974,322	5.74
JPMorgan	13,035,838	5.36
Norges Bank	7,267,358	2.99

Since 31 December 2017, the following notifications were received.

	No. of ordinary shares	% of issued share capital
Old Mutual plc*	36,560,557	15.02
OSB Holdco Limited	23,664,922	9.72
Norges Bank	7,732,546	3.18

* In addition, 133,665 financial instruments with similar economic effect, representing 0.05%, were also disclosed.

Annual General Meeting

Accompanying this report is the Notice of the AGM which sets out the resolutions to be proposed to the meeting, together with an explanation of each. This year's AGM will be held at the offices of Addleshaw Goddard, 60 Chiswell Street, London, EC1Y 4AG on 10 May 2018. The meeting will start at 11am with registration from 10.30am.

Going concern statement

The Directors have undertaken a going concern assessment in accordance with 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting', published by the Financial Reporting Council in September 2014.

As a result of this assessment, the Directors are satisfied that the Group and the Company have adequate resources to continue to operate as a going concern for a period in excess of 12 months from the date of this report and have prepared the financial statements on that basis. In assessing whether the going concern basis is appropriate, the Directors have considered the information contained in the financial statements, the latest business plan, profit forecasts and the latest working capital forecasts.

These forecasts have been subject to sensitivity tests, and having reviewed the ICAAP and ILAAP, the Directors are satisfied that the Group and the Company have adequate resources to continue in operational existence for a period in excess of 12 months.

Key information in respect of the Group's strategic risk management framework, objectives and processes for mitigating risks including liquidity risk are set out in detail on pages 34 to 48.

Jason Elphick

Group General Counsel and Company Secretary

OneSavings Bank plc
Registered number: 07312896
15 March 2018