



**SANLAM LIMITED
("SANLAM" or "COMPANY")**

NOMINATIONS COMMITTEE CHARTER



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1. INTRODUCTION

- 1.1 The Nominations Committee (“the Committee”) is a Committee of the Board of Directors (the “Board”) of Sanlam Limited (“Sanlam”, “the Company” or “the Group”). This Charter sets out the duties assigned to it by the Board over and above its statutory duties.
- 1.2 The Committee is constituted to perform its duties in terms of the Companies Act, 71 of 2008 (the “Companies Act” or “the Act”) as amended from time to time, the JSE Listings Requirements, the King IV Report on Corporate Governance 2016 (“King IV™”) to the extent that its recommended practices have been adopted by the Company as well as the Governance and Operational Standards relevant to Insurance Groups (“GOG”).
- 1.3 The duties and responsibilities of the Committee as set out in this document are in addition to those duties and responsibilities that they have as members of the Board.
- 1.4 The deliberations of the Committee do not reduce their individual and collective responsibilities as members of the Board in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their legal obligations.
- 1.5 The terms of this Charter are subject to the provisions of the Companies Act, Sanlam’s Memorandum of Incorporation (“MOI”), the JSE Listings Requirements, the Insurance Act 2017, the Prudential Governance and Operational Standards for Insurance Groups and any other applicable law or regulatory provision.

2. PURPOSE OF THIS CHARTER

- 2.1. The purpose of this Charter is *inter alia* to document the Committee’s role and responsibilities delegated to it by the Board, in addition to the duties assigned to it under any applicable law and/or regulation.
- 2.2. The Charter seeks to outline:
 - 2.2.1. The Committee’s role and responsibilities;
 - 2.2.2. The requirements for its composition;
 - 2.2.3. The process and, criteria for appointment of Committee members;

- 2.2.4. Meeting procedures;
- 2.2.5. The Committee's delegation of authority to management to promote the Board to exercise independent judgement;
- 2.2.6. The assessment of the effective functioning of the Committee, and
- 2.2.7. The Committee's role to assist the Board in ensuring the balance of power to effectively discharge its duties.

3. ROLE OF THE COMMITTEE

- 3.1. The Committee has an independent role, operating as an overseer and a maker of recommendations to the Board for its consideration, and final approval.
- 3.2. The Committee does not assume the functions of management, which remain the responsibility of the Group Chief Executive Officer of the Company, executive management, officers, and other members of senior management.
- 3.3. The role of the Committee is to assist the Board to discharge its governance role and to ensure, on an annual basis, that: –
 - 3.3.1. A formal and transparent process is followed for nominating, electing and appointing members of the Board;
 - 3.3.2. The nomination of candidates for election as members of the Board is approved by the Board as a whole;
 - 3.3.3. The Board has the appropriate composition in terms of structure, size, diversity and independence for it to execute its duties effectively;
 - 3.3.4. Induction and ongoing training and development of directors take place;
 - 3.3.5. Formal succession plans are in place in respect of the Board and the Board Committees; and
 - 3.3.6. An evaluation of the performance of the Board and the Board Committees are conducted annually.

4. RESPONSIBILITIES AND FUNCTIONS OF THE COMMITTEE

- 4.1. In accordance with the Company's Policy for the Selection and (Re) Appointment of Directors, the Committee will perform all the functions necessary to fulfill its role as stated herein above, including but not limited to the following:
 - 4.1.1 Ensure the establishment of a formal and transparent process for the appointment of directors including:
 - 4.1.1.1 Identifying and evaluating suitable candidates for possible appointment/s to the Board and making recommendations to the Board regarding the appointment of Non-Executive Directors and Independent Non-Executive Directors to the Board. The appointment of Executive Directors is however subject to their appointment as Sanlam executives by the Human Resources and Remuneration Committee. The Board is responsible for any appointments to the Board during any year. The annual appointment and the re-appointment of directors is the responsibility of Sanlam's shareholders at the Annual General Meeting ("AGM");
 - 4.1.1.2 The performance of reference and background checks of candidates prior to nomination;
 - 4.1.1.3 Ensuring that the necessary application/s are timeously submitted to the Prudential Authority for its approval, prior to an appointment is made to the Board or should a change in key person/s occur;

