



**Nampak**  
packaging excellence

**NAMPAK LIMITED**

**NOMINATION COMMITTEE CHARTER**

## 1. INTRODUCTION

The Nomination Committee (the “Committee”) is constituted as a committee of the board of directors of Nampak Limited (the “Company” or “Nampak”) (hereinafter referred to as “the Board”) in respect of the functions assigned to it by the Board. The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.

This charter is subject to the provisions of the Companies Act 71 of 2008 (“the Companies Act”), the Company’s Memorandum of Incorporation (“MOI”), the Listings Requirements of the JSE Limited and any other applicable law or regulatory provision.

## 2. PURPOSE OF THIS CHARTER

The purpose of this charter is to set out the Committee’s role and responsibilities as well as the requirements for its composition and meeting procedures.

## 3. COMPOSITION

- 3.1 The Committee shall consist of not less than three non-executive directors appointed by the Board, the majority of whom shall be independent non-executive directors.
- 3.2 The Board shall appoint an independent non-executive director as the Chairman of the Committee. The Chairman of the Board may be the Chairman of the Committee.
- 3.3 The members of the Committee as a whole must have sufficient qualifications and experience to fulfil their duties.

## 4. ROLE AND RESPONSIBILITIES

- 4.1 The Committee acts independently as a Nomination Committee for the directors of the Board and all direct and indirect subsidiaries of Nampak Limited (“the Group”) in respect of which the Company has the right, or power, to fulfil the functions as detailed in this charter.
- 4.2 The Committee makes recommendations to the Board for its consideration and approval as appropriate. The Committee does not assume the functions of management, which remain the responsibility of the executive directors, the group executive committee members and other members of senior management.
- 4.3 The Committee is responsible for:

### **Composition of the Board and appointment of directors**

- 4.3.1 making recommendations to the Board on the appointment and re-appointment of executive and non-executive directors and recommending the most appropriate composition of the Board to enable the Board to execute its duties effectively, taking into account the following:
  - a) the appropriate mix of knowledge, skills and experience, including the business, commercial and industry experience needed to govern the Company;
  - b) the appropriate mix of executive, non-executive and independent non-executive members;

- c) the extent of other professional commitments as well as statements from any potential candidates that confirm sufficient time availability to fulfil responsibilities required from the position;
  - d) the need to secure a quorum at meetings and for a sufficient number of members that qualify to serve on the committees of the Board; and
  - e) the policy on the promotion of gender and race diversity and any applicable targets related to the composition of the Board;
- 4.3.2 putting in place a formal process for the appointment of directors;
  - 4.3.3 identifying and nominating candidates for approval by the Board to fill Board and committee vacancies as and when they arise;
  - 4.3.4 recommending for re-election directors that are retiring by rotation, or otherwise in terms of the MOI of the Company;
  - 4.3.5 making recommendations to the Board regarding a policy on the promotion of gender and race diversity at Board level and the setting of voluntary targets. The Committee shall ensure that the Chairman of the Social, Ethics and Transformation Committee is invited to participate in Committee deliberations regarding the recommendations of setting voluntary targets;
  - 4.3.6 reviewing the Board and its committee structures, the size and composition, in respect of skills, roles and diversity and taking into consideration the Board's succession plans, make recommendations to the Board with regards to any adjustments that are deemed necessary;
  - 4.3.7 annually reviewing the independence (categorisation) of non-executive directors, taking into account all applicable corporate governance requirements, including considering any existing or potential conflict of interest or questionable situations of a material nature and making recommendations to the Board as appropriate;
  - 4.3.8 ensuring that the appointment of directors is formalised through an agreement between the Company and the director;

### **Succession planning**

- 4.3.9 ensuring that formal succession plans for the Board, the Chairman, the Chief Executive Officer and executive committee members are in place;
- 4.3.10 leading the process for the replacement of the Chairman and the Chief Executive Officer as and when required and making recommendations to the Board as appropriate;
- 4.3.11 leading the process for the appointment of a lead independent director as and when required and making recommendations to the Board as appropriate;

### **Performance of the Board, the Board Committees and directors**

- 4.3.12 assisting the Chairman and the Board in evaluating the performance of the Board, its Committees, the Chairman and individual directors at least every two years;
- 4.3.13 considering the performance of directors and taking steps to remove directors who

do not make an appropriate contribution;

- 4.3.14 recommending to the Board the appointment of a non-executive director to lead the evaluation of the Chairman's performance in the absence of a lead independent director;
- 4.3.15 considering and making recommendations to the Board on the extent of outside professional obligations that the Chairman and the Chief Executive Officer are allowed to hold;
- 4.3.16 overseeing the development of a formal induction programme for new directors;
- 4.3.17 ensuring continuous professional development of directors and where necessary, the implementation of mentorship programmes.

