

# **NORTHAM**

PLATINUM HOLDINGS LIMITED

## **INVESTMENT COMMITTEE CHARTER**

**Title:** Investment committee charter

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## 1. DEFINITIONS AND INTERPRETATION

<b>Term</b>	<b>Meaning</b>
<b>“approval framework”</b>	The framework developed and updated from time to time in terms of which the limits of authority for various senior officials of the company are determined.
<b>“board”</b>	The board of directors of Northam.
<b>“Chief Executive Officer” or “CEO”</b>	A Chief Executive Officer is the highest-ranking executive in a company. This director's primary responsibilities include making major corporate decisions, managing the overall operations and resources of a company, and acting as the main point of communication between the board and corporate operations.
<b>“Chief Financial Officer” or “CFO”</b>	A Chief Financial Officer is an executive director primarily responsible for managing the financial risks of a company. This director is also responsible for financial planning and record keeping, as well as financial reporting to the board.
<b>“charter”</b>	The investment committee charter herein governing the role and responsibilities of the committee.
<b>“code of ethics”</b>	Northam code of ethics and conduct outlining the mission and values of the company, how employees may seek advice, the ethical principles based on the company's core values and the standards to which employees are held.
<b>“Companies Act”</b>	Companies Act No 71 of 2008, as amended.
<b>“group”</b>	Northam and all its subsidiaries, joint arrangements and associates.
<b>“investment committee” or the “committee”</b>	A sub-committee of the board which evaluates and advises the board on all acquisitions and investment-related opportunities for the group, within its mandate from the board, to which this charter relates.
<b>“JSE”</b>	JSE Limited or the securities exchange it operates, whichever the context requires.
<b>“King IV”</b>	King IV Code on Corporate Governance for South Africa, 2016.
<b>“memorandum”</b>	Northam's memorandum of incorporation.
<b>“Northam” or the “company”</b>	Northam Platinum Holdings Limited.
<b>“Non-executive director”</b>	A member of the board of directors who is not part of the executive team. A non-executive director typically does not engage in the day-to-day management of the organisation, but is involved in policy making and planning exercises.

## **2. INTRODUCTION**

The committee has been established by the board of Northam to assist the board in discharging its responsibilities in respect of proposals for:

- 2.1 The acquisition by Northam or the group of new assets and/or businesses and/or companies.
- 2.2 The merger of Northam or the group with other companies (hereafter 'merger and acquisition opportunities').

## **3. PURPOSE AND OBJECTIVES**

The purpose of this charter is to set out the role and responsibilities of the committee.

## **4. SCOPE AND APPLICABILITY**

The charter applies to all members of the committee.

## **5. COMPOSITION OF THE COMMITTEE AND QUORUM**

- 5.1 The committee shall comprise not less than 3 (three) non-executive board members. A majority of members of the committee shall be independent.
- 5.2 The board, through the nomination committee shall appoint the members, and one of the independent members shall be appointed as chairperson.
- 5.3 The CEO and CFO shall not be members of the committee, but shall attend meetings of the committee as appropriate.
- 5.4 A simple majority of members is a quorum. Invited participants are not part of the quorum and do not vote.
- 5.5 The failure by the committee to have the minimum number of members does not limit or negate the authority of the committee or invalidate anything done by the committee while their number is below the minimum number fixed in accordance with this charter.

## **6. MEETINGS AND PROCEDURES**

- 6.1 The committee shall meet as and when required by the chairperson and shall report to the board on the committee's activities at the board meeting following each committee meeting.

- 6.2 The chairperson of the committee may consult members of the committee at any time and may conclude any matter requiring the approval of the committee by means of a round-robin / written resolution approved by a majority of members. Each such resolution shall be noted by the committee at its next meeting.
- 6.3 The committee may specifically delegate to any one or more of its members, authority to conclude any matter requiring the committee's approval. The outcome of each such delegation shall be reported to the committee at its next meeting.
- 6.4 A notice of each meeting of the committee, confirming the venue, time and date of such meeting and enclosing an agenda of items to be considered shall be forwarded to each member of the committee (including for this purpose the CEO and the CFO).
- 6.5 Unless varied by these terms of reference, meetings and proceedings of the committee will be governed by the memorandum regulating the meetings and proceedings of the board and board committees.
- 6.6 The company secretary shall act as secretary to the committee, and shall be responsible for keeping minutes of all meetings. Minutes of the meeting should be circulated in good time for members to review and once approved, shall be circulated to the board;
- 6.7 The chairperson of the committee shall report to the board at its next succeeding meeting.

## **7. FUNCTIONS AND DUTIES**

The functions of the committee shall be to:

- 7.1 Identify and/or receive from third parties merger and empowerment acquisitions/investment opportunities (investment opportunities).
- 7.2 Procure and oversee the analysis and evaluation of investment opportunities.
- 7.3 Retain external specialists to assist with the analysis and evaluation of investment opportunities.
- 7.4 Recommend to the board the acceptance (subject to regulatory and legislative requirements) of specific investment opportunities which have been analysed and evaluated under the supervision of the committee, provided that such recommendations receive the approval of a majority of the independent non-executive board members.
- 7.5 Oversee the implementation of specific investment opportunities which have been approved by the board.
- 7.6 The committee is subject to the limitations as contained in the approval framework.
- 7.7 The committee, in carrying out its duties under this charter, may obtain such external and other professional advice as it may consider necessary for this purpose.

## **8. EVALUATION**

- 8.1. An independent evaluation of the effectiveness of this committee may be performed every second year.
  
- 8.3 The committee should, at least once every 3 (three) years, review its own performance and that of its members, constitution and charter to ensure it is operating at maximum effectiveness.

## **9. RELATED POLICIES, LEGISLATION AND STANDARDS**

- 9.1. The charter is subject to the provisions of:
  - 9.1.1. Companies Act;
  - 9.1.2. Approval framework;
  - 9.1.3. Code of ethics;
  - 9.1.4. JSE Limited Listings Requirements and JSE Debt Listings Requirements;
  - 9.1.5. King IV;
  - 9.1.6. Memorandum; and
  - 9.1.7. any other applicable laws or regulatory provisions.
- 9.2. Where this charter transgresses legislation and/or rules of the Companies Act, that legislation and/or regulation takes precedence over the charter.

## **10. GOVERNANCE**

This charter must be approved by the board and the chairperson of this committee and should be reviewed at least once every 3 (three) years to ensure effective functioning of the committee, compliance with the latest corporate governance best practice and alignment with the company's responsibilities with respect to being and being seen as a responsible corporate citizen.