

## **SA CORPORATE REAL ESTATE LIMITED**

### **NOMINATION COMMITTEE**

#### **TERMS OF REFERENCE**

##### **1. PURPOSE AND OBJECTIVE**

- 1.1 The Nomination Committee (the Committee) has been appointed by the SA Corporate Real Estate Limited Board of Directors (the Board) as a committee of the Board to provide integrated support and guidance to the Board in the execution of its broader governance responsibilities.
- 1.2 The purpose of these Terms of Reference is to set out the Committee's mandate as well as the requirements for its composition and meeting procedures.
- 1.3 The Committee does not assume the functions of management, which remain the responsibility of the executive directors and other members of senior management.

##### **2. CONSTITUTION AND MEMBERSHIP**

- 2.1 The Committee shall comprise at least three independent non-executive directors members. The members of the Committee, as a whole must, have sufficient qualifications and experience to fulfil their duties and are required to keep up-to-date with developments affecting their required skill set.
- 2.2 The Chairman of the Board shall be the Chairman of the Committee. In circumstances where the Chairman of the Board is not able to be the chairman of the Committee, the Committee shall be chaired by the Lead Independent Director.
- 2.2 The Chief Executive Officer shall be a permanent attendee at Committee meetings, but may not vote on any matter placed before the Committee.
- 2.3 The Group Company Secretary shall be the Committee's secretary.

##### **3. MANDATE**

The Committee responsible for:

- 3.1 Considering, at least annually, the extent to which the general corporate governance mechanisms and framework of SA Corporate are appropriate (proportional and relevant), and effective, in view of developments within SA Corporate, its business environment and new corporate governance requirements and benchmarks, and make recommendations to the Board as necessary;
- 3.2 Making recommendations to the Board on the appointment and re-appointment non-executive directors and making recommendations on the balance between executive and non-executive directors.

- 3.3 Recommending for re-election directors that are retiring by rotation, or who are retiring or will retire in terms of the Memorandum of Incorporation (MOI).
- 3.4 Recommend the annual election of the Audit Committee members for approval by shareholders;
- 3.5 Annually reviewing the independence of non-executive directors, taking into account all applicable corporate governance requirements, and making appropriate recommendations to the Board, as necessary.
- 3.6 From time to time reviewing the Board structure, size and composition, taking into consideration the Board's succession plans, and make recommendations to the Board with regard to any adjustments that are deemed necessary in support of the promotion of boarder demographic diversity and diversity in respect of the relevant skills, experience, business, and academic backgrounds of Board members.
- 3.7 Identifying and nominating candidates for approval by the Board to fill Board and Committee vacancies, as and when they arise, as well as putting in place succession plans, in particular for the Chairman of the Board, the Lead Independent Director and the Chairman of the Audit Committee.
- 3.8 Annually reviewing the number, structure, composition, expertise of Board Committees and making recommendations to the Board in this regard;
- 3.9 Reviewing and recommending the annual Governance Report to the Board (as part of the Integrated Annual Report)
- 3.10 Reviewing and recommending the notice of annual general meeting to the Board.
- 3.11 Assisting the Chairman and the Board in evaluating the performance of the Board, its committees, individual directors and the Group Company Secretary. The evaluation should be facilitated externally every two years, with an opportunity for an internal evaluation process and reflection in alternate years.
- 3.12 Ensuring the establishment of an annual programme for the continuous professional development of directors and, where necessary, the implementation of mentorship programs for less experienced directors.
- 3.13 Ensure in collaboration with the Group Company Secretary, that a formal and adequate induction process is followed with the appointment of new Directors
- 3.14 Considering any other matter regarding the effective governance of the SA Corporate Group and making such recommendations to the Board as it may deem appropriate.
- 3.15 The Committee should support the Audit and Risk Committee (ARC) and the Board in ensuring effective risk management oversight, specifically in relation to material risks within its scope (risk allocated to the Committee). The Committee shall give effect to this responsibility through:
  - 3.15.1 ensuring the effective monitoring of the risk allocated to the Committee;
  - 3.15.2 considering and reviewing management's feedback and/or assurance provider reports on the design and operating effectiveness of existing key risk responses

(focus on major or significant deficiencies), aligned to the Combined Assurance Framework;

- 3.15.3 considering management updates on action plans identified to remediate any key responses with significant or major deficiencies;
- 3.15.4 considering management's feedback on key developments that have a potential material impact on the allocated risks (materiality informed by the risk materiality lens to be applied at Group level), as well as the appropriateness of existing key responses or any new/additional key responses required; and
- 3.15.5 providing feedback through the Committee Chairperson to the ARC and the Board on any material risk related matters, specifically the key responses with major or significant deficiencies, key developments with a material impact, any new/additional key responses required or any potential breach of approved risk appetite and tolerance levels (as relevant and appropriate).

