





# Scancom PLC (MTN Ghana) Board Appointment and Succession Planning Policy

<b>Business Area</b>	Company Secretariat		
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**SCANCOM PLC (MTN GHANA)**  
**BOARD APPOINTMENT AND SUCCESSION PLANNING POLICY**

**1. EXECUTIVE SUMMARY**

This Scancom PLC (MTN Ghana) Board Appointment and Succession Planning Policy is a governance policy. It applies to the general governance and activities of the Board with specific emphasis on the appointment and succession planning of the Board.

The purpose of this policy is to provide guidance to the Committee and the Board on the best practice and procedures required for the selection, nomination and appointment of directors. The policy also provides clear guidelines, roles and responsibilities required to identify and develop potential successors for key job positions on the Board in order to maintain continuity and stability within MTN Ghana.

Section 10 (1) of the Securities and Exchange Commission Corporate Governance Code for Listed Companies (2020) (SEC Code) requires publicly listed companies to adopt a formal and transparent policy for the appointment of directors which will be overseen by the Committee. Sections 21(1) and 16 (7) of the SEC Code also state the need for development of a succession plan for the Board.

The Board and all stakeholders must adhere to the procedure set out in this policy as MTN Ghana aspires to achieve a balance mix of skills and knowledge on its Board by appointing and retaining competent, experienced, trust-worthy and reliable directors, who have the capacity and ability to lead the company towards achieving its objectives. The policy also ensures that highly qualified people are available to fill vacancies and prevent periods of extended vacuums or hasty decisions to fill such vacancies.

**2. POLICY APPROVAL**

This Scancom PLC (MTN Ghana) Board Appointment and Succession Planning Policy is a Governance Policy as defined in the MTN Ghana Master Policy. The Policy approval Process as set out in Annexure A herein shall be applied.

### 3. DEFINITIONS AND ABBREVIATIONS

<b>Term/ Abbreviation</b>	<b>Definition</b>
Board	The Board of Directors of MTN Ghana
Candidate	A potential director to be appointed or re-elected onto the Board
Committee / HRRNC	The Human Resources, Remuneration and Nominating Committee
Company or MTN Ghana	Scancom PLC
Companies Act	The Companies Act, 2019 (Act 992)
CV	Curriculum Vitae
Directors	Independent Non-Executive Directors, Non-Executive Directors and Executive Directors
CEO	Chief Executive Officer and all successors in title
Constitution	The Constitution of Scancom PLC
Recommendation	A recommendation of potential directors by the Committee
Selection	Selection of a potential Candidate by a Board member or shareholder for consideration by the Committee
SEC Corporate Governance Code	Securities and Exchange Commission's Corporate Governance Code for Listed Companies published in October, 2020

### 4. SCOPE AND APPLICABILITY OF THE POLICY

- 4.1 To provide guidance to the Committee and the Board on the best practice to be applied for the selection, nomination and appointment of Directors.
- 4.2 To provide clear guidelines of procedures, roles and responsibilities required to identify and develop potential successors for key job positions on the Board, to

maintain continuity and stability within MTN Ghana. Specifically, the policy will achieve the following:

- 4.2.1 Formalise the identification process for critical talent required on the Board.
  - 4.2.2 Mitigate the risk of disruption to operations or loss of business opportunities through sudden departures, by identifying successors for critical positions.
  - 4.2.3 Identify individuals who have the potential to meet the future needs of MTN Ghana based on pre-determined criteria and factors.
  - 4.2.4 Enable MTN Ghana quickly respond to loss of key talents by reducing the cost and the turnaround time to fill Board vacancies.
  - 4.2.5 Ensure the retention of significant organizational knowledge within MTN Ghana.
- 4.3 This policy is applicable to the Board of MTN Ghana.
  - 4.4 This policy shall be read in conjunction with the Company's Constitution, the Board Charter, the Committee Terms of Reference together with the SEC Corporate Governance Code and the Companies Act.
  - 4.5 Any uncertainties regarding this policy should in the first instance be addressed with the Company Secretary.

