



## **BOARD CHARTER**

### **INTRODUCTION**

The King Report on Corporate Governance in South Africa 2009 (King III Report) recommends that every board should have a charter setting out its responsibilities. The Board of Directors ('the Board') of Rebosis Property Fund Limited ('the Company') has drawn up this Board Charter ("Charter") in terms of the recommendations contained in King III. The Charter is subject to the provisions of the Companies Act 71 of 2008, the Company's Articles of Association ('the Articles'), the Listings Requirements of the JSE and any other applicable law or regulatory provision.

### **1. PURPOSE OF CHARTER**

**This Charter sets out:**

- 1.1 The roles, functions, obligations, rights, responsibilities and powers of the Board; and
- 1.2 The policies and practices of the Board in respect of its duties, functions and responsibilities.

### **2. COMPOSITION OF THE BOARD**

- 2.1 The Company shall maintain a unitary Board which shall comprise Executive and Non-Executive Directors with a majority of Non-Executive Directors of whom a majority shall be Independent Non-Executive Directors.
- 2.2 The Chairman of the Board shall preferably be an Independent Non-Executive Director.
- 2.3 In the event of the Chairman not qualifying as independent or if conflicted, then the Board shall appoint a Deputy Chairman to fulfil the role of Lead Independent Non-Executive Director as required by King III.
- 2.4 The Board shall appoint the Chief Executive Officer ("CEO") and set the terms of his/her employment; and

2.5 The demographics of South Africa shall be considered in relation to the size and composition of the Board in terms of the mix of skills and diversity which shall also reflect the responsibilities that it is vested with and the duties that it has to discharge and perform.

### **3. MEMBERSHIP OF THE BOARD**

3.1 The offices of the Chairman of the Board and the CEO shall be separate. There shall at all times be a clearly defined division of responsibilities in offices to ensure a balance of authority and power.

3.2 The members of the Board shall be expected to:

- Acquire a working knowledge and understanding of the Company's business and the laws, regulations and customs that govern the activities of the business;
- Keep abreast of changes and trends in Reboasis' business and the economic, political, social and legal climate in general;
- Make independent and sound business decisions and recommendations; and
- Exercise stewardship at all times and uphold the highest ethics in conduct.

3.3 The size of the Board shall be sufficiently large enough to ensure the presence of a wide range of skills, knowledge and experience without compromising common purpose, involvement, participation and a sense of responsibility amongst the members necessary to meet the Company's strategic objectives.

3.4 The period of office of Directors shall be as follows:

- New Directors shall hold office only until the next Annual General Meeting at which they will retire and be available for re-election;
- All Directors are subject to retirement by rotation and re-election by shareholders at least once every three years, consistent with the Articles;
- The termination of service of any Executive Director for whatever reason shall result in the resignation of that Director from the Board; and
- A rigorous review of Non-Executive Directors serving for more than 9 (nine) years shall be conducted to ensure independence and required performance.

3.5 Appointments to the Board shall only be on recommendation by the Nomination Committee and the process shall be formal and transparent. The Board shall decide

on any appointment to the Board, subject to shareholder approval, as set out in the Articles. A biography of Directors standing for re-election shall be made available to shareholders.

- 3.6 On appointment to the Board, Non-Executive Directors shall receive a formal letter of appointment setting out clearly what is expected of them in terms of their roles and responsibilities, time commitment, Committee service and involvement outside Board meetings. This Board Charter shall be attached to all letters of appointment and be specifically incorporated by reference.
- 3.7 An induction programme aimed at an understanding of the Company, its operating environment and the markets in which it trades shall be conducted for all newly appointed Directors.
- 3.8 The Board shall establish a Nomination Committee with the objects, *inter alia*, of ensuring directorship continuity, overseeing the succession planning of Directors and the regular review of the performance of the Board, the Board members and Board Committees.
- 3.9 Non-Executive Directors shall be at liberty to accept appointments to other Boards, provided that such appointments do not result in any conflicts of interest with the Company and provided that such appointments do not impinge upon the time of Directors to fulfil their duties.

