

TERMS OF REFERENCE OF THE NOMINATIONS COMMITTEE

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AUTHORISATION

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1. CONSTITUTION

- 1.1. The nominations committee (“the committee”) is hereby constituted by the board of Octodec Investments Limited (“Octodec” or “the company”) as a board committee in respect of the duties assigned to it as more fully set out herein.
- 1.2. The duties and responsibilities of the members of the committee are in addition to those as members of the board (“the board”). The deliberations of the committee do not reduce the individual and collective responsibilities of board members in regard to their fiduciary responsibilities and they must continue to exercise due care and judgement in accordance with their statutory obligations. These terms of reference are subject to the provisions of the company’s Memorandum of Incorporation and any other applicable law or regulatory provision.
- 1.3. The main purpose of the committee is to assist the board in fulfilling its responsibility set out the committee’s role and responsibilities as well as the requirements for its composition and meeting procedures throughout the group as more fully described in the King IV Report on Corporate Governance for South Africa™ (“King IV™”).
- 1.4. The role of the committee is to assist the board to ensure that:-
 - 1.4.1. the board has the appropriate composition for it to execute its duties effectively;
 - 1.4.2. directors are appointed through a formal process;
 - 1.4.3. induction and on-going training and development of directors take place; and
 - 1.4.4. formal succession plans for the board, the managing director and senior management appointments are in place.

2. MEMBERSHIP

- 2.1. The committee consisting of at least 3 three (three) members to be elected by the board of directors, all of whom being non-executive directors and the majority should be independent.
- 2.2. The chairman of the board is an *ex officio* member of this committee.
- 2.3. The members of the committee must collectively have sufficient skills, qualifications and experience to fulfil their duties and they should keep up to date with developments affecting the required skill-set.
- 2.4. The board will elect the chairman of the committee on an annual basis.
- 2.5. If the chairman is absent from a meeting, the members present shall elect one of the members to act as chairman for that meeting.

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- 2.6. The board shall fill vacancies on the committee as soon as possible after the vacancy arises.
 - 2.7. Every member should have experience in some area pertinent to the business of the committee, and at least 1 (one) member should be familiar with the industry within which the company and its subsidiaries and associated companies (“the group”) operates.
 - 2.8. The members of the committee shall be knowledgeable about the affairs of the group and, where appropriate, specific skills shall be represented on the committee.
 - 2.9. New members should receive a complete orientation that allows them to function effectively from the start.
 - 2.10. All committee members will be required to keep up to date with developments affecting the areas of responsibility of the committee.

3. INDEPENDENCE AND SCOPE

- 3.1. The committee will act independently and will be accountable to the board.
- 3.2. The committee operates as an overseer and a maker of recommendations to the board for its consideration and final approval.
- 3.3. The functions of management will remain the responsibility of the executive directors, officers and other members of senior management. Such functions will not be assumed by the members of the committee.
- 3.4. The scope of the committee's activities extends to all relevant operations of the company and the group.

4. ATTENDANCE AT MEETINGS

- 4.1. The managing director and financial director will be in attendance at committee meetings, but by invitation only and they may not vote.
- 4.2. Other members of senior management as may be required, assurance providers, professional advisors may attend the committee meetings on invitation from the committee chairman.
- 4.3. No invitee is entitled to participate without the consent of the chairman and does not have a right to vote at any meeting.
- 4.4. Other board members shall have the right of attendance, with the prior consent of the chairman of the committee. However, unless that member is also a member of the committee, the member is not entitled to fees for such attendance, unless payment of fees is agreed to by the board and shareholders.

- 4.5. The group company secretary shall be the secretary of the committee.
- 4.6. Committee members will attend all scheduled meetings of the committee, including meetings called on an *ad hoc* basis for special matters, subject to receiving reasonable notice, unless prior apology, with reasons, has been submitted to the chairman or group company secretary.

5. FREQUENCY OF MEETINGS

- 5.1 Meetings shall be held not less than once a year.
- 5.2 Any member of the committee, other members of senior management or the board may request meetings in addition to those scheduled if deemed necessary and a meeting will then be arranged in consultation with and on approval by the chairman of the committee.

6. PROCEEDINGS AT MEETINGS

- 6.1 A quorum shall be a majority of members present in person or via telecommunication and/or videoconferencing facilities.
- 6.2 In the event of an equality of votes regarding any matter the chairman of the committee or the person acting as chairman, shall have a casting vote in addition to his or her deliberate vote.
- 6.3 An agenda with supporting papers will be circulated no later than 5 (five) business days prior to the meeting, where reasonably possible.
- 6.4 An annual work plan which will determine the content of the agenda and frequency of the meetings will be in place and based on the duties listed in paragraph 8.
- 6.5 Draft minutes will be presented to the chairman of the committee for comment within 5 (five) business days from the date of the meeting and will be circulated to the committee members thereafter, but not later than 10 (ten) business days of the meeting.

