



Nomination Committee

Terms of Reference

Version 2.0

AMIGO HOLDINGS PLC

NOMINATION COMMITTEE

TERMS OF REFERENCE

The following are the terms of reference of the Nomination Committee (the “**Nomination Committee**”) of Amigo Holdings PLC (the “**Company**”) and its subsidiaries (together, the “**Group**”).

1. **Membership**

- 1.1 Members of the Nomination Committee shall be appointed by the board of directors of the Company (the “**Board**”) and shall comprise at least three members.
- 1.2 A majority of the members of the Nomination Committee shall be the chairman of the Board and independent non-executive directors.
- 1.3 The Board shall appoint the chairman of the Nomination Committee (the “**Chairman**”) who shall be either the chairman of the Board or an independent non-executive director. In the absence of the Chairman, the remaining members present shall elect one member who is an independent non-executive director to chair the meeting. The chairman of the Board shall not chair the Nomination Committee when it is dealing with the matter of succession to the chairmanship. The Chairman (or chairman of the relevant meeting) shall have a casting vote on all matters in the event of an equality of votes (except where he or she has a personal interest).
- 1.4 In deciding chairmanship and membership of the Nomination Committee, the value of ensuring that Committee membership is refreshed and that undue reliance is not placed on particular individuals should be taken into account.
- 1.5 Appointments to the Nomination Committee shall be for a period of up to one year, extendable for additional periods of up to one year, provided that the majority of the Nomination Committee’s members remain independent and that appointments will only be effective for so long as the director still meets the criteria for membership of the Nomination Committee. Membership of the Nomination Committee shall be reviewed by the Board at least annually.
- 1.6 The company secretary (or his or her nominee) shall act as the secretary of the Nomination Committee (the “**Secretary**”) and will ensure that the Nomination Committee receives information and papers in a timely manner to enable full and proper consideration of the issues.

2. **Terms of Reference to be made available**

- 2.1 The Nomination Committee shall make available these terms of reference, explaining its role and the authority delegated to it by the Board.
- 2.2 These terms of reference have been produced to identify and formalise the roles, tasks and responsibilities of the Nomination Committee and the authority delegated to it by the Board in compliance with the UK Corporate Governance Code (the “**Code**”).
- 2.3 The requirement to make this information available would be met by making such information available on request and including the terms of reference and such explanation on the Company’s website.

3. **Quorum**

- 3.1 The quorum necessary for the transaction of business shall be two members of the Nomination Committee, both of whom must be independent non-executive directors. No member of the Nomination Committee shall attend or form part of the quorum in relation to any appointment in which he or she has a personal interest unless such personal interest has been fully disclosed to the Nomination Committee and the remaining members present at the meeting unanimously agree that such member may attend or form part of the quorate in relation to such matter.
- 3.2 A duly convened and quorate meeting of the Nomination Committee shall be competent to exercise any or all of the authorities, powers and discretions vested in or exercisable by the Nomination Committee.

4. **Frequency of meetings**

- 4.1 The Nomination Committee shall meet at least twice a year and at such other times as required. Any member of the Nomination Committee may request a meeting if he or she considers that one is necessary or expedient. Meetings may be convened by telephone when necessary or as video or audio conferences.

5. **Notice of meetings**

- 5.1 Meetings of the Nomination Committee shall be called by the Secretary at the request of the Chairman or any member of the Nomination Committee.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, date and time, together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Nomination Committee, and to other attendees as appropriate, no later than five working days before the date of the meeting.

6. **Proceedings of the Nomination Committee**

- 6.1 Only Nomination Committee members have the right to attend Nomination Committee meetings. However, the Nomination Committee will usually invite the Chief Executive officer to attend the meetings. The Nomination Committee may also invite any directors or other executives of the Company, or any external professional advisers, to attend all or part of any meeting as and when appropriate.

7. **Minutes of meetings**

- 7.1 The Secretary shall minute the proceedings and decisions of all Nomination Committee meetings and record the names of those present and in attendance.
- 7.2 The members of the Nomination Committee shall, at the beginning of each meeting, declare any conflicts of interest arising and the Secretary shall minute them accordingly.
- 7.3 Draft minutes of Nomination Committee meetings shall be circulated to all members of the Nomination Committee as soon as practicable after each meeting. Once approved, minutes shall be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Chairman.

8. **Annual general meeting**

- 8.1 The Chairman shall attend the annual general meeting of the Company prepared to respond to any shareholder questions on the Nomination Committee's activities and responsibilities.

9. **Authority**

- 9.1 The Nomination Committee is authorised by the Board to investigate any activity within its terms of reference. The Nomination Committee is authorised to seek any information it requires from any employee or director of the Company, or any consultant or other provider of services to the Company in order to perform its duties. The Chairman, with the assistance of the Secretary, is authorised to appoint such external consultants as he deems necessary or appropriate to assist with discharging the Nomination Committee's responsibilities. All employees, directors, consultants and other service providers of services are directed to co-operate with requests for information made by the Nomination Committee including requests to attend meetings of the Nomination Committee.
- 9.2 The Nomination Committee is authorised by the Board to obtain, at the Company's expense, external legal or other professional advice on any matters within its terms of reference.
- 9.3 Although the Nomination Committee can seek the advice and assistance of the executive management, it must ensure that this role is clearly separated from their role within the business.

