

**CORPORATE POLICY**  
**TERMS OF REFERENCE OF THE**  
**NOMINATION COMMITTEE OF**  
**MEDICLINIC INTERNATIONAL PLC (the**  
**“Company”)**

Reference to the “**Committee**” shall mean the Nomination Committee.

Reference to the “**Board**” shall mean the Board of Directors

Reference to “**Executive Management**” shall mean the Company’s executive management committee (“**Group Executive Committee**”) and their direct reports, including the Boards (if applicable) and the executive management committees of the Company’s operating divisions.

## 1 MEMBERSHIP

- 1.1 Members of the Committee shall be appointed by the Board in consultation with the Chairman of the Committee (the “**Committee Chairman**”) and shall be made up of at least 3 (three) non-executive directors, at least 2 (two) of whom shall be independent non-executive directors. In terms of the relationship agreement entered into between the Company and Remgro Limited on 14 October 2015 (“**Relationship Agreement**”), at least 1 (one) Shareholder Director appointed by the Principal Shareholder (as defined in the Relationship Agreement) shall be appointed as a member of the Committee.
- 1.2 Only members of the Committee and any Shareholder Director that may be appointed in terms of the Relationship Agreement have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, Chief Financial Officer, Chief Human Resources Officer, the Talent Management General Manager and external advisers may be invited to attend all or part of any Committee meeting, as and when appropriate and necessary.
- 1.3 Subject to the normal annual re-election of directors, appointments to the Committee shall be for a period of 1 (one) year, which may be extended for further 1 (one) year periods provided the director continues to meet the criteria for membership of the Committee.
- 1.4 The Board shall appoint the Committee Chairman who should be either the Chairman of the Board or an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect a member to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. If the Chairman of the Board is appointed the Committee Chairman, he/she shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

## 2 SECRETARY

- 2.1 The Committee shall nominate a Committee secretary (the “**Committee Secretary**”) who need not be the Company Secretary or a member of the Committee. The Committee Secretary shall attend all its meetings and shall prepare and circulate to the Committee members (and invitees, as appropriate) all information and papers no later than 5 (five) business days prior to the meeting to enable them to give full and proper consideration to the issues to be considered at the relevant meeting.

## 3 QUORUM

- 3.1 The quorum necessary for the transaction of business shall be a majority of the members of the Committee, provided that:
  - 3.1.1 at least 1 (one) should be an independent non-executive member; and
  - 3.1.2 at least 1 (one) should be a Shareholder Director or his/her alternate (to the extent that the Principal Shareholder has appointed a Shareholder Director), unless such Shareholder Director has waived the requirement in relation to a particular meeting.
- 3.2 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.

## **4 FREQUENCY OF MEETINGS**

- 4.1 The Committee shall meet as frequently as the Committee Chairman shall require and also at regular intervals to deal with routine matters and, in any event, not less than twice in each financial year. Any member of the Committee may request a meeting if he/she considers that one is necessary or expedient.

## **5 NOTICE OF MEETINGS**

- 5.1 Meetings of the Committee shall be called by the Committee Secretary at the request of the Committee Chairman.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **6 MINUTES OF MEETINGS**

- 6.1 The Committee Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. The Committee Secretary shall also ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.2 Minutes of Committee meetings shall be circulated to all members of the Committee. Owing to the sensitive nature of the subject matter and any conflict of interest which may exist, the Committee may, at their discretion, decide to not circulate the minutes to the Board. The Board should be kept advised by way of an oral report from the Chairman of the Committee after each meeting.

## **7 ANNUAL GENERAL MEETING**

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

## **8 DUTIES**

- 8.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings and the group as a whole, as appropriate. The Committee shall:
- 8.1.1 keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- 8.1.2 formulate plans for the orderly succession of executive and non-executive directors' roles and in particular for the key roles of Chairman and Chief Executive Officer and overseeing the development of a diverse pipeline of talent leading up to Board and other Executive Management positions by:
- (i) regularly reviewing the structure, size and composition of the Board, including the diversity of the directors' skills, knowledge, experience, social and ethnic background, nationality, cognitive and personal strengths, outlook, approach and gender, the length of service of the non-executive directors and the balance of independent and non-independent directors;
  - (ii) annually reviewing the composition of Executive Management, including their diversity;
  - (iii) keeping up to date and fully informed about strategic issues and commercial changes affecting the Group and the markets in which it operates and considering the challenges and opportunities facing the Group when determining the current and future skills and expertise required at Board and Executive Management level,
  - (iv) keeping under review the Board Diversity Policy, its objectives and linkage to the Company's strategy, how it has been implemented and the progress on achieving the objectives and taking into consideration the opportunities available to the Group to further promote diversity and inclusion at Board and Executive Management level;

