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## THE NOMINATION AND REMUNERATION COMMITTEE OF MOTA-ENGIL AFRICA N.V. TERMS OF REFERENCE

Mota-Engil Africa N.V. (the "**Company**") has adopted a one tier board structure.

Pursuant to principle III.5 (and best practice provisions III.5.1-III.5.14) and best practice provision III.8.3 of the Dutch Corporate Governance Code, if the Company has a one tier board with more than four non-executive directors, the non-executive directors should appoint from amongst themselves a remuneration committee, an audit committee and a selection and appointment committee. In compliance with such requirement, the board of the Company (the "**Board**") resolved to install a selection and appointment and remuneration committee of the Board (the "**Nomination and Remuneration Committee**"), during a Board meeting that was held on 18 June 2014.

Please find below the terms of reference (the "**Nomination and Remuneration Committee Terms of Reference**") governing the Nomination and Remuneration Committee, as adopted by the Board on 14 November 2014.

### 1. RESPONSIBILITIES

#### Remuneration

1.1. The remuneration responsibilities of the Nomination and Remuneration Committee include:

- 1.1.1. preparing a proposal concerning the remuneration and incentive policy (the "**Remuneration Policy**") to be adopted by the Company's general meeting of shareholders (the "**General Meeting**") with respect to the directors of the Board and preparing a proposal concerning the remuneration and incentive policy for the Company's senior management reporting to the Board;
- 1.1.2. preparing proposals with respect to the individual remuneration of executive directors of the Board on the basis of the Remuneration Policy, which proposals shall in any event include (i) the remuneration structure and (ii) the amount of the fixed remuneration, the shares and/or options and/or other variable remuneration components, pension rights, severance pay and other forms of compensation to be awarded, as well as performance criteria and the application thereof;
- 1.1.3. ensuring that contractual terms on termination, and any payments made in connection therewith, are fair both to the relevant individual and to the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- 1.1.4. coordinating closely with the Board in relation to the remuneration to be offered to each new executive director of the Board;
- 1.1.5. being aware of, and advising on, any major changes in employee benefit structures throughout the Company or its subsidiaries; and

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#### REGISTERED OFFICE

**NETHERLANDS**  
Prins Bernhardplein 200  
1097 JB Amsterdam  
Netherlands

#### HEADQUARTERS

**SOUTH AFRICA**  
World Trade Centre, 11th Floor  
Corner West Road South  
and Lower Road Sandton 2146  
Johannesburg - South Africa

[www.africa.mota-engil.com](http://www.africa.mota-engil.com)

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- 1.1.6. being exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Nomination and Remuneration Committee.
- 1.2. The Nomination and Remuneration Committee shall ensure that no executive director of the Board is involved in any decisions with respect to the remuneration of any executive director of the Board.
- 1.3. The Nomination and Remuneration Committee shall prepare, on an annual basis, a remuneration report (the "**Remuneration Report**") that should comprise a report on the way in which the Remuneration Policy was implemented in the most recent financial year together with an overview of the Remuneration Policy that can be implemented in the next forthcoming financial year and subsequent years subject to adoption of this Remuneration Policy by the General Meeting. The Remuneration Report shall explain how the Remuneration Policy contributes to the achievement of the long term objectives of the Company and its affiliated enterprise, while taking the Company's risk profile into consideration. The overview should contain the following information:
  - 1.3.1. an overview of the costs incurred by the Company in the relevant financial year in relation to Board remuneration, providing a break down showing fixed salary, annual cash bonus, shares, options and pension rights that may have been awarded and other emoluments. The valuation of shares, options and pension rights shall be in accordance with the accounting standards adopted by the Company;
  - 1.3.2. a statement that the scenario analyses regarding the possible consequences of the variable remuneration components and the impact thereof on the remuneration of the directors of the Board have been made;
  - 1.3.3. for each executive director of the Board the maximum and minimum number of shares conditionally granted in such financial year or other share based remuneration components that may be awarded or acquired if the relevant targets are met;
  - 1.3.4. a table showing the following information for incumbent executive directors of the Board at year-end for each year in which shares, options and/or other share-based remuneration components have been awarded over which the executive director did not yet have unrestricted control at the start of the financial year:
    - (i) the value and number of shares, options and/or other share-based remuneration components on the date of granting;

