

HASTINGS GROUP HOLDINGS plc (the “Company”)

NOMINATION COMMITTEE - TERMS OF REFERENCE

Definitions

In these Terms of Reference the following terms shall have the following meanings:

the “ Articles ”	means the Company’s Articles of Association, as amended from time to time;
the “ Board ”	means the board of directors of the Company;
the “ Code ”	means the UK Corporate Governance Code
the “ Committee ”	means the Nomination Committee;
the “ FCA ”	means the UK Financial Conduct Authority (or any successor body);
the “ GFSC ”	means the Gibraltar Financial Services Commission (or any successor body);
the “ Group ”	means the Company and its direct and indirect subsidiaries from time to time;
“ INED ”	means an independent non-executive Director appointed by the Company in accordance with the Articles;
“ Regulated Subsidiary ”	means any of the Company’s subsidiary companies which is separately regulated by either of the FCA or the GFSC and “ Regulated Subsidiaries ” means all of such subsidiary companies;
“ Relationship Agreements ”	means the agreements between the Company, GS and Founder Shareholders (such terms as defined therein); and the Company, Rand Merchant Investment Holdings Limited and Main Street 1353 Proprietary Limited.

1. Background and Purpose

- 1.1 The Board is responsible for directing the affairs of the Group in a manner that meets both shareholder and regulatory requirements and is consistent with the Articles and current corporate governance standards. The Board is also responsible for ensuring that each of its Regulated Subsidiaries acts in compliance with its respective regulatory obligations. However, provided the Board can demonstrate it is acting within its over-arching obligations of good faith and duty of care, it is able to delegate the discharge of those responsibilities to the respective board of each Regulated Subsidiary.
- 1.2 The purpose of the Committee is to assist the Board in discharging its responsibilities for:
 - 1.2.1 discharging its responsibilities in maintaining a formal, rigorous and transparent procedure for the appointment of new directors to the Board; and
 - 1.2.2 ensuring that responsibility for managing and monitoring such matters in each of the Regulated Subsidiaries has been effectively delegated to the respective board of directors and or board committee.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board, with due regard to the Relationship Agreements. The Committee shall be made up of at least three members, a majority of whom shall be INEDs;
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary;
- 2.3 The Board shall appoint the Committee Chair, who shall be an INED. In the absence of the designated Committee Chair, the remaining members present shall elect one of their number to chair the meeting;

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2.4 If any member of the Committee, who, is unable to attend any meeting, he shall be permitted to appoint an alternate for that meeting and such alternate shall then be deemed a member of the Committee for the purposes of establishing a quorum for the meeting.

2.5 Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the director still meets the criteria for membership of the Committee.

3. Secretary

3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

3.2 The Secretary must ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3.3 The Secretary must ascertain, at the beginning of each meeting, whether any conflicts of interest exist and, if so, minute them accordingly.

4. Quorum

The quorum necessary for the transaction of business shall be a minimum of two members or, if any time membership includes persons who are not INEDs, such higher number to ensure that a majority of INEDs is present. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5. Frequency of Meetings

5.1 The Committee shall meet formally at least once a year and at such other times as the chair of the Committee shall require;

5.2 Should it be necessary to consider any matter that would otherwise be required to be considered and approved at a meeting of the Committee and, in the opinion of the chair, it would not be possible or convenient to convene a meeting for that purpose, it will be possible for the Committee to consider the matter via exchange of emails. In such circumstances, full details of the matter to be considered should be circulated to all Committee members who should signify their response/approval by email response;

5.3 Details of any matter reviewed and approved outside of a formal meeting of the Committee in the above circumstances should be noted in the minutes of the subsequent Committee meeting.

6. Notice of Meetings

6.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the chair or any of the Committee members;

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7. Minutes of Meetings

7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance;

7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists or it would otherwise be inappropriate to do so.