## **5. PURPOSE**

MTN Ghana aspires to achieve a balance mix of skills and knowledge on its Board by appointing and retaining competent, experienced, trust-worthy and reliable directors who have the capacity and ability to lead the company towards achieving its objectives. The policy shall also ensure that highly qualified people are available to fill vacancies and prevent periods of extended vacuums or hasty decisions to fill such vacancies.

## **6. COMPOSITION OF THE BOARD**

- 6.1 The structure of the Board shall comprise of not less than five (5) and not more than twelve (12) Directors or the number of Directors as amended from time to time by the Company's Constitution. The Board shall however not exceed twelve (12) Directors. Directors shall have the integrity, skills and experience necessary to fulfil the Board's responsibilities and protect the interests of all shareholders.
- 6.2 The Board shall comprise of a balance of executive directors, non-executive directors and independent non-executive directors, all of whom shall be natural persons whereas:
- 6.2.1 a majority of the directors shall be non-executive directors;
- 6.2.2 a majority of non-executive directors shall be independent; and
- 6.2.3 the Chairman of the Board shall be an Independent Non-Executive Director.
- 6.3 The Board shall not be composed solely of nominees or representatives of the majority shareholder or of a substantial shareholder but shall reflect the company's broad shareholding structure.
- 6.4 The Board shall identify one independent non-executive director who shall be responsible for relations with minority shareholders. This non-executive director may request the audit committee to review a transaction to consider if it has an adverse effect on the interests of minority shareholders.

## **7. HUMAN RESOURCES, REMUNERATION AND NOMINATING COMMITTEE**

- 7.1 The Committee shall recommend to the Board, candidates for directorship to enable the Board meet its responsibility to nominate candidates for the approval of the shareholders. The Board shall only make such nominations after considering the recommendations of the committee.
- 7.2 The Committee for the purpose of recommending suitable candidates for recommendation to the Board may obtain the services of a Professional headhunter and shall provide such direction as to skills and expertise required to be sourced for consideration by the Board.

- 7.3 The Committee shall develop and document the particular description of investigations, skills, qualifications, integrity, expertise required and other matters relating to candidates and the factors to be taken into account when considering each appointment that is to be made;
- 7.4 The Committee shall invite the majority shareholder (where one exists), any substantial shareholders and minority shareholders to:
  - 7.4.1 nominate candidates for the Board; and
  - 7.4.2 give views on the candidates for directorships that have offered themselves or been offered by others;
- 7.5 The Committee shall consider any other candidates who have been nominated by others and those who have offered themselves for appointment and any others it may consider appropriate;
- 7.6 When making recommendations to the Board, the Committee shall include only those candidates who have agreed in writing that they are willing to be considered;
- 7.7 The Committee shall include candidates that command the support of majority, minority and substantial shareholders in their recommendations to the Board such that, were all candidates recommended by the committee, the Board would:
  - 7.7.1 reflect the broad shareholding structure of the company;
  - 7.7.2 meet the requirements for the skills, qualifications and expertise that it has determined are necessary for the particular appointment; and
  - 7.7.3 meet the Board's policy for moving towards an appropriate gender balance in accordance with the Board Gender Policy;
- 7.8 The Committee shall prepare a report on the nomination process, the number of director posts available, the criteria by which candidates were judged, the qualifications, experience, material interests of, and other relevant information about, the candidates, their acceptability to majority, substantial or minority shareholders as appropriate, the extent to which the Board's policy on gender

balance is being achieved and any other matter the committee considers relevant. This report shall be issued to shareholders in advance of the meeting where the candidates are to be elected.

- 7.9 All nominations by the Board to the Committee shall be reviewed by the Committee, together with any other nominations received by the Committee. The Committee has the ultimate responsibility, having assessed all nominations howsoever received, to make a recommendation to the Board to appoint or recommend to shareholders, the appointment of the most suitable candidate as director to the Board of Scancom PLC.

## **8. BOARD APPROVALS**

- 8.1 The Board shall approve a documented description of the investigations that shall take place with respect to the skills qualification, integrity and other matters relating to candidates and the factors to be taken into account when considering each appointment;
- 8.2 The Board shall approve the procedure for evaluating the performance of appointees;
- 8.3 The Board shall determine and document the terms and conditions of each appointment that is to be made, including whether the vacancy is for an executive, non-executive or independent non-executive director;
- 8.4 The Board shall apply its Gender Policy on the appropriate gender balance on the Board being not less than thirty percent (30%) of female representation on the Board and shall take this into account when making each appointment.

