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# BOARD NOMINATION AND GOVERNANCE COMMITTEE CHARTER

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## Document Control

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CENTUM INVESTMENT COMPANY PLC

**CENTUM INVESTMENT COMPANY PLC (THE “COMPANY”)**

**NOMINATION AND GOVERNANCE COMMITTEE (THE “COMMITTEE”)**

**COMMITTEE CHARTER**

**1 CONSTITUTION**

The Nomination and Governance Committee is established by the Board of Directors of the Company (the “Board”) as an independent committee reporting to the Board.

**2 COMPOSITION AND MEMBERSHIP**

- 2.1 The Committee shall be made up of at least three (3) members, majority of whom shall be independent non-executive directors.
- 2.2 The Chairperson of the Nominations and Governance Committee shall be an independent non-executive Director. The Chairperson of the Board shall not be the Chairperson of the Committee.
- 2.3 At least one (1) of the Committee members shall have expertise in Human Resources.
- 2.4 In the event that a member of the Committee retires, is removed or resigns from the Board, that member shall cease to be a member of the Committee.
- 2.5 The Committee may invite any executive management team members or other individuals to attend meeting of the Committee, as they consider appropriate.
- 2.6 The Board shall have the power at any time to remove any members from the Committee and fill any vacancies created by such removal.
- 2.7 The Company Secretary or a representative appointed by the Company Secretary shall be the secretary of the Committee.

**3 SCOPE AND AUTHORITY**

**3.1 Corporate Governance**

- 3.1.1 Developing and making recommendations to the Board regarding adoption and amendment of appropriate corporate governance guidelines and principles, (the “Corporate Governance Principles”);
- 3.1.2 Examining compliance by the Directors and the employees with the Code of Ethics and Business Standards, the applicable Corporate Governance Principles and other governance policies adopted by the Board, including determination of appropriate penalties for non-compliance;
- 3.1.3 Reviewing any actual or potential conflicts of interest between Directors or officers and the Company, and recommending appropriate measures to negate such conflicts;

- 3.1.4 Establishing procedures to encourage officers, employees, and Directors to report violations of corporate governance standards or any illegal, unethical, or unauthorized behavior to the Committee; and
- 3.1.5 Retaining appropriate consultants to assist the Committee with evaluations of corporate governance standards and practices.

### 3.2 Board and Committees of the Board

- 3.2.1 Recommending to the Board the membership composition, function and size of the Board and its Committees, and examining and recommending termination of individual Committee members to the Board as necessary (in accordance with the Company's policies, Corporate Governance Principles, this Charter and the charters of the other committees) for cause or other appropriate reasons;
- 3.2.2 Reviewing proposed changes to the Company's policies, Board Charter and Committee Charters, and making recommendations to the Board;
- 3.2.3 Reviewing all Board and Committee Charters for appropriateness and making recommendations to the Board for revisions as necessary;
- 3.2.4 Overseeing, by providing criteria for and implementing the process of, the Board's annual review of its performance (including its composition and organization) and performance of Management; and
- 3.2.5 Recommending Director retirement policies to the Board.

### 3.3 Board Appointments

- 3.3.1 Developing the Company's overall philosophy in selection of Director nominees;
  - 3.3.2 Developing appropriate criteria for new Company Directors in light of independence requirements and in relation to business and developmental goals, including desirable educational or employment background, expertise or special knowledge (with reference to experience complementary to other nominees and special skills related to expected business trends), industry experience and corporate affiliations;
  - 3.3.3 Examining means to enhance the quality and independence of Director nominees and monitoring compliance with Board and Committee membership criteria;
  - 3.3.4 Recommending to the Board, in compliance with the selection criteria as determined by the Committee in accordance with this Charter, nominees for election as Directors at the annual meeting of shareholders or for any vacancies on the Board (including any vacancies created by an increase in the size of the Board);
- 3.4 To support and advise the Board, in fulfilling their responsibilities to shareholders in ensuring that the Boards are comprised of individuals who are best able to discharge the responsibilities of directors having regard to the law and the highest standards of governance by:

- 3.4.1 assessing the skills required on the Boards;
- 3.4.2 from time to time assessing the extent to which the required skills are represented on the Boards;
- 3.4.3 establishing processes for the review of the performance of individual directors and the Boards as a whole; and
- 3.4.4 establishing processes for the identification of suitable candidates for appointment to the Boards.
- 3.4.5 Making recommendations to the Board on the means by which the skills of existing non-executive directors can be enhanced.

### 3.5 Executive Remuneration Policy

- 3.5.1 Review and approve the Company's policy for determining executive remuneration including, but not limited to, compensation payments, and any amendments to that policy proposed from time to time by management;
- 3.5.2 Review the appropriateness and relevance of the executive remuneration policy and other executive benefit programmes on an on-going basis; and
- 3.5.3 Oversee the implementation of this remuneration policy within the Company.

### 3.6 Executive Directors and Senior Managers

- 3.6.1 Deliberate and make recommendations to the Board on the entire specific remuneration for each executive director (including basic pay, incentive payments, service contracts, equity awards, etc.) having regard to the executive Governance policy. The Committee will need to determine whether any shareholder approvals are required; and
- 3.6.2 Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts, etc.) for the direct reports of the Managing Director.

### 3.7 Staff Incentive Plans

- 3.7.1 Review and approve the structure of all staff incentive plans;
- 3.7.2 Review and approve the total proposed payments from each executive incentive plan;
- 3.7.3 Review and approve the structure of all equity based plans;
- 3.7.4 Periodically review all incentive plans keeping in mind all legislative, regulatory and market developments;
- 3.7.5 For each equity based plan, determine each year whether awards will be made under that plan
- 3.7.6 Review and approve the total proposed awards under each plan; and

3.7.7 Review, approve and keep under review performance hurdles for each equity based plan

### 3.8 Non-Executive Director Remuneration

3.8.1 Recommend to the Board the remuneration of non-executive directors. In making these recommendations due consideration must be given to the Board's expectations from directors in terms of time commitments, degree of responsibility and the financial condition of the Company.