### **3.10 ROLE OF THE BOARD**

- 3.11 The Board shall assume ultimate accountability and responsibility for the performance and affairs of the Company and shall in so doing effectively represent and promote the legitimate interests of the Company and its shareholders. The Board, at all times, shall retain full and effective control over the Company and shall direct and supervise the business and affairs of the Company.
- 3.12 In addition, the Board has a responsibility to the broader stakeholders which include, *inter alia*, the present and potential beneficiaries of Rebosis, retailers, tenants, clients, suppliers, lenders, employees and the wider community to achieve continuing prosperity for the Company.

- 3.13 Directors, both Executives and Non-Executives, carry full fiduciary responsibility and owe a duty of care and skill to Rebosis in terms of Common Law and the Business Integrity Policy (Code of Business Ethics), always acting in the best interests of the Company.
- 3.14 The Board shall exercise leadership, enterprise, integrity and judgement in directing the Company's affairs to achieve continuing prosperity within the context of transparency and accountability. The Board should appreciate that strategy, risk, performance and sustainability are inseparable.
- 3.15 The Board shall oversee, approve, monitor and review corporate strategy, major plans of action, Company policies, appropriate systems, annual budgets and business plans.
- 3.16 The Board shall establish performance objectives to enable it to measure management's performance and the progress of the Company in attaining set goals, objectives and targets.
- 3.17 The Board shall develop clear definitions of the levels of appropriate materiality or sensitivity in order to determine the scope and delegation of its authority and to ensure that it reserves specific powers and authority for itself. All delegated authority shall be in writing and shall be evaluated on a regular basis.
- 3.18 The Board shall manage potential conflicts of interest of Board members, management, the shareholders and wider stakeholders.
- 3.19 The Board shall oversee the Company's values and ethics and shall ensure that an appropriate Business Integrity Policy (Code of Business Ethics) is in place.
- 3.20 The Board shall be responsible for ensuring that succession plans are in place for the Board as a whole, the Chairman, CEO, Finance Director, Non- Executive Directors, Board Committee members, Executive Management and key posts (as determined by the Board from time to time) in the Company.

- 3.21 The Board shall ensure that technology and systems used in the organisation are appropriate for it to run the business properly and competitively through the efficient use of its resources.
- 3.22 The Board shall manage and protect the Company's financial position with the aid of its Audit & Risk Committee, and in so doing shall ensure that:
- The financial statements are fairly presented and contain proper disclosures and conform with the law;
  - Appropriate internal controls and regulatory compliance policies and processes are in place; and
  - Non-Financial aspects relevant to the business of the Company are identified and monitored.
- 3.23 The Board shall monitor and maintain an effective group-wide risk management framework and ensure that key risk areas and key performance indicators of the business are identified and monitored.
- 3.24 The Board shall ensure that the Company complies with all relevant laws, regulations and codes of business practice.
- 3.25 The Board shall be satisfied that the Company has a sound communication policy and that it communicates regularly, openly and promptly with its shareholders and all relevant stakeholders, with substance prevailing over form.
- 3.26 The responsibility for the day-to-day management of the Company shall vest with Executive Management within the powers and authorities delegated to it by the Board. The Board shall afford Executive Management strategic direction and support in the execution of its duties.
- 3.27 Board members shall have unrestricted access to all Company information, records, documents and property. The Company Secretary shall assist the Board or any member thereof in providing any information or document that may be required.
- 3.28 The Rebasis Board shall promulgate policies consistent with the organisation's legitimate interests and good business practices and shall thus: subscribe to fair, equitable and non-discriminatory employment practices, preserve and protect the

natural environment and enhance and promote the rights and participation of communities they serve. Sustainability reporting should be integrated with the Company's financial reporting.

- 3.29 The Board shall consider business rescue proceedings or turnaround mechanisms as soon as the Company is financially distressed.

#### **4. BOARD PROCEDURES**

- 4.1 The conduct of Directors shall be consistent with their duties and responsibilities to the Company and consequently, indirectly to the shareholders.
- 4.2 Directors' responsibilities, rights, obligations and duties are set out in the Articles, the Companies Act, the Listings Requirements of the JSE, and the Code of Corporate Practices and Conduct (King III) and Common Law.
- 4.3 Directors shall comply with all relevant legislation and shall be required to maintain strict confidentiality of all information relating to the business of the Company.
- 4.4 The Board shall be disciplined in fulfilling its function, with the emphasis being placed on strategic issues and policy.
- 4.5 The Board's discussions shall be open and constructive. The Chairman shall seek a consensus in the Board but may, where necessary, call for a vote. Discussions and records shall remain confidential unless a specific directive is received from the Board to the contrary.
- 4.6 The Board shall have sole authority over its agenda. Any Director may request the Company Secretary to include an item on the Board agenda.
- 4.7 At each meeting the Board shall, at a minimum, consider the matters laid out in the meeting agenda.
- 4.8 The Board shall, during the cycle of its activities:
- Approve the strategy, the business plan and the annual budget;
  - Approve the annual and half-yearly financial statements and statutory reports and shareholders and public announcements;