## **9. GUIDELINES FOR APPOINTMENT**

- 9.1 The appointment of new Directors and re-appointment of current Directors are matters of the Board as a whole with the assistance of the Committee.
- 9.2 The appointment of directors shall be regulated by Section 172 of the Companies Act and the provisions of the Company's Constitution together with the SEC Corporate Governance Code.
- 9.3 The Board may make recommendations for the appointment of the Chief Executive Officer and the Chief Financial Officer as Executive Directors.



- 9.4 The Committee shall recommend suitable candidates based on the agreed selection criteria for appointment as Directors.
- 9.5 If any Shareholder wishes to recommend a person as a potential Candidate for appointment to the Board, such recommendation shall be submitted to the Chairman of the Committee for consideration by the Committee.
- 9.6 The appointment and terms of office of each director shall be so arranged that not more than a third of the directors shall reach the end of their term of office in each year. This shall be achieved by altering the length of the fixed term contract of each director, on their appointment or re-election, so as to fit this pattern.
- 9.7 All persons offering themselves for appointment as directors, substitute directors or alternate directors (under Sections 180 or 181 of the Companies Act, 2019 (Act 992) or being proposed for such appointments shall state, in writing their willingness to be considered and shall disclose to the Board any potential area of conflict that may undermine their position or service as director. All persons offering themselves as directors should be required to confirm that it is their intention to fulfil their duties throughout their term of office and not rely, except in wholly unforeseeable circumstances, on the use of substitute or alternate directors.
- 9.8 The Committee shall also consider the following:
- 9.8.1 The Board should be structured in such a way that it has a proper understanding of, and the competence to deal with the current and emerging issues of the business and is able to enhance the performance of the Company;
- 9.8.2 The need to achieve an appropriate combination of Executive and Non-Executive directors;
- 9.8.3 The need to have sufficient Directors in order to structure board committees appropriately, raise a quorum and create capacity amongst the directors;

9.8.4 The skills, experience and expertise needed in order to manage the affairs of the business and to make strategic business decisions on behalf of the Company;

9.8.5 Academic qualifications, technical expertise, relevant industry knowledge, and gender requirements; and

9.8.6 Regulatory requirements.

## **10. SELECTION OF CANDIDATES TO SERVE AS DIRECTORS**

10.1 All potential Candidates will be considered with reference to the following three dimensions:

10.1.1 The knowledge and experience required to fill the gap on the Board;

10.1.2 The apparent integrity of the individual, who must be eligible and not disqualified to serve as a director and;

10.1.3 The skills and capacity of the individual to discharge his/her duties to the Board.

10.2 In considering the above dimensions, the Committee shall assess the candidate against a criterion, including the following questions:

10.2.1 Will the skills, experience, expertise and personal qualities of the proposed Candidate advance the Company's objectives and make the Board more effective?

10.2.2 Does the potential Candidate present himself/herself as a person who does not dominate to the exclusion of other members of the Board?

10.2.3 Is the proposed Candidate an eligible person to hold the office of director under the Companies Act?

10.2.4 Does the proposed Candidate have the ability and desire to act as mentor and wise counsel where required, while at the same time having the standing to provide stretch and challenge to the Board?

- 10.2.5 Is the proposed Candidate able to devote the necessary time and commitment to the role? This will involve a consideration of matters such as other board or executive appointments;
- 10.2.6 Does the proposed Candidate have any potential conflicts of interest which could impact on his/her ability to perform the duties of a Director?
- 10.2.7 Is the proposed Candidate (Non-Executive) independent in fact and in the perception of a reasonably informed outsider?
- 10.2.8 Would the appointment of the proposed candidate advance the objectives of ensuring diversity on the Board?
- 10.3 Candidates will also be requested to familiarize themselves with the Company, its core business and the industry before accepting the appointment onto the Board.
- 10.4 The Company Secretary will assist in ensuring that the procedure of evaluating the potential candidates is properly carried out.

