

# Corporate Governance

## TERMS OF REFERENCE OF THE NOMINATIONS COMMITTEE

- References to "the Committee" shall mean the Nominations Committee.
- References to "the Board" shall mean the Board of Directors.
- References to "the Company" shall mean African Sun Limited.

### Membership

- Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chairman of the Committee. The Committee shall be made up of at least three members.
- All members of the Committee shall be non-executive directors.
- Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Managing Director, Finance Director, other directors may be invited to attend all or part of any meeting as and when appropriate.
- Appointments to the Committee shall be for a period of up to three years, or as otherwise advised by the Board
- The Board shall appoint the Committee Chairman who shall be a non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

### Secretary

- The company secretary shall also be the Secretary of the Committee.

### Quorum

- The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### Frequency of Meetings

- The Committee shall meet as and when there is a need.

### Notice of Meetings

- Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Committee Chairman.
- Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.
- The Committee Chairman shall ensure sufficient time is allowed to enable the Committee to undertake as full a discussion as may be required
- The chairman shall be responsible for reporting all issues that would have arisen from the committee meetings to the board

### Minutes of Meetings

- The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.

### Annual General Meeting

- The Chairman of the Committee shall attend the Annual General Meeting prepared to assist the chairman of the board to respond to any shareholder questions on the committee's activities.



## **Duties**

The committee shall:

- Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the board and make recommendations to the board with regard to any changes
- Give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the board in the future
- Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace
- Keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates
- Be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise
- Before any appointment is made by the board, evaluate the balance of skills, knowledge, experience and diversity on the board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.
- ensure that on appointment to the board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings
- Review the results of the board performance evaluation process that relate to the composition of the board
- Review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties
- Work and liaise as necessary with all other board committees.
- The committee shall also make recommendations to the board concerning the formulation of plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Managing Director.
- Determine suitable candidates for the role of senior independent director membership of the audit and remuneration committees, and any other board committees as appropriate, in consultation with the chairman of those committees
- Advise on the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the board in the light of knowledge, skills and experience required

## **Reporting responsibilities**

- The committee chairman shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities
- The committee shall make whatever recommendations to the board it deems appropriate

## **Other matters**

The committee shall:

- Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required
- Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

## **Authority**

- The committee is authorised by the board to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.