



Boxer Retail Limited

Terms of Reference:

The Nominations and Corporate
Governance Committee

("NomGov" or "the Committee")

1. CONSTITUTION

- 1.1. The Nominations and Corporate Governance Committee ("**NomGov**" or "**the Committee**") is constituted as a standing committee of the board of directors ("**the Board**") of Boxer Retail Limited ("**the Company**") in accordance with the requirements of the Companies Act No. 71 of 2008 ("**the Act**") and considering the recommendations of the King IV Report on Corporate Governance for South Africa, 2016 ("**King IV™**").
- 1.2. The Company and all of its subsidiaries shall hereinafter be referred to as "**the Boxer Group**".
- 1.3. The NomGov reports to the Board and to the shareholders of the Company ("**Shareholders**") in respect of all duties assigned to it by the Board.
- 1.4. The roles and responsibilities of the members of the Committee as set out in these Terms of Reference ("**TOR**") must be read and carried out in conjunction with those set out in the Boxer Group Board Charter.
- 1.5. The duties and responsibilities of NomGov members as set out in these TOR are in addition to the duties and responsibilities that they have as members of the Board. The deliberations of the NomGov do not reduce the individual or collective responsibilities of the Board members with regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgment in accordance with their legal obligations as members of the Board.
- 1.6. These TOR are subject to the provisions of the Act, the Company's memorandum of incorporation, the JSE Limited Listings Requirements ("**JSE Listings Requirements**") and all other applicable laws or regulations (which take precedence over these TOR in the event of a conflict).

2. PURPOSE

The purpose of these TOR is to set out the role and responsibilities of the Committee and the formal requirements for its composition and meeting procedures.

3. COMPOSITION AND TERM

- 3.1. The Committee shall comprise at least three (3) members, all of whom must be non-executive directors of the Board, of which the majority shall be independent non-executive directors of the Board. For so long as the chairperson of the Board ("**Company Chair**") is a non-independent non-executive director, the Lead Independent Director must be a member of the Committee.
- 3.2. Members of the Committee must collectively have the necessary expertise, qualifications, knowledge, skills, experience and capacity required to execute their duties effectively.
- 3.3. The Committee members are nominated by the Board. A member of the Committee will hold office for such reasonable period as the Board may, in its discretion, determine from time to time. The Board has the power to remove any members of the Committee and to fill any vacancies created by such removal within 40 (forty) business days of a vacancy arising.
- 3.4. Should a Committee member cease to be a member of the Board, such member's membership of this Committee shall automatically terminate.
- 3.5. Members of the Committee may resign by giving written notice thereof to the chairperson of the Committee ("**Committee Chair**"), with a copy to the company secretary of the Company ("**Company Secretary**"). The Company Secretary must notify the Board of any such resignations as soon as reasonably possible.
- 3.6. Following nominations from the NomGov, the Board shall appoint the Committee Chair, who shall be a non-executive director of the Company. The chairperson of the Board may be appointed as the Committee Chair.
- 3.7. The Company executives may not be members of the Committee but may attend meetings as invitees in accordance with paragraph 7.4.
- 3.8. The Board shall review the composition and membership of the NomGov annually and ensure that the members have sufficient knowledge, skills, experience and capacity to fulfil their duties.
- 3.9. The Company Secretary, or their nominee, shall act as the secretary of the Committee, attend all NomGov meetings, ensure that the Committee receives all necessary information and meeting packs in a timely manner to enable full and proper consideration and preparation for the meeting and ensure that all proceedings, discussions and decisions taken at the NomGov meeting are minuted. In the event that the Committee secretary is absent from any meeting, the Committee Chair shall nominate a member of the Committee to keep notes of the discussions and/or decisions for record purposes.

4. ROLE AND MANDATE

- 4.1. The role of the NomGov is to ensure that the Board is appropriately comprised to enable it to execute its functions effectively and to be responsible for the oversight of:
 - 4.1.1. the process for nominating, electing and appointing members of the Board and Board committees;
 - 4.1.2. succession planning in respect of executive and non-executive Board members and the Company Secretary;
 - 4.1.3. evaluating the performance of the Board and Board committees; and
 - 4.1.4. ensuring that the governance procedures, practices and structures of the Board and its committees are effective, appropriate and aligned with relevant local and international codes of best practice.
- 4.2. The detailed responsibilities of the NomGov are set out in paragraph 5 below.
- 4.3. The Committee acts in accordance with the delegated authority mandated by the Board, as recorded in these TOR. The Board supports and endorses the NomGov, which operates independently of management and is free of any organisational impairment.
- 4.4. The NomGov makes recommendations to the Board that it deems appropriate on any area within the ambit of its TOR where action or improvement is required. Furthermore, the Committee Chair should report to the Board after each Committee meeting on matters dealt with and decisions taken by the Committee.