## **11. BOARD INTERVENTIONS**

- 11.1 The Board may revoke the appointment of the Chief Executive Officer and/or the Chief Finance Officer and shall have the right to replace such Chief Executive Officer and/or Chief Finance Officer. In any such instance the Board shall review and make recommendations regarding the continued appointment or removal of the CEO / CFO as Director(s).
- 11.2 The Board may entrust to, and confer upon, the Chief Executive Officer and/or the Chief Financial Officer any of the powers exercisable by it upon the terms and with the restrictions that it thinks fit, and collaterally with, or to the exclusion of, its own power, and subject to the terms of an agreement entered into in a particular case, may revoke or vary all or any of those powers.
- 11.3 If any Director wishes to recommend a person as a potential Candidate for appointment to the Board, such recommendation shall be submitted to the Chairman of the Committee for consideration by the Committee.

- 11.4 The names and CVs of such identified individuals shall be considered by the Committee.
- 11.5 In the instance where a Director has selected an individual as a potential Candidate, the said Director shall not take part in that individual's selection process.

## **12. SELECTION OF THE CHAIRMAN**

- 12.1 In addition to appointing Directors, the Board must elect a Chairman who can provide the direction necessary for an effective Board. The Chairman should be an Independent Non-Executive Director and must be free from any apparent or actual conflicts of interest.
- 12.2 The Chairman shall preside over and act as facilitator at meetings of the Board and general meetings of the Company to ensure that appropriate discussion takes place and that no shareholder or member of the Board (whether executive or non-executive) dominates discussion and that relevant opinion among members is forthcoming. The Chairman will ensure that discussions result in logical and understandable outcomes.
- 12.3 The Chairman's responsibilities shall be as set out in the Board Charter.
- 12.4 Following an evaluation of the performance of the Board, any non-executive director who is not contributing to the deliberations of the Board, shall be referred by the Chairman to the Committee with a view to supplying additional training, or reviewing whether or not it would be appropriate for the director to be submitted for re-election. If necessary and appropriate, the Chairman shall invite the director to resign or the Board to terminate the appointment.
- 12.5 When evaluating the performance of the Chairman, in addition to the responsibilities referred to in paragraph 12.3, the Board shall ensure that the Chairman:
  - 12.5.1 Demonstrates the highest ethical standards of integrity and probity in his or her personal and professional dealings, and be willing to act on, and remain accountable for his or her decisions;
  - 12.5.2 Develops a depth of knowledge of the Company's business and its strategic and business plans in order to exercise informed judgment while

fulfilling the duties and responsibilities imposed upon the Chairman and Deputy Chairman;

12.5.3 Has a high level of financial literacy, knows how to read financial statements and understand the use of financial ratios and other indices for evaluating the Companies' performance;

12.5.4 Brings a history of achievements that reflect high standards for himself and others; and;

12.5.5 Meets the independence requirements under the laws, regulations and any listing requirements to which the Company is subject to.

### **13. INTERVIEW ASSESSMENT**

13.1 Once the Committee identifies the individuals who meet the criteria, the Chairman, and a majority of the members of the Committee or such persons as they may designate, shall interview the individuals who have met the selection criteria in order to:

13.1.1 Probe to gain better understanding and validate the candidates' experience and skills

13.1.2 Assess the candidates' understanding of the requirements and roles for the position

13.1.3 Assess whether the candidates portray/display values required for the position

13.1.4 Assess if the candidates will add value on the Board based on previous experience

13.1.5 Assess whether the candidates are able and willing to devote sufficient time required as directors in the Company

- 13.2 The Committee shall document the summary of the interviews with the candidates, review the results of the interview and make a recommendation to the Board as to which candidate(s) can be put forward for the next phase of the appointment process.

#### **14. GENDER BALANCE IN APPOINTMENTS**

Consideration and selection of a candidate will be based on merit and shall include the appropriate gender considerations as stipulated in the Gender Policy of the Company. The Board shall be required to abide by the gender quota as stipulated in the Gender Policy and the Committee shall take this into account when making each recommendation. This must be done in addition to a review of a candidate's integrity, professional experience, educational background, skills, knowledge, length of service in corporate entities, industry related experience and/or general experience.

