

SAFARICOM PLC

BOARD NOMINATIONS COMMITTEE

TERMS OF REFERENCE

1) **Constitution**

The Nominations Committee (the Committee) is formally constituted by the Board of Directors (the Board) of Safaricom PLC (the Company) and has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.

2) **Mandate**

The role of the Committee includes the review of the balance and effectiveness of the Board. The Committee is responsible for reviewing succession planning within the Board and identifying and nominating suitable candidates to fill vacancies on the Board, Board Committees and Safaricom subsidiaries boards.

The Board hereby delegates to the Committee the following duties to be performed by the Committee on behalf of and for the Board: -

- a) identifying and nominating for the approval of the Board, and/or Safaricom subsidiary boards, candidates to fill board vacancies as and when they arise. In particular to:
 - 1) consider succession planning for directors considering the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future.
 - 2) keep under review the structure, size and composition (including the skills, knowledge, experience, diversity and independence) of the Board and make recommendations to the Board with regard to any changes.
 - 3) keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace.
 - 4) before an appointment is made by the Board, evaluate the balance of skills, knowledge, experience and independence on board, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:
 - a) determine and follow the optimal means of doing so, whether through open advertising or the services of external advisers to facilitate the search.
 - b) consider candidates from a wide range of backgrounds.
 - c) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board (including gender and age), taking care that appointees have sufficient time available to allocate to the position.
 - 5) review annually the time required from non-executive directors and the performance of the non-executive directors to assess whether they are spending enough time to fulfill their duties.
 - 6) review the membership of the Audit Committee, the Risk & ESG Committee, Nominations Committee, Remuneration Committee and the Innovations and Investment Committee and any other Board committee as appropriate, in consultation with the respective Chairpersons of those committees.
 - 7) determine the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to his/her performance and ability to continue to contribute to the Board in light of the knowledge, skills, experience and independence required.
 - 8) oversee the re-election by shareholders of any director under 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 light of the knowledge, skills, experience and independence required and the need for progressive refreshing of the Board.

- 9) evaluate any matters relating to the continuation in office of any director at any time; and the appointment of any director to executive role or other office.
- b) so far as is practicable, arrange for all directors to have the opportunity to meet with potential external appointees before their appointment is formally proposed at a Board meeting and ensure that any possible conflict of interest issues in respect of external candidates are fully addressed.
- c) 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 commitment, committee service and involvement outside board meetings.
- d) evaluate the effectiveness of the Board and the effectiveness of the Directors in the discharge of their responsibilities.
- e) review executive appointments, succession and development plans for the senior leadership team as required for the delivery of the long- term business strategy.
- f) monitor the compliance of the Board with the requirements of the Code of Corporate Governance as well as any relevant laws and current or emerging governance best practices with respect to the remuneration and human resource mandate.
- g) The Chairperson of the Nominations Committee shall during their tenure be mandated to receive and handle any continuous declarations of Conflict of Interest from board members to be managed in line with the Board Charter, the Conflict-of-Interest Policy and in consultation with the Chairman of the Board.
- h) Provide advice/guidance on policy matters that require approval of the Board.
- i) ensure that all Directors, on joining the Board, undergo an appropriate induction programme and consider any training requirements for the Board as a whole.
- j) Undertake any other exercise referred to the Committee by the Board.
- k) to support the Board as a high performing Committee and be responsible for regular board evaluation.

3) **Chairperson of the Committee**

- 3.1. The Chairperson of the Committee shall be appointed by the Board and shall be an independent non-executive director of the Company. The tenure of the Chairperson in such capacity, shall be two (2) years with an option to renew the term for a further period of one (1) year.
- 3.2. In the absence of the Chairperson of the Committee, the members present shall elect one of themselves, to be appointed to chair a meeting of the Committee.

4) **Membership**

- 4.1. The members of the Committee shall be appointed by the Board upon recommendation of the Committee for a period of up to three (3) years, which may be extended for a maximum of two (2) terms of three (3) year periods respectively, provided that the member continues to meet the criteria for membership of the Committee and subject to the election and re-election provisions in the Company's Memorandum & Articles of Association.
- 4.2. The Committee shall comprise of five (5) directors, comprising mainly non-executive directors.
- 4.3. The Chairperson of the Board may be a member of the Committee but will not chair the Committee.
- 4.4. A member of the Committee may relinquish their membership in the Committee by giving sixty (60) days prior notice to the Chairperson of the Board and the Company Secretary. The Committee shall review and recommend to the Board for approval, the appointment of a director to fill such vacancy.
- 4.5. The Board may revise the composition, structure and size of the Committee in its own discretion but taking into account any recommendations of the Committee and the Capital Markets Authority's (CMA) guidelines on Corporate Governance.