7. AUTHORITY

- 7.1. The committee shall act as per the delegated authority of the board recorded in these terms of reference.
- 7.2. The chairman of the committee will be required to attend the company's annual general meeting to answer relevant questions posed by shareholders. On all responsibilities delegated by the board, the committee will make recommendations for approval by the board, unless otherwise specified herein.
- 7.3. The committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the

company. All employees are instructed to co-operate with any request made by the committee, subject to a board approved process.

- 7.4. The committee will have reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities subject to following the board approved process.
- 7.5. The committee may form, and delegate authority to sub-committees or to one or more designated members of the committee.
- 7.6. The committee is authorised by the board to obtain independent outside legal or other independent professional advice (subject to a board approved process being followed) and to secure the attendance of outsiders with relevant experience and expertise if deemed necessary.
- 7.7. The company shall meet all expenses reasonably incurred by the committee in the fulfilling of its duties, including the payment of a fee to committee members as determined by the board from time to time.

8. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the committee, which shall be in respect of the group, shall be to:

- 8.1 ensure the establishment of a formal process for nominating, electing and appointing of directors, including:
 - 8.1.1 identification of suitable members of the board;
 - 8.1.2 performance of reference and background checks of candidates prior to nomination; and
 - 8.1.3 formalising the appointment of directors through an agreement between the company and the director;
- 8.2 oversee the development of a formal induction programme for new directors;
- 8.3 ensure that inexperienced directors are developed through a mentorship programme;
- 8.4 oversee the development and implementation of continuing professional development programmes for directors;
- 8.5 ensure that directors receive regular briefings on changes in risks, laws and the environment in which the Company operates;
- 8.6 consider the performance of the board, board committees, directors and group company secretary and take steps to remove directors who do not make an appropriate contribution;

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- 8.7 find and recommending to the board a replacement for the managing director when that becomes necessary;
 - 8.8 ensure that formal succession plans for the board, board committees, board members, managing director, and senior management appointments are developed and implemented;
 - 8.9 give due consideration to the Listings Requirements of the JSE Limited and the code of governance principles as contained in the King IV™;
 - 8.10 retain a copy of the current terms of reference of the committee at the registered office of the company and provide shareowners with a copy of same if requested; and
 - 8.11 consider such other topics and fulfil such other duties as defined by the board.

9. REPORTING PROCEDURE

- 9.1. The group company secretary shall incorporate the approved minutes of meetings of the committee in the meeting files prepared for meetings of the board for noting purposes.
- 9.2. The company shall disclose in its integrated report whether or not the committee has adopted these formal terms of reference and if so whether or not the committee satisfied its responsibilities for the year in compliance with its terms of reference.
- 9.3. Membership of the committee and attendance at committee meetings shall be disclosed in the company's integrated report.

10. COMMITTEE RESOLUTIONS

- 10.1 Each member of the committee has 1 (one) vote on a matter before the committee and a majority of the votes cast on a resolution at a committee meeting is sufficient to approve that resolution.
- 10.2 A resolution in writing ("round robin resolution") signed by a majority of the members of the committee at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meeting of the committee, provided that each member of the committee shall have received notice of the matter to be decided and, thereby, have been afforded a reasonable opportunity to express an opinion on the matter to which such resolution relates.
- 10.3 Any round robin resolution:
 - 10.3.1 May be signed or accepted in any electronic form and in any number of counterparts, all of which, taken together, shall constitute one and the same document.
 - 10.3.2 May, in signed or unsigned form, be conveyed or transmitted by telefax, e-mail or any other form of electronic means, subject to any conditions decided upon by the committee.

10.3.3 The passing of round robin resolutions of the committee must not detract from the requirements for frequency of committee meetings as set out in these terms of reference.

10.3.4 All round robin resolutions should be tabled at the next committee meeting for noting.

11. REVIEW AND ASSESSMENT

11.1 The committee's activities and effectiveness should be assessed biennially and reviewed with the board.

11.2 After completing its evaluation, the committee should review the results with the board, so that appropriate action can be taken on any recommendations resulting from the review.

11.3 The committee must review and reassess the adequacy of these terms of reference from time to time (at least every year) and must recommend to the board any improvements to these terms of reference that the committee considers necessary.

12. GENERAL

12.1. The committee members are obliged to disclose in writing any personal financial interest in terms of section 75 of the Companies Act, 2011 and any other interests they have within or outside the company and the group that may be of interest to the company or that may interfere or conflict with the performance of their duties.

12.2. All company and group related information that becomes known to persons in the performance of their duties must at all times be kept confidential.

12.3. Except to the extent of legal or regulatory provisions to the contrary, committee members, being a majority of non-executive directors, are entitled to rely on the executives of the company and/or City Property Administration Proprietary Limited and those of other entities within the group in relation to matters within their area of expertise and may assume the accuracy of information provided by such persons, provided that the committee member is not aware of any reasonable grounds upon which reliance or assumption may be inappropriate.

APPROVED BY THE BOARD AT ITS MEETING ON 21 NOVEMBER 2018