- Approve the integrated report containing details of social, environmental and economic issues as they may relate to the Company;
- Consider, and if appropriate, declare or recommend the payment of dividends;
- Review the performance of Board members and Board Committees;
- Review the Directors', Chairman's, and CEO's remuneration; and
- Review policies and practices in general (such as remuneration, donations and sponsorships, authority levels and the like), as appropriate.

4.9 Non-Executive Directors may meet separately with management, without Executive Directors in attendance.

#### **4.10 Board Committees**

4.10.1 The Board is authorised to establish Committees, in which Non-Executive Directors shall play an important role, to assist it in the execution of its duties, powers and authorities. The Board shall delegate to each of the Committees established, such authority as is required to enable such Committees to fulfil their respective functions.

4.10.2 The delegation of authority to Board Committees or management shall not mitigate or discharge the Board and its Directors from their duties and responsibilities.

4.10.3 The Board shall constitute the following Committees: Audit & Risk, Investment, Nomination, Remuneration, Social & Ethics and any such other Board Committees as may be necessary from time to time.

4.10.4 Each Committee shall have formal Terms of Reference that shall be approved by the Board.

4.10.5 The Chairman of each Committee shall report back to the Board at each Board meeting embracing a general principle of transparency and full disclosure.

4.10.6 Board Committees and members are authorised to obtain independent outside professional advice as and when considered necessary. The Company Secretary shall assist the Board Committees and members in obtaining any such professional advice at the cost of the Company.

4.10.7 The Board shall be able to impose or revoke any regulation and/or delegation of authority, by which any Committee or individual shall operate, at any time by recording its decision in the Board minutes.

#### **4.11 Performance Assessment**

4.11.1 The Board shall be responsible for undertaking regular performance assessments of the Chairman, CEO, Finance Director, Non-Executive Directors, Executive Directors, and the Board as a whole, individual managers and Board Committees in order to evaluate their effectiveness and performance.

### **5. MATTERS RESERVED FOR BOARD DECISION**

The following material matters are specifically reserved for decision by the Board of Directors:

**Accounting Policies and Practice:**

Adoption of any significant change or departure.

**Announcements:**

Official public announcements which are made by the order of the Board, Chairman, CEO or Directors.

**Articles (Memorandum of Incorporation):**

Recommendations to shareholders for amendments thereto.

**Auditors (Head of Internal):**

On the recommendations of the Audit & Risk Committee appointment, removal and replacement thereof.

**Board of Directors:**

Frequency of Board meetings.

**On the recommendation of the Nomination Committee:**

- Appointments to and removals from the Board;
- Appointments of Chairman, Deputy Chairman, Lead Independent Non-Executive Director, Chief Executive Officer, Executive Directors, Non-Executive Directors and Independent Non-Executive Directors and determination of their Terms of Reference and powers;
- Approval of nominations of Alternate Directors; and
- Succession planning.

**Borrowings:**

- Exercise of borrowing powers involving amounts in accordance with the provisions of the Articles of Association;
- The granting of any security for borrowings other than in the ordinary course of business; and
- The granting of any debt covenant.

**Budgets and Strategic Plans:**

- The approval thereof on an annual basis; and
- The approval of and material deviation there from.

**Business Principles and Code of Ethics:**

Formulation and amendments thereto.

**Capital Funding:**

Terms and conditions of rights issues, capitalisation issues or issues of convertible stock including shares or stock issued for acquisitions.

**Circulars to Shareholders:**

Approval of and authority for submission to shareholders.

**Committees of Directors:**

In particular Audit & Risk, Nomination, Investment, Social & Ethics and Remuneration Committees or such other Committees as the Board may appoint from time to time: Appointment of, Terms of Reference and change in composition of Committees of the Board, pursuant to the Articles of Association.

**Company Secretary**

Appointment and removal thereof.