5. RESPONSIBILITIES

The Committee performs all the functions as are necessary to fulfil its role as stated above, including without limitation the following:

5.1. Nominations and succession of Board and Board committee members

- 5.1.1. The Committee is responsible for establishing a formal and transparent process for the identification and evaluation of prospective and current Board and Board committee members.
- 5.1.2. In this regard, the Committee shall consider:
 - 5.1.2.1. the specific needs of the Board and its committees in terms of disciplines, skills, experience and any other characteristics required at the time;
 - 5.1.2.2. the general character requirements for the role of director, including integrity, and respect for the values and principles of the Boxer Group;
 - 5.1.2.3. the independence of candidates for the role of independent non-executive director, taking into account the criteria set out in King IV™, the recommendations of King IV™, and the requirements of the JSE Listings Requirements and the Act;
 - 5.1.2.4. the application of the Board's policy on diversity, including any targets in respect of broad-based black economic empowerment;
 - 5.1.2.5. the composition of the Board to ensure that the Board is sufficiently diverse and has the necessary skills to competently discharge its duties having regard to the strategic direction of the Boxer Group;
 - 5.1.2.6. the need, in terms of the JSE Listings Requirements, to promote diversity at board level, including the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience; and
 - 5.1.2.7. the succession plan for the Board, including the programme of re-election of existing directors and the retirement of directors based on performance, attendance at scheduled meetings, length of tenure and balancing the need to introduce members with new expertise and perspectives against the need to retain valuable knowledge, skills and experience and maintain continuity.
- 5.1.3. Having regard to the considerations above, the Committee shall:
 - 5.1.3.1. identify and recommend suitable candidates who meet the fit and proper criteria for election and appointment to the Board as and when vacancies arise;
 - 5.1.3.2. recommend re-appointments and removals of directors from the Board;
 - 5.1.3.3. identify and recommend the Company Secretary for appointment by the Board;
 - 5.1.3.4. develop and oversee induction programmes for new directors and ongoing training and development programmes for the Board;
 - 5.1.3.5. nominate a director for appointment as lead independent director of the Company, as appropriate;
 - 5.1.3.6. recommend Board committee members for appointment by the Board or the Shareholders, as the case may be;
 - 5.1.3.7. recommend the appointment of Board committee chairpersons;
 - 5.1.3.8. review the composition and membership of each Board committee annually to ensure the members have sufficient knowledge, skills, experience and capacity to fulfil their respective duties and report such findings to the Board;
 - 5.1.3.9. assist the Board with its annual review of the independence of each independent non-executive director;
 - 5.1.3.10. conduct an annual evaluation of each Board committee's performance and effectiveness and submit conclusions and recommendations from the evaluation to the Board for approval;

- 5.1.3.11. conduct an annual evaluation of the performance of each of the Board committees, the Company Chair, the chief executive officer of the Company (“**Chief Executive Officer**”) and the chief financial officer of the Company (“**Chief Financial Officer**”);
- 5.1.3.12. consider any nominations (as relevant) proposed by the Controlling Shareholder (Pick n Pay Stores Limited, or any other shareholder of the Company holding more than 50% of the voting rights attaching to the shares of the Company from time to time) for: (i) the Company Chair, (ii) the Chief Executive Officer, (iii) the Chief Financial Officer, and (iv) the non-executive Board members (provided the majority of the Board remains independent) and make recommendations in respect of these positions to the Board; and
- 5.1.3.13. nominate, consider and/or approve key senior executive appointments if required by the Board.

5.2. Policy Review

The Committee shall:

- 5.2.1. review and approve the Company’s diversity policy annually and recommend for approval by the Board diversity targets for race and gender representation of the Board;
- 5.2.2. assist the Board with its annual review of the Board Charter to ensure alignment with global best practice; and
- 5.2.3. annually review the governance charter and policies relevant to the Board and its committees to identify the need for amendments in view of the changing regulatory environment, as well as opportunities to align the content of these items with relevant best practice and corporate governance developments.