- (v) monitoring the performance of the Group in relation to the promotion of employment equity (equality), including Mediclinic Southern Africa's standing in terms of the goals and purposes of the Employment Equity Act of South Africa;
  - (vi) in considering succession planning for the chairman, insofar as practicable, taking into account that the Chairman should not remain in post beyond nine years from the date of first appointment to the Board; and
  - (vii) making recommendations to the Board and/ or the Group Executive Committee as appropriate;
- 8.1.3 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 8.1.4 in nominating directors, give due regard to the contents of the UK Corporate Governance Code and associated guidance, to the extent appropriate and applicable;
- 8.1.5 before any appointment is recommended to the Board, evaluate the balance of skills, knowledge, experience, independence and diversity on the Board, and, in the light of this current and future evaluation prepare a description of the role and capabilities required for a particular appointment.
- 8.1.6 In identifying suitable candidates the Committee shall:
- (i) consider using open advertising or the services of external advisers to facilitate the search; and
  - (ii) consider candidates from a wide range of backgrounds;
- 8.1.7 ensure that appointments to the Board and succession plans are based on merit and objective criteria and, within that context, promote diversity of skills, knowledge, experience, gender, social and ethnic backgrounds, cognitive and personal strengths and outlook and approach;
- 8.1.8 prior to the appointment of a Board Chairman, the Committee should prepare a job specification, including the time commitment expected. A proposed Chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise;
- 8.1.9 prior to the appointment of a director, the proposed appointee should be required to disclose any other interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
- 8.1.10 review on an annual basis as part of the performance evaluation of the non-executive directors, whether they have sufficient time to fulfil their duties;
- 8.1.11 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;
- 8.1.12 review the results of the Board performance evaluation process that relate to the composition of the Board, taking account of the Board Diversity Policy and assess the overall and individual effectiveness including the consideration of balance of skills; and
- 8.1.13 consider any other matter specifically referred to the Committee by the Board.

The Committee shall also make recommendations to the Board concerning:

- 8.1.14 suitable candidates for the role of senior independent director;
- 8.1.15 membership of the audit and risk, remuneration and nomination committees and any other Board committees as appropriate, in consultation with the chairmen of those committees;
- 8.1.16 the re-appointment of any non-executive director at the conclusion of their specified 3 (three) year term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- 8.1.17 the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance Code or the retirement by rotation provisions in the Company's articles of association, having due regard to their performance and ability to continue to contribute to the Board

in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);

- 8.1.18 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 subject to the provisions of the law and their service contract; and
- 8.1.19 the appointment of any new director, including executive director appointments.

## **9 REPORTING RESPONSIBILITIES**

- 9.1 The Committee Chairman shall report formally to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall produce a report to be included in the Company's annual report about its activities, including, inter alia, the processes used to make Board appointments, its approach to succession planning, how both support the development of a diverse pipeline, the policy on diversity and inclusion and the gender balance of those in the Executive Management and their direct reports. Where an external search agency has been used, it shall be identified and a statement shall be made as to whether it has any connection with the Company. The Committee's report should also include a statement of the Board's policy on diversity and inclusion, how the policy complements and serves to deliver the Company's strategy and any measurable objectives that it has set for implementing the policy and progress made on achieving its objectives.
- 9.4 The report referred to in paragraph 9.3 should include reference to the gender balance of those in senior management and their direct reports.
- 9.5 The Committee shall ensure that the biographies of the directors explain the specific reasons why their contribution is, and continues to be, important to the company's long-term sustainable success.

## **10 OTHER MATTERS**

- 10.1 The Committee shall:
  - 10.1.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
  - 10.1.2 be provided with appropriate and timely training where required, both in the form of an induction programme for new members and on an ongoing basis for all members. In the induction programmes, specific focus should be placed on the Company's approach to stakeholder engagement;
  - 10.1.3 give due consideration to laws and regulations, including the general duties of directors set out in the Companies Act 2006, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable Rules, as appropriate;
  - 10.1.4 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and
  - 10.1.5 make publicly available its terms of reference explaining clearly its role and the authority delegated to it by the Board.

## **11 AUTHORITY**

- 11.1 The Committee is authorised by the Board:
  - 11.1.1 to investigate any activity within its terms of reference;
  - 11.1.2 to seek any information it requires from any employee or director of the Company, or any consultant or other provider of services to the Company, in order to perform its duties;

- 11.1.3 to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and, within any budgetary constraints imposed by the Board, to appoint consultants and to commission or purchase any relevant reports, surveys or information which it deems necessary to help it fulfil its duties; and
- 11.1.4 to call any employee to provide information at a meeting of the Committee as and when required.
- 11.2 Although the Committee can seek the advice and assistance of the Executive Management, it must ensure that its role in this respect is clearly separated from management's role within the business.