**Directors' Fees**

Changes of pursuant to the Articles of Association, and approval by shareholders. (See item 11.1 for process).

**Dividends: See Financials**

Division of Responsibilities amongst the Chairman, Lead Independent Non-Executive Director and CEO:  
Approval and amendments thereto.

**Employee Share Option Schemes:**

Approval and changes of schemes, rules and amendments to rules recommended by the Board and approved by shareholders.

**Financial:**

- Annual financial statements (including Directors' responsibility statement), approval of;
- Interim reports, approval of;
- Preliminary/provisional annual financial statements, approval of;
- Unlisted investments, valuation of.
- Dividends, declaration of; and
- Unclaimed dividends, forfeiture of.

**Financial Risk Management:**

- Approval of policies in respect of commodities, foreign exchange and interest rate exposures; and
- Approval of hedging policies and policies relating to derivative instruments.

**General Meetings:**

General and annual general meetings, convening of and approval of notice of shareholders' meetings.

**Going Concern Assertion:**

Ensuring financial, operational and other sustainability issues taken into account.

**Contracts and Capital Expenditure/Projects:**

- Entering into major contracts or contracts other than in the ordinary course of business; and
- Entering into transactions not on arms-length terms with shareholders or companies controlled by them.

**Litigation**

Prosecution, defence or settlement of, where material and except in the ordinary course of business.

**Prospectuses, rights offers, and merger documents:**

Approval of and authority for posting.

**Proxy Forms:**

For annual and other general meetings, approval of.

**Public Officer:**

Appointment and removal of.

**Representation:**

Grant of general signing authorities.

**Responsible Persons:**

Appointment of responsible persons who may be required in terms of any Act in South Africa or elsewhere in respect of the Company.

**Restructuring Company:**

- Mergers, JV's, partnerships, approval of; and
- Acquisitions/disposals/establishment of businesses.

**Risk Management:**

- Identification, monitoring and effectiveness of; and
- Delegation of function to the Audit & Risk Committee.

**Share Capital and Shareholder Loans:**

- Recommendation to shareholders to increase, reduce or alter, including share warrants or options;
- Allotment, issue or other disposal of shares of the Company (except for shares allotted under any Share Option or Incentive Scheme);
- Terms and conditions of rights issues, capital issues, share splits and issues of convertible stock including shares or stock issued for acquisitions; and
- Approval of terms of shareholder loans and capitalisation of loans.

**Share Certificates:**

Lost, authority for the replacement of.

**Shareholder Resolutions:**

Recommendations to shareholders for the approval of any ordinary or special resolutions.

**Share Register:**

- Authority for the approval of, rectification to; and
- Establishment of branch or duplicate register in a foreign country.

**Shares:**

Variation of rights attaching to, where such power is vested in the Directors.

**Share Incentive Scheme:**

Approval of the rules and amendments thereto.

**Signing Authority:**

General signing authorities pursuant to the Articles of Association, granting of.

**Stakeholder Relations:**

Formulation of policies in relation to safety, health, environment, community relations and any such other policies relevant to the Company's primary stakeholders.

**Standards of Conduct:**

Approval of Business Principles or Code of Business Ethics.

**Stock Exchange Listings:**

Decision to list the Company's shares on stock exchange/s anywhere in the world or to terminate any such listings.

**Strategy and Policy:**

- Approval of the business objectives and plans;
- Approval of any change in the nature of business or material deviations from approved business plans;
- Approval of the conduct of any other business outside the original objectives;
- Disposal of any asset which is material to the Company's profitability or business objectives; and
- Evaluation of key assumptions and business indicators on which the Company's strategic objectives are based.

**6. RELATIONSHIP WITH SHAREHOLDERS**

- 6.1 The Board shall endeavour to familiarise itself with any issues of concern to shareholders.
- 6.2 The Board shall evaluate economic, political, social and legal issues on a regular basis, as well as any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders and, if appropriate, obtain independent expert advice.
- 6.3 The Board shall encourage shareholders to attend annual general meetings. All Directors shall also be encouraged to attend these meetings and at a minimum the Chairman, CEO, and/or Lead Independent Non-Executive Director (if any), Financial Director, Chairmen of the Audit & Risk, Investment, Remuneration, Nomination, and Social & Ethics Committees and any Director at the specific request of the Chairmen, shall be present.
- 6.4 The Board as a whole has responsibility for ensuring that a satisfactory dialogue with both shareholders and investment analysts takes place based on good investor relations and the mutual understanding of objectives.
- 6.5 The rights of minority shareholders and other stakeholders shall be recognised and respected and their active co-operation will be encouraged in creating a sustainable and financially sound enterprise.