5) **Quorum**

The quorum necessary for a meeting of the Committee shall be a majority of the members appointed to the Committee. 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.

6) **Attendance at meetings**

6.1. The Chief Executive Officer (CEO) and the Chief Human Resources Officer, of the Company shall be permanent invitees to the meetings.

6.2. Other individuals (including representatives of external advisers) may be invited to attend all or any part of a meeting as and when appropriate in the opinion of the Committee Chairperson or the majority of its members.

7) **Meetings**

7.1. Unless varied by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company's Articles of Association. The Committee may establish additional procedures to govern its meetings.

7.2. The Committee will meet as often as necessary but must meet at least twice in the calendar year.

7.3. The Chairperson of the Committee must call a meeting of the Committee if so, requested by any Committee member or the Chief Executive Officer of the Company.

7.4. The Committee may invite other Directors or other persons, such as internal specialist or external advisors, to attend if considered appropriate by the Chairperson of the Committee. However, no Director invited shall be entitled to vote at such meetings or form part of the quorum unless he or she is a member of the Committee.

7.5. Each member of the Committee shall have one (1) vote which may be cast on matters considered at the meeting. The Chairperson shall not have a casting vote.

7.6. A member of the Committee shall excuse himself/herself from a meeting in which he/she has a conflict of interest of any matter subject to the discussions and deliberations of the Committee.

7.7. The Chairperson of the Committee may ask any attendees of a meeting of the Committee to leave the meeting to allow discussions of matters relating to them.

7.8. A member of the Committee may participate and attend a meeting of the Committee by electronic means and the member shall be deemed, for all intents and purposes of the meeting, to be present, entitled to vote and/or be counted for purposes of establishing a quorum.

7.9. Unless otherwise agreed, the notice, agenda and any supporting papers, shall be circulated to each member of the Committee and any invitee(s), no fewer than five (5) working days prior to the date of the meeting.

8) **Authority**

8.1. The Committee is authorized by the Board to seek any information it requires from and require the attendance at any of its meetings of any Director or member of Management, and all employees are expected to cooperate with any request made by the Committee.

8.2. The Committee is authorized by the Board to obtain through the CEO, and at the Company's expense, outside legal or other independent professional advice and counsel including independent consultants and to secure the attendance of advisors with relevant experience and expertise if it considers this necessary.

8.3. To Committee is authorized to incur any expenditure it considers appropriate in connection with the above and the Company shall make available the necessary funds.

9) **Reporting Procedures**

9.1. The Chairperson of the Committee shall report the proceedings, findings and recommendations of the Committee at the next Board meeting after each meeting of the Committee. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

9.2. The Committee's activities shall be disclosed in the annual report.

9.3. The Committee's activities and the process used to make appointments to the Board shall be disclosed in the annual report.

- 9.4. The Chairperson of the Committee shall attend the Company's Annual General Meeting (AGM) prepared to respond to any questions, which may be raised by shareholders on matters within the Committee's area of responsibility.
- 9.5. The Committee shall ensure, through the Chairperson of the Board that the Company maintains contact and the Chairperson of the Committee seeks engagement as required, with the Company's major shareholders on significant matters related to the Committee's area of responsibility.

10) Secretary

10.1. The Company Secretary of the Board shall act as the secretary of the Committee and attend all committee meetings in that capacity.

10.2. The Secretary shall:

- a) Ensure that the Committee receives information in a timely manner to enable full and proper consideration of the issues on the agenda.
- b) Ascertain at the beginning of each meeting, the existence of conflicts of interest and minute them accordingly.
- c) Prepare the minutes of the Committee meetings.
- d) Circulate the minutes and resolutions of the Committee meetings to all members of the Committee for approval.
- e) Ensure that the minutes of the Committee meetings are properly kept and can be produced for inspection if required.

10.3. Perform any other act as may be required under these Terms of Reference.

11) Review of the Terms of Reference

11.1 These Terms of Reference shall be reviewed by the Committee every two years, or at such other time as may be deemed necessary to ensure that they remain relevant, objective and practical.

11.2 Any proposed changes to these Terms of Reference shall be submitted to the Board of Directors for approval.

12) Other matters

12.1. The Committee shall have access to sufficient resources to carry out its duties.

12.2. The Committee shall work and liaise with all other Board Committees.

1.2. No member of the Committee may participate in any decision with respect to his or her position.

1.3. The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee.

1.4. The Committee shall continuously seek out Best Practice in terms of the processes of a committee with similar responsibilities for possible adoption by the Committee and the Board.

Schedule of Committees Terms of Reference (TOR) reviews:

Date	Action Taken	Designation	Signature
	Terms of Reference reviewed by the Committee.	Representative-Nominations Committee	
	Terms of Reference approved by the Board	Board Chairperson	