- 4.1.2 Formalising the appointment of Non-Executive Directors through an agreement between the Company and the Director, including a letter of appointment;
- 4.1.3 Ensure that candidates are nominated in light of the collective knowledge, skills and experience required in accordance with the Board Diversity Policy and whether the candidate meets the “fit and proper” criteria;
- 4.1.4 Ensure that all candidates' backgrounds are independently investigated and their qualifications independently verified;
- 4.1.5 Consider the professional commitments of candidates for election as Non-Executive directors and ensure that they provide a statement that confirms that they have sufficient time available to fulfil their responsibilities as a member of the Board before appointment;
- 4.1.6 Ensure that the candidates for election provide a brief professional profile to be presented at the AGM of the Company, which includes details of existing professional commitments, and ensure that it accompanies the notice of the AGM together with the statement from the Board confirming whether it supports the candidate's election or re-election;
- 4.1.7 Submit a shortlist of such candidates to the Board for final approval and, when necessary, for a decision regarding appointments. When identifying candidates, the Committee will note the specific disciplines and areas of expertise required on the Board as well as the programme of retirement of directors, if applicable. Taking this into account, the Committee should always keep a list of suitable candidates up to date so that Board appointments can be planned in advance and directors can take the opportunity to meet the candidates or in some other way, acquaint themselves with the candidates' ability to be effective Sanlam directors;
- 4.1.7 Regularly review the structure, size and composition of the Board and its sub-committees and make recommendations to the Board;
- 4.1.8 Set the direction and approving the processes to attain an appropriate balance of knowledge, skills, experience, race, diversity, gender, culture and age as well as independence of the Board;
- 4.1.9 Recommend and make use of the services of an external independent service provider on a biennial basis for the purpose of evaluating the effectiveness of the Board and individual directors in their capacity as directors. The Nominations Committee will assist the Chair in providing guidance on the Board evaluations. The Human Resources and Remuneration Committee will evaluate the performance of the executive directors in their respective executive capacities;
- 4.1.10 Put in place succession plans, in particular for the Chair of the Board and the respective Chairs of the various Board Committees;
- 4.1.1. Recommend directors that are retiring by rotation, for re-election (if appropriate to the Board) for appointment by the shareholders at the AGM.
- 4.2. Ensure disclosure of information in relation to its:
 - 4.2.1. Overall role and associated responsibilities and functions;
 - 4.2.2. Composition, including each member’s qualifications and experience;
 - 4.2.3. A statement on whether the Committee is satisfied that it has fulfilled its responsibilities in accordance with this Charter for the reporting period;
 - 4.2.4. Any external advisors or invitees who regularly attend its meetings;
 - 4.2.5. Key areas of focus during the reporting period; and

- 4.2.6. The number of meetings held during the year.
- 4.3. Recommend candidates to the Board, to ensure the Board is properly balanced, for appointment to the Sanlam Board, its Board Committees and subsidiaries; and
- 4.4. The Committee will ensure that the Chair, or any director of the Committee attends Sanlam's AGM to respond to questions concerning nominations within the Sanlam Group.

