

**METAIR INVESTMENTS LIMITED**

**NOMINATION COMMITTEE CHARTER**

(Terms of Reference)

## **INTRODUCTION**

The Nominations Committee (the Committee) is constituted as a committee of Metair Investments Limited (the Company) in accordance with Article 27 of the Company's Memorandum of Incorporation (the MOI).

This charter is subject to the provisions of the Companies Act No.71 of 2008, the MOI, the JSE Limited Listings Requirements and any other applicable law or regulatory provision.

The main aim of the Committee is to make recommendations to the Metair board of directors (the Board) on the appointment of executive and non-executive directors to the Board, ensure succession planning at Board level, review the structure, size and composition of the Board as well as its committees and evaluate the performance of the Board, its committees, its Chairman and its individual members.

The duties and responsibilities of the members of the Committee as set out in this document are in addition to those duties and responsibilities that they have as members of the Board.

The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their legal obligations.

## **PURPOSE OF THE TERMS OF REFERENCE**

The purpose of these terms of reference is to set out the Committee's role and responsibilities as well as the requirements for its composition and meeting procedures.

## **COMPOSITION OF THE COMMITTEE**

The Committee shall consist of not less than three non-executive directors with the majority being independent, one being the Chairman of the committee.

The members of the Remuneration Committee will form a sub-committee of the Committee in terms of reviewing and recommending subsidiary director appointments.

The Board shall select the members and the Chairman of the Committee based on the recommendations of the Committee. Each Committee member will serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member.

The Chairman of the Board shall be a member of the Committee and if he or she is an independent non-executive director, may be eligible to be appointed as Chairman of the Committee. In the absence of the Chairman of the Board being an independent non-executive director, any other independent non-executive director appointed as a member of the Committee may be elected as Chairman. A casting vote will go to the appointed Chairman if required.

Members of the Committee are to be knowledgeable, skilled, experienced, diverse and independent enough to discharge their role, responsibilities and duties fully and effectively.

The company secretary will be the secretary of the Committee.

## **ROLE**

The Committee has an independent role and will make recommendations to the Board for its consideration and final approval.

## **RESPONSIBILITIES**

1. The Committee shall make recommendations to the Board on the appointment of new executive and non-executive directors, including making recommendations on the composition of the Board and its committees generally and the balance between executive and non-executive directors appointed to the Board.
2. The Committee shall make recommendations to the Board regarding the policy on race and gender diversity, and report on the progress in respect thereof on agreed voluntary targets.
3. Develop a pool of potential directorial candidates for consideration in the event of a vacancy on the Board, including nominees recommended by shareholders.
4. Ensure the establishment of a formal process for the appointment of directors, including:
  - identification of suitable members of the Board;
  - verification of qualifications and performance of reference and background checks of candidates prior to nomination; and
  - formalising the appointment of directors through an agreement between the company and the director.
5. The Committee shall regularly review the Board and its committee structures, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary.
6. The Committee shall ensure that formal succession plans, in emergency situations and succession over the longer term, for the Board, Chief Executive Officer and senior management appointments are developed and implemented and be responsible for identifying and nominating candidates for the approval of the Board to fill vacancies as and when they arise.
7. The Committee shall oversee the development of a formal induction programme for new directors and ensure that inexperienced directors are developed through a mentorship programme as well as overseeing the development and implementation of continuing professional development programmes for directors.
8. The Committee shall assist the Board in evaluating the performance of the Board, its committees, its Chairman and its individual members. The Committee shall recommend to the Board the appointment of a non-executive director to lead the evaluation of the Chairman of the Board's performance in the absence of a lead independent director.
9. The Committee shall make recommendations to the Board for the continuation (or not) in services of any executive director that has reached the age of 65, and any non-executive director that has reached the age of 75.
10. The Committee shall recommend directors that are retiring by rotation, for re-election.
11. To consider any other matters that may be referred to the Committee by the Board.

## **AUTHORITY**

The Board has delegated its nomination responsibilities to the Committee. The Committee is established to assist the Board in fulfilling its oversight responsibilities. The Committee does not have independent decision making powers. In undertaking its duties, the Committee should have due regard to its role as an advisory body to the Board. Delegated authority from the Board to the Committee does not discharge the Board from being accountable. The Board should apply its collective mind to the information, opinions, recommendations, reports and statements presented by the Committee.

The Committee is authorised by the Board:

- To act as sub-committee for the Board in terms of reviewing and recommending board appointments.
- To investigate any activity within its terms of reference;
- To obtain outside legal or other independent professional advice as it deems necessary to fulfil its responsibilities, at the Company's expense, subject to following a Board approval process; and
- To delegate its authority and duties to sub-committees or individual members of the Committee, as it deems appropriate.

## **MEETINGS AND REPORTING**

1. In terms of Article 27 of the Memorandum of Incorporation, the meetings and proceedings of the Committee shall be governed, *mutatis mutandis*, by the provisions of the articles regulating the meetings and proceedings of the directors, so far as they are applicable and are not superseded by any of the conditions laid down in this charter.
2. Meetings of the Committee will be held as the Committee deems to be appropriate, however, the Committee should meet at least once each year. Further meetings may be called by the Chairman of the Committee or any member of the Committee. These meetings shall be convened by the Secretary of the Committee at the request of its Chairman.
3. The notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances be forwarded to each member of the Committee prior to the date of the meeting by the Secretary as agreed by the Chairman.
4. The Committee Chairman shall, in consultation with the other members of the Committee and appropriate officers of the Company, establish the agenda for each Committee meeting. Each Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting.
5. The quorum for decisions of the Committee shall be any two members present who shall vote on the matter for decision.
6. The Committee may request any officer or employee of the Company, or any representative of the Company's advisors, or any person it deems appropriate to attend a meeting or to meet with any members or representatives of the Committee.
7. The Chairman of the Committee shall provide the Board with a report of the committee's activities and proceedings at Board meetings. The Committee will maintain written minutes of its meetings, which will be filed with the minutes of the meetings of the Board. The Secretary of the Committee shall include the

minutes of each meeting in the Board pack of the Board meeting following the committee meeting for all the members of the Board to note.

8. The Committee to confirm that it is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

#### **EVALUATION**

1. The Committee shall conduct an annual performance self-evaluation and shall report the results to the Board.
2. The Committee shall assess the adequacy of its terms of reference annually and recommend changes to the Board and where applicable update.

#### **REMUNERATION**

1. Having regard to the functions performed by the members of the Committee in addition to their functions as directors in relation to the activities of the Committee, and pursuant to the specific power conferred upon the Board by the MOI, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board.
2. Such special remuneration shall be in addition to the annual fees payable to directors.

#### **APPROVAL**

These terms of reference were approved by the Chairman of the Board and Chairman of the Committee on:

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**DATE APPROVED**

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**COMMITTEE CHAIRMAN**

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**BOARD CHAIRMAN**

Approved 29 March 2011  
Amended and approved 14 June 2011  
Amended and approved on 16 September 2013  
Amended and approved 14 February 2019  
Approved by the Board 25 September 2019  
Re-approved by the Board 30 November 2020