

**HISCOX LTD
NOMINATIONS COMMITTEE
TERMS OF REFERENCE**

1 Interpretation

In these terms of reference:

“Board” means the Board of directors of the Company or the directors present or deemed to be present at a duly convened meeting of the directors at which a quorum is present, as the context requires;

“Business Day” means Monday to Friday, not including any day which is a Bank Holiday in Bermuda;

“UK Corporate Governance Code” means the Code on Corporate Governance published from time to time by the Financial Reporting Council and as adopted by the UK Listing Authority into the Listing Rules;

“Committee” means the Nominations Committee;

“Committee Pack” means the meeting agenda, together with such other documents as the Chairman may from time to time determine;

“Company” means Hiscox Ltd;

“Group” means the Company and its direct and indirect subsidiaries;

“Secretary” means the Secretary of the Committee and includes any Assistant or Deputy Secretary or a person appointed by the Committee to perform the duties of the Secretary, who shall not be a member of the Committee.

2 Purpose

The Committee shall:

- 2.1 Ensure that the Board remains balanced both in terms of skills and experience, and between Executive and Non Executive Directors;
- 2.2 Lead the process for appointments to the Board, and make recommendations to the Board, ensuring there is a formal, rigorous and transparent procedure; and
- 2.3 Monitor compliance with the UK Listing Authority Listing, Prospectus and Disclosure Rules, Bermudian company law and any other applicable Rules as appropriate.

3 Amendment of Terms of Reference

- 3.1 These Terms of Reference may only be amended by the Board.

4 Membership

- 4.1 A majority of the Committee members shall be independent Non Executive Directors.
- 4.2 The Committee shall comprise at least three members.
- 4.3 The Chairman of the Committee shall be appointed by the Board.
- 4.4 The Chairman may arrange for another member to chair a future meeting if he or she will be absent from that meeting. If neither the Chairman nor a Deputy Chairman is present within five minutes of the time fixed for the start of the meeting and no

alternative member has been appointed to chair the meeting by the Chairman, the members present shall choose one of their number to act as Chairman for that meeting. The Chairman of the Board shall not chair a meeting of the Committee to discuss the appointment of his successor.

- 4.5 In the absence of the appointed Secretary the Chairman of the meeting shall require some other person to perform the role of Secretary for that meeting.

5 Power to appoint members

- 5.1 The Board may appoint an eligible person who is willing to be appointed as a member of the Committee.

6 Power to remove members

- 6.1 The Board may remove a member of the Committee.

7 Frequency and timing of meetings

- 7.1 The Committee shall meet as and when the Chairman of the Committee determines appropriate but not less than once in each calendar year. Meetings shall be held on a Business Day.

8 Quorum

- 8.1 The quorum for the meetings shall be two.

9 Attendance at meetings

- 9.1 The Chairman of the Company, Chief Executive Officer, Finance Director, HR Director and any other relevant senior management of the Group may attend all or part of any meeting of the Committee at the invitation of the Chairman. Such invitees have no right of attendance and the Committee may retract any such invitation at any time. The Committee may invite any external advisers to attend the meeting.

10 Location of meetings

- 10.1 Meetings shall typically be held in Bermuda or another location subject to the discretion of the Group CFO. Meetings will not be held in the UK or the USA.

11 Authority to set the agenda

- 11.1 The Chairman shall set the agenda for meetings of the Committee.

12 Committee Packs

- 12.1 The Secretary shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.
12.2 The Secretary shall ensure one copy of each Committee Pack is retained.

13 Notice of meetings

- 13.1 A member may, and the Secretary at the request of a member shall, summon a Committee meeting at any time.
- 13.2 All members are entitled to receive notice of meetings which shall state the date, time and location of each meeting. Notice may be given in writing, verbally or by any electronic means. All members are entitled to attend and vote at meetings of the Committee.
- 13.3 A Committee Pack specifying the date, time and location of a meeting shall be deemed to be notice.
- 13.4 A member may waive the requirement that notice be given to him of any Committee meeting, either prospectively or retrospectively.

