

# TERMS OF REFERENCE NOMINATION AND GOVERNANCE COMMITTEE

HARGREAVES  
LANSDOWN

Hargreaves Lansdown plc (the Company)

<b>1 Purpose</b>	The purpose of the Nomination & Governance Committee (the Committee) is to provide oversight and advice to the board of directors of the Company (the Board) in respect of the matters listed in Section 2 below with regards to the Hargreaves Lansdown Group (including Hargreaves Lansdown Asset Management Limited) <sup>1</sup> and to report formally to the Board on those matters after each meeting.
<b>2 Duties</b>	<p>The Committee should have oversight of the Group as a whole as regards to matters within its remit and, unless required otherwise by regulation, carry out the duties below in respect of the Company, major subsidiary undertakings and the Group as a whole.</p> <p><b>Nominations: appointments, composition, and succession planning</b></p> <p><b>The Committee shall</b></p> <p><b>2.1</b> review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and lead the process for appointments making recommendations to the Board with regard to any changes;</p> <p><b>2.2</b> be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;</p> <p><b>2.3</b> before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity of the Board and, in light of this evaluation prepare a description of the role and capabilities, including time commitment, required for a particular appointment. In identifying suitable candidates the Committee shall, as appropriate:</p> <ul style="list-style-type: none"><li>• use open advertising or the services of external advisers to facilitate the search;</li><li>• consider candidates from wide range of backgrounds;</li><li>• consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, (including gender) and the Group's culture, taking care that appointees have enough time available to devote to the position.</li></ul> <p><b>2.4</b> for the appointment of a Chair, the Committee should 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;</p> <p><b>2.5</b> 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;</p> <p><b>2.6</b> 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, the Group's culture and defined behaviour along with the: skills; experience; independence; knowledge; diversity; and expertise needed on the Board in the future and satisfy itself that plans are in place for orderly succession for appointments to the Board;</p> <p><b>2.7</b> formulate plans for a diverse pipeline of succession for both Executive and Non-Executive Directors and in particular for the key roles of the Chair and the Chief Executive Officer;</p> <p><b>2.8</b> keep under review the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace and in doing so oversee the development of a diverse pipeline for succession;</p> <p><b>2.9</b> keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates.</p>

<sup>1</sup> References to the "Group" shall mean the Company and all of its subsidiaries. For the avoidance of doubt, the following FCA authorised entities are all included within the Group: Hargreaves Lansdown Asset Management Limited; Hargreaves Lansdown Savings Limited; Hargreaves Lansdown Advisory Services Limited; and Hargreaves Lansdown Fund Managers Limited.

Continued overleaf

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## 2 Duties

The Committee shall also make recommendations to the Board concerning:

- 2.10 membership of the Audit, Risk and Remuneration Committees, and any other Board Committees as appropriate, in consultation with the Chair of those Committees;
- 2.11 the appointment of any Director to Executive or other office;
- 2.12 suitable candidates for the role of Senior Independent Director;
- 2.13 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 light of the knowledge, skills and experience required;
- 2.14 the re-election by shareholders of any Director under the annual re-election provisions of the UK Corporate Governance Code (the "Code") or the retirement by rotation provisions in 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 the progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years); and
- 2.15 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.

### Diversity

#### The Committee shall:

- 2.16 receive updates on Inclusion & Diversity activity within the Group and approve the Group's Strategy on an annual basis or as required; and
- 2.17 oversee and maintain a policy on promoting Board diversity.

### Governance: conflicts, effectiveness, induction and training

#### The Committee shall:

- 2.18 prior to the appointment of a Director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest and any future business interest that could result in a conflict of interest;
- 2.19 keep under review at least annual potential conflicts of interests of directors disclosed to the Company or the Group and develop appropriate processes for managing such conflicts if the Committee considers this to be necessary;
- 2.20 at all times take care to minimise the risk of any conflict of interest within the Committee that might be seen to give rise to an unacceptable influence;
- 2.21 approve the Group and Directors Policy on Conflicts of Interest on an annual basis or as required;
- 2.22 ensure that all new Directors undertake an appropriate induction programme to ensure that they are fully informed about strategic and commercial issues affecting the Company and the Group and the markets in which they operate as well as their duties and responsibilities as a director;
- 2.23 assist the Chair with the implementation of an annual evaluation process to assess the overall and individual performance and effectiveness of the Board and its Committees, including consideration of balance of skills, experience, independence and knowledge of the Group's business, its diversity, how the Board works together as a unit, and other factors relevant to the Board's effectiveness;
- 2.24 review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning, its diversity and how effectively the members of the Board work together to achieve objectives;
- 2.25 ensure that evaluation of the board is externally facilitated at least every three years;
- 2.26 review the results of the performance evaluation of the Committee;
- 2.27 consider any training requirements for the Board as a whole;
- 2.28 review annually the time required from Non-Executive Directors. Performance evaluation should be used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties; and

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- 2.29** keep under review the number of external appointments held by each Director, consider setting any limits on such appointments that may be held by the Chair and Non-Executive Directors and ensure that any new additional external appointments are approved in advance by the Board before being accepted.

