



# Corporate Governance and Board Nomination Committee Terms of Reference & Policy

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## **OBJECTIVE**

Protecting shareholders' interests while enhancing long-term shareholder value by implementing corporate governance best practices. The Board has oversight of the Company and its subsidiaries to ensure that shareholder and regulatory objectives are met and has adopted Corporate Governance guidelines that reflect those of the PSOJ's Code of Corporate Governance model along with the JSE's guidelines on Corporate Governance (JSE Rule 414).

The Corporate Governance and Nominations Committee periodically reviews the skill sets required by the Board and suggests for consideration by the Board new candidates for the position of Director in compliance with regulatory requirements, and the PSOJ Corporate Governance Code. Company's Corporate Governance documents should be made available to all stakeholders including shareholders, regulators, staff and outsourced service partners.

## **COMPOSITION**

The members of the Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise of at least three (3) members, all of whom must be Non-Executive Directors, with a majority of them being independent. Nonmembers of the main board may be co-opted to serve on the committee with the approval of the main board. The Committee shall elect a Chairman from among its members and the elected Chairman shall be an Independent Director. The term of each member is three (3) years.

## **MEETINGS OF THE COMMITTEE**

The Corporate Governance and Nominations Committee shall meet at least two (2) times in a financial year, although additional meetings may be called at any time at the Committee Chairman's discretion. Other than in circumstances which the Chairman of the Committee considers inappropriate, the CEO will attend any meeting of the Committee to make known their views on any matter under consideration by the Committee or which in their opinion, should be brought to the attention of the Committee.

The meeting of the Committee may be held and conducted via video or teleconference. The Committee shall report to the Board and the minutes of each meeting shall be tabled to the Board for notation. The quorum for a meeting of the Committee shall consist of not less than two (2) members, majority of members present.

## Policy Regarding Nomination to the Board

### *1.1 Principles to Guide the Nomination of Current Directors*

The Committee shall take into account all of the following criteria when determining the qualifications of any candidate for director:

- A. Integrity and Judgment.** Directors should have the highest level of integrity, ethical character and the ability to exercise sound business judgment on a broad range of issues consistent with the Company's values.
- B. Knowledge.** Directors should be financially literate and have a sound understanding of business strategy, corporate governance and board operations.
- C. Independence.** Directors who are not current or former management should meet the spirit as well as the letter of the applicable independence standards. In addition, all Directors should be independent in their thought and judgment so that they represent the long-term interests of all shareholders of the Company.
- D. Experience and Accomplishments.** Directors should have significant experience and proven superior performance in professional endeavours whether this experience is in business, government, academia or with non-profit organizations.
- E. Board Interaction.** Directors should value board and team performance over individual performance, demonstrate respect for others and facilitate superior board performance. Directors should be willing and able to devote the time required to become familiar with Company's business and to be actively involved in the Board and its decision-making.
- F. Skills.** Directors should have expertise in one or more of the following areas: accounting and finance, technology, management, compensation, corporate governance, strategy, industry knowledge and general business matters.
- G. Long-Term Commitment.** Directors should have the ability and commitment to serve on the Board for an indefinite period.

The Committee will consider current directors whose term is expiring and who wish to stand for election or re-election in the same manner as other candidates, taking under consideration the Director's performance during his or her term, including consideration of the following factors:

- Understanding and support of Kingston Properties' objectives and goals;
- Attendance at Board and Board committee meetings;
- Effective communication, including contribution at Board and committee meetings;
- Preparation for and participation at Board and committee meetings;
- Support of Board decisions and actions, regardless of how the director voted;

- An open mind to the views of others and the ability to change or adjust positions after hearing them;
- Ability to express a dissenting or independent opinion, or challenge the majority view in a respectful and constructive manner;
- Commitment to continuing education both on an individual and Board basis, and ability to use this education to inform Board deliberations; and
- Compliance with governing legislation and by-laws, particularly conflict of interest, confidentiality and duty of care provisions.

## Identification of Candidates

The Committee has two primary methods for identifying Candidates. First, the Committee may solicit ideas for possible Candidates from a number of sources including present members of the Board; senior level Company executives; individuals personally known to the members of the Board; and research, including database and Internet searches. Second, if appropriate, the Committee can use an external firm to identify Candidates. In addition to those Candidates identified through its own internal processes, the Committee will evaluate Candidates proposed by Stockholders in accordance with this Policy.

*This Policy on Director Nominations is intended to provide a set of flexible guidelines for the effective functioning of the Company's director nominations process. The Committee intends to review this Policy at least annually and anticipates that modifications may be necessary from time to time as the Company's needs and circumstances evolve, and as applicable legal or listing standards change. The Committee may modify or amend this Policy at any time without advance notice.*

## REVISION AND UPDATES

This Terms of Reference will be reviewed and updated at least once a year to ensure it remains consistent with the Committee's objectives and responsibilities.

<b>Action</b>	<b>Body</b>	<b>Date</b>
<i>Reviewed and Approved</i>	<i>Corporate Governance and Nominations Committee</i>	<i>March 28, 2018</i>
<i>Revisions Approved</i>	<i>Board of Directors</i>	<i>April 3, 2018</i>
<i>Reviewed</i>	<i>Board of Directors</i>	<i>March 14, 2023</i>
<i>Reviewed and Approved</i>	<i>Board of Directors</i>	<i>December 19, 2024</i>