

REUNERT

REUNERT LIMITED

TERMS OF REFERENCE

NOMINATION AND GOVERNANCE COMMITTEE

REVIEWED BY THE COMMITTEE ON 25 MAY 2018

APPROVED BY THE BOARD ON 25 MAY 2018

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1. Introduction

The nomination and governance committee (“**the Committee**”) is constituted as a standing committee of the Board of directors (“**the Board**”) of Reunert Limited (“**the Company**”).

2. Purpose of these terms of reference

The purpose of this document is to constitute the terms of reference for the Committee by setting out the role and responsibilities of the Committee and to regulate the affairs of the Committee and deal with administrative matters relating thereto.

3. Composition

The chair of the Board, as well as non-executive chairs of Board’s committees, will be members of the Committee, *ex officio*.

4. Mandate

The Committee oversees the Company, as well as the affairs of the Company’s subsidiaries and investments, to the extent that it is relevant to the Committee’s mandate set out in these terms of reference.

4.1 Role and associated responsibilities

The role and associated responsibilities and functions of the Committee shall be to:

Leadership and ethics

4.1.1 Leadership and ethics

- Ensure that the members of the Board, individually and collectively, provide ethical and effective leadership to the Company and act with integrity, competence, responsibility, accountability, fairness and transparency;
- Identify and address, in any manner that it in its discretion decides, any existing or potential breach of the Board’s duty to lead effectively and ethically; and
- Set the tone for ethics of the Board.

Governing structures and delegation

4.1.2 Composition of the Board and its committees

- Consider and make recommendations to the Board on the composition of the Board and its committees;
- Make recommendations to the Board on the formulation of a policy on the promotion of gender and race diversity of the Board.

4.1.3 Board and executive management appointments

- Identify and recommend to the Board suitably qualified and experienced individuals:
 - for appointment to non-executive positions on the Board and Board committees;
 - for appointment to executive positions (in consultation with the chief executive officer) on the Board and Board committees;in a formal and transparent manner;

- Make recommendations to the Board, taking cognisance of all relevant considerations, including the relevant individual's skills, experience, performance and attendance at meetings, on the individuals to be proposed to shareholders for election or re-election to the Board;
- Make recommendations to the Board, taking cognisance of all relevant considerations, including statutory requirements and other considerations contained in the audit committee terms of reference, on the individuals to be proposed to shareholders for election or re-election to the audit committee;
- Review and advise the executive directors on the suitability of individuals identified for appointment as officers of the Company (including the company secretary, but excluding the chief financial officer and the chief audit executive who both report to the audit committee);
- Oversee that suitability of candidates appointed to senior executive positions in the Reunert Group; and
- Identify, and recommend to the Board, individuals for the positions of the chair of the Board, lead independent director (including a recommendation on whether a lead independent director should be appointed), and chairs of Board committees.

4.1.4 Performance assessment

- Advise and assist the Board in respect of the performance assessments contemplated in the Board charter.

4.1.5 Professional development

- Advise and assist the Board on the continuing professional development of directors, collectively and individually.

4.1.6 Independence of non-executive directors

- Oversee that a process is in place in accordance with which directors provide formal written information on:
 - the directors' directorships (other than in the Reunert Group);
 - any commercial relationship between the director and any entity within the Reunert Group;
 - the directors' shareholding in Reunert, any of the entities in the Reunert Group or any other financial interests in any entity in the Reunert Group (other than unit trusts or other investment portfolios where the investment decisions are made by a fund manager); and/or
 - any material financial interest in any competitor of any company in the Reunert Group;at least annually, or when there are significant changes;
- Make recommendations to the Board in respect of any actual or potential conflicts of interest identified; and
- Consider the independence of non-executive directors on an annual basis as required by law and/or recommended by the King IV Code on Corporate Governance, with a particularly rigorous appraisal of the independence of non-executive directors that have served on the Board for more than nine years.