#### **15. BACKGROUND CHECK**

- 15.1 The Committee shall ensure that prior to making any recommendation to the Board, the candidates background is investigated. The Committee shall ensure that this background check is carried out on potential candidates in order to ensure that candidates presented to the Board are fit and proper and their appointment as Directors would not tarnish the image of the Company.
- 15.2 The background check shall include a criminal record check, employment check and verification of qualification. The result of the background check will be used in determining candidates to be presented to the Board for consideration.

#### **16. PRESENTATION OF NOMINEES TO THE BOARD**

- 16.1 The Committee subsequent to the background check shall recommend potential candidates to the Board.
- 16.2 The Board shall ensure that it identifies the most suitable candidates at any time, based on the needs of the Company, and that appointment decisions take into consideration diversity in experience, knowledge, skills and gender and in general, do not suffer from implicit biases that may imply any kind of discrimination.

## **17. RATIFICATION BY SHAREHOLDERS**

Upon approval by the Board, the Chairman shall present a summary of the profile of the newly appointed Director(s) at the next Annual General Meeting. A profile of the Director(s) shall also be included in the annual report to enable the shareholders make informed decisions about the appointment. The election of the Directors by the shareholders shall be included in the proceedings of the Annual General Meeting of Shareholders.

## **18. TERMS OF APPOINTMENT**

Upon appointment to the Board, the Committee shall ensure that the Director(s) receive formal terms of appointment specifying their tenure, duties, rights, responsibilities, Board Committee involvement, remuneration and the Company's expectations. Directors are expected to sign and return the said Terms of Appointment to the Company Secretary.

## **19. INDUCTION OF DIRECTORS**

- 19.1 New members of the Board with no or limited Board experience should be developed and receive education through mentorship programmes to inform them of their duties, including fiduciary duties, responsibilities, powers and potential liabilities as Directors.
- 19.2 On their first appointment to the Board, incoming members of the Board will have the benefit of a formal induction programme, meeting both the specific needs of the Company and the individual director. This induction will be aimed at deepening their understanding of the Company, its operations, the business environment and markets in which the Company operates, and sustainability issues relevant to its business, so that any new director may make the maximum contribution as quickly as possible.
- 19.3 As part of the induction programme, the new Directors shall receive a folder / board pack as well as copies of previous minutes of Board and Committee meetings, and Company information, and will meet members of senior management and be advised of their respective duties and responsibilities.

19.4 A checklist, dealing with at least the following items, can be utilised as part of the induction programme –

19.4.1 knowledge of the Company (ownership, board structure, membership and processes);

19.4.2 knowledge of the business (business processes, corporate strategies, organisation, management and people);

19.4.3 knowledge of the financials (annual accounts, directors' reports, trends of the key financial ratios and financial performance); and

19.4.4 expectations on appointment (discussion with the Chairman as regards the role, why nominated, potential contributions and particular knowledge).

## **20. TERMS OF OFFICE AND RE-ELECTION OF DIRECTORS**

20.1 Subject to the applicable laws and the provisions of the Company's Constitution (and except to the extent that the contract of appointment of a director who has been appointed for a fixed period provides otherwise):

20.1.1 A non-executive director shall retire at the annual general meeting held after the third anniversary of his/her appointment but may submit himself/herself for re-election at that general meeting;

20.1.2 Executive directors shall have fixed service contracts and shall hold office in accordance with the terms of such contracts. Where a contract provides for a renewal, the renewal shall be subject to regular performance appraisal and shareholder approval;

20.1.3 The appointment, terms of office and the retirement of each director shall be so arranged that no more than a third of the directors reach the end of their term of office in a year. This shall be achieved by alternating the retirement of the non-executive directors and altering the length of the fixed term contract of each executive director (on their appointment or re-election) so as to fit this pattern;



20.1.4 All members appointed by the Board to fill a vacancy will only hold office until the next general meeting, at which they will retire but may become available for re-election;

20.1.5 The directors subject to retirement by rotation under Clause 20.1.3 above are those that have been longest in office since their last appointment; and

20.1.6 Upon the termination of an executive director's service/employment contract, such director shall submit a resignation letter to the Board, failing which the Board shall take steps to remove such director in accordance Clause 21.1 below.

