

CURRO HOLDINGS LIMITED

DOCUMENT NAME	NOMINATION AND APPOINTMENT OF DIRECTORS POLICY
DOCUMENT NUMBER	CURA08PO
POLICY TYPE	LEGAL GOVERNANCE

NOMINATION AND APPOINTMENT OF DIRECTORS POLICY

1. PURPOSE

- 1.1 The board of directors ('the board') of Curro Holdings Ltd ('Curro' or 'the company') acknowledges the need for a policy detailing the procedures for the appointment to the Board as recommended in the code of Governance Principles for South Africa – 2016 ('King IV') and is subject to the provisions of the Companies Act, Companies Memorandum of Incorporation and any other applicable law or regulatory provision.
- 1.2 It is recognised that directors should be appointed through a formal and transparent process and should be assisted by the nominations committee, subject to shareholder approval. It is in the best interest of the shareholders that the board be properly constituted from the viewpoint of skills and representation.

2. STATUTORY FRAMEWORK FOR THE APPOINTMENT OF DIRECTORS

- 2.1 The nomination of any candidate as a member of the board shall, to the extent applicable, be subject to:
 - 2.1.1. the relevant policies and procedures of Curro
 - 2.1.2. the Companies Act, No.71 of 2008;
 - 2.1.3. the JSE Debt Listings Requirements;
 - 2.1.4. the company's memorandum of incorporation;
 - 2.1.5. the recommendation of practices of King IV (to the extent such practices have been adopted by Curro); and
 - 2.1.6. any other relevant legislation promulgated from time to time.

3. ASSESSMENT TO EVALUATE SUITABILITY OF CANDIDATES AND PROCEDURE

- 3.1 The Remuneration and Nominations Committee ('the committee') or a sub-committee appointed by it to evaluate the performance of the board, shall at least annually:
 - 3.1.1 Categorise all directors as executive, non-executive or independent non-executive.
 - 3.1.2 Review whether the ratio of non-executive and independent non-executive directors are appropriate and will, under normal circumstances continue to be appropriate for the next 12 months.
 - 3.1.3 Review whether the composition of independence, academic qualifications, technical expertise, relevant industry knowledge, experience, age, race, culture and gender of the board effectively enables the board to fulfil its purpose of strategic leadership.
 - 3.1.4 Should a need be identified to strengthen certain attributes or the independence of the board, a process will commence to identify candidates that will be fit and proper to fulfil the required role.
- 3.2 The board shall ensure that new directors are appointed timeously to the board to ensure continuity of the board as a whole.
- 3.3 All directors are invited to propose candidates for appointment to the board. If no proposals are forthcoming, a recruitment agency will be appointed to identify individuals with the required competencies. It is to be noted that a prerequisite for appointment to the board is that the individual must confirm that he/she has sufficient time available to prepare for each board and board committee meeting. Sufficient time is defined as at least 16 hours per formal board meeting and 6 hours per formal committee meeting.
- 3.4 A proposal for the nomination of a candidate must be submitted to the Remuneration and Nominations Committee for consideration. This proposal must include the following:
 - 3.4.1 relevant individual's qualifications;
 - 3.4.2 relevant individual's experience;

- 3.4.3 summary of any adverse information found in the media or confirmation that a search of public media revealed no undesirable reports;
- 3.4.4 potential conflicts of interest;
- 3.4.5 outcome of the investigation as stated in paragraph 4 below, and
- 3.4.6 in the case of a non-executive director, a statement on the independence of mind of the individual, (ability and willingness to express his/her opinion on matters) given his/her responsibilities on the board and taking into account the company's business and risk profile.
- 3.4.7 Number of boards that the individual is a member of:
 - 3.4.7.1 The individual must have appropriate time available to prepare for meetings, for at least 16 hours per official board meeting and at least 6 hours per official board committee meeting.
 - 3.4.7.2 If the individual is in full time employment, then he/she may sit on a maximum of two listed company boards, in addition to the board of Curro on condition that he/she will be able to spend the required time to prepare for Curro board meetings.
 - 3.4.7.3 A director who represents a significant shareholder that is an investment company with holdings in various companies on which this director also serves, will not be disqualified from Curro board membership due to the number of listed company boards that he/she is a member of exceeding the above-mentioned prescribed maximum.
- 3.5 The Remuneration and Nominations Committee evaluates the proposal and the knowledge and skills requirements of the board. If the committee is satisfied, approval will be given that the individual may be approached.
- 3.6 If the individual consents, a proposal to nominate the said individual to the board is submitted to the full board for consideration.
- 3.7 The JSE Listings Requirements Schedule 21 declaration must be signed by all new directors and submitted to the JSE.
- 3.8 Appointments to the board of Curro must be announced on the JSE Securities News Service.
- 3.9 A written confirmation to serve on the board must be submitted to the company secretary by each new director as well as upon re-appointment by shareholders after a director has retired by rotation at an annual general meeting.
- 3.10 At the first annual general meeting of shareholders after the new appointment has been made, a resolution must be put to shareholders for confirmation of the appointment.
- 3.11 New directors must receive formal induction in the Curro business environment via:
 - 3.11.1 Discussions with the chairman of the board, chief executive officer, chief financial officer, company secretary and members of the executive management committee to facilitate understanding of the business.
 - 3.11.2 The director induction file prepared by the secretarial department.
 - 3.11.3 The board will ensure ongoing training at least annually, on key matters.
 - 3.11.4 Regular presentations to the board by senior management on key issues pertinent to Curro.