5. RELATIONSHIP WITH SANLAM GROUP OF COMPANIES

- 5.1. The Committee shall function within the ambit of the Company's Board approved Group Governance Policy which proposes certain principles to be applied throughout the Sanlam Group in respect of subsidiary and associate companies, partnerships, joint ventures as well as business divisions across statutory entities. This also includes the broader "tight" governance aspects such as branding, people management, risk management, culture and ethics.
- 5.2. Sanlam's interest in Group companies is managed primarily through its representatives on the Boards of directors of these companies, shareholder agreements, memoranda of incorporation, adherence to Group policies where such policies exist and Group/Cluster control functions that oversee the implementation of governance aspects at a business level. The Committee shall maintain sound relations with Sanlam's representatives on the Boards of directors of these companies.
- 5.3. The Committee shall ensure that the Group Governance Policy is recognised by each subsidiary and that the subsidiary functions within the Sanlam Group as a separate legal entity to whom its directors owe fiduciary duties.
- 5.4. The Committee further recognises that it is the responsibility of these directors to ensure that the different companies practice proper governance and adhere to the Group's policies, structures, standards and procedures. The Cluster Boards and/or Cluster Executives are required to inform and report to the Committee any material deviations (as generally defined in the Group Risk Policy) from Group policies and standards or the existence of any significant internal control breakdowns within these businesses. They may report directly or institute appropriate reporting mechanisms such as the tabling an executive summary that highlights the salient aspects of what was considered by the various Cluster Boards, formal written reports or by personal attendance at the Committee's meetings. These aspects are all considered "tight" in terms of the Group Governance Policy and the Committee will therefore from time to time, provide guidance or establish Group policies through the Sanlam Board.
- 5.5. The Sanlam Board requires that the Committee provides assurance regarding the process of nominating, electing and appointing members of the Board as well as succession planning in respect of new appointments to the Board and its Committees.

6. RELATIONSHIP WITH OTHER COMMITTEES

- 6.1. The Committee will also provide input to other Board Committees in such matters that are relevant to those Committees to enable it to perform its responsibilities, in circumstances where aspects of those same matters fall within the scope of responsibility of other Board Committees.
- 6.2. The Committee will also ensure an appropriate information flow between itself and other Board Committees such as the Human Resources and Remuneration

Committee, the Social, Ethics and Sustainability Committee, the Risk and Compliance Committee and the Audit, Actuarial and Finance Committee to enable the Committee access to financial and/or other information required to execute its responsibilities.

- 6.3 The Committee will, as and when required, give consideration to the recommendations made by business from time to time relevant to the Committee's mandate, role and responsibilities.

7. DELEGATION

- 7.1. Any delegation by the Board of any of its responsibilities to the Committee will not by or of itself constitute a discharge of the Board's accountability; and
- 7.2. The Board remains accountable to apply its collective mind to the information, opinions, recommendations, reports and statements presented by the Committee.

8. COMMITTEE AUTHORITY

- 8.1. The Committee serves as a Committee of the Board for duties assigned to it by the Board over and above its statutory duties. The Board, however, retains ultimate decision-making ability on non-statutory matters.
- 8.2. In discharging its responsibility, the Committee hereby delegates the implementation and execution of effective compliance management to Management and may from time to time prepare a list of its specific duties and areas of focus.
- 8.3. The Committee, in carrying out its tasks under this Charter, may after consultation with the Group Chief Executive Officer, and in cooperation with the Company Secretary, obtain such independent professional advice (from both inside and outside Sanlam) as it considers necessary to carry out its duties.
- 8.4. The Committee is authorised to investigate any activity within the terms of this Charter and to seek any information it requires from any employee in the Sanlam Group. All employees are expected to co-operate with any request made by the Committee.
- 8.5. The Committee, in the fulfilment of its duties, is authorised to call upon the Chairs of the other Board Committees, any of the executive directors, company officers and/or the Company Secretary or assurance providers including any employee/s within the Sanlam Group, to provide it with information, at the Company's cost, subject to following the relevant Board-approved process.
- 8.6 The Committee will have the power to delegate its authority and duties to sub-committees, *ad hoc* committees or individual members of the Committee as it deems appropriate, provided it is not precluded by legal or regulatory requirements from doing so.

9. COMMITTEE COMPOSITION

- 9.1 The Committee will consist of not less than 3 (three) directors appointed by the Board, all of whom will be non-executive directors whereas the majority will be independent.
- 9.2 The Chair of the Board will be the Chair of the Committee if she/he is independent, failing which an independent non-executive director will be appointed as the Chair.
- 9.3 If the Chair is absent from a meeting, the members in attendance must elect one

of the Independent Non-Executive members present to act as the Chair.

