

**REUNERT**

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REUNERT LIMITED

# POLICY ON INDUCTION OF DIRECTORS: REUNERT LIMITED

## REUNERT BOARD

RECOMMENDED BY THE NOMINATION AND GOVERNANCE

COMMITTEE ON 25 MAY 2018

APPROVED BY THE BOARD ON 25 MAY 2018

## 1. Purpose

This policy details the principles applicable to the formal induction of new directors on appointment to the Reunert board.

## 2. King IV

- In accordance with principle 7 of Part V of the King IV Report on Governance for South Africa 2016 (“**King IV**”) individuals appointed to the board will participate in an induction programme to enable them to make the maximum contribution to the discussions of the board as soon as possible.

## 3. Application of this policy

- This policy applies to directors who are appointed to the board for the first time and not to directors who are re-elected to the board at an annual general meeting of the company;
- The content of this policy is in addition to any office-specific induction provided to executive directors;
- This policy is intended to provide guidelines in respect of the manner in which induction of new directors would typically be dealt with, but the chair of the nomination and governance committee, in liaison with the chair of the board (if not the same individual) retains the discretion to adjust the policy to the extent appropriate for a particular individual, having regard to, for example:
  - whether the individual is appointed in an executive or non-executive capacity;
  - the level of the individual's current familiarity with the group and its employees;
  - the individual's existing professional knowledge and experience;
- For the avoidance of doubt, the above discretion of the chair does not detract from the obligation to conduct a formal induction process.

## 4. Responsibility for induction

- In the interest of the effective functioning of the board, all board members are required to assist, where appropriate and on an informal basis, with the induction of new directors;
- It is the responsibility of the chair, however, to take the lead in providing a comprehensive induction programme for new directors;
- The company secretary is responsible for the facilitation and administration of the induction programme, such as setting-up meetings and preparing documents, in consultation with the chair;
- It is the responsibility of a new director to inform the chair and/or the company secretary of matters on which that director believes that he or she requires further training or information, so that the induction programme can be adjusted accordingly.

## 5. Documentation to be provided

- As soon as possible after appointment, a director will be provided with copies of the following documents (unless the individual already has access to these documents, which may be the case if internal candidates are appointed to the board):
  - Reunert Memorandum of Incorporation;
  - Reunert board charter and terms of reference of relevant board committees;
  - Full set of the latest annual financial statements and integrated report;
  - Dates of upcoming board and committee meetings;
  - Names and contact details of members of the board and executive management;
  - Directors' & Officers' Insurance Policy;

- Relevant policies, such as the board's delegation of authority, Code of Ethics and the policy on price sensitive information and dealing in Reunert securities;
- Newly appointed directors will be entitled to access board and relevant committee papers of any previous meetings.

## 6. Meetings

- As soon as practicable, the chair or the company secretary will arrange meetings between the new board member and the executive directors of the Company, in addition to the scheduled board or board committee meetings;
- As the Reunert group is diverse, the executive directors should assist a new director in understanding the group, its legal structure and its various businesses;
- New directors would be offered the opportunity to visit the group's operations and meet with any of the senior executives at such operations.

## 7. JSE Limited Listings Requirements

- If an individual who is appointed to the board does not have prior experience of serving on a board of a listed company, the director will be obliged to attend a meeting with Reunert's JSE sponsors, for an overview of the JSE Listings Requirements;
- As the JSE Listings Requirements are complex and non-compliance may have serious financial, legal and reputational repercussions for Reunert, new directors will be encouraged to ensure that they acquire detailed knowledge in this regard.

## 8. Additional principles

- Induction to the board is not a once-off process and will continue until the new director is comfortable in his or her role;
- Both the chair and the company secretary will continue to support a director with information and advice, from the time of his or her appointment and during the director's term of office;
- Depending on the needs of an individual appointee, the chair and/or the board may propose additional induction mechanisms, such as mentorship programmes.

## 9. Exceptions and amendments

- The chair may consider and deal with any aspect relating to the induction of new board members that is not specifically dealt with in this policy, as he in his sole discretion decides.
- The nomination and governance committee may propose amendments to this policy to the board at any time.
- The board may amend this policy at its discretion at any time, having due regard to the principles and recommended practices of King IV, where applicable.

## 10. Effective date

- This policy takes effect on the date of adoption thereof by the board, being **25 May 2018**.

## 11. Approval of the policy

This policy was recommended to the board by the nomination and governance committee following review by its members, and approved by the board, represented by its chair.

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
The chair of the board and the nomination and governance committee