

[Date]

[Reference]

[Name]

[Address]

Dear [Name],

**Re: Letter of appointment as non-executive director**

Upon the recommendation of the Corporate Governance Committee, the Board of Innodis Ltd ('the Company') is pleased to inform you that you have been appointed as a non-executive director, with effect as from the [Date]. I am hereby writing to set out the terms of your appointment. It is agreed that this is a contract for services and is not a contract of employment.

**Appointment**

Your appointment will be for an initial term of 1 year or until the next annual meeting of shareholders, whichever comes first. Your appointment may however be terminated earlier by and at the discretion of either party upon three months' written notice. Continuation of your contract of appointment is contingent on satisfactory performance and re-election at forthcoming annual meetings of shareholders.

**Time commitment**

Overall, we anticipate a reasonable time commitment after the induction phase. This will include attendance at Board meetings, the AGM and any other meetings, presentations, workshops or site visits. In addition, you will be expected to devote appropriate preparation time ahead of each meeting.

By consenting to act as director, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role. The agreement of the Chairperson should be sought before accepting supplementary commitments that might affect the time you are able to devote to your role as a non-executive director of the Company.

**Role**

Non-executive directors have the same general legal responsibilities to the Company as any other director. The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board:

- i. provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- ii. sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance; and
- iii. sets the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

In addition to these requirements of all directors, the role of the non-executive director has the following key elements:

**Strategy:** Non-executive directors should constructively challenge and contribute to the development of strategy;

**Performance:** Non-executive directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

**Risk:** Non-executive directors should satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible; and

**People:** Non-executive directors are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing, and where necessary, removing senior management and in succession planning.

## **Fees**

You will be paid a fixed fee of [Name] monthly + an additional fee of [Name] for each attendance to a board meeting. These fees may be subject to an annual review by the Board.

The Company will reimburse you for all reasonable and properly documented expenses you incur in performing the duties of your office.

## **Outside interests**

It is accepted and acknowledged that you have business interests other than those of the Company and have declared any conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest, these should be disclosed to the Chairperson and Company Secretary as soon as apparent.

## **Independence**

The Board of the Company has determined you to be a non-independent director.

## **Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination, to third parties without prior clearance from the Chairperson.

## **Induction**

Immediately after appointment, the Company will provide you with a comprehensive, formal and tailored induction. We will also arrange for site visits and meetings with senior and middle management and the Company's auditors.

### **Review process**

The performance of individual directors and the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Chairperson as soon as is appropriate.

### **Insurance**

The Company has a directors' and officers' liability insurance and it is intended to maintain such cover for the full term of your appointment. Details of the policy will be communicated to you upon request.

### **Independent professional advice**

Occasions may arise when you consider that you need professional advice in the furtherance of your duties as a director. Circumstances may occur when it will be appropriate for you to seek advice from independent advisors at the Company's expense. The Company will reimburse the full cost of any reasonable expenditure incurred in this regard.

### **Committees**

This letter refers to your appointment as a non-executive director of the Company. In the event that you are also asked to serve on one or more of the Board committees, this will be covered in a separate communication setting out the committee(s)'s terms of reference, any specific responsibilities and any supplementary fees that may be involved.

I take this opportunity to welcome you as a director of Innodis Ltd, and look forward to your contribution on the Board. Kindly confirm your acceptance by signing and returning the enclosed copy of this letter.

Yours faithfully,

*Chairman*