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8. Duties

The Committee shall, taking into account all relevant provisions of the Relationship Agreements, carry out the duties below for the Company and/or Group, as appropriate:

- 8.1 regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- 8.2 recommend for Board approval, the Company’s policy on diversity and inclusion, and how its objectives link to company strategy; also and review how the policy has been implemented and monitor progress on achieving those objectives;
- 8.3 give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Group, and the skills and expertise needed on the respective boards of the Regulated Subsidiaries in the future;
- 8.4 keep under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- 8.5 keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates;
- 8.6 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, for the avoidance of doubt the Committee shall respect the requirements of the Relationship Agreements in relation to the appointment of GS Directors, Founder Directors and RMI Directors;
- 8.7 prior to the appointment of a director, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:
 - 8.7.1 use open advertising or the services of external advisers to facilitate the search for candidates;
 - 8.7.2 consider candidates from a wide range of backgrounds;
 - 8.7.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position
 - 8.7.4 ensure that the proposed appointee be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest; and
 - 8.7.5 procure the necessary approval of the FCA, as appropriate in relation to the relevant Regulated Subsidiary, for the proposed appointee to carry out any relevant Significant Influence Function, or equivalent regulatory post, (as defined by the FCA Handbook).
- 8.8 for the appointment of a chair prepare a job specification, including the time commitment expected. A proposed chair’s other significant commitments should be disclosed to the Board before appointment and any changes to the chair’s commitments should be reported to the board as they arise;
- 8.9 ensure that on appointment to the Board, 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;
- 8.10 review the results of the Board performance evaluation process that relate to the composition of the Board;

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- 8.11 review annually the time required from non-executive directors. The Board performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- 8.12 review its own performance, composition and terms of reference at least once a year and recommend to the Board any changes it considers necessary or desirable;
- 8.13 recommend for Board approval the engagement mechanism with colleagues so that the Board remains aware of the views of colleagues.

The Committee shall also make recommendations to the Board concerning:

- 8.13 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chair and chief executive;
- 8.14 suitable candidates for the role of senior independent director;
- 8.15 membership of the audit, risk and remuneration committees, and any other Board committees as appropriate, in consultation with the chairmen of those committees, for the avoidance of doubt the Committee shall respect the requirements of the Relationship Agreements in relation to the appointment of GS Directors, Founder Directors and/or RMI Directors as members of the Board committees;
- 8.16 the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- 8.17 any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract;
- 8.18 the re-election by shareholders of directors under the annual re-election provisions of the Code or the retirement by rotation provisions of the Company’s articles of association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years); and
- 8.19 the appointment of any director to executive or other office.

9. INEDs

- 9.1 When the Company decides to appoint an INED the Committee may engage a reputable firm of search consultants to recommend candidates.
- 9.2 The Committee chair will submit a short-list of candidates to members of the Committee and the chief executive officer (and other directors if appropriate), for their comments and to enable them to suggest other candidates;
- 9.3 The Committee will decide whether to recommend a candidate to the Board for appointment.

10. Executive directors

- 10.1 When the Company decides to appoint an executive director, the Committee may engage a reputable firm of search consultants to recommend candidates.
- 10.2 The Committee chair will submit a short-list of candidates to members of the Committee and the chief executive officer (and other directors if appropriate), for their comments and to enable them to suggest other candidates.
- 10.3 The Committee will decide whether to recommend a candidate to the Board for appointment.

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11. Reporting Responsibilities

- 11.1 The Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities;
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
- 11.3 The Committee shall compile a report of its activities to be included in the Group’s annual report, explaining how the Committee’s process used to make appointments and explain if external advice or open advertising has not been used;
- 11.4 The report in 11.3 above should include a statement of the Board’s policy on diversity, including gender, any measurable objectives that it has set for implementing the policy and progress on achieving the objectives.

12. Other Matters

The Committee shall:

- 12.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 12.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 12.3 give due consideration to laws, regulations and any published guidelines or recommendations regarding the appointment of directors of listed/non listed companies and formation including but not limited to the provisions of the Code, the requirements of the UK Listing Authority’s Listing, the Prospectus and Disclosure and Transparency Rules as well as guidelines published by the FCA and any other applicable rules as appropriate;
- 12.4 at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and
- 12.5 work and liaise with all other Board committees as necessary.

13. Authority

The Committee is authorised:

- 13.1 to seek any information it requires from any employee of the Group in order to perform its duties;
- 13.2 to obtain, at the Company’s expense, outside legal or other professional advice on any other matter within its terms of reference; and
- 13.3 to call any employee of the Group to be questioned at a meeting of the Committee as and when required.