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- (ii) the present status of shares, options and/or other share-based remuneration components awarded: whether they are conditional or unconditional and the year in which vesting period and/or lock-up period ends;
  - (iii) the value and number of shares, options and/or other share-based remuneration components conditionally awarded under sub (i) at the time when the executive director obtains ownership of them (end of vesting period);
  - (iv) the value and number of shares, options and/or other share-based remuneration components awarded under sub (i) at the time when the executive director obtains unrestricted control over them (end of lock-up period);
- 1.3.5. if applicable, the composition of the peer group of companies whose remuneration policy determines in part the level and composition of and performance criteria for the remuneration of the directors of the Board;
- 1.3.6. a description together with an explanation of the performance criteria on which the performance-related component of the variable remuneration and/or any right of the executive directors of the Board to options or shares is dependent in so far as disclosure would not be undesirable because the information is competitively sensitive, and of the discretionary component of the variable remuneration that can be fixed by the non-executive directors of the Board as they see fit, if any;
- 1.3.7. a summary and account of the methods that will be applied in order to determine whether the performance criteria have been fulfilled and an explanation of the choice of these methods;
- 1.3.8. an ex-ante and ex-post account of the relationship between the chosen performance criteria and the strategic objectives applied, and of the relationship between remuneration and performance;
- 1.3.9. if applicable, the composition of the subsidiaries of the Company whose remuneration policy partly determines the level and composition of the remuneration of the directors of the Board;
- 1.3.10. current pension schemes and the related financing costs; and
- 1.3.11. agreed arrangements for the early retirement of directors of the Board.
- 1.4. If a director of the Board or a former director of the Board is paid extraordinary remuneration during a given financial year, an explanation of such remuneration shall be included in the Remuneration Report and shall in any event account for, and explain, any remuneration paid or promised during the year under review by way of severance pay.

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- 1.5. The Nomination and Remuneration Committee shall ensure that the main elements of the service contract or agreement of a director of the Board shall be made public after it has been concluded, and, if agreed on or before that date, in any event no later than the date of the notice calling the General Meeting where the appointment of the director of the Board will be proposed. These elements shall in any event include the amount of the fixed salary, the structure and amount of the variable remuneration component, any agreed redundancy scheme and/or severance pay, any conditions of a change-of-control clause in the contract with the director of the Board and any other remuneration components promised to the director of the Board, pension arrangements and performance criteria to be applied.
- 1.6. The Remuneration Report shall be placed on the Company's website.

## Nomination

- 1.7. The nomination responsibilities of the Nomination and Remuneration Committee include:
  - 1.7.1. drawing up selection criteria and appointment procedures for the directors of the Board;
  - 1.7.2. making proposals for appointments and reappointments, including the position of the chairman of the Board, the Company's Chief Executive Officer and its Chief Financial Officer;
  - 1.7.3. periodically assessing the size and composition of the Board, and making proposals for the composition profile of the Board;
  - 1.7.4. periodically assessing the functioning of individual directors of the Board, and reporting its findings to the Board; and
  - 1.7.5. supervising the policy of the Board on the selection criteria and appointment procedures for senior management.

## General

- 1.8. At least once a year, the Nomination and Remuneration Committee reports to the full Board on its deliberations and findings, including the process it has used in relation to Board appointments. This report should include a description of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.
- 1.9. The Chairman of the Nomination and Remuneration Committee (as defined below) attends the annual General Meeting and should be prepared to respond to any shareholder questions during such meeting with respect to the Nomination and Remuneration Committee's activities.

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## 2. COMPOSITION

- 2.1. The Nomination and Remuneration Committee shall consist of a minimum of three (3) members. The members of the Nomination and Remuneration Committee shall be appointed and may be replaced at any time by the Board.
- 2.2. The following requirements must be observed with respect to the composition of the Nomination and Remuneration Committee:
  - 2.2.1. members must be non-executive directors of the Board; and
  - 2.2.2. with the exception of a maximum of one (1) member, all members must be independent within the meaning of best practice provision III.2.2 of the Dutch Corporate Governance Code; and
  - 2.2.3. a maximum of one (1) member may also be a member of the management board or an executive director of another listed Dutch company.
- 2.3. The Nomination and Remuneration Committee shall verify that any remuneration consultant providing services to the Nomination and Remuneration Committee shall not provide advice to the directors of the Board.

