

# Attitude Hospitality Ltd

## And subsidiaries

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### CORPORATE GOVERNANCE COMMITTEE CHARTER (“the Charter”)

#### 1. Constitution

- 1.1. The Corporate Governance Committee also includes the Nomination and Remuneration Committee.
- 1.2. At a meeting held on the 29/04/2019 the board of directors of Attitude Hospitality Ltd (the “Board”) resolved to adopt a new Corporate Governance Committee Charter in replacement of the terms of reference which had been adopted on the 17.07.2015 and which had become effective on 17.09.2015
- 1.3. The terms of reference of the New Charter, which are reproduced hereunder, will take effect from 29/04/2019

#### 2. Membership

The Board of Directors shall nominate the members of the Committee provided the nomination complies with the regulations provided below:

- 2.1. The Corporate Governance Committee shall consist of a minimum of 3 members all of whom shall be directors of the Company.
- 2.2. Appointments to the committee are made by the Board and shall be for a period of up to three years – renewable.
- 2.3. The majority of the members shall be non-executive directors.
- 2.4. An alternate to a Director appointed on the Committee as member shall not automatically be the alternate of that Director on the Committee as well.
- 2.5. Appointment of Alternates is not recommended unless otherwise resolved by the Board.

#### 3. Chairperson

The Board of Directors shall nominate the Chairperson of the Committee provided the nomination complies with the regulations provided below:

- 3.1. The Chairperson shall be a non-executive or an independent director.
- 3.2. The Chairperson of the Board, as long as he is not an executive director, may be Chairman of the Corporate Governance Committee.

#### 4. Meetings

- 4.1. The Committee shall meet at least three times a year.
- 4.2. Decisions taken by written resolutions signed by all committee members shall be as valid as if a committee meeting had been held.
- 4.3. Meetings of the committee shall be called by the Secretary of the committee at the request of the committee Chairperson or any other member.

- 4.4. The notice of each meeting of the committee, confirming the venue, time and date and enclosing an agenda of items to be discussed as well as the minutes of the previous committee meeting, shall other than under exceptional circumstances, be forwarded to each member of the committee and the CEO (other than committees where his/her remuneration/ package/ benefits or any kind will be discussed) not less than five working days prior to the date of the meeting. A shorter notice may be provided if all members attend the meeting or agree to receive a shorter notice.
- 4.5. The Chairperson of the Committee shall chair committees; in the event there is no appointed Chairperson or in the absence of the committee Chairperson, the remaining members present shall elect one of themselves to chair the meeting.
- 4.6. Only members of the committee shall attend committee meetings. The CEO shall be invited to attend committees other than where his/her remuneration/ package/ benefits or any kind will be discussed.
- 4.7. Other individuals and external advisers may be invited to attend all or part of any meeting, as and when appropriate and necessary and approved by the majority of the committee members attending the meeting.
- 4.8. The committee secretary shall be the secretary of the Company. In the absence of the Secretary due to exceptional circumstances, the members may appoint a Secretary for a specific meeting.

## **5. Quorum**

A quorum for a meeting shall be at least 2 members present throughout the meeting.

## **6. Minutes of Meetings**

- 6.1. The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
- 6.2. Draft minutes of committee meetings shall be circulated promptly to the Chairperson for review and then to all members of the committee.
- 6.3. Minutes of the committee shall be approved at the next Committee and be signed by the Chairperson and Secretary of the Committee at which they are approved.
- 6.4. Once approved, minutes should be entered in the Committee's minutes' book in order of date of occurrence.

## **7. Annual meeting of shareholders**

- 7.1. The committee Chairperson should attend the annual meeting of shareholders to answer any shareholder questions on the committee's activities. Shall the Chairperson not be able to attend the annual meeting, the Committee or the Board shall ensure that another committee member be present to answer any questions relating to the Committee's activities.

## **8. Duties of the Committee**

The Committee will work on behalf of the Board and shall:

8.1. In terms of Corporate Governance:

- 8.1.1. Ensure and, where appropriate, make the necessary recommendations to the Board so that the corporate governance activities are consistent with the eight principles of the New Code of Corporate Governance (the Code).
- 8.1.2. Determine and develop the Company's general policy on Corporate Governance in accordance with the Code.
- 8.1.3. Review and make the adequate recommendations to the Board for the approval of the corporate governance report to be published in the Company's annual report.
- 8.1.4. Ensure that the disclosures are made in the annual report in compliance with the disclosure provisions of the Code.
- 8.1.5. Ensure that the website includes the key governance documents.