## **7. CORPORATE GOVERNANCE**

- 7.1 The Board is the focal point of corporate governance in the Company. The Board is ultimately accountable and responsible for the performance and affairs of the Company and ensuring that the Company conducts itself as a responsible corporate citizen.
- 7.2 The Board shall be responsible for ensuring that an adequate and effective process of corporate governance is established and maintained and that it complies with the Code of Corporate Practice and Conduct (King III) wherever possible.
- 7.3 The Board shall include a full report on its corporate governance in the annual report and its compliance with King III in line with the “apply or explain” principle.

## **8. RISK MANAGEMENT**

- 8.1 The Board shall be responsible for the process of risk management. The Board shall also be responsible for disclosures on risk management in the annual reports and financial statements and shall ensure that risk assessments are undertaken at least annually for the purposes of making its public statement on risk management.
- 8.2 The Board shall also be responsible for reporting significant risks that affect decisions of stakeholders in their dealings with the Company and shall disclose these in the annual report.
- 8.3 The Board shall ensure that an effective, ongoing process shall be in place through the Audit & Risk Committee to identify risks, measure their impact and proactively manage and monitor these and that at appropriate intervals it receives and reviews reports on the risk management process, Reboasis’s risk profile and compliance with legislation pertaining to risk and risk management.

## **9. ACCOUNTABILITY AND AUDIT**

- 9.1 The Board shall establish an Audit & Risk Committee to oversee the integrated reporting in accordance with the requirements of the Companies Act.

- 9.2 The Board shall present a balanced and understandable assessment of the Company's financial position and its operations in the annual and interim reports.
- 9.3 The Directors shall explain in the annual report their responsibility for preparing the accounts. The facts and assumptions on which the Board relies to conclude that the Company will continue as a going concern in the forthcoming year shall also be reviewed and reported upon.
- 9.4 The Board shall establish formal and transparent arrangements for maintaining a relationship with external and internal auditors and ensure that timely and accurate disclosure is made of any information that would be of material importance.
- 9.5 The Audit & Risk Committee should ensure that a combined assurance model is applied to provide the Board with a co-ordinated approach to assurance of risks.

## **10. REMUNERATION**

- 10.1 The remuneration of the Executive Directors and Senior Management shall be determined by the Remuneration Committee and approved by the Board, and a detailed report including the Company's Remuneration Philosophy and Policy shall be published in the annual report. Non-Executive Directors' fees shall be reviewed by the Remuneration Committee and approved by the Board for recommendation to shareholders.
- 10.2 No additional fees shall be paid to Executive Directors as Executive Directors other than in accordance with service/employment contracts.
- 10.3 The annual Remuneration Report shall include, at least, the salaries of the three highest paid executives, who are not Directors.

## **11. MEETINGS AND BOARD ATTENDANCES**

- 11.1 Meetings of the Board shall be held at such venue and at such time as the Board deems appropriate, but it shall normally meet at least four times a year or at the request of management or of the Chairman of the Board, or of the Board members.

- 11.2 Directors shall use their best endeavours to attend Board meetings and to prepare thoroughly for each meeting. Directors are expected to participate fully, frankly and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board. Directors shall at all times be aware of their fiduciary duties towards the Company. Directors who are unable to attend shall advise the Company Secretary.
- 11.3 The Chairman may for good reason request Executive Directors to leave the Boardroom for any part of the Board meeting. This is especially so during deliberations relating to executive performance or remuneration or where there may be a perceived or actual conflict of interest.
- 11.4 Executive management, as appropriate, may attend Board meetings by invitation.
- 11.5 Professional advisors, officers or members of staff whose input may be required or who may be invited for the purpose of *inter alia* capacity building for potential Directors, may be invited to the meetings, at the discretion of the Chairman.
- 11.6 The Chairman may excuse from the meeting or from any item on the agenda any of the attendees at a meeting who may have or may be considered by the Board to have a conflict of interest.
- 11.7 No invitee shall have a vote at meetings of the Board.
- 11.8 If the Chairman is absent from a meeting, the Directors present must elect one of the members present to act as chairman.