## 3. CHAIRMAN / SECRETARY

- 3.1. Subject to article 2 of these Nomination and Remuneration Committee Terms of Reference, the members of the Nomination and Remuneration Committee shall appoint one (1) of the members of the Nomination and Remuneration Committee as the chairman thereof (the "**Chairman of the Nomination and Remuneration Committee**") and determine the period for which he or she shall hold office. The Chairman of the Nomination and Remuneration Committee shall not chair the Nomination and Remuneration Committee when it is dealing with the appointment of a successor to the chairmanship. The Chairman of the Nomination and Remuneration Committee shall:
  - 3.1.1. be independent within the meaning of best practice provision III.2.2 of the Dutch Corporate Governance Code;
  - 3.1.2. not be chairman of the Board;
  - 3.1.3. not previously have been an executive director of the Board; and
  - 3.1.4. not be a member of the management board or an executive director of the board of another listed Dutch company.
- 3.2. The Chairman of the Nomination and Remuneration Committee shall be primarily responsible for the proper functioning of the Nomination and Remuneration Committee. He or she shall act as the spokesman of the Nomination and Remuneration Committee and shall be the main contact for the Board.

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3.3. Unless the Chairman of the Nomination and Remuneration Committee appoints another person for such purpose for the relevant meeting, the Company secretary shall act as the secretary for each meeting of the Nomination and Remuneration Committee (the "**Secretary of the Nomination and Remuneration Committee**"). The Secretary of the Nomination and Remuneration Committee shall keep appropriate records of all meetings of the Nomination and Remuneration Committee and all decisions made thereon.

#### 4. MEETINGS

- 4.1. The Nomination and Remuneration Committee will hold at least two (2) meetings per year and whenever one or more of its members request a meeting. Nomination and Remuneration Committee meetings are generally held at the offices of the Company, but may also take place elsewhere. In addition, the Nomination and Remuneration Committee meetings may be held by teleconference or videoconference (or by any combination thereof) provided that all participants can hear each other simultaneously. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.
- 4.2. Executive directors of the Board shall not be invited to participate in the meetings of the Nomination and Remuneration Committee, unless the Nomination and Remuneration Committee determines otherwise.
- 4.3. Nomination and Remuneration Committee meetings shall be convened by the member(s) requesting the meeting. The quorum necessary for the transaction of business is a majority of the Nomination and Remuneration Committee members. Each Nomination and Remuneration Committee member shall undertake all reasonable endeavors to attend the Nomination and Remuneration Committee meetings. A duly convened meeting of the Nomination and Remuneration Committee at which a quorum is present is competent to exercise all or any of the authorities and discretions vested in or exercisable by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may only adopt resolutions by a simple majority vote of the members present.
- 4.4. Whenever practicable, notices convening a meeting and the agenda of items to be considered and discussed during such meeting shall be dispatched seven (7) business days prior to the date of the meeting and be sent to each member of the Nomination and Remuneration Committee, any other person required to attend, and all other non-executive directors. Supporting papers shall be sent to Nomination and Remuneration Committee members and to other attendees as appropriate, at the same time.
- 4.5. Minutes of the meeting shall be prepared by the person acting as Secretary of the Nomination and Remuneration Committee. The minutes shall generally be adopted in the next meeting. If all members of the Nomination and Remuneration Committee agree on the contents of the minutes, they may be adopted earlier. Once agreed, the minutes shall be

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signed for adoption by the person acting as Secretary and the Chairman of the Nomination and Remuneration Committee and shall be dispatched to all directors of the Board as soon as practicable.

## **5. AUTHORITY**

5.1. The Nomination and Remuneration Committee is authorized:

- 5.1.1. to seek any information it requires, from any employee of the Company, in order to perform its duties;
- 5.1.2. to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- 5.1.3. to call any employee to be questioned at a meeting of the Nomination and Remuneration Committee as and when required.

## **6. OTHER**

6.1. The Nomination and Remuneration Committee shall also perform such other functions related or incidental to the foregoing as the Nomination and Remuneration Committee, at the request of the Board, may from time to time agree to undertake.

## **7. PUBLICATION OF RULES**

7.1. These Nomination and Remuneration Committee Rules shall be made available on the Company's website and will be updated annually.