



SCANCOM PLC (MTN GHANA)

Human Resources, Remuneration and Nominating Committee Terms of Reference


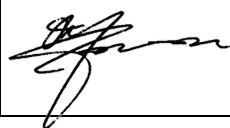
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Board Chair on behalf of the Board	Ishmael Yamson	Signature	

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1. EXECUTIVE SUMMARY

These Terms of Reference are a governance document intended to be used as a reference document for Scancom PLC's (MTN Ghana) Human Resources, Remuneration and Nominating Committee (HRRN) and have been drafted in accordance with the Securities and Exchange Commission's Corporate Governance Code.

These Terms of Reference set out the key functions and mandate of the HRRN Committee and the procedures to be followed by the HRRN Committee in performing its functions. The Terms of Reference require that the HRRN Committee shall on behalf of the Board, be responsible for fair and transparent organizational wide remuneration, managing nominations to the Board and other senior leadership positions and ensuring the suitability of such nominees. The Terms of Reference serve as a guide to the Board on the matters delegated to the HRRN Committee.

2. APPROVAL OF TERMS OF REFERENCE

These Terms of Reference are a governance document and shall take effect upon approval by the Board.

3. DEFINITIONS

	Term	Definition
3.1.	Board/Director(s)	means the Board of Directors of the Company, acting either through itself, through any committee of its members appointed by it and/or through a duly authorized Company official.
3.2.	CEO	means the Chief Executive Officer of the Company.
3.3.	CHRO	means the Chief Human Resources Officer of the Company.
3.4.	Companies Act	means the Companies Act, 2019 (Act 992).
3.5.	Executive	means an employee of the Company in a senior management role.
3.6.	HRRN Committee/ the Committee	means the Human Resources, Remuneration and Nominating Committee.

	Term	Definition
3.7.	INED	means Independent Non-Executive Director.
3.8.	NED	means Non-Executive Director.
3.9.	Scancom PLC/MTN Ghana/the Company	means a public listed company registered under the laws of the Republic of Ghana.
3.10.	SEC Corporate Governance Code	means the Securities and Exchange Commission's Corporate Governance Code for Listed Companies 2020 (SEC/CD/001/10/2020).
3.1.1.	Terms of Reference/ToR	means the Terms of Reference of the Committee.

4. INTRODUCTION

The HRRN Committee is constituted as a Committee of the Board in accordance with Paragraph 17 of the SEC Corporate Governance Code.

5. PURPOSE

5.1. The Committee has been established to:

- 5.1.1. assist the Board in performing its guidance and oversight functions effectively and efficiently and in accordance with applicable laws, codes and regulations, together with the Company's own policies, codes and guidelines;
- 5.1.2. develop a nominating policy and succession plan for the Chief Executive Officer and other senior executive officers;
- 5.1.3. recommend a remuneration or fee policy for the Board and other staff as the Board may require; and
- 5.1.4. assist the Board in fulfilling its oversight responsibilities by reviewing the management of human resources within the Company and providing recommendations and advice.

- 5.2 The Committee shall not perform any executive functions or responsibilities which remain the responsibility of the executive directors, officers and other members of senior management.
- 5.3 The duties and responsibilities of the Committee as set out in these ToR are in addition to the general duties and responsibilities that the members of the Committee have as members of the Board.
- 5.4 The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members as required under the Companies Act, the SEC Corporate Governance Code and the constitution of the Company such as their fiduciary duties, and their responsibilities to exercise due care and judgment in accordance with their legal obligations.
- 5.5 These ToR are subject to the provisions of the Companies Act, the SEC Corporate Governance Code, the Constitution of the Company, general principles of corporate governance and any other applicable laws or regulatory provisions.