## **12. PROCEEDINGS OF MEETINGS**

- 12.1 Meetings and proceedings of the Board shall be governed by the Company's Articles (Memorandum of Incorporation).
- 12.2 An annual calendar of meetings, with an outline of the cyclical business to be considered at each meeting, shall be drawn up by the Company Secretary, in conjunction with the Chairman and CEO.

- 12.3 Unless under exceptional circumstances, at least 5 working days' notice shall be given of a meeting of the Board. Such notices shall, where possible, include the agenda and any supporting papers.
- 12.4 The Company Secretary, in conjunction with the Chairman and CEO, shall prepare an agenda raising all relevant issues requiring attention to ensure that effective proceedings are facilitated.
- 12.5 The Company Secretary shall ensure that the agenda and meeting papers are circulated to Board members at least 5 days before the date set down for the meeting. The Company Secretary shall maintain a record of Board submissions and Board members will arrange with him/her to obtain access to records of Board documentation and minutes if required by them in the course of discharging their duties as Board members of the organisation.
- 12.6 Each Board meeting shall include at least the following matters:
- 12.6.1 Reports on:
- Strategic initiatives and progress in relation thereto; and
  - Matters of material or potentially material impact and/or risk.
- 12.6.2 Documents requesting approval of:
- Minutes of previous meetings; and
  - Any matters requiring specific approval by the Board as detailed in the Matters Reserved for the Board or in terms of the Delegation of Authority.
- 12.6.3 Reports by:
- Finance Director; and
  - Key operational personnel.
- 12.6.4 Board Committees documentation:
- Reports from the relevant Chairmen; and
  - Minutes tabled for information.
- 12.6.5 Governance matters of a general or of an ad-hoc nature.

- 12.7 The quorum for a Board meeting shall be a majority of directors provided that this majority includes a majority of non-executive directors.
- 12.8 Each Board member is responsible for being satisfied that, objectively, he/she has been furnished with all the relevant information and facts before making a decision.
- 12.9 A Director may not vote nor be counted in the quorum on any matter in which he/she has an interest. Additionally, he/she may be recused from any meeting at the discretion of the Chairman when such matters are discussed.
- 12.10 Executive Directors shall distinguish between their roles as Directors, Managers or Shareholders. If these roles conflict they shall withdraw from the relevant discussion and voting. An Executive Director when acting as a Director, as opposed to when acting as a Manager, is not accountable to the CEO in that capacity.
- 12.11 Decisions will be made by the Board by reaching consensus, failing which, by a majority of votes of these Directors present.
- 12.12 Minutes of the meetings shall be taken by the Company Secretary and shall be circulated to the Board within 2 weeks of the relevant Board meeting. The minutes shall record the proceedings and decisions taken, the details of which shall remain confidential.
- 12.13 A record shall be kept of the attendance of Directors at Board meetings.
- 12.14 The Board shall make a statement in the annual report on its compliance with this Board Charter and its activities, the processes used in discharging its responsibilities and duties, the membership of the various Board Committees, the number of Board and Committee meetings and the attendance of members over the course of the year.

### **13. PROFESSIONAL OR BUSINESS SERVICES PROVIDED BY DIRECTORS**

- 13.1 Non-Executive Directors may not generally provide any professional services to the Company.

13.2 The Company may, however, for the purpose of a special assignment engage the services of a Director with a specific field of expertise to undertake a specific task. In such event the scope of the task will be defined and agreed upon by the Board.

13.3 The terms of engagement shall be competitive, clearly recorded and all legal requirements with regards to disclosure shall be complied with.

#### **14. ROLE OF THE CHAIRMAN**

14.1 The Chairman of the Board shall be appointed by the Board itself and shall preferably be an Independent Non-Executive Director. In the event of the Chairman not qualifying as independent or where the Chairman is conflicted then the Board shall appoint a Deputy Chairman to fulfil the role of Lead Independent Non-Executive Director. The Chairman is primarily responsible for the functioning of the Board.