8.2. In terms of Nomination:

- 8.2.1. Make recommendation to the Board on the appointment of new directors.
- 8.2.2. Ascertain whether potential new Directors are fit and proper and not disqualified from being director and investigate their background thoroughly.
- 8.2.3. Ensure that the board has a right balance of skills, expertise, gender, knowledge and independence and make recommendations to the Board with regards to any changes.
- 8.2.4. Make recommendation on the composition of the Board and on the balance between executive and non-executive directors.
- 8.2.5. Ensure that there is a clearly defined and transparent procedure for the recommendation/choice of potential candidates
- 8.2.6. Ensure that potential candidates are free from material conflict of interests and are not likely to simply act in the interest of a major shareholder, substantial creditor or significant supplier to the Company. I
- 8.2.7. Ensure that there is a proper induction for new directors.
- 8.2.8. Ensure that there is a director appraisal exercise carried every two year, take the lead for the appraisal exercise for Directors and compile or present a compiled report with recommendations to the Board.
- 8.2.9. Give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future.
- 8.2.10. Consider and make the necessary recommendations to the Board for training and development of board members.
- 8.2.11. Keep under review the leadership needs of the group, both executive and non-executive, with a view to ensuring the continued ability of the group to compete effectively in the marketplace.
- 8.2.12. Before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the 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 for the Board, the Committee:
  - 8.2.12.1. May use open advertising or the services of external advisers to facilitate the search;
  - 8.2.12.2. Shall consider candidates from a wide range of backgrounds; and
  - 8.2.12.3. Shall consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.

- 8.2.13. Ensure that there is a job description for each key senior governance positions and a proper monitoring of such positions. If considered appropriate, include on the description the review process and frequency of the job description.
  - 8.2.14. For the appointment of a Chairperson, the committee should prepare a job specification, including the time commitment expected. A proposed Chairperson's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairperson's commitments should be reported to the Board as they arise.
  - 8.2.15. Prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest.
  - 8.2.16. 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 time commitment, committee service and involvement outside Board meetings.
  - 8.2.17. Consider a plan for succession for both executive and non-executive directors and in particular for the key roles of Chairperson and Chief Executive Officer and make recommendations to the Board.
  - 8.2.18. Review any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the company subject to the provisions of the law and their service contract.
- 8.3. In terms of remuneration:
- 8.3.1. Review the Directors' fees policy for all directors and the Company's Chairperson and make recommendations to the Board for then submission to the shareholders for approval.
  - 8.3.2. Make recommendations to the Board on the remuneration of committee members – other than the Corporate Governance Committee.
  - 8.3.3. Evaluate any salary review or bonus or incentives to senior managers, including executive Directors and the CEO and make the necessary recommendations to the Board. No director or senior manager shall be involved in any decisions as to their own remuneration.
  - 8.3.4. Recommend and monitor the level and structure of remuneration for senior management.
  - 8.3.5. Take into account all factors which it deems necessary including relevant legal and regulatory requirements, the principles of the Code and associated guidance. The objective of the remuneration policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long strategic term goals.
  - 8.3.6. Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations the committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company but within any budgetary restraints imposed by the Board.
  - 8.3.7. Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.
  - 8.3.8. If applicable, review the design of all share option or share incentive plans for approval by the Board and shareholders.

- 8.3.9. Determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives.
- 8.3.10. Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 8.3.11. Oversee any major changes in employee benefits structures throughout the Company or group.
- 8.3.12. Agree, if considered appropriate, on the policy for authorising claims for expenses from the directors.
- 8.3.13. Work and liaise as necessary with all other Board committees.

## **9. Reporting responsibilities**

- 9.1. The committee Chairperson shall report to the Board on its proceedings after each meeting.
- 9.2. The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3. The committee shall ensure that provisions regarding disclosure of information are fulfilled.

## **10. Remuneration**

- 10.1. Having regard for the functions performed by the members of the Committee in addition to their functions as directors in relation to the activities of the Committee, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board. Such special remuneration shall be in addition to the annual fees payable to directors.
- 10.2. The Chairperson of the Committee may, in addition to his or her remuneration as member, receive a further sum as determined by the Board.

## **11. Other matters**

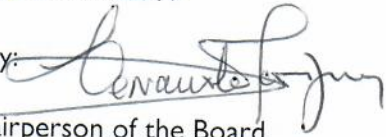
The committee shall:

- 11.1. Have access to outside or other independent professional advice as it considers necessary to carry out its duties.
- 11.2. Have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required.
- 11.3. Give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors.
- 11.4. Arrange for periodic reviews of its own performance and review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

## **12. General**

The above terms of references may be amended as required subject to the approval of the Board of Directors of the Company. The Charter will be reviewed by the Board every five years, or before if considered necessary.

Corporate Governance Committee charter approved by the Board of Directors on  
29 April 2019

Signed by:   
The Chairperson of the Board

  
The Chairperson of the Corporate Governance Committee

This 29.04.2019