**Governance, supporting ESG**

**The Committee shall:**

- 2.30** keep under review and approve changes to the Board's governance framework, including monitoring the Group's compliance with applicable legal, regulatory and listing requirements and recommending to the Board such changes or additional actions as it deems necessary;
- 2.31** consider in light of governance best practice and developing consensus proposals on:
- the role of the Board and its Committees;
  - the corporate governance framework;
  - delegation of authority and authority levels;
  - the role of Chairman, Group Chief Executive, Senior Independent Director and Non-executive Directors; and
  - reserved powers;
- and to make recommendations to the Board about any changes.
- 2.32** review and recommend to the Board for approval the material to be published on the [www.hl.co.uk](http://www.hl.co.uk) website including:
- Corporate Governance report for inclusion in the Annual Report (**ESG**);
  - Board Diversity Policy (**ESG**);
  - The HL Way (**ESG**); and
  - Modern Slavery Statement (**ESG**)
- 2.33** receive and review, on an annual basis, an assessment of the continued fitness and proprietary of Senior Management Function (SMF) holders together with the Responsibilities Map.
- 2.34** Oversee the Colleague Forum (the Group's formal workforce advisory panel in accordance with Principle A, Provision 5 of the Code) and receive regular updates from that body.

**Other matters**

**The Committee shall:**

- 2.35** work and liaise as necessary with all other Board Committees as necessary.

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**3 Reporting responsibilities**

- 3.1** The Committee Chair shall formally report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities and report on any other issues on which the Board has requested the opinion of the Committee.
- 3.2** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 3.3** The Committee shall produce a report to be included in the Company's Annual Report about its activities, the process used to make appointments and explain if external advice or open advertising has been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Group.
- 3.4** The report referred to in 3.3 above shall 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.
- 3.5** The Committee shall make these terms of reference available to shareholders by placing them on the Company's website.
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<b>4 Membership</b>	<b>4.1</b>	The Committee shall comprise at least three members. A majority of the members of the Committee shall be Independent Non-Executive Directors.	
	<b>4.2</b>	Only members of the Committee have the right to attend Committee meetings. However, other individuals including the Chief Executive Officer, the Chief People Officer and external advisers may be invited to attend for all or part of any meeting, as and when deemed appropriate and necessary by the Board or Committee.	
	<b>4.3</b>	Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three-years, provided the member still meets the criteria for membership of the Committee.	
	<b>4.4</b>	The Board shall appoint the Committee Chair who should be either the Chair of the Board or an Independent Non-Executive Director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession for the position of Chair of the Board.	
<b>5 Committee composition</b>	<b>5.1</b>	<b>Members</b>	
		Alison Platt	Committee Chair and Non-executive Chair of the plc Board
		Andrea Blance	Non-executive director, and Chair of the Risk Committee
		Penny James	Senior Independent Director
		Michael Morley	Non-executive director, and Chair of the Remuneration Committee (interim)
		Darren Pope	Non-executive director, and Chair of the Audit Committee
		John Troiano	Non-executive director
	<b>5.2</b>	<b>Attendees</b>	
		Chief Executive Officer	
		Chief Financial Officer	
		Chief People Officer	
<b>6 Secretary</b>		The Company Secretary or their nominee shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.	
<b>7 Quorum</b>		The quorum necessary for the transaction of business shall be two members, both of whom must be Independent Non-Executive Directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the discretions vested in or exercisable by the Committee.	
<b>8 Meeting frequency</b>		The Committee shall meet at least twice a year and otherwise as may be necessary.	
<b>9 Notice of meetings</b>	<b>9.1</b>	Meetings of the Committee shall be called by the Secretary at the request of the Committee Chair.	
	<b>9.2</b>	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, any other person required to attend and all other Non-Executive Directors, 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. Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.	

<b>10 Minutes of meetings</b>	<p><b>10.1</b> The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including the names of those present and in attendance.</p> <p><b>10.2</b> The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. Where there is a conflict of interest and the Committee Chair determines that it is material, he/she shall have the power to exclude that Committee member from discussions on that issue.</p> <p><b>10.3</b> Although normally decisions are reached on a consensus, in the event of a disagreement, decisions on any matter are made by the majority, with the Committee Chair having the casting vote in the event of a tie. A Committee member who remains opposed to a proposal after a vote is taken, can ask for his or her dissent to be noted in the minutes.</p> <p><b>10.4</b> Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, the minutes should be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chair.</p> <p><b>10.5</b> Final signed copies of the minutes of the meetings of the Committee shall be maintained for the Company's records.</p>
<b>11 Authority</b>	<p><b>11.1</b> The Committee is authorised to seek any information it requires from any employee/director of the Group in order to perform its duties, including HR, Risk and Finance teams.</p> <p><b>11.2</b> Any member of the Committee is authorised to obtain, at the Company's expense, independent legal or other professional advice on any matter they believe necessary to do so.</p> <p><b>11.3</b> The Committee may request the attendance of any employee of the Group at a meeting of the Committee as and when required.</p> <p><b>11.4</b> The Committee is authorised to oversee any investigation of activities which are within its terms of reference.</p> <p><b>11.5</b> The Committee has the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.</p>
<b>12 Other matters</b>	<p><b>12.1</b> The Committee will have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.</p> <p><b>12.2</b> Committee members will be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.</p> <p><b>12.3</b> The Committee shall give due consideration to laws and regulations and any published guidelines or recommendations including but not limited to the provisions of the Code and the requirements of the FCA's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.</p> <p><b>12.4</b> The Committee shall arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.</p>
<b>13 AGM</b>	The Committee Chair should attend the Annual General Meeting ('AGM') of the Company to respond to any questions from shareholders on the Committee's activities.
<b>14 Amendments</b>	Amendments to these terms of reference require the approval of the Board.
<b>15 Date of last amendment</b>	26 April 2024, approved by the Board.