6. COMPOSITION OF THE COMMITTEE

- 6.1. The Committee shall be composed of at least three (3) members, all of whom shall be NEDs, and a majority of which shall be INEDs.
- 6.2. The Board shall appoint members of the Committee, and the Chairman, who shall be an INED and shall not be the Chairman of the Board.
- 6.3. Members of the Committee shall be members of the Board.
- 6.4. Members of the Committee should have relevant knowledge and experience across the subject area of human resources.
- 6.5. The Company Secretary shall serve as secretary to the Committee and shall be responsible for the formulation and recommendation of improvements to this ToR annually or whenever necessary.
- 6.6. Members of the Committee shall retire after three (3) years of continuous service but will be eligible for immediate re-appointment for two (2) further three (3) year periods. The membership on the Committee will run concurrently with members' nomination as director of the Scancom PLC board.

- 6.7. The Board shall have powers at any time to remove any member(s) from the Committee and to fill any vacancies created by such removal.

7. AUTHORITY

- 7.1. The Committee in carrying out its responsibilities under this ToR:

- 7.1.1. is authorized to investigate any activity within the ToR;
- 7.1.2. is authorized to consider the appointment, dismissal or re-assignment of the head(s) of the Human Resources, Remuneration and Nominating functions;
- 7.1.3. may, at the discretion of the Committee, require other employees of the Company to attend full meetings or parts of meetings;
- 7.1.4. may consult with and seek information it requires from any employees and all employees shall be required to co-operate with any request made by the Committee in the course of its duties; and
- 7.1.5. shall permit a director who has been granted approval by the chairman of the Committee to attend a meeting provided that upon approval of such request, such director shall not be entitled to remuneration or fees for such attendance and shall not be entitled to vote at the meeting.

8. DUTIES AND RESPONSIBILITIES

- 8.1. The Committee shall, on behalf of the Board, be responsible for fair and transparent organizational wide remuneration.
- 8.2. The Committee shall also manage nominations for Board and senior leadership positions as well as ensure their evaluation, examine their skills and requisite characteristics.
- 8.3. The Chairman of the Committee shall be present at the annual general meeting of the Company.

8.4. HUMAN RESOURCES

8.4.1. The Committee is responsible for:

- 8.4.1.1. ensuring alignment of the remuneration and human resources strategies and policies with the Company's business strategy and the desired culture;
- 8.4.1.2. guiding the Company with regards to recruitment, development and retention of employees, the development of incentive schemes and performance management systems;
- 8.4.1.3. ensuring the development and management of equitable employment strategies;
- 8.4.1.4. periodically reviewing all remuneration and human resources related Company policies; and
- 8.4.1.5. setting employment equity targets for the Company, in line with the requirements of the law.

8.4.2. In carrying out its responsibilities, the Committee shall:

- 8.4.2.1. provide remuneration packages needed to attract, retain and motivate highperforming staff, as guided by the most up-to-date market data;
- 8.4.2.2. ensure that remuneration levels relative to other comparable companies, are pitched at the desired level, taking relative performance into account;
- 8.4.2.3. be sensitive to the wider employment context, including pay and employment conditions elsewhere in the Company/MTN Group so that decisions may be consistent and fair and be seen as such;
- 8.4.2.4. ensure that internal equity exists between remuneration of executive management and senior management;
- 8.4.2.5. consider the pension consequences and associated costs to the Company of basic salary increases, especially for staff close to retirement;

- 8.4.2.6. communicate remuneration policies and strategic goals and objectives to all stakeholders; and
- 8.4.2.7. take action in respect of non-executive directors who have been referred to the Committee for non-performance.

8.5. REMUNERATION

8.5.1. The Committee shall:

- 8.5.1.1. approve the remuneration strategy and policy for the Company which should include but will not be limited to:
 - 8.5.1.1.1. policy regarding staff remuneration;
 - 8.5.1.1.2. positioning the remuneration strategy relative to the market while regarding total company remuneration levels;
 - 8.5.1.1.3. balance between guaranteed and performance-based remuneration;
 - 8.5.1.1.4. nature of performance-based remuneration;
 - 8.5.1.1.5. how performance measures relate to long term Company objectives; and
 - 8.5.1.1.6. taxation risk profile;
- 8.5.1.2. make recommendations to the Board on the fees of INEDs. Levels of fees for INEDs should reflect the expectations of time, commitment and responsibilities of the role. Higher remuneration or fees for greater timecommitment may also be incorporated, e.g. arising from participation on Board committees;
- 8.5.1.3. approve remuneration levels of senior management;
- 8.5.1.4. review and approve new remuneration methodologies for the senior management team including, but not limited to, incentive schemes, benefit funds and salary sacrifice options;