14.2 The Chairman is responsible for ensuring the integrity and effectiveness of the Board and its Committees.

14.3 The Chairman is required to:

- Provide overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions;
- Ensure that all the Board members are fully involved and informed of any business issue on which a decision has to be taken;
- Ensure that executive members play an effective management role and participate fully in the operation and governance of the Company;
- Exercise independent judgement, act objectively and ensure that relevant matters are placed on the agenda and prioritised properly;
- Avail himself/herself to the CEO between Board meetings to provide counsel and advice; and
- Ensure that the performance of the Chief Executive Officer is evaluated frequently.

#### **14.4 ROLE OF THE LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR (“LID”) (DEPUTY CHAIRMAN)**

14.5 In circumstances where the Chairman of the Board is not qualified as being independent, it is recognised that conflicts of interests will arise and the appointment of a LID will be required.

14.6 The LID is responsible to the Board.

14.7 The LID is required to:

- Lead governance within the Board;
- Report to the Board;
- Serve as liaison between the Chairman, CEO, management and independent Directors where necessary;
- Preside at Board meetings where the Chairman is absent or conflicted;
- Consult with the Chairman, CEO and Company Secretary on the content of the Agenda; and Convene meetings of independent Directors or Non-Executive Directors, as appropriate.

#### **14.8 ROLE OF THE CHIEF EXECUTIVE OFFICER**

14.9 The Chief Executive Officer is appointed by the Board.

14.10 The CEO's responsibility is to focus on the operations of the organisation, ensuring that it is run efficiently and effectively and in accordance with the strategic decisions of the Board.

14.11 The Chief Executive Officer is accountable to the Board for, amongst other things:

- Development and recommendation to the Board of the strategy and vision of the organisation and the annual business plans and budgets that support the organisation's long-term view;
- Achievement of performance goals, objectives and targets;
- Maintenance of an effective management team and management structures;
- Ensuring that appropriate policies are formulated and implemented to guide activities;
- Ensuring that effective internal organisation and governance measures are deployed; and
- Serving as the chief spokesperson of the organisation.

#### **15. THE COMPANY SECRETARY**

15.1 The Company Secretary is accountable to the Board for:

- Ensuring that Board procedures are followed and reviewed regularly and that applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- Guiding Board members as to how their responsibilities should be properly discharged in the best interests of the organisation;
- Keeping abreast of, and informing, the Board of current and new developments regarding corporate governance thinking and practice; and
- Maintaining of statutory records in accordance with legal requirements.

## **16. DUTIES OF INDIVIDUAL BOARD MEMBERS AND DISCLOSURE OF INFORMATION**

- 16.1 Board members act jointly when discharging their duties and no Board member has authority to act on behalf of the organisation unless specifically authorised or requested by the Board. Board members are jointly and severally liable and accountable for Board decisions and actions.
- 16.2 Board members are legally obliged to act in the best interest of the Company, to act with due care in discharging their duties as Board members, to declare and avoid conflicts of interest and to account for any advantages gained in discharging their duties on behalf of the organisation.
- 16.3 A Board member who has a real or prospective interest in any of the business of the organisation shall declare such interest at a Board meeting as soon as the Board member becomes aware of such specific interest. All Board members shall, in good faith, disclose to the Board any business or other interest that is likely to create a potential conflict of interest, including:
- All business interests, direct or indirect in any other company, partnership or business venture;
  - Membership of trade, business or other economic organisations;
  - Shareholdings, share options and/or other interests in the organisation;
  - Any direct or indirect interest in any transaction with the organisation; and
  - Any gifts, monies, commissions, benefits or other favours extended or received from any party in respect of or in relation to any business dealings with the organisation.

16.4 A register of Directors' declarations of interest shall be kept by the Company Secretary.

16.5 Directors shall, at all times, observe the provisions of all relevant rules, legislative or regulatory procedures and internal Company policy when dealing in their securities.

**17. GENERAL**

17.1 The Board and its members, in carrying out their tasks under this Charter, may obtain such outside or other independent professional advice, as considered necessary to carry out their duties.

17.2 All Board members shall have access to executive management and the Company Secretary for advice about the operations and governance of the organisation and Board procedures.

17.3 Any member of the Board, senior partner of the external auditors, head of internal audit, head of risk or any member of any Board Committee must bring to the notice of the Board or its Chairman, the CEO or the Finance Director any material matter that he/she deems appropriate.

17.4 If any part of this Charter conflicts with anything contained in the Articles, the Articles (Memorandum of Incorporation) shall take precedence.

17.5 This Charter may be amended from time to time by the Board.