6. AUTHORITY

The NomGov shall:

- 6.1. act in accordance with the delegated authority of the Board as recorded in these TOR;
- 6.2. have the power to investigate, at the cost of the Company, any activity within the scope of these TOR, which includes the right to obtain independent professional advice and/or assurance to assist with the execution of its duties, subject to a Board-approved process.
- 6.3. in the fulfilment of its duties, have the right to call upon the chairpersons of other Board committees, other directors, Company employees, or assurance providers to provide it with information, subject to a Board-approved process;
- 6.4. have reasonable access to the Company’s records, facilities, employees and any other resources necessary to discharge its duties and responsibilities subject to following a Board-approved process;
- 6.5. have the right to form sub-committees and delegate authority to (i) such sub-committees, (ii) one or more designated members of the Committee, or (iii) one or more members of the executive management team to perform certain tasks on its behalf; and
- 6.6. have the right to obtain independent outside professional advice to assist with the execution of its duties, at the Company’s cost, subject to a Board-approved process, as provided for in the Company’s Board Charter.

7. MEETINGS PROCEDURE

7.1. Frequency

- 7.1.1. Committee meetings shall be held at least three times a year. Additional Committee meetings may be held at the request of any member of the NomGov, the Board or the Chief Executive Officer as required.
- 7.1.2. Meetings shall be scheduled in accordance with the annual Board calendar, with reference to the annual board calendar of the Controlling Shareholder.

7.2. Notice

Unless agreed otherwise, notice of each meeting confirming the venue, time and date together with an agenda and supporting documents shall be forwarded to each member of the Committee, and any other person required/invited to attend, no fewer than seven (7) days prior to the date of the meeting.

7.3. Agenda and minutes

- 7.3.1. The Committee shall establish an annual workplan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for that year. This annual workplan shall be implemented and approved by the Committee and shall be reviewed annually together with these TOR.
- 7.3.2. The Committee Chair may meet with the Chief Executive Officer, Chief Financial Officer, members of senior management and/or the Company Secretary prior to a Committee meeting to discuss important issues and finalise the meeting agenda.
- 7.3.3. Minutes of Committee meetings shall be completed by the Company Secretary and approved by the Committee Chair as soon as practicable after the meeting and circulated to the Committee members timeously.
- 7.3.4. The minutes shall be formally approved by the NomGov at the next meeting.

7.4. Attendance

- 7.4.1. Committee members should 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 Committee Chair and Company Secretary.
- 7.4.2. Invitations to Committee meetings may be extended to members of senior management and professional advisors as deemed appropriate.
- 7.4.3. Any other member of the Board shall be entitled to attend the Committee meetings as an observer.
- 7.4.4. In addition to those invited on a discretionary basis, there shall be standing invitations to all Committee meetings to representatives of the Controlling Shareholder. These invitees will include, but are not limited to, the Chair of the Nominations and Corporate Governance Committee of the Controlling Shareholder. These standing invitees shall attend all meetings unless specifically excused by the Committee Chair. The Committee Chair retains the discretion to request any standing invitees to leave the meeting when discussing confidential or sensitive matters.
- 7.4.5. Committee members must be fully prepared for meetings in order to provide appropriate and constructive input on matters discussed and to properly report to the Board on its activities and recommendations.
- 7.4.6. The meetings of the Committee may be held in person, or by electronic communication, as circumstances may require, provided that the required quorum is met and that the members can speak and hear one another during the meeting.
- 7.4.7. The Committee Chair will be required to attend certain sessions of the meetings of the Nominations and Corporate Governance Committee of the Controlling Shareholder, as these sessions pertain to relevant nominations and governance matters of the Company.

7.5. Quorum and voting

- 7.5.1. The quorum required for a meeting shall be a majority of Committee members present in person or via electronic communication facilities throughout the meeting. In the absence of the Committee Chair, the members present may nominate and elect one (1) of the members present to act as Committee Chair for the duration of the meeting.
- 7.5.2. Invitees in attendance at Committee meetings are encouraged to take part in Committee discussions, but do not form part of the required quorum and do not vote on resolutions.
- 7.5.3. A decision of the Committee at a meeting shall be approved by a majority of votes cast by the members of the Committee who are eligible to vote at a meeting.
- 7.5.4. A resolution in writing adopted by the majority of the Committee members is valid and effective as if it had been passed at a duly called and constituted meeting, provided that each director has received notice of the matter to be decided. Such resolution shall be presented at the next meeting for noting and signature by the Committee Chair.
- 7.5.5. Where a member is recused from the meeting, the meeting shall remain quorate during his/her absence.
- 7.5.6. In the absence of a quorum and subject to the discretion of the Committee Chair, the meeting can either be postponed to a later date or can proceed as an informal meeting with all resolutions required to be taken at the meeting being formally approved by way of a written resolution.
- 7.5.7. No resolutions tabled for approval by the Committee at a meeting which is not quorate shall be implemented or given effect to until formally approved via written resolution or a formal meeting.
- 7.5.8. The written resolution circulated in terms of paragraphs 7.5.6 and 7.5.7 above, requires unanimous approval, in the absence of which a special meeting of the committee shall be convened for the matter to be discussed and formally approved during this special meeting.