- 8.5.1.5. review individual performance of staff against set management and performance criteria, and approve guaranteed and performance-based individual remuneration including share option allocations on set principles;
- 8.5.1.6. make recommendations to the Board on compensation payable to Executive Directors and key senior management employees for any loss of office, or termination of appointment, to ensure that it is consistent with contractual terms, fair and not excessive;
- 8.5.1.7. address matters delegated to the Committee as per the approved Delegation of Authority Policy and matrix;
- 8.5.1.8. be responsible for recommending a remuneration or fee policy to the Board for directors and such members of senior management as the Board may determine in its charter for adoption. The remuneration or fee policy shall be documented and be subject to the approval of shareholders;
- 8.5.1.9. on the invitation of the Board, suggest a remuneration or fee policy that applies to other staff;
- 8.5.1.10. oversee the application of the Board's remuneration or fee policy; and
- 8.5.1.11. review the remuneration or fee policy annually or as may be required for compliance purposes and to maintain its relevance and applicability.

8.6. NOMINATING

8.6.1. The Committee shall:

- 8.6.1.1. play an oversight role regarding the structure, size and composition of the Board and senior management as well as their direct reports and make recommendations to the Board;
- 8.6.1.2. ensure that the Board Appointments and Succession Planning Policy includes the requirements set out in the Companies Act and Paragraph 10 of the SEC Corporate Governance Code and shall assess candidates thoroughly and fairly;

- 8.6.1.3. before appointing any person as a Director, ensure they have the necessary skills and expertise to exercise independent judgment on issues that are necessary to promote the Company's objectives and performance in its area of business;
- 8.6.1.4. monitor and assess the Company's culture to ensure policies, practices and procedures are aligned with the values and strategy to promote the success of the Company;
- 8.6.1.5. ensure that the Company appropriately identifies and manages people-related risks;
- 8.6.1.6. consider succession plans for directors and senior executives to ensure a balance of skills and experience within the Company in line with the new normal, digitization and automation;
- 8.6.1.7. formulate plans for succession for the executives and INEDs for critical roles e.g. Chairman, CEO, senior management, among others;
- 8.6.1.8 ensure appointments and succession plans are transparent and promote diversity and are based on merit and objective criteria;
- 8.6.1.9 review the leadership needs of the Company to ensure its continued ability to compete effectively in the market;
- 8.6.1.10 ensure a robust and transparent governance process for the appointment of INEDs and the appropriate onboarding;
- 8.6.1.11 handle any matters relating to the continuation in office of any executive director or termination of service of an executive director as an employee of the Company subject to the labour laws of Ghana and the employee's service contract; and
- 8.6.1.12 recommend induction and training programmes to the Board and shall review annually whether any further training shall be required for Board members and make recommendations accordingly.

- 8.7 The Committee shall review on an annual basis:
- 8.7.1 the required mix, skills expertise and gender balance required by the Board in accordance with the MTN Ghana Board Gender Policy;
 - 8.7.2 review the extent to which the elected directors meet the required mix, skills, expertise and gender balance;
 - 8.7.3 review the need for training for directors and make recommendations;
 - 8.7.4 review the extent to which elected directors reflect the broad shareholding structure; and
 - 8.7.5 report on the nominating process and its findings.
- 8.8 The Committee shall prepare a report on the entire appointment process of a director and share this report with shareholders of the Company.
- 8.9 The Committee shall give an account of its activities in the Company's annual report and this account shall include its assessment of compliance of the Board with Paragraph (3) of the SEC Corporate Governance Code in respect of composition of the Board.