3.16 The Committee shall perform such additional functions as assigned to it by the Board and in accordance with its delegated authority in terms of the Board-approved Approvals Framework, as determined from time to time.

3.17 The Committee must establish an annual work plan for each year to ensure that all relevant matters as per its mandate are covered by the agendas of the meetings planned for the year.

### **3 REPORTING**

4.1 The Chairperson of the Committee shall report to the Board on the activities of the Committee after each meeting, drawing matters within its mandate to the attention of the Board as occasion requires.

4.2 The Committee shall make recommendations to the Board as it deems appropriate, on any area within its mandate.

4.3 The Committee shall ensure that the Group annually reports on the activities of the Committee, and specifically whether the Committee is satisfied that it executed its mandate in a manner that is consistent with these Terms of Reference.

### **4 MEETINGS AND PROCEEDINGS**

5.1 Meetings of the Committee will be held as the Committee deems necessary, provided that the Committee shall endeavour to meet at least twice per annum. Meetings should be organised in order to maximise attendance. The Chairman of the Committee or any member of the Committee, with the consent of the Committee Chairman, may call a special meeting at any other time.

5.2 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 not less than seven calendar days prior to the date of the meeting.

- 5.3 The meetings of the Committee may be held in person or by means of electronic conferencing as the circumstances may require, provided that the required quorum is met.
- 5.4 The quorum for decisions of the Committee shall be a majority of non-executive directors present for that particular decision. A decision shall be deemed as passed if a majority vote on the matter for decision is passed by the members present at the Committee.
- 5.5 A decision that could be voted on at a meeting of the Committee may instead be adopted by written consent of a quorum of members, given in person, or by electronic means, provided that each member received notice of the matter to be decided. A decision made in such manner has the same effect as if it had been approved at a meeting.
- 5.6 Where decisions are required by way of written resolution, a quorum shall constitute a majority of non-executive directors, one of whom shall be the Committee's Chairman.
- 5.7 Executive directors, senior management, assurance providers, advisors and consultants of the Group, as well as other Board members, may attend meetings of the Committee by invitation as the occasion requires, but may not vote on any matter placed before the Committee.
- 5.8 Unless varied by these Terms of Reference, meetings and proceedings of the Committee will be governed by the Company's memorandum of incorporation (MoI) regulating the meetings and proceedings of directors and committees.
- 5.9 The Committee's secretary shall take minutes of meetings. Minutes of all meetings shall be circulated to all the members of the Committee. Any director may, provided that there is no conflict of interest and with the agreement of the Chairman, obtain copies of the Committee's minutes.
- 5.10 The Committee shall be entitled to place reliance on the work and reports of any employee, assurance provider, advisor or committee of the Board that has responsibility for any function falling within the mandate of the Committee.

## **6. REMUNERATION**

Having regard to the functions performed by the members of the Committee in addition to their functions as directors, and pursuant to the specific power conferred upon the Board by the MoI of the Company, members of the Committee may be paid such remuneration as shall be recommended by the Board, and approved by the Company's shareholders, annually.

## **7. LIMITED LIABILITY**

- 7.1 The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members with regard to their fiduciary duties and responsibilities, and they must continue to exercise due care, skill and judgment, in accordance with their legal and statutory obligations.
- 7.2 Subject to the above provisions and any relevant legislation and codes of best practice, the members of the Committee shall not attract any personal liability arising from their appointment and the Company shall indemnify members of the Committee to the extent possible in terms of its approved directors' and officers' liability insurance coverage.

## **8. GENERAL**

- 8.1 The Committee, in carrying out its tasks under these Terms of Reference, may obtain such outside or other independent professional advice as it reasonably considers necessary to carry out its duties.
- 8.2 The Board will ensure that the Committee has reasonable access to professional advice, both internal and external to the Company, in order to perform its duties.
- 8.3 The Committee may require from any director, prescribed officer or employee of the Company or the Group any information or explanation necessary for the performance of the Committee's functions.
- 8.4 These Terms of Reference may be amended as required, subject to the approval of the Board, and will be reviewed on an annual basis for relevance and accuracy.
- 8.5 The Committee shall assess its and its members' effectiveness at least once every two years.

**-END-**