## **21. VACANCIES AND REMOVAL OF DIRECTORS**

21.1 The office of the director shall be vacated in accordance with section 175 of the Companies Act and a Director may be removed from office in accordance with section 176 of the Companies Act. Removal of a director under Section 176 of the Companies Act, 2019 (Act 992), shall be disclosed in the annual report together with the details of the circumstances leading to the removal.

21.2 The continuing directors may act notwithstanding a vacancy in their number but where their number is reduced below five (5), being the minimum number of directors, the continuing director(s) may act for 4 weeks after the reduction in number, but after the effluxion of the four (4) week period, may (in an emergency) act only for the purpose of increasing the number of directors to the minimum number or to summon a general meeting of the Company.

21.3 In the event of a vacancy, the Committee shall assess the specific skills and competencies currently existing on the Board and implement the succession plan of the Company to fill the gap with the right skills, personal attributes, knowledge and experience required to fill the gap created in accordance with this policy and the Constitution of the Company. The Committee shall also discuss the vacancy with the Board to identify any other requirements of the Board.

## **22. CONTINUING OBLIGATIONS**

The Directors shall be bound by the laws and regulations of Ghana governing their duties and responsibilities.

**23. SUCCESSION PLANNING**

- 23.1 Succession Planning describes the process of identifying, assessing and developing successors for critical roles on the Board. The focus of the policy is to ensure that highly qualified people are available to fill vacancies and prevent periods of extended vacuums or hasty decisions to fill such vacancies.
  
- 23.2 The objective is to provide a clear understanding of procedures, roles and responsibilities required to identify and develop potential successors for key positions on the Board and its Committees to maintain continuity and stability within MTN Ghana.

**24. GUIDELINES FOR SUCCESSION PLANNING**

**24.1 Identification of competency requirements**

24.1.1 The Committee shall identify competency requirements and development needs of the Board on an annual basis. The Committee with the assistance of the Board shall undertake a careful analysis of the existing strengths, weaknesses, skills and experience gaps of current Board members including a review of the Directors’ retirement schedule. It shall also take into cognizance current deficiencies on the Board based on Directors exit, while noting the Company's’ current business strategy and future plans. Based on this assessment, the Committee shall identify the additional core skills, competencies and behaviours that are required immediately and in the future on the Board.

24.1.2 The competency requirements provide a blueprint of what is required to succeed as a Director and it includes the required knowledge, skills, attitudes as well as ethics, values and code of conduct.

**24.2 Identification of a talent pool of successors**

24.2.1 The Committee with the assistance of the Board shall identify a talent pool of successors for a vacant position. The talent pool shall reflect competent individuals for each position as follows:

Key Position	Talent Pool
Chairman	<ul style="list-style-type: none"><li>• Current Independent Non-Executive Directors</li><li>• Qualified and experienced external Candidates</li></ul>

Key Position	Talent Pool
Non-Executive Directors	<ul style="list-style-type: none"> <li>• Qualified and experienced external candidates</li> </ul>
Chief Executive Officer	<ul style="list-style-type: none"> <li>• Current Executive Directors</li> <li>• CEO's of other similar sized subsidiary companies within the MTN group</li> <li>• Qualified and experienced external candidate</li> </ul>
Executive Directors	<ul style="list-style-type: none"> <li>• Senior Management Team</li> <li>• Senior Management Staff of other similar sized subsidiary companies within the Group</li> <li>• Qualified and experienced external candidates</li> </ul>

24.2.2 Where the circumstances warrant it, the Board may explore the merits of external candidates to fill the vacancy as shown in the table above.

24.2.3 A director nominated in accordance with clause 9.5 above, together with external candidates shall undergo the Board's appointment process, with a view to ensuring that prospective directors satisfy the Board's requirements. These requirements include but are not limited to:

24.2.3.1 Corporate governance requirements as determined by SEC Corporate Governance Code.

24.2.3.2 Competency and Minimum Selection Criteria requirements as determined by the Committee as follows:

**(i) Directors Competency Requirements**

Leadership	Behavioural	Knowledge and Experience
Broad minded and versatile	Critical thinking skills	Good industry and business knowledge
Possesses infectious enthusiasm	Consensus building skills	Financially literate
Goal Driven and result oriented	Commitment to organizational objectives and strategy	Broad understanding of the Company's business activities and risks