9 REPORTING RESPONSIBILITIES, ACCOUNTABILITY & PROCEDURES

- 9.6 The Chairman of the Committee shall be responsible for reporting to the Board on its activities and make recommendations to the Board regarding the adoption of any matters arising from the stated responsibilities.
- 9.7 **Delegation:** The Committee may in its discretion, delegate a portion of its duties and responsibilities to a sub-committee or Executives. Where the Committee delegates duties and responsibilities to a subcommittee or the Executive, it shall retain the ultimate responsibility for such duties and responsibilities and shall be liable.
- 9.8 **Professional advice:** The Committee in carrying out its tasks under this ToR, may obtain such external or other independent professional advice in accordance with the Company's Policy on Engaging External Professional Experts, as it considers necessary, to effectively assist with the execution of its duties.
- 9.9 **Limitations:** Whilst the Committee has the responsibilities and powers set forth in this ToR and as spelt out by relevant authorities such as the SEC

Corporate Governance Code, it is management's responsibility to develop or implement the risk and compliance programme of the Company.

- 9.10 **Annual Report:** The Committee shall report on its activities in the Company's annual report, including to describe and assess material foreseeable people-related risk factors, with measures taken to mitigate the risk.
- 9.11 **Annual general meeting:** The Chairman of the Committee shall attend the annual general meeting of the Company to answer questions falling within the ambit of the Committee.

10 COMMITTEE MEETINGS & OPERATION

- 10.1 Meetings of the Committee will be held as frequently as deemed appropriate, but not less than four (4) times a year to discharge its duties as set out under this ToR. Further meetings may be called by the Board or any member of the Board, members of the Committee, the CHRO or the CEO .
- 10.2 **Agenda:** A minimum of five (5) working days prior notice of meetings and the business to be conducted shall be given to the members of the Committee, the chairman of the Board, the CEO, the CHRO and other Executives as applicable, in order for them to make agenda proposals as necessary.
- 10.3 **Receipt of notice:** All attendees shall receive notice of the meeting from the secretary of the Committee, and not less than five (5) working days prior to the meeting, shall receive a formal agenda together with the working documentation where necessary, to ensure adequate preparation for and effective contribution at meetings. This minimum notice requirement shall not apply in the case of emergency meetings and may be varied by the Committee as appropriate.
- 10.4 **Quorum:** The quorum required for Committee meetings shall be a simple majority of members present, of whom at least one (1) must be an INED, present throughout the meeting.
- 10.5 A decision or resolution of the Committee given in writing such as by electronic means, but not in a meeting of the Committee, shall require the signatures of all members of the Committee to be as effective as a decision passed at a meeting of the Committee.

- 10.6 **Attendance:** The CEO, CHRO, and other members of the Executive deemed necessary by the Committee for its business shall be in attendance at meetings (other than in-camera sessions with the CHRO), and shall have unrestricted access to the Chairman or any other member of the Committee as may be required in relation to any matter falling within the ambit of the Committee.
- 10.7 **Voting rights:** Where circumstances necessitate the conduct of a vote, apart from members of the Committee, no attendee shall be entitled to vote at meetings of the Committee.
- 10.8 **Minutes:** Minutes of meetings shall be taken by the Committee secretary and shall be reviewed and approved by members of the Committee and a summarized report thereof shall be tabled for noting at the first available Board meeting thereafter.
- 10.9 **Recusal:** The Chairman of the Committee shall have the right to recuse an Executive director, or a Committee member from the meeting or exclude an agenda item, if in the Chairman's opinion, maintaining the Executive director, Committee member or agenda item for the meeting may result in a conflict of interest.
- 10.10 The Committee and the Chairman may hold periodic meetings with the CHRO and other members of senior management where necessary at least once a year.
- 10.11 Unless varied by this ToR, meetings and proceedings of the Committee shall be governed by the relevant provisions of the Company's Constitution.
- 10.12 Each regularly scheduled meeting may conclude with an internal session of the Committee, without the involvement of management.