- 9.4 The Chief Executive Officer of the Company shall not be a member of the Committee, but will attend meetings of the Committee by invitation, if needed to contribute pertinent insights and information, but may not vote.
- 9.5 The members of the Committee as a collective must have sufficient qualifications and experience to fulfill their duties.
- 9.6 The Company Secretary of Sanlam Limited shall attend all Committee meetings and act as the Secretary of the Committee.

10 FREQUENCY OF MEETINGS AND PROCEEDINGS

- 10.1 Meetings of the Committee will be held as the Committee deems appropriate. However, the Committee will meet at least 2 (twice) each year. Meetings will be organised so that attendance is maximised. The Chair of the Committee or any member of the Committee may call a meeting at any other time.
- 10.2 The notice of each meeting of the Committee, confirming the venue, medium, time and date, and enclosing an agenda of items to be discussed, will other than under exceptional circumstances be forwarded to each member of the Committee not less than 5 (five) working days prior to the date of the meeting.
- 10.3 The quorum for the Committee to transact business will be a majority of the members of the Committee.
- 10.4 The Committee will conduct its meetings in accordance with an annual Board approved plan to ensure that it fulfils all of its responsibilities.
- 10.5 Individuals in attendance at Committee meetings by invitation, may participate in the discussions but do not form part of the quorum for Committee meetings and may not vote.
- 10.6 Unless varied by this Charter, meetings and proceedings of the Committee will be governed by Sanlam's Memorandum of Incorporation ("MOI") regulating the meetings and proceedings of directors and committees.
- 10.7 The Committee Secretary will take minutes of meetings. The minutes of all meetings will be circulated to all the members of the Committee, and may also, if the Chair of the Committee so decides be circulated to other members of the Board. Any director may, provided that there is no conflict of interest and with the agreement of the Chair, obtain copies of the Committee's minutes.
- 10.8 A round robin resolution in writing adopted by the majority of the Committee members will be valid and effective as if it had been passed at a duly called and constituted meeting – i.e. provided that each Committee member received notice of the matter to be decided. Such resolution will be presented at the next meeting for noting and record purposes.
- 10.9 The Chair of the Committee will regularly provide summarised feedback to the Board on the Nomination Committee's activities and deliberations.
- 10.10 The Committee must report at least annually to the Sanlam Board on its functions, responsibilities and activities. This shall include the evaluation on the effectiveness of the Committee and propose amendments (if any) to its Charter.

11. FEES

- 11.1 The remuneration of the Committee members will be determined annually for the next year by the shareholders of Sanlam at its AGM, after considering recommendations in this regard from the Board.
- 11.2 Having regard to the functions performed by the members of the Committee (in addition to their functions as directors) in relation to the activities of the

Committee, and pursuant to the specific power conferred upon the Board by the MOI, Non-Executive members of the Committee may, upon the recommendation of the Board, be paid special remuneration as permitted under Sanlam's approved Remuneration Policy.

- 11.3 Such special remuneration will be in addition to the annual fees payable to directors.

12 PERFORMANCE, EVALUATION AND TRAINING

- 12.1 The Committee shall evaluate its performance each year, having regard to the principles and requirements of this Charter and the overall objective of the Committee's work. This is to ensure that its own performance, its Chair and its individual members support the Committee to improve its performance and effectiveness.
- 12.2 The Chair of the Committee shall ensure that the results of the assessment of its effectiveness and any proposed changes to its Charter are reported to the Board.
- 12.3 The Committee shall ensure that its members undergo regular training in order to ensure that it effectively performs its responsibilities.

13 REVIEW OF THE CHARTER

- 13.1 On an annual basis, the Committee shall review this Charter and recommend it to the Board for approval.
- 13.2 A précised version of this Charter shall be published on Sanlam's website or such other platforms as is appropriate.