10. **Responsibilities**

- 10.1 The Nomination Committee shall:
- (a) regularly review the structure, size and composition (including the skills, knowledge, independence, experience and diversity) of the Board (with particular regard to the balance of executive and non-executive directors, including independent non-executive directors) compared with its current position and make recommendations to the Board with regard to any changes;
 - (b) give full consideration to succession planning for directors and other senior executives in the course of the work of the Nomination Committee, taking into account the challenges and opportunities facing the Company, and the skills and expertise that will, therefore, be needed on the Board or within the senior executives team in the future;
 - (c) be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise, having regard to the Company's obligations under the relationship agreement dated 29 June 2018 between the Company and Richmond Group Limited;
 - (d) develop and regularly review the Company's overall approach to governance practices, implement and administer the governance system and propose such procedures and policies to ensure Company's commitment to high standards of corporate governance;
 - (e) monitor and make recommendations to the Board on board governance issues, including the establishment of appropriate policies and practices to enable the Board to operate effectively and efficiently;
 - (f) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the markets in which it operates and the leadership needs of the Company to ensure the continued ability to compete in the relevant markets; and
 - (g) work and liaise as necessary with all other Board committees.
- 10.2 Before an appointment is made by the Board, the Nomination Committee shall evaluate the balance of skills, knowledge, independence and experience on the Board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.

- 10.3 For the appointment of a chairman of the Board, the evaluation mentioned in paragraph 10.2 above shall include an assessment of the time commitment expected, recognising the need for availability in the event of crises. A proposed chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the chairman's commitments should be reported to the Board as they arise, and their impact explained in the next annual report.
- 10.4 In identifying suitable candidates, the Nomination Committee shall:
- (a) (where appropriate) use open advertising or the services of external advisers to facilitate the search;
 - (b) consider candidates from a wide range of backgrounds; and
 - (c) consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to that position, and with due regard to the benefits of diversity on the Board, including gender diversity.
- 10.5 The Nomination Committee shall keep under review the leadership needs of the Company, both executive and non-executive, to ensure the continued ability of the Group to compete effectively in the marketplace.
- 10.6 The Nomination Committee shall review the time required from non-executive directors annually. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.
- 10.7 The Nomination Committee shall consider all matters relating to directors and conflicts of interests with the Company including, but not limited to, new potential or actual situations that may lead to a conflict and existing situations where circumstances may have changed or be about to change and make recommendations to the Board as to the authorisation the Board may or may not choose to give pursuant to section 175 of the Companies Act 2006. This shall include, before the appointment of a director, requiring the proposed appointee to disclose any other business interests that may result in a conflict of interest and requiring him/her to report any future business interests that could result in a conflict of interest.
- 10.8 The Nomination Committee shall 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. This letter of appointment containing the terms and conditions of appointment of any non-executive director should be made available for inspection by any person at the Company's registered office during normal business hours and at the Company's annual general meeting (for 15 minutes prior to, and during, the meeting). A proposed non-executive director's other significant commitments should be disclosed to the Board before appointment, with a broad indication of the time involved, and the Board should be informed of subsequent changes as they arise. Prior to appointment, non-executive directors should undertake that they will have sufficient time to meet what is expected of them.
- 10.9 The Nomination Committee shall ensure, in conjunction with the chairman of the Board, that all new directors receive a full, formal and tailored induction;
- 10.10 The Nomination Committee shall also make recommendations to the Board concerning:
- (a) formulating plans for succession for both executive and non-executive directors and in particular for the key role of the chairman of the Board and the Chief Executive Officer, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
 - (b) suitable candidates for the role of senior independent director;

- (c) membership and chairmanship of the Audit Committee, the Remuneration Committee and any other Board committees as appropriate, in consultation with the chairmen of those committees where appropriate;
 - (d) 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;
 - (e) the re-election by shareholders of any director under the re-election 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);
 - (f) 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;
 - (g) the appointment of any director to executive or other office; and
 - (h) the appointment of any executive where the annual remuneration is (or may be) in excess of £100,000.
- 10.11 The Nomination Committee shall ensure that the evaluation of the Board is externally facilitated at least every three years, and shall review the results of the Board performance evaluation process that relate to the composition of the Board.

11. **Reporting responsibilities**

- 11.1 The Chairman shall report formally to the Board on its proceedings after each meeting of the Nomination Committee on all matters within its duties and responsibilities.
- 11.2 The Nomination Committee shall make whatever recommendation to the Board it deems appropriate on any area within its remit where action or improvement is needed. Any recommendation of the Nomination Committee or decision made in respect of appointments shall take effect only if approved by the Board.
- 11.3 The Nomination Committee must compile a report to shareholders on its activities and the process used to make appointments to be included in the Company's annual report. The report should also:
- (a) where external advertising or search consultancy has not been used in the appointment of a chairman or a non-executive director, give reasons for this;
 - (b) identify any external search agency used by the Company, and state whether it has any other connection with the Company;
 - (c) describe 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;
 - (d) identify the membership of the Nomination Committee, number of meetings held and attendance of individual directors over the course of the year; and
 - (e) describe how annual performance evaluation of the board, its committees and individual directors has been conducted.

12. **Other matters**

- 12.1 The Nomination Committee shall:

- (a) have access to sufficient resources to carry out its duties, including access to the company secretary for assistance as required;
- (b) 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;
- (c) give due consideration to laws and regulations, including the general duties of directors set out in the Companies Act 2006, the provisions of the Code and the requirements of the UK Listing Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules and the Market Abuse Regulation as well as any other applicable laws and regulations, as appropriate;
- (d) arrange for at least annual periodic reviews of its own performance and, at least annually, review its 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.

These terms of reference were reviewed and approved by the Board on 28 June 2018.