The Committee may request management or external consultants to provide necessary information upon which the Board may make its determination.

### 3.9 Human Resource Matters

3.9.1 To advise the Board on staffing issues for senior management including:

3.9.1.1 recruitment and selection;

3.9.1.2 orientation and induction;

3.9.1.3 performance management;

3.9.1.4 development and training;

3.9.1.5 promotions;

3.9.1.6 Remuneration in the form of incentives and rewards;

3.9.1.7 severance/retirement/termination; and

3.9.1.8 company establishment/staffing levels

3.10 To monitor disputes resolution and appeal procedures in the Company.

3.11 To recommend to the Board, the recruitment, termination, promotion and other significant issues related to executive directors and senior managers.

3.12 To monitor and report to the Board on matters relating to senior and middle management appointments.

3.13 To evaluate the effectiveness of HR activities.

3.14 To review existing management resources and plans to ensure that qualified personnel will be available for succession to executive positions and other key senior management positions in the Company.

3.15 To review and recommend to the Board under advice from the Company's legal counsel all industrial litigation matters and other related disputes initiated by or against the Company.

3.16 To propose the names of prospective Senior Managers after reviewing their competencies, to the Board.

3.17 Other

The Committee shall perform other tasks and activities that it or the Board considers appropriate in the context of these terms of reference. These may include, but are not limited to the following:

- The Company's pension and retirement schemes
- Reviewing the operations of other executive benefit schemes

**4 DELEGATIONS**

4.1 The Committee holds delegated authority to:

- 4.1.1 approve the appointment of senior managers as recommended by management;
- 4.1.2 receive reports and, on behalf of the Boards, evaluate appeals and evaluate decisions on promotions and confirmations by the relevant committees;
- 4.1.3 appoint a conciliator of disputes and, where necessary, a reserve conciliator, and receive reports from those officers;
- 4.1.4 authorise the use of human resources (including payroll) systems generally; and
- 4.1.5 establish such sub-committees and working groups as it finds necessary to carry out its functions. The membership and terms of reference of any standing sub-committees established must be forwarded to the Board for its endorsement.

4.2 The Committee holds delegated authority to approve the following prior to implementation:

- 4.2.1 changes to the Governance or contract terms of Executive Directors and direct reports to the Managing Director;
- 4.2.2 the design of new, or amendments to current, executive cash-based incentive plans or equity plans;
- 4.2.3 total level of award proposed from or executive cash-based incentive plans or equity plans; and
- 4.2.4 termination payments to executive directors or direct reports to the Managing Director.

**5 MEETINGS**

- 5.1 The Committee shall meet as frequently as required but not less than three (3) times a year
- 5.2 Any Committee member, through the Secretary, may call any further special meetings of the Committee.

- 5.3 A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee in the week prior to the date of the meeting. The notice for members will include relevant supporting papers for the agenda items to be discussed.
- 5.4 The Committee shall have access to professional advice from employees within the Company and from appropriate external advisors.

## **6 QUORUM**

- 6.1 The quorum for meetings of the Committee shall be any two members of the Committee present throughout the meeting of the Committee.
- 6.2 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.
- 6.3 The Chairperson, at his/her discretion, may invite other executives to attend and to be heard at meetings of the Committee.

## **7 VOTING**

- 7.1 Where the Chairperson calls upon Members to vote on any issue, decisions shall be by way of simple majority.
- 7.2 In the event of a tie, the Chairperson shall exercise a casting vote to determine the outcome.
- 7.3 Only Committee Members shall be entitled to vote at meetings of the Committee.

## **8 PROCEEDINGS OF THE COMMITTEE**

- 8.1 Unless varied by this Charter, meetings and proceedings of the Committee shall be governed by the Company's articles of association and applicable laws and regulations regulating the meetings and proceedings of the Board and committees.
- 8.2 The Company Secretary or a representative appointed the Company Secretary shall take minutes of meetings. These shall be reviewed and approved by the members of the Committee at a subsequent meeting.
- 8.3 The minutes of all meetings of Committee, or summaries thereof, shall be submitted to the Board at a subsequent Board meeting. The Chairperson shall be entitled to an opportunity to report orally or in writing at any meeting of the Board on any matters of importance as well as on the Committee's findings and shall recommend actions.

## **9 AUTHORITY OF THE COMMITTEE AND RESOURCES AVAILABLE TO IT**

The Committee, in carrying out its tasks under this Charter:

- 9.1 Is authorized to investigate any activity within this Charter;
- 9.2 May, at the discretion of the Committee, require other employees of the Company to attend meetings or parts of meetings; and
- 9.3 May consult with and seek any information it requires from any employees, and all employees shall be required to co-operate with any request made by the Committee in the course of its duties.
- 9.3.1 The Committee shall have the right to seek any information it considers necessary to fulfill its duties, which includes the right to obtain appropriate external advice at the Company's expense.

## **10 GENERAL**


- 10.1 The Committee, in carrying out its tasks under this Charter, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.
- 10.2 The Board shall ensure that the Committee will have access to professional advice both inside and outside the Company in order for it to adequately discharge its duties.

## **11 REVISION OF THE CHARTER**

This Charter shall be subject to review by the Group Board at any time.

### **Approved by the Board**

Date: \_\_\_\_\_

Chairman:  \_\_\_\_\_