4.1.7 Succession planning and mentorship

- Advise the Board on succession planning in respect of the office of chair of the Board, the office of lead independent director, executive and non-executive directors and committee membership, including identification, mentorship and development of potential future non-executive directors.

4.1.8 Interaction between the Board and management

- Consider and approve or reject, as it in its discretion decides (that is, without having to refer the matter to the Board), a request by any member of the Board that is required to be referred to the Committee in terms of the Board charter, including access to information, independent professional advice or a meeting with management; and

- Stipulate conditions, which will be binding on the director(s) concerned, to the extent that the Committee has granted approval referred to above, for the exercise of the relevant approval.

4.1.9 Directors' affairs and governance

- To advise the Board on any matter relating to the continuation in office of any director, including the application of section 71 of the Companies Act, 2008, or the suspension or termination of service of an executive director as an employee of the Company; and
- To advise the Board on any other matter relating to directors' affairs and the Board's governance, unless such matter falls within the mandate of another Board committee.

4.1.10 Board policies

- To formulate, review and make recommendations to the Board on policies relevant to the governance of the Board and any other policies that the Committee is mandated by the Board to oversee.

4.1.11 Reporting

To report to the shareholders, by way of the integrated report or another publicly available platform (as the Committee in its discretion decides), on matters which fall within its mandate and as recommended by the King IV Code and including, but not limited to:

- Its overall role and associated responsibilities and functions;
- Its composition, including each members' qualifications and experience;
- Any external advisors or invitees who regularly attend meetings;
- Key areas of focus during the reporting period;
- The number of meetings held during the reporting period and attendance at those meetings; and
- Whether the Committee is satisfied that it has fulfilled its responsibilities in accordance with these terms of reference, for the reporting period.

4.2 Other delegated roles and associated responsibilities

The Board of the Company may, by way of its formal "Delegation of Authority" document, or on an ad hoc basis, mandate the Committee to fulfil any additional functions that the Board may deem appropriate.

5. Authority

The Committee has the authority to:

- Take and implement decisions on any matter delegated to it by the Board in terms of the formal "Delegation of Authority" document or on an ad hoc basis;
- Investigate, monitor and report to the Board on any activity within the scope of its mandate as contemplated in these terms of reference, or granted on an ad hoc basis, and to take and implement decisions on such matters to the extent that the authority to do so is expressly or impliedly bestowed in terms of its mandate;
- Sub-delegate any of the authority delegated to it;
- In the fulfilment of its roles and associated responsibilities, call on the chairs of other Board committees, any of the executive directors or officers, or the company secretary of the Company to provide it with information, subject to following a Board-approved process, if any;
- Access the records of the Company and its subsidiaries, facilities and any other resources necessary to discharge its role and associated responsibilities, subject to following a Board-approved process, if any; and
- Obtain independent outside professional advice to assist with the execution of its role and associated responsibilities, at the cost of the Company, subject to following a Board-approved process, if any.

6. Administration and meetings

6.1 Frequency

The Committee shall hold a minimum of two meetings in any financial year.

Meetings, in addition to those scheduled before the commencement of each financial year, may be scheduled by the chair of the Committee in consultation with the company secretary, or at the instance of the Board.

6.2 Attendance

Committee members are expected to make every effort to attend all meetings of the Committee.

If it is not possible for a member of the Committee to attend any meeting of the Committee, prior apology, with reasons, shall be submitted to the chair of the Committee or to the company secretary.

6.3 Chair

The chair of the Board shall be the chair of the Committee.

If the chair is absent from a meeting, the members present shall elect one of them to act as chair at that meeting.

6.4 Quorum

The Committee shall not have a quorum to proceed with a meeting if more than one of its members is not present.

Invitees and the secretary shall not be taken into account when determining a quorum.

7. Approval of the terms of reference

These terms of reference were recommended to the Board by the Committee following review by its members on **25 May 2018** and approved by the Board, represented by its chair, on **25 May 2018**.