11 TRAINING, EVALUATION AND REVIEW

- 11.1 **Training:** Committee members are required to undertake continuous development training on related matters in order to keep their skills and knowledge abreast with industry, legislative and regulatory changes and to make meaningful contribution in directing the affairs of the Company.
- 11.2 **Annual performance evaluation:** The Committee shall perform a review and evaluation at least annually, of the performance of the Committee and its members, including an evaluation of the compliance of the Committee with this ToR, and shall submit the outcome of the evaluation to the Board.

11.3 In addition, the Committee shall review and reassess, at least annually, the adequacy of these ToR and recommend any improvements that the Committee considers necessary to the Board.

12 REMUNERATION

The remuneration or fees of the Chairman and Committee members will be recommended by the Committee to the Board for approval by the Shareholders.

13 DISPUTES

Any material issue on which consensus cannot be reached by the Committee shall be determined by a simple majority of members present and voting and recommended to the Board for approval, setting out dissenting views for the consideration of the Board.

14 DISSOLUTION

The Committee shall be dissolved on the passing of an ordinary resolution by the Board.

15 REFERENCE DOCUMENTS

Document Name / Description	Publication Date	Published By
MTN Ghana Master Policy	November 2018	Risk and Compliance
Compensation and Benefits Policy	April 2021	Human Resources
Conduct Passport	May 2019	Risk and Compliance
Performance Management Policy	March 2021	Human Resources
Board Appointment and Succession Planning Policy	February 2022	Company Secretariat
Recruitment and Exit Policy	February 2022	Human Resources
Conflict of Interest Policy	February 2022	Company Secretariat
Conditions of Service Policy	August 2021	Human Resources
MTN Ghana Board Gender Policy	February 2022	Company Secretariat

APPENDICES

APPENDIX 1: STANDING ITEMS FOR COMMITTEE MEETINGS

Action	Q1	Q2	Q3	Q4
Human Resources				
Employee Wellness: - Covid-19 update Health and wellbeing	✓	✓	✓	✓
Topline People KPIs including but not restricted to: - Headcount - Cost - Productivity - Attrition/Undesired Attrition Diversity & Inclusivity	✓	✓	✓	✓
People Risk - Union Management - Compliance with regulatory bodies - Disciplinary Management Data Protection	✓	✓	✓	✓
Review of HR Policies and Standard Operating Processes - Feedback			✓	
Review of Competency Framework & Management		✓		
Culture – Ways of Work - Digital First - Impact execution - Agile - Platform mindset - SMP behaviour - Anytime/Anywhere Work - HR Team Enablement	✓		✓	✓
Performance management and Appraisal outcomes	✓		✓	✓
Re-invent Talent Management - Learning & Development - Leadership development - Women in Technology - Local & Group Graduate Devt. Prog.		✓		✓

- Line manager capability building Re-skilling, future skills, digital				
Active Succession & Resource Management	✓		✓	
Ambition 2025	✓	✓	✓	✓
Employee Value Proposition and Engagement - Digitization of HR Services Key Communication	✓		✓	✓
Review of organizational structure and its enablement for evolving business models	✓	✓		✓
Remuneration				
Compensation & Benefits Survey		✓	✓	
Job Evaluation		✓		
Employee Salary Review	✓		✓	
Remuneration or fees for Board & Snr Management		✓		
Employee Share Ownership Plan Employee Performance Share Plan	✓			✓
Action	Q1	Q2	Q3	Q4
Nominations				
Board Nominations as and when required				
Recruitment of senior management as and when required				
General				
Review Committee Terms of Reference				✓
Conduct a formal assessment of the efficiency and effectiveness of the Committee and take action to remedy any significant deficiencies				✓
Prepare a statement for inclusion in the annual report to assess the compliance of the Board with the SEC Code paragraph 3 as regards composition, the matters described in paragraph 15(7), and further comparable information concerning the senior executives	✓			

APPENDIX 2: ANNUAL PERFORMANCE EVALUATION MATRIX (COMMITTEE)

This evaluation form is to be completed annually with ratings against each statement in the sections below, on a scale of 0 to 5 as follows:

- 0 – insufficient knowledge or not applicable
- 1 – strongly disagree
- 2 – disagree
- 3 – neutral / neither agree nor disagree
- 4 – agree
- 5 – strongly agree

Evaluators may provide additional relevant information in the “Comments” section where applicable.