4. CONFLICTS OF INTEREST

- 4.1 Individuals will not be appointed if they have conflicts of interest that may impede their ability to perform their duties independently and objectively and subject them to undue influence from inter alia:
 - 4.1.1 other persons (such as management or shareholders);
 - 4.1.2 past or present positions held, or

- 4.1.3 personal, professional or other economic relationships with other members of the board or management (or with other entities within the group).
- 4.2 If a conflict of interest arises during a director's tenure that is deemed to be material by the board, such director may be required to resign from the board.
- 4.3 Each director should submit to the board a declaration of financial, economic and other interests held by such director, and their related parties, at least annually, or whenever there are significant changes in such interests. The board shall ensure that such declarations are likewise submitted by any executive management personnel of the company who are not directors.
- 4.4 At the beginning of each meeting of the board or its committees, all board members are required to declare whether any of them (or a person related to them) has any conflict of interest in respect of a matter on the agenda. Any such conflicts should be proactively managed as determined by the board, subject to legal provisions, including section 75 of the Companies Act.
- 4.5 For the purposes of section 75 of the Companies Act, the definition of a 'related person', when used in reference to a director, not only has the ordinary meaning as set out in the Companies Act, but also includes a second company of which the director or a related person is also a director, or a close corporation of which the director or a related person is a member.
- 4.6 Save as otherwise set out in section 75 of the Companies Act, if a director has a personal financial interest in respect of a matter to be considered at a meeting of the board, or knows that a related person has a personal financial interest in the matter, the director:
 - 4.6.1 must disclose the interest and its general nature before the matter is considered at the meeting;
 - 4.6.2 must disclose to the meeting any material information relating to the matter, and known to the director;
 - 4.6.3 may disclose any observations or pertinent insights relating to the matter if requested to do so by the other directors;
 - 4.6.4 if present at the meeting, must leave the meeting immediately after making any disclosure contemplated in paragraph 4.6.2 or 4.6.3, and
 - 4.6.5 must not take part in the consideration of the matter, except to the extent contemplated in paragraphs 4.6.2 and 4.6.3.
 - 4.6.6 While absent from the meeting in terms of this subsection:
 - 4.6.6.1 is to be regarded as being present at the meeting for the purpose of determining whether sufficient directors are present to constitute the meeting;
 - 4.6.6.2 is not to be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted, and
 - 4.6.6.3 must not execute any document on behalf of the company in relation to the matter, unless specifically requested or directed to do so by the board.
- 4.7 A current register of conflicts of interest of the directors and members of executive management of Curro will be maintained by Curro, which register will include conflicts of interest disclosed pursuant to section 75 of the Companies Act (**Conflicts of Interest Register**). The Conflicts of Interest Register will be maintained by Curro, updated annually and made available on the company's website when its annual financial statements are published.

5. NOMINATION OF DOMESTIC PROMINENT INFLUENTIAL PERSONS

- 5.1 If the candidate being nominated for appointment to the board falls within the definition of a domestic prominent influential person ('DPIP') as defined in the Financial Intelligence Centre Act, No. 38 of 2001, consideration will be given to whether such an appointment presents a risk to the company (including from a reputational, corruption and anti-money laundering perspective) and such a candidate will be subject to greater scrutiny.
- 5.2 If the appointment of a DPIP is deemed to pose a risk, further reasonable steps must be taken to clarify such potential risk, such as obtaining declarations and determining the source of the DPIP's (including associates and family members) wealth.

6. AMENDMENTS

- 6.1 This policy is subject for review within one calendar year of the date of last review, update or amendment.
- 6.2 This policy may be subject to review, update or amendment within the set calendar year, if the same is required by or in terms of change in legislation, change in external policy guidelines and/or relevant court rulings.
- 6.3 This policy may only be amended by the head of department overseeing the category under which auspices this policy finds application.

Date of incorporation
2021/02/02

REVISION SCHEDULE

Date	Reviewed by	Date approved	Approved by	Date of next review
2021/02/02	Curro Legal	2021/02/05	CEO	2021/02/02