7.6. Declaration of interest

- 7.6.1. At the commencement of each meeting, all Committee members should declare whether they have any conflict of interest in respect of any matter on the agenda.
- 7.6.2. Such conflict should be recorded in the minutes and conflict of interest register (where applicable).
- 7.6.3. The Committee should discuss the conflict and decide upon its severity, impact and determine the appropriate management of such conflict.
- 7.6.4. Depending on the outcome of the above, when the relevant agenda item arises, the affected Committee member should be recused from the meeting for the duration of that matter being discussed and shall not have a vote on the matter.

7.7. Confidentiality

All Boxer Group and/or divisional information that is shared with / comes to the attention of the NomGov members and invitees must be kept confidential.

7.8. In-committee meetings

- 7.8.1. In-committee meetings shall be held as and when required, as determined by the Committee Chair. Subject to paragraph 7.8.2, only Committee members shall be present at in-committee meetings.
- 7.8.2. The Company Secretary may be required to attend an in-committee meeting for purposes of minute taking. In the event that the Company Secretary is excused from the meeting, the Committee Chair shall nominate a member of the Committee to keep notes of the discussions and/or decisions for record purposes.
- 7.8.3. Separate in-committee meeting minutes shall be prepared for each in-committee meeting and shall be circulated to Committee members via electronic communication for confirmation. Following receipt of confirmation from each Committee member, the in-committee meeting minutes shall be signed by the Committee Chair.

7.9. Reporting to the Board and the Controlling Shareholder

The Committee Chair shall report on all key matters addressed by the Committee at the Board meeting following the Committee meeting (or sooner, as appropriate). In addition, the Committee Chair will provide a report on all key matters to the chair of the NomGov Committee of the Controlling Shareholder.

8. ANNUAL REPORTING TO STAKEHOLDERS

- 8.1. The Committee Chair shall prepare a report, for inclusion in the Integrated Annual Report, which describes the Committee's mandate, composition and responsibilities and how these responsibilities were discharged during the financial year, including key areas of Committee focus and the key decisions taken, as well as how the Company's diversity policy has been applied in the nomination and appointment of directors, as contemplated in the JSE Listings Requirements.
- 8.2. The Committee Chair, or other member of the Committee as determined by the Committee Chair, shall attend the AGM of the Company and be prepared to respond to any Shareholder questions on the Committee's activities, issues of executive remuneration and the Committee composition.
- 8.3. The Committee shall ensure that the Company complies with the governance reporting requirements of the Controlling Shareholder.

9. REMUNERATION OF NOMGOV MEMBERS

- 9.1. Members of the Committee, excluding the Committee Chair, shall be paid such remuneration in respect of their appointment as recommended by the Remuneration Committee and the Board and approved annually by Shareholders.
- 9.2. In the event the Committee is chaired by the Company Chair or Lead Independent Director (as relevant), the Committee Chair shall not receive an additional fee for chairing this Committee. In the event the Committee is chaired by any member who is not the Company Chair or Lead Independent Director, the Committee Chair shall be paid such remuneration in respect of his/her appointment as recommended by the Board and approved annually by Shareholders.

10. BOARD EVALUATION OF NOMGOV PERFORMANCE

- 10.1. The NomGov shall perform a self-evaluation of its effectiveness every year and report the results thereof to the Board.
- 10.2. In addition, the Board performs a formal annual evaluation of NomGov performance and effectiveness.

11. REVIEW OF TERMS OF REFERENCE

The NomGov shall review these TOR annually, to ensure that they remain consistent with its statutory duties and the Board's objectives and responsibilities. These TOR may be amended as required, subject to the approval of the Board.

12. APPROVAL OF TERMS OF REFERENCE

These TOR are endorsed by the Chair of the Committee and approved by the Board.

10 October 2024

Date of Board Approval