	Rating	Comments
Composition and Quality		
Members of the Committee meet the requirements of independence.		
Committee members have the necessary experience and qualifications to carry out and deliver on the Terms of Reference.		
The Committee members demonstrate a high level of integrity, credibility, engagement & participation, ability to handle conflict constructively, whilst addressing matters before it in an adequate and timely manner.		
The Committee undertakes continuous education and relevant training to enhance its knowledge and understanding of human resources, remuneration and nomination policy in the context of the market and industry.		
Understanding of the business context in relation to human resources, remuneration and nominations and succession planning		
The Committee demonstrates its understanding and applies its oversight responsibility accordingly on human resource matters, including but not limited to: <ul style="list-style-type: none"> • Talent Management & Development • Succession Management • Future Fit Skills for a digital 		

<p>transformation</p> <ul style="list-style-type: none"> • Culture and ways of work • People Risk Management • High Performance Culture • Restructuring to suite a digital organization and culture • Diversity & Inclusivity 		
<p>The Committee in its review and assessment of the staffing and reward strategies engages Management and the Board appropriately in relation to the alignment of policies, practices and procedures to the values and strategy of the organisation.</p>		
<p>The Committee demonstrates its knowledge of the remuneration and applies its oversight responsibility accordingly with regards to:</p> <ul style="list-style-type: none"> • Compensation strategies • Reward and consequence management • Board remuneration or fees and that of senior management. 		
<p>The Committee demonstrates its knowledge of nominations and succession planning and applies its oversight responsibility in:</p> <ul style="list-style-type: none"> • The review and recommendations of appointments as well as the retention and termination of CEO, Executives and other senior management in line with its TOR • Ensuring a documented succession plan framework for the Board and senior management especially the CEO and other Executive Members. • The management of senior attrition, retention and recruitment 		
Committee Operations		
<p>The Committee maintains adequate minutes of its meetings and submits its report of proceedings, including findings and recommendations to the Board, in the agreed timeframe, following each meeting.</p>		
<p>The Committee convenes meetings and engagements with sufficient frequency, i.e.</p>		

beyond the minimum quarterly schedule where necessary in order to address emerging and significant issues requiring attention.		
Committee meetings are conducted with efficiency and commensurate time and attention are allocated to address significant issues		
The notice for Committee meetings together with minutes of prior meetings, related reports, etc., are circulated well in advance to provide adequate time to enable members and participants study the information and contribute agenda proposals as necessary		
The chairman and members of the Committee maintain appropriate engagement and communication with the CHRO, the CEO and other members of senior management who participate in Committee proceedings		
The Committee sets clear expectations on the responsibility, scope and mandate of the CHRO, and provides feedback and recommendations to the Board with regards to performance		
The Committee holds regular private or in-camera sessions with the CHRO and other senior management participants as necessary		
Committee members attend meetings adequately prepared		
Monitoring & Resourcing		
The Committee conducts an annual performance evaluation with the corresponding output and any related findings and recommendations both addressed / un-addressed, submitted to the Board.		
The Organisation adequately resources the Committee to enable it to fulfill its mandate under the Terms of Reference, including		

<p>where required, the funding of access to external professional expertise.</p>		
<p>The Committee is able to communicate to the Board in a timely manner any early warning signals of problems ahead that will adversely affect key outcomes, targets or performance and where necessary, recommends timely and corrective action when strategic actions are not being met.</p>		