

# Momentum Metropolitan Holdings Limited

## Board Charter



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## 1. Preamble

- 1.1 Momentum Metropolitan Holdings Limited (“MMH” or “the Company”) is the ultimate holding company of the subsidiaries within the Momentum Metropolitan Group of Companies. In the context of this document, Momentum Metropolitan” or “the Group” collectively means MMH