Strategy development, execution and management	Integrity	Good understanding of the regulatory environment
Visionary and ability to see the big picture	Commitment to continuous learning	Appreciable knowledge of the political and economic landscape
Ability to make difficult decisions	Good interpersonal communication and presentation skills	Strong business acumen
Time and self-management skills	Flexibility and open-mindedness	Entrepreneurial skills
Effective listening and communication skills	Healthy skepticism	Analytical/ problem skills
	Independent mindset	Ability to probe and constructively challenge decisions

**(ii) Directors Minimum Selection Criteria**

<b>Designation</b>	<b>Minimum Selection Criteria</b>
Non- Executive Directors	Demonstrate evidence of efficient management/directorship in well-run organisations
Managing Directors	<ul style="list-style-type: none"> <li>• A first degree or its equivalent in any discipline</li> <li>• Proven skills and competencies in other fields</li> <li>• Knowledge of the operations of the Company and relevant laws and regulations guiding the Telecom's industry</li> </ul>
Executive Directors	<ul style="list-style-type: none"> <li>• A first degree or its equivalent in any discipline</li> <li>• Proven skills and competencies in their fields</li> </ul>

	<ul style="list-style-type: none"> <li>• Knowledge of the operations of the Company and relevant laws and regulations guiding the Telecom's industry</li> </ul>
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24.2.3.3 Requirements defined for Directors in line with the current and future needs and strategic objectives of the Company

24.3 The Committee shall determine skills and competency gaps for internal potential successors

**24.3.1 Chairman/ Non-Executive Director Position**

The existing Chairman of the Board in conjunction with the Committee shall articulate developmental needs of each individual Non-Executive Director on the Board in order to develop a plan to bridge gaps and groom them as potential successors.

**24.3.2 CEO Position**

The CEO in conjunction with the Committee shall note and review the skills gap of the possible successors against expected competency requirements. Specifically, the Committee and CEO shall perform the following:

24.3.2.1 Review the individual's career history and past and current performance including performance reviews and appraisals;

24.3.2.2 Review the incumbent's job competency profiles and benchmark to the competency profiles of the identified candidates; and

24.3.2.3 Identify and document skills gaps noted. This enables the Committee and CEO to identify the developmental needs of the identified individuals. Consequently, developmental plans shall be developed for each individual within the talent pool to bridge the identified skills gap

**24.4 The Committee shall create a development plan for potential successors of the identified key positions**

The Committee shall develop a plan to address the identified competency gaps of existing possible successors through formal training courses, coaching, mentoring, knowledge sharing and assignment on leadership roles. This should however consider the specific needs of the individuals, their learning styles and personalities of the individuals involved in order to be effective.

**24.5 The Committee would appoint a successor from the identified talent pool based on one or a combination of the following criteria:**

**24.5.1 Executive Directors**

24.5.1.1 Past performance appraisal – a collation and review of the past performance records.

24.5.1.2 360-degree assessment – this enables the Board to obtain information from peers, subordinates and superiors which would provide good source of information for decision making.

24.5.1.3 Interviews: Where the candidate has been sourced externally, he or she will undergo an interview process to confirm suitability for the role

**24.6 Independent Non-Executive & Non-Executive Directors**

24.6.1.1 The Board may engage the services of an external consultant to conduct a comprehensive assessment of proposed candidates as an input into their decision-making process for a suitable successor.

24.6.1.2 A successor to the outgoing Board member may be identified and announced three (3) months before the expiration of the incumbent to ensure adequate handover.

**24.7 The incumbent director shall implement a transition plan comprising ongoing projects, activities, next steps and enablers which include:**

- 24.7.1.1 Knowledge Sharing – The incumbent and the successor shall have intensive discussions about key elements in the business such as the Board and other stakeholders' expectation.
- 24.7.1.2 Meeting with Stakeholders – Following this briefing period, the successor shall be introduced to MTN's stakeholders in formal and informal sessions.
- 24.7.1.3 Continuing Education Support – This shall be provided to aid the successor's developmental plans.

