



**TERMS OF REFERENCE OF THE BOARD NOMINATION AND
REMUNERATION COMMITTEE (NRC)**

1. APPOINTMENT AND COMPOSITION

- 1.1. Members of the Committee shall be appointed by the Board of TPS Eastern Africa Limited (TPSEAL) and the number of members shall be determined by the Board from time to time. The membership shall not exceed five.
- 1.2. The NRC shall comprise of:
 - Non-executive and independent members of the Board; and
 - The executive directors may or may not attend NRC meetings as may be appropriate.
- 1.3. When making the appointment, the Board will ensure that every member appointed is:
 - Independent of current management or has not been involved in the Management of the Company in the five years preceding his/her appointment and is free from any relationship that in the opinion of the Board would interfere with his/her exercise of independent judgement, or may offend the express provisions of appointment of directors to the Committee.
 - Familiar with the NRC's terms of reference.
 - Aware of the interest of all stakeholders.
- 1.4. The Board will have the absolute power to appoint and remove any member of the NRC and to fill any casual vacancies that may arise.
- 1.5. The NRC will be chaired by one of the non-executive/independent directors who shall be appointed by the Board from amongst the NRC members.

1.6. The term of office of the NRC members shall be fixed by the Board. In any case, the Board will review the composition of NRC every two years.

1.7. The term of non-executive directors shall, in addition to their appointment to the NRC, be tied to their respective terms of office as directors of TPSEAL.

2. POWERS AND DUTIES OF THE BOARD NOMINATION AND REMUNERATION COMMITTEE

2.1 The principal role of the NRC will be to:

- Propose new nominees to the Board as appropriate.
- Consider the candidates for directorship proposed by Management and the Board.
- Select persons with credibility and necessary skills and expertise to exercise independent judgement when nominating candidates to appoint as directors.
- To review at least annually the mix of skills and expertise that the executive and non-executive directors bring to the Board and make disclosure of the same in the annual report.
- Assess the performance and effectiveness of the Board as a whole, of the Committees of the Board as well as of each individual director and make recommendations to the Board.
- Recommend whatever resources are necessary to ensure that newly appointed directors and any other director is provided with necessary orientation/training in the Company's business in order to enhance their effectiveness.
- Review the current remuneration, benefit packages and service contracts of executive and non-executive directors, and senior management, and make recommendations to the Board, taking into account performance and maximization of shareholders' value.
- Ensure that the Company discloses in the annual report the consolidated total remuneration of the directors with specific reference to executive and non-executive directors' emoluments.
- Review the status of independent Board members annually.

2.2 In carrying out its duties the NRC:

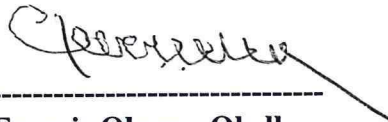
- Shall hold such number of meetings in such places and at such times as NRC will consider necessary for the proper discharge of its functions, and in any event not less than twice in any one calendar year.
- Shall have access to the resources of the Company and any information and documentation of the Company that will be necessary for the satisfactory performance of their duties. This included and not limited to professionals and experts.
- Shall receive views from any person with relevant information.
- May obtain professional advice and invite professionals with relevant experience to attend the NRC's meetings where necessary. Any expenses incurred shall be borne by the Company with the approval of the Board.
- May invite any director of the Company, or any other staff member or person connected directly or indirectly with the Company to assist with, and participate in the activities of the NRC.

3. REPORTING LINES AND MEETING PROCEDURES

- 3.1. The NRC will report directly to the Board through the NRC Chairman.
- 3.2. The NRC will report to the Board on an annual basis, or more frequently as may be required.
- 3.3. Members of the NRC shall meet at least twice annually or more frequently as required.
- 3.4. The NRC members shall be served with an appropriate notice of each meeting, in any case not less than one week's notice prior to the start of the meeting or as may have been agreed at a previous meeting.
- 3.5. The quorum at all meetings shall be two members. No member is permitted to appoint a proxy.
- 3.6. The NRC decisions shall be taken by a majority of votes of those present. In case of a tie, the Chairman of the committee shall have a second or casting vote.

The Chairman shall at his/her sole discretion and as he/she deems appropriate use the casting vote, or refer the matter to the full Board for decision.

- 3.7. The minutes of the meeting and the action plan arising therefrom shall be circulated to the NRC members and the Board within two weeks of the meeting, or immediately after the meeting depending on the urgency of the matter.



Francis Okomo-Okello
Board Chairman
TPS Eastern Africa Limited

26th APRIL, 2017

Date

