

BOARD NOMINATION POLICY

1. Introduction

This Board Nomination Policy (“Policy”) sets out the approach to the nomination of candidates for election to the board of directors (“the Board”) of Tsogo Sun Limited (Registration Number: 1989/002108/06) (“Tsogo Sun” or “the Company”).

The Board and its sub-Committees are committed to compliance with the principles and recommended practices of the King IV Report on Corporate Governance for South Africa, 2016 (“King IV”), including those relating to the nomination, election and appointment of directors to the Board.

The Remuneration Committee (“Committee”) is responsible for assessing and selecting appropriate candidates to be nominated for election as directors of the Company, and to communicate their recommendations to the Board.

The Board as a whole is responsible for approving the nomination of recommended candidates for election as directors of the Company.

This Policy must be read together with the Group’s Board Diversity Policy.

2. Procedure for the selection and nomination of Directors to the Board

In its assessment of candidates to be recommended for nomination for election as directors of the Company, the Remuneration Committee (“Committee”) shall:

- 2.1 assess the collective knowledge, skills and experience of the Board at such time;
- 2.2 assess the diversity of the Board at such time, having regard to the Board’s aspirational voluntary diversity targets set in respect of gender and racial balance and diversity at such time;
- 2.3 assess and identify the needs of the Company at such time, and going forward;
- 2.4 assess the suitability of candidates having regard to the above assessments and the factors set out in 3.4, having regard to the Group’s Board Diversity Policy and all legislative, regulatory and corporate governance requirements and recommendations applicable at such time; and shall thereafter identify and recommend to the Board suitably qualified, skilled and experienced, appropriately diverse, “fit and proper” candidate/s for nomination for election as director/s of the Company.

3. Principles to which the Committee must adhere

The formal procedures set for the Committee to assess and identify suitable candidate/s for recommendation to the Board for nomination for election as director/s of the Company must comply with the following:

- 3.1 the procedure must be fair;
- 3.2 the procedure must ensure that decisions and recommendations are not affected by a conflict of interest of any member of the Committee;
- 3.3 the members of the Committee must expressly consider, either at a meeting or by way of telephonic or written communication, the merits of any candidate proposed for membership of the Board;
- 3.4 when considering the suitability of any proposed candidate, the Committee must consider all relevant factors, which should include:
 - (a) the proposed candidate’s qualifications, experience, skills, reputation and character;

- (b) in the case of Non-Executive Directors, the proposed candidate's other professional commitments, including other board appointments, and time available to the proposed candidate to fulfil his/her responsibilities if appointed; and
- (c) any preference or requirement in respect of the existing and future composition of the Board, having regard to the Group's Board Diversity Policy;

3.5 when making a recommendation to the Board, the Committee must have satisfied itself that:

- (a) the proposed candidate does not have existing interests which could conflict with the interests of the Company;
- (b) the proposed candidate is not ineligible or disqualified from acting as a director in terms of the Companies Act, 71 of 2008 ("Companies Act");
- (c) the proposed candidate meets the appropriate "fit and proper" criteria;
- (d) due regard has been given to the Group's Board Diversity Policy and to the Board's aspirational voluntary targets set in respect of gender and racial balance and diversity;
- (e) the requisite balance of Executive, Non-Executive and Independent Non-Executive Directors following the election of such proposed candidate would be maintained; and
- (f) due regard has been given to the sufficiency of number of members who qualify to serve on the committees of the Board.

4. Reporting

The application of this Policy will be reported on in the annual report of the Company when applicable.

5. Review of the Policy

The Committee will review this Policy as required.