



THARISA plc
Registration number HE223412
(Incorporated in Cyprus on 20 February 2008)
("Tharisa" or "the Company")

NOMINATION COMMITTEE
TERMS OF REFERENCE

1. BACKGROUND

- 1.1 The Board of Directors of the Company ("the Board") has resolved to establish a Nomination Committee ("the Committee").
- 1.2 The Board has delegated to the Committee responsibility for overseeing nominations to the Board.
- 1.3 These terms of reference were adopted on 2 April 2014 and replace any previous terms of reference for any Nomination Committee of the Board.

2. DUTIES OF THE COMMITTEE

- 2.1 The Committee shall:
 - (a) lead the process for Board appointments and make recommendations to the Board;
 - (b) regularly review the Board structure, size and composition (including the skills, knowledge, independence, experience and diversity of Board members) and make recommendations to the Board about any changes;
 - (c) consider plans and make recommendations to the Board for orderly succession for appointments to the Board and to senior management, so as to maintain an appropriate balance of skills and experience within the Company and on the Board and to ensure progressive refreshing of the Board, taking into account the challenges and opportunities facing the Company;

- (d) keep under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- (e) be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- (f) obtain the necessary assurance that candidates are not disqualified to be directors;
- (g) before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience, independence 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 and the expected time commitment. In identifying suitable candidates the Committee may :
 - (i) use open advertising or the services of external advisers to facilitate the search;
 - (ii) consider candidates with a range of suitable skills; and
 - (iii) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the board, taking care that appointees have enough time available to devote to the position;
- (h) require proposed appointees to the Board to disclose any other interests that may result in a conflict of interest with their position as a director;
- (i) 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;
- (j) review the results of the Board performance evaluation process that relate to the composition of the Board and whether non-executive directors are spending enough time to fulfil their duties;
- (k) review annually the time required from non-executive directors;
- (l) make recommendations to the Board about suitable candidates for the role of senior independent director, and membership of the audit and remuneration committees of the Board and any other board committees as appropriate, in consultation with the Chairman of the relevant committee;

- (m) make recommendations to the Board about whether to reappoint a director at the end of their term of office;
- (n) make recommendations to the Board about any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the company;
- (o) prepare a statement for the annual report about its activities, the process used to make appointments and, if external advertising or advice has not been used, giving reasons as to why not; and
- (p) oversee the development and implementation of continuing professional development programmes for directors.

3. PROCEDURES

3.1 The Committee shall have the following procedures:

Non-executive directors

- (a) when it is decided that a new appointment of a non-executive director is to be made, a short-list of suitable candidates will be compiled by the Committee and circulated to the Chief Executive Officer (and other directors, if felt appropriate), for comment and the addition of any further potential candidates. The Committee may also engage a reputable firm of search consultants to recommend candidates;
- (b) a revised short-list will then be considered by the Committee;
- (c) short-listed candidates selected by the Committee will be seen in the first instance by the Chairman of the Board and one other Committee member and the Chief Executive Officer. If the Chairman of the Board wishes to take the selection process further the potential candidate(s) will be invited to meet the Committee; and
- (d) the Nomination Committee will decide whether to recommend an appointment to the Board;

Executive directors

- (e) the Chairman of the Board and the Chief Executive Officer will submit a short-list of one or more candidates to be executive directors to the Committee;

- (f) the Chairman of the Board and Chief Executive Officer and/or the Committee may engage a search consultant to assist in the selection of external candidates for a specific appointment;
- (g) some or all of the Committee's members will meet the candidate(s) selected for interview; and
- (h) the Committee's assessments will be reviewed with the Chairman of the Board and Chief Executive Officer following which a candidate may be submitted to the Board for appointment.

4. COMPOSITION

4.1 Members of the Committee shall be appointed by the Board and the Committee shall be made up of at least three members. The members of the Committee shall constitute non-executive directors, the majority of which shall be independent non-executive directors of the Company. If any member of the Committee is determined by the Board no longer to be independent and that would result in a majority of the Committee not being independent non-executive directors, that director shall cease to be a member of the Committee. However, for as long as the Company has an executive Chairman:

- (a) the Committee shall comprise the executive Chairman and at least two independent non-executive directors, one of which shall be the Lead Independent Director;
- (b) the Committee shall be chaired by the Lead Independent Director;
- (c) the executive Chairman shall be entitled to participate and contribute to the Committee, but shall not be entitled to vote; and
- (d) in the event of a tied vote, the Lead Independent Director shall have a casting vote.

4.2 The Board shall appoint the Chairman of the Committee who shall be an independent non-executive director. The Chairman of the Board must be the Chairman of the Committee, provided that the Chairman of the Board is an independent non-executive director. The Chairman of the Board shall not chair the Committee when it is dealing with the appointment of a successor to the Chairmanship. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of the independent non-executive directors to chair the meeting.

4.3 Only members of the Committee have the right to attend Committee meetings. However other individuals may be invited to attend all or part of the meeting.

4.4 Appointments to the Committee shall be for a period of up to three years, extendable for two further three-year periods, provided that the majority of the Committee members remain independent.

5. QUORUM

5.1 The quorum necessary for the transaction of business shall be a majority of members, of which at least two must be independent non-executive directors.

5.2 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. MEETING ADMINISTRATION

6.1 The Committee shall meet at least twice a year and at such other times as the Committee Chairman shall require.

6.2 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chairman.

6.3 Unless otherwise agreed by all Committee members, notice of each meeting confirming the venue, time and date and dial-in details if required together with an agenda of the items to be discussed and supporting documentation, shall be forwarded to each member of the Committee, any other person required to attend no later than five working days before the date of the meeting, or as soon as is practicable.

7. SECRETARY

7.1 The Company Secretary or such person as the Company Secretary nominates shall act as the secretary of the Committee.

7.2 The secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

7.3 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

7.4 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once approved, shall be made available to all members of the Board, upon request, unless a conflict of interest exists.

8. EVALUATION

The Committee shall, at least once a year, review its own performance, composition and terms of reference and recommend any changes it considers necessary to the Board for approval.

The Board shall review the performance of the Committee, its composition and terms of reference on an annual basis.

9. REPORTING RESPONSIBILITIES

9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

9.2 The Committee shall make such recommendations to the Board it deems appropriate on any area within its remit where action or improvement is desirable.

9.3 The Committee Chairman shall attend the Company's annual general meeting prepared to respond to any shareholder questions on the Committee's activities.

10. OTHER MATTERS

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- (c) give due consideration to laws and regulations, the provisions of the King Code on Corporate Governance for South Africa 2009, the King III Report on Corporate Governance for South Africa 2009, the requirements of the Johannesburg Stock Exchange Listings Requirements, Prospectus and Disclosure and Transparency Rules, as appropriate; and
- (d) oversee any investigation of activities which are within its terms of reference.

11. AUTHORITY

The Committee is authorised by the Board to:

- (a) undertake any activity within its terms of reference;

- (b) seek any information that it requires from any Group employee in order to perform its duties;
- (c) obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and to invite those persons to attend at meetings of the Committee;
- (d) call any Group employee to be questioned at a meeting of the Committee, as and when required; and
- (e) delegate any of its powers to one or more of its members or the secretary.