



Nominations **Committee report**



Stephen Davidson

Nominations Committee Chairman

The Nominations Committee's role is to review succession planning for executive and non-executive directors and to advise the Board on new appointments and the composition of Board committees. An important aspect of the committee's role is to ensure the Board's stated aims in terms of diversity are met and that the Board comprises a diverse and appropriate balance of individuals and skills to optimise its performance in delivering against the Company's strategic objectives.



Details of the Nominations Committee's constitution and operation are given on page 97.

During FY20, the Nominations Committee oversaw the continuing refreshment of the Board.

On 1 June 2019, Maya Makanjee took over as Chair of the Social and Ethics Committee and on 1 September succeeded John McCartney as Chair of the Remuneration Committee. In both these roles the Board will benefit from her experience in the fields of leadership, ethics, authenticity, principles and values, as well as diversity and inclusion.

On 1 January 2020, Rick Medlock joined the Board as an independent non-executive director and member of the Audit, Risk and Compliance Committee. Rick has a wealth of international experience in the technology, media and telecoms sector where he has held several senior positions over a period of more than 30 years, specialising in fast growing globally focused technology companies, private equity-backed investments and IPOs.

Following these changes, the Board now comprises eight directors: two executives, the CEO and CFO, and six independent non-executive directors including the Chairman. The Nominations Committee considers the current Board to be very well balanced in terms of skills and experience. The gender diversity of the Board meets the Board's policy requirements by having two female members. As an international group, Datatec requires an international perspective at Board level and this is represented by a range of nationalities and geographic experience among the directors.

Diversity

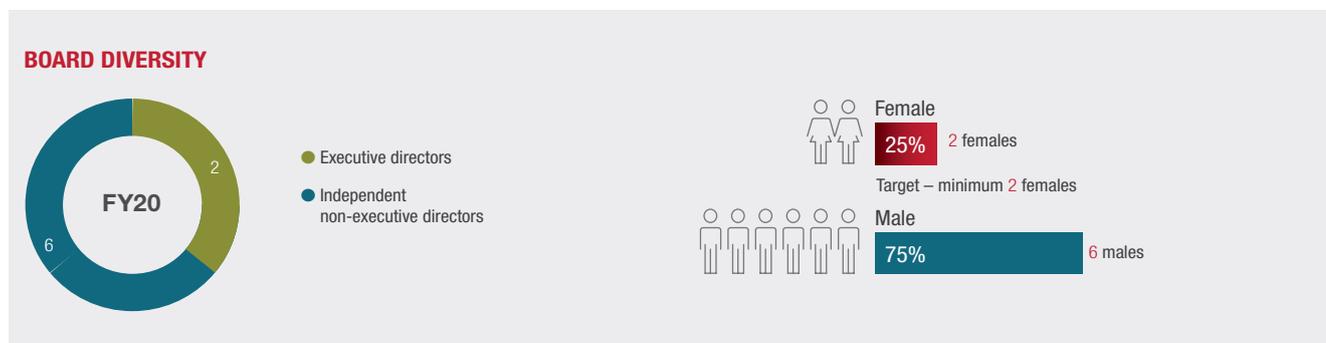
In terms of gender diversity, the Nominations Committee has given priority to seeking female candidates to fill non-executive director vacancies. In terms of race diversity, it is Datatec's policy to promote race diversity at Board level and the Board is satisfied that this aim is being achieved.

Annually, the Nominations Committee will discuss and agree on proposed objectives, including, without limitation, the setting of voluntary targets, for achieving diversity on the Board and recommend the same to the Board for approval and adoption. During FY19, the Board achieved its voluntary target of having two female directors on the Board and maintained that position during FY20.



The policy on promotion of diversity at Board level is available on the website www.datatec.com.

Nominations **Committee report** continued



Independence and length of service

The Nominations Committee and the Board review the independence of the non-executive directors thoroughly each year and this review of independence takes into account the length of service as a factor to be carefully considered in the assessment of independence among other factors. The review process followed by the Nominations Committee and Board highlights issues such as whether a non-executive director has the ability to control or significantly influence management, controls a significant number of shares in the Company or any of its subsidiaries, has any contractual relationships with the Company or if the non-executive director is a member of a board of another company with one or more Datatec directors.

The Company will continue to review the independence of its non-executive directors and regularly engage with its stakeholders to ensure good governance.

Succession planning

Succession planning for the Board, management team and senior executives is the responsibility of the Board, assisted by the Nominations Committee. There is a formal succession plan in place for the Chairman, CEO, CFO, Board, Board committee chairs and senior management that is reviewed annually by the Nominations Committee. The committee then reports to the Board, which determines if any action needs to be taken.

Two directors have more than 12 years' service on the Board: John McCartney and myself. We are already in the process of transferring our experience to the newer non-executives and stepping down from our committee roles. Both John and I are retiring by rotation at the forthcoming AGM and seeking re-election for our final terms in office. If shareholders approve, the intention is that John will then retire within one year of re-election and I will retire within two years, having first effected Chairman succession.

New appointments

A formal induction programme for directors is in place which comprises a presentation on responsibilities, familiarisation meetings and reviews of prior Board and committee meetings as well as meetings with the executive teams at Group and divisional levels. Training is provided with regard to the Companies Act, JSE Listings Requirements and King IV™ Code. The management appointments made by the Board ensure that the appointment of and delegation to management contribute to role clarity and effective exercise of authority and responsibilities.

Outlook

During the shareholder consultation undertaken by Maya Mankanjee and myself following the 2019 AGM, shareholder views on the Board structure and succession were sought and discussed. Having refreshed the Board and its committees, the Nominations Committee will focus in FY21 on succession planning for the role of Chairman of the Board.

Stephen Davidson

Chairman

Nominations Committee

Nominations Committee constitution and operation

The Nominations Committee operates within defined terms of reference as set out in its charter which has been approved by the Board.



The Nominations Committee charter is available on the Group's website www.datec.com.

The Nominations Committee during FY20 consisted of the following independent non-executive directors:

- Stephen Davidson (Chairman)
- John McCartney
- Ekta Singh-Bushell

The Nominations Committee's meetings during FY20 and subsequently to the date of this report (all meetings were scheduled), together with the attendance of the committee members, are as follows:

	14 March 2019	15 October 2019	19 March 2020	19 May 2020
SJ Davidson	P	P	P	P
JF McCartney	P	P	P	P
E Singh-Bushell	P	P	P	P

P = Present

The CEO and CFO may be invited to attend the committee's meetings, but neither may take any part in decisions regarding their own succession. The committee is satisfied that it has met its responsibilities for the year with respect to its terms of reference.

The committee is responsible for making recommendations to the Board regarding the appointment of new executive and non-executive directors and makes recommendations on the composition of the Board generally. The committee ensures that director appointments are formal and transparent and oversees succession planning for the Board and senior management.

The committee reviews its performance annually by means of questionnaires completed by individual committee members and attendees which are then discussed at Board and committee meetings. These appraisals enable the committee to evaluate its effectiveness objectively and to conclude that it is operating effectively under the terms of reference set out in its charter.

The Chairman of the committee reports on the committee's activities at each Board meeting and will be available at the AGM to answer questions about the committee's work.