## **5. AUTHORITY AND REPORTING**

- 5.1 The Committee acts in terms of authority delegated to it by the Board as recorded in this charter. It has the power to investigate any activity within the scope of its charter.
- 5.2 The Committee, in the fulfilment of its duties, may call upon the chairmen of the other Board committees, any of the executive directors, the Company Secretary, or any other employee to provide it with information.
- 5.3 The Board will ensure that the Committee will have access to professional advice both inside and outside the Company, as well as to the Company's records, facilities and any other resources in order to perform its duties.
- 5.4 The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at the Company's cost, subject to the Company's internal approval policies and processes.
- 5.5 The Committee may form and delegate authority to sub-committees and may delegate authority to one or more designated members of the Committee.
- 5.6 The Committee makes the recommendations to the Board that it deems appropriate on any area within the ambit of its charter where action or improvement is required.
- 5.7 The Committee shall ensure sufficient disclosures are provided as required by the Companies Act and the Listings Requirements and as recommended in terms of the King Report on Corporate Governance for South Africa 2016 ("King IV").
- 5.8 The Chairman of the Committee, or a person nominated by him/her, will be available at the Company's annual general meeting to respond to questions regarding any matter within the Committee's mandate.

## **6. MEETING PROCEDURES**

### **Frequency and duration**

- 6.1 Meetings of the Committee will be held as the Committee deems to be appropriate. However, the Committee should meet at least two times per year.
- 6.2 The Chairman of the Committee, or any member of the Committee, or the Chief Executive

Officer or the Executive Director: Human Resources, may call further meetings as and when required. A meeting of the Committee may also be held at any time at the insistence of the Board or the Lead Independent Director.

- 6.3 The meetings of the Committee may be held in person, by telephone, or other form of long distance conference facility as circumstances may require (such person shall be deemed as being present at the meeting), provided that the required quorum is met.
- 6.4 The Chairman of the Committee may meet with the Chief Executive Officer, Executive Director: Human Resources and/or the committee secretary prior to a Committee meeting to discuss important issues and agree on the agenda.

### **Attendance**

- 6.5 The Chief Executive Officer, Chief Financial Officer, the Executive Director: Human Resources or other executive committee members, as may be required; assurance providers, professional advisors and Board members may be in attendance at Committee meetings, but by invitation only. Invitees may not vote.
- 6.6 No person attending a Committee meeting shall participate in any discussion or decision in respect of any matter they have a conflict of interest with.
- 6.7 Committee members must attend all scheduled meetings of the Committee, including meetings called on an *ad hoc*-basis for special matters, unless prior apology, with reasons, has been submitted to the Chairman or Company Secretary.
- 6.8 The Committee will appoint a committee secretary.
- 6.9 If the Chairman of the Committee is not present at a meeting, the members present must elect one of the members present to act as Chairman.

### **Agenda and minutes**

- 6.10 The Committee must have an annual work plan to ensure that all relevant matters are discussed. The work plan must ensure proper coverage of the matters laid out in this charter: the more critical matters will need to be attended to as and when required.
- 6.11 The notice of each meeting of the Committee, confirming the venue, time and date and enclosing a detailed agenda of items to be discussed, together with supporting documentation if applicable, must be circulated, at least five working days prior to the date of the meeting.
- 6.12 Committee members must be fully prepared for Committee meetings to be able to provide appropriate and constructive input on matters for discussion.
- 6.13 The committee secretary shall take minutes of meetings. Any director may, provided that there is no conflict of interest and with the consent of the Chairman, obtain copies of the Committee's minutes.
- 6.14 The minutes must be completed as soon as possible after the meeting and circulated to the Chairman and the Committee members for review and subsequent approval at the next Committee meeting.
- 6.15 The Chairman of the Committee shall report back to the Board. The Committee shall keep the Board fully informed of its actions, decisions or recommendations, unless there are relevant legal or regulatory restrictions on its ability to do so.

## **Quorum**

- 6.16 The quorum of the Committee shall be a majority of independent non-executive directors present throughout the meeting. 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.
- 6.17 Individuals in attendance at Committee meetings by invitation may participate in discussions but do not form part of the quorum for Committee meetings.
- 6.18 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.
- 6.19 Where decisions are required by way of written resolution, a quorum shall constitute a majority of independent non-executive directors, of whom one shall be the Chairman of the Committee.

## **7. REMUNERATION**

- 7.1 Having regard to the functions performed by the members of the Committee in addition to their functions as directors, and pursuant to the MOI of the Company, members of the Committee may be paid such remuneration in respect of their appointment as shall be recommended by the Board and approved by the shareholders.
- 7.2 Such remuneration shall be in addition to any fees payable to directors.

## **8. EVALUATION**

The performance of the Committee and the Committee members must be assessed at least every two years.

## **9. APPROVAL AND REVIEW OF THE CHARTER**

- 9.1 This charter was approved by the Board on 14 November 2017.
- 9.2 The Committee will annually review these terms of reference and make recommendations with respect to amendments, if any, to the Board for approval.