

PENNANT INTERNATIONAL GROUP PLC

(the “**Company**”)

**Terms of Reference for the Strategy Committee**

**1 CONSTITUTION**

By resolution of the board of Directors of the Company (the “**Board**”), a committee of the Board has been established, called the Strategy Committee, for the following purposes, namely to:

- 1.1 consider, review and approve the strategic objectives and plans of the Group as may be proposed by the Executive Directors;
- 1.2 provide guidance and make recommendations as appropriate to the Board and senior management of the Group as to the formulation and implementation of strategy; and
- 1.3 review and approve the Group’s policy and framework relating to the management of key risks to the Group’s enterprise, in relation to the pursuit of strategic objectives and otherwise.

**2 MEMBERSHIP**

- 2.1 Members of the Committee shall be appointed by the Board, in consultation with the Chairman of the Strategy Committee. The first members of the Committee shall be all the Directors.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, the Group’s Strategy Manager shall have a standing invite to attend meetings of the Committee.
- 2.3 The Group’s senior management and external advisers may be invited to attend for all or part of any meeting as and when deemed appropriate by the Chairman of the Committee. Working groups comprising Directors and relevant employees may also be formed (see paragraph 9 of these Terms) and attend meetings as appropriate.
- 2.4 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods.
- 2.5 The Board shall appoint the Committee Chairman who shall be an independent Non-Executive Director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.



### 3 **SECRETARY**

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 the issues.

### 4 **QUORUM**

The quorum necessary for the transaction of business shall be two members of the Committee. 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 **MEETINGS**

The Committee shall meet at least two times a year and at such other times as the Chairman of the Committee shall require.

### 6 **NOTICE OF MEETINGS**

6.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its 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 (with relevant papers), 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.

### 7 **MINUTES OF MEETINGS**

7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings.

7.2 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.

### 8 **ANNUAL GENERAL MEETING**

The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

### 9 **WORKING GROUPS**

9.1 The Committee (acting through its Chairman) shall, in addition to its minimum biannual meetings, have the power to form working groups to concentrate on particular aspects of Group strategy (which may focus on product, sector, region, customer or any other relevant theme).



- 9.2 Such working groups shall comprise the Committee Chairman, the Chief Executive Officer, the Commercial & Strategy Manager and such other officers or employees of the Group as they may invite to participate.
- 9.3 Senior managers within the Group shall prepare plans addressing relevant particular aspects of the Group's strategy and the Committee's working groups shall be responsible for reviewing, critiquing and guiding such senior managers on the formulation and implementation of their respective plans. The Committee Chairman (or the Commercial & Strategy Manager or Chief Executive Officer, as appropriate) shall report to the Board on the development and implementation of such plans at suitable intervals.
- 9.4 Similarly, the Committee Chairman shall have the power to form working groups to consider and address any particular risks identified by the Committee during its meetings (or otherwise) which the Committee considers require a greater degree of Board-level oversight (either for a defined period or indefinitely).

## 10 **REPORTING RESPONSIBILITIES**

- 10.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 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 **OTHER**

- 11.1 The Committee shall, 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.
- 11.2 The Committee shall give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes.

## 12 **AUTHORITY**

- 12.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 12.2 In connection with its duties the Committee is authorised by the Board to obtain, at the Company's expense, any outside legal or other professional advice as it considers appropriate to the discharge of its duties and responsibilities.

25 April 2018