14 Voting

- 14.1 Decisions of the Committee shall be made by majority vote. In the case of an equality of votes the Chairman has a second casting vote.

15 Meetings held by electronic means

- 15.1 Any member may participate in a meeting of the Committee by way of telephone, computer or any other electronic means of communication provided that each person participating in the meeting is able to hear and speak. A person participating in this way is deemed to be present in person although their actual location shall be noted in the minutes and is counted in a quorum and entitled to vote. However, no member shall participate in any meeting while located in the UK or USA. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting is located.

16 Minutes of meetings

- 16.1 Minutes of meetings of the Committee shall be produced by the Secretary.
- 16.2 The minutes shall detail the proceedings and decisions of the meeting setting out the date, time, and place of the meeting, together with a list of those present and in attendance.
- 16.3 The Secretary shall produce the minutes within 10 Business Days of each meeting and shall submit them to the Chairman for approval.
- 16.4 Minutes of the preceding meeting shall be approved by the Committee at each meeting.
- 16.5 The Secretary shall ensure the minutes are filed in a book of minutes within 5 Business Days of their being signed.

17 Authority to inspect the minutes of meetings

- 17.1 The following individuals are entitled to inspect the minutes of meetings:
 - all directors of Hiscox Ltd;
 - all members;
 - external Auditors;
 - employees of the Bermuda Monetary Authority;
 - Committee Secretary; and
 - any other person the Chairman of the Committee may from time to time permit.

18 Duties

The Committee shall:

- 18.1 monitor the structure, size and composition of the Board and make appropriate recommendations to the Board regarding any changes;
- 18.2 before any appointment is made to the Board, evaluate the balance of skills, knowledge, independence and experience, and prepare a description of the role and capabilities required;
- 18.3 identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise using the following processes:
 - 18.3.1 consider candidates from a wide range of backgrounds;
 - 18.3.2 consider candidates on merit and against objective criteria, taking care that appointees have enough time available for the position;
- 18.4 ensure that on appointment to the Board, Non Executive Directors receive a formal letter of appointment setting out expectations in terms of time commitment. Also review annually the time required from Non Executive Directors, referring to the results of the performance evaluation of the Board to ensure sufficient time is being spent to fulfil their duties;
- 18.5 for the appointment of the Chairman, the Committee should prepare a job specification, including the time commitment should be disclosed to the Board and any changes to the Chairman's commitments should be reported to the Board as they arise;
- 18.6 consider succession planning for directors and other members of the senior management group, taking into account the challenges and opportunities facing the Company and make recommendations to the Board regarding succession planning, especially for the Chairman and Chief Executive;
- 18.7 make recommendations to the Board regarding candidates for the role of senior independent director if vacant;
- 18.8 make recommendations to the Board regarding the Chair and membership of the Audit Committee and other sub-committees of the Company;
- 18.9 make recommendations to the Board regarding the re-election of directors following retirement by rotation under the Company's Bye-Laws, having due regard to their performance and the composition of the Board;
- 18.10 make recommendations to the Board on the re-appointment of any Non Executive Director and the end of any specified term of office, having due regard to their performance, time constraints and the composition of the Board; and
- 18.11 make recommendations to the Board on 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 law and their service contract.

19 Reporting

- 19.1 The Chairman of the Committee shall make a verbal summary report at each Board meeting immediately following each Committee meeting;
- 19.2 The Committee shall make a statement in the annual report and accounts as to its activities in relation to nominations duties and explain if external advice has been used and if external advisers provide other services to the Company.

20 Authorities

Subject to these terms of reference taking precedence, the Committee is authorised by the Board to:

- 20.1 seek any information it requires from any employee of the Group in order to perform its duties;
- 20.2 obtain at the Company's expense, outside legal or other professional advice on any matter within its terms of reference;
- 20.3 prevent Executive Directors from attending all or part of any meeting; and
- 20.4 call any director or employee of the Group to a meeting of the Committee as and when required, provided at least two weeks notice is given to that employee.

The Committee is not authorised to establish sub-committees or amend its own terms of reference. These Terms of Reference are subject to Bye-Law 77 of the Company's Bye-Laws.