

DELEGATED AUTHORITIES

RIVER AND MERCANTILE GROUP PLC

1. THE CHAIRMAN

- 1.1 The Directors may at any time elect from their number, and remove, a Chairman of the Board of Directors. The Chairman should on appointment meet the independence criteria set out in the Code.
- 1.2 The Directors shall identify an independent non-executive Director to act as Chairman in the event that the Chairman is unable to do so for any reason. The Board will periodically keep the shareholders informed through appropriate disclosure of its choice in this regard.
- 1.3 The Chairman shall be responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role, setting its agenda and ensuring that adequate time is allowed for discussion of all agenda items, in particular strategic issues. The Chairman's role shall include the following:
 - 1.3.1 to preside at meetings of the Company's shareholders and the Board;
 - 1.3.2 to ensure (via liaison with the Company Secretary) that the Directors receive accurate, timely, high-quality and clear supporting information;
 - 1.3.3 to encourage and ensure effective communication with shareholders and other stakeholders, and ensure shareholder views are communicated to the Board as a whole;
 - 1.3.4 to seek regular engagement with major shareholders in order to understand their views on governance and performance against the strategy;
 - 1.3.5 to facilitate a structure so as to allow the effective contribution of all Directors, and of non-executive Directors in particular, by drawing on their skills, experience, knowledge and, where appropriate, independence;
 - 1.3.6 to chair meetings with non-executive Directors without executive Directors present;
 - 1.3.7 to regularly consider succession planning and the composition of the Board;
 - 1.3.8 to create an environment which engenders constructive relations, based on mutual respect and open communication, both in and outside the boardroom, between executive and non-executive Directors;
 - 1.3.9 to develop productive working relationships with all executive Directors, and the Chief Executive in particular, providing support and advice whilst respecting executive responsibility;
 - 1.3.10 to consult the Senior Independent Director on Board matters in connection with the Corporate Governance Code;
 - 1.3.11 taking the lead on issues of Director development, including through induction programmes for new Directors and regular reviews with all Directors;
 - 1.3.12 to implement processes so that the views of shareholders are communicated to the Board as a whole;
 - 1.3.13 to act on the results of Board evaluation;

- 1.3.14 to be aware of, and respond to, his or her own development needs, including people and other skills, especially when taking on the role for the first time;
- 1.3.15 to organise the business of the Board so that it can be carried out effectively and efficiently;
- 1.3.16 to ensure that the Board has effective decision-making processes and applies sufficient challenge to major proposals;
- 1.3.17 to lead the Board in discussions regarding the Company's strategy and in the achievement of its objectives, focusing on strategy, performance, value creation and accountability, and ensuring that issues relevant to these areas are reserved for Board decision;
- 1.3.18 to ensure that the Board determines the nature, and extent, of the significant risks that the Company is willing to embrace in the implementation of its strategy;
- 1.3.19 to ensure Board Committees are properly established, composed and operated with appropriate terms of reference and chaired when appropriate;
- 1.3.20 to ensure that the Chairmen of the Board Committees are available to answer questions at the AGM and arranging for all directors to attend;
- 1.3.21 to ensure that when proposing the re-election of Directors to shareholders, the Director's performance continues to be effective and demonstrate commitment to the role; and
- 1.3.22 to enhance the Company's public standing and image overall by working, where appropriate, with the Chief Executive.

2. THE CHIEF EXECUTIVE

- 2.1 The Directors may appoint one or more of their number to the office of Chief Executive.
- 2.2 The roles of Chairman and Chief Executive should not be exercised by the same individual.
- 2.3 The Chief Executive shall be responsible for the daily operation and running of the Company and its businesses, supported by the management team. The Chief Executive's role shall include the following:
 - 2.3.1 to be responsible and accountable to the Board for the management and operation of the Group;
 - 2.3.2 to prepare and implement plans and programmes for the attainment of approved objectives and to recommend such plans and programmes to the Board as appropriate;
 - 2.3.3 to propose strategy to the Board and to be responsible and accountable for delivering the strategy as agreed;
 - 2.3.4 to provide leadership in appropriate Committees to ensure the developed corporate strategy is implemented;
 - 2.3.5 to provide leadership in the Group's commitment to attaining high business standards generally;
 - 2.3.6 to create the conditions within the Group for the efficient operation of all business units;

- 2.3.7 to set an example to the Company's employees and communicate to them the expectations of the Board in relation to the Company's culture, values and behaviours;
 - 2.3.8 to set performance targets for senior management and establish a system to monitor performance, ensuring that there are effective policies for management development, succession planning and remuneration for the senior executives;
 - 2.3.9 to establish and maintain relationships with shareholders and potential shareholders, and major external bodies;
 - 2.3.10 to manage risk by ensuring that reporting lines within the Group are clearly established and effective, that appropriate procedures are put in place to ensure compliance, identifying risks and monitoring them and ensuring that the Group has a suitable system and policy for timely and accurate disclosure of information in accordance with regulatory requirements;
 - 2.3.11 to ensure that the Board are informed of the executive Directors' views on business issues in order to improve the standard of discussion in the boardroom and, prior to final decision on an issue, explain in a balanced way any divergence of views in the executive team; and
 - 2.3.12 to keep the Board informed on all matters of material importance.
- 2.4 The limits on the authority of the Chief Executive are those imposed by the matters which are reserved to the Board. Such limits are set out in the Schedule of Matters reserved for the Board.
- 2.5 In addition, the Chief Executive shall be required to report to the Board regularly by means of a management report. The scope and contents of such a report should be as agreed from time to time between the non-executive and executive Directors.

3. SENIOR INDEPENDENT DIRECTOR

- 3.1 Upon the recommendation of the Nomination Committee, the Board shall appoint one of the non-executive Directors which it has determined to be independent (in accordance with the Corporate Governance Code), to be the Senior Independent Director. The Senior Independent Director shall be available to shareholders if they have concerns which contact through the normal channels of Chairman or Chief Executive has failed to resolve or for which such contact is inappropriate.
- 3.2 The Senior Independent Director shall attend sufficient meetings with a range of the Company's major shareholders to listen to their views in order to help develop a balanced understanding of the issues and concerns of major shareholders.
- 3.3 The Senior Independent Director shall provide support for the Chairman in delivery of his or her objectives.
- 3.4 The Senior Independent Director shall meet with the other non-executive directors, without the Chairman present, to lead the evaluation of the Chairman on an annual basis.
- 3.5 If the Board is undergoing a period of stress, such as where:
 - 3.5.1 there is a dispute between the Chairman and Chief Executive;
 - 3.5.2 shareholders or non-executive directors have expressed concerns that are not being addressed by the Chairman or Chief Executive;
 - 3.5.3 the strategy being followed by the Chairman and Chief Executive is not supported by the entire Board;

3.5.4 the relationship between the Chairman and Chief Executive is particularly close, and decisions are being made without the approval of the full Board; or

3.5.5 succession planning is being ignored,

the Senior Independent Director shall work with the Chairman, other Directors and shareholders (as applicable) to resolve significant issues so as to maintain Board and Company stability.