



TIGER BRANDS LIMITED
(Registration Number 1944/017881/06)
("the Company")

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

1. Constitution and general principles

- 1.1 In line with the recommendations of the King IV Report on Corporate Governance for South Africa 2016 ("King IV"), the board of directors of the Company ("the Board") resolved to establish a committee of the Board to be known as the Investment Committee ("the Committee");
- 1.2 Neither the appointment nor the duties of the Committee reduce the functions and duties of the Board or the directors of the Company who must continue to exercise due care and diligence in accordance with their statutory and fiduciary duties;
- 1.3 These terms of reference has been approved by the Board and shall be annually reviewed. It shall be read with the Board Charter and shall be subject to the provisions of the Act, the Memorandum of Incorporation of the Company and any other applicable law or regulatory provision;
- 1.4 In addition to ensuring compliance with the law, the Committee shall be expected, in fulfilling its functions, to apply the principles of good corporate governance as set out in King IV;

- 1.5 All members of the Committee shall be required to keep up to date with developments affecting the areas of responsibility of the Committee. Members are furthermore expected to be fully prepared for meetings and to provide appropriate and constructive input on matters under consideration; and
- 1.6 In these terms of reference, “Group” shall refer to the Company and its subsidiaries.

2. Composition

- 2.1 The Committee shall be appointed by the Board, on recommendation of the Nomination and Governance Committee, and shall comprise a minimum of 3 (three) non-executive directors of the Company, the majority of whom shall be independent as defined in King IV.
- 2.2 The chairman of the Board shall be the Chairman of the Committee.

3. Authority

- 3.1 The Committee shall have decision-making power in respect of such duties, if any, where decision-making power has been specifically delegated by the Board to the Committee in these terms of reference. In respect of all other duties as contained herein, the Committee shall only have the power to make recommendations to the Board;
- 3.2 The Committee is authorised by the Board, subject to the approved process as set out in the Board Charter, to obtain outside legal or other independent professional advice and to secure the attendance at meetings of the Committee of outsiders with relevant experience and expertise if deemed necessary;
- 3.3 The Committee may establish and delegate authority to any member or sub-committee to assist it in carrying out certain of its functions. Such delegation, and the extent thereof, shall be properly recorded in a formal resolution of the Committee passed at a meeting of the Committee or via written resolution; and
- 3.4 The Company shall meet all expenses reasonably incurred by the Committee in the fulfilling of its duties.

4. Committee meetings and resolutions

4.1 Attendance at meetings

- 4.1.1 Every member of the Board is entitled to attend any meetings of the Committee as an observer. However, unless that member is also a member of the Committee, the member shall not be entitled to participate without the consent of the chair and does not have a vote;
- 4.1.2 The chief executive officer, chief financial officer shall be in attendance at meetings of the Committee, and shall have unrestricted access to the chair or any other member of the Committee as is required in relation to any matter falling within the remit of the Committee. Other individuals, including members of management and external consultants and service providers may be invited to attend from time to time in consultation with the chair;
- 4.1.3 The company secretary (or duly authorised representative of the company secretary) shall be in attendance at each meeting of the Committee to act as secretary of the Committee;
- 4.1.5 Committee members are expected to attend all meetings of the Committee, unless an apology with reasons has been submitted to the chair or the company secretary; and
- 4.1.6 If the chair of the Committee is absent from the meeting, any other member of the Committee may act as chair for that meeting as agreed by those present or as nominated by the chair of the Committee.

4.2 Frequency of meetings

- 4.2.1 The Committee shall meet on an *ad hoc* basis. The Chairman may convene meetings of the Committee, at any time, at his discretion.

4.3 Meeting procedures

- 4.3.1 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;
- 4.3.2 A quorum for these meetings will be two members of the Committee present in person or via electronic communication facilities throughout the meeting. Where a member declares an interest and is recused from the meeting, the meeting shall remain quorate during his/her absence;
- 4.3.3 In the absence of a quorum and subject to the discretion of the 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;
- 4.3.4 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 at the postponed meeting or via written resolution as contemplated in clause 4.3.3;
- 4.3.5 The written resolution circulated in terms of clause 4.3.3 requires majority approval, in the absence of which a special meeting of the Committee shall be convened in order for the matter to be discussed and formally approved during such special meeting;
- 4.3.6 An agenda with supporting papers shall be circulated no later than 5 (five) business days prior to the meeting, where reasonably possible. The company secretary shall be responsible for the preparation of the meeting agenda in consultation with the chair and responsible member of executive management; and
- 4.3.7 The company secretary of the Committee shall keep appropriate records of all meetings of the Committee as well as minutes of the proceedings and all decisions made. The minutes must be completed as soon as reasonably possible after the meeting and circulated to the Chairman and Committee members for review thereof. The minutes must be formally approved by the Committee at its next meeting. Such minutes or a report of proceedings must also be included in the agenda for the next scheduled Board meeting.

4.4 In-committee meetings

- 4.4.1 In-committee meetings of the Committee, where only members of the Committee are present, may be held as and when deemed appropriate by the chair of the Committee;
- 4.4.2 The company secretary may be required to be in attendance at in-committee meetings for minute purposes. In the event that the company secretary is also excused from the meeting, the chair shall nominate a member of the Committee to keep notes of the discussions and/or decisions for record purposes; and
- 4.4.3 Separate minutes shall be prepared for in-committee meetings and shall be circulated to members for confirmation via electronic communication whereafter it shall be signed by the chair of the Committee.

4.5 Written resolutions

A resolution in writing signed by a majority of the members of the Committee shall be as valid and effectual as if it has been passed at a duly constituted meeting of the Committee, provided that each member of the Committee shall have been afforded a reasonable opportunity to express an opinion on the matter to which such resolution relates.

5. **Duties and Responsibilities of the Committee**

The duties of the Committee shall be to:

- 5.1 To consider and, if deemed appropriate, make recommendations to the Board in respect of proposed new investments and disposals of investments.
- 5.2 Acquisitions should only be made in businesses -
 - 5.2.1 Where the Company has the requisite operating expertise; and
 - 5.2.2 Where the Company obtains Management control.

5.3 The Company will no longer invest purely as a minority shareholder.

5.3.1 In exceptional circumstances, the Company may invest as a minority shareholder, provided that management is able to demonstrate a clear pathway to control within a reasonable timeframe; or another explicit advantage.

5.4 Attend to Post Investment Reviews (PIRs).

In performing the roles above, the Committee shall place reliance on the work and reports of any employee, advisor or committee of the Board that has responsibility for any function falling within the role of the Committee.

6. Performance evaluation

6.1 The performance of the Committee shall be evaluated in accordance with the methodology approved by the Board from time to time.