## **24.8 Transition Guidelines**

### **24.8.1 CEO Transition**

- 24.8.1.1 The Board in conjunction with the Committee shall appoint an acting CEO from one of the Executive Directors on a rotational basis, during a temporary or planned absence exceeding three (3) months.
- 24.8.1.2 The acting CEO shall have full authority for the day-to-day decision making and independent action as the regular CEO.
- 24.8.1.3 The acting CEO can however consult the Chairman of the Board on major policy decisions on discretionary basis.
- 24.8.1.4 The Executive Committee meetings shall convene normally when an acting CEO is appointed.
- 24.8.1.5 The CEO shall notify the Board in writing, at least one (1) year before the expiration of his/her tenure or date of retirement.
- 24.8.1.6 A successor to the CEO shall be named and announced three (3) months before the expiration of the incumbent to ensure adequate handover.

## **24.8.2 Executive Director Transition**

24.8.2.1 During a temporary, planned or unplanned absence, the Executive Director shall delegate their responsibilities and authority to one or more of their direct reports who has been groomed to act in such capacity.

24.8.2.2 At least one (1) year before the expiration of a Directors' tenure or date of retirement, the CEO in conjunction with the HRRNC shall identify talent and skills required for that position based on the future strategy of the Company. From the identified talent pool, all the eligible candidates shall be assessed.

## **24.8.3 Independent Non-Executive Director & Non-Executive Director Transition**

For planned exits, a Non-Executive Director shall provide at least six (6) months' notice before the expiration of his/ her tenure. The Board shall appoint a Non-Executive Director with the right profile, skills and experience to fill any identified vacancy/gap on the Board. Consequently, the Non-Executive Director shall undergo an induction program.

## **24.9 Responsibilities of the Board and the Committee**

### **24.9.1 Board**

24.9.1.1 Approve the Succession Plan for the Board.

24.9.1.2 Review and monitor the effectiveness of the Board's succession plan through reports and presentations made by the Committee and recommend changes where necessary.

24.9.1.3 Ensure that the Non-Executive Directors succession planning process is well integrated with the corporate strategy of the Company.

### **24.9.2 The Committee**

24.9.2.1 Ensure that there is an adequate succession planning process for the Board.



- 24.9.2.2 Directly coordinate the succession planning process for Non-Executive Directors.
- 24.9.2.3 Maintain the retirement schedule to determine annual turnover on the Board for adequate succession preparations.
- 24.9.2.4 Review the plan for identifying, assessing and enhancing competencies of Directors based on the Company's strategy and requirements.
- 24.9.2.5 Identify existing vacancies and trigger the Company's director appointment process to fill the vacancy.

## 25. REVIEW AND AMENDMENT

This policy shall be reviewed annually and amended where necessary by the Committee for final approval by the Board each year.

## 26. REFERENCE DOCUMENTS

DOCUMENT NAME	PUBLICATION DATE	PUBLISHED BY
MTN Ghana Master Policy	November, 2018	MTN Ghana
MTN Ghana Board Gender Policy	February, 2022	MTN Ghana
Companies Act, 2019 (Act 992)	August, 2019	Government of Ghana
The Corporate Governance Code for Listed Companies	October, 2020	Securities and Exchange Commission
MTN Ghana Board Charter	October, 2019	MTN Ghana
MTN Ghana Constitution	September, 2016	MTN Ghana
Terms of Reference of the Human Resources, Remuneration and Nominating Committee	February, 2022	MTN Ghana

## ANNEXURE A – POLICY APPROVAL PROCESS

### Policy Approval

- A. This Policy must be submitted to the Board for approval in accordance with the MTN Ghana Master Policy and the Policy approval matrix and the applicable Delegation and Level of Authority.
- B. Should this Policy not be approved by the Board, it will not be regarded as a valid Policy.
- C. No individual has the authority to approve this Policy. In all instances the provisions of the MTN Ghana Master Policy, read with the Delegation and Levels of Authority, must be considered before submitting this Policy for approval.
- D. Where it has been decided that this Policy requires supplementation with a specific set of Processes, Procedures or Standards, the following shall apply:
  - Standards must be approved at the same forum as that of the Policy, as a standard is a mandatory document; and
  - Processes, Procedures, Guidelines and Manuals documents do not need to follow the same approval Process as the Policy but may be approved by the executive responsible for the Business Area. In addition, any immaterial amendments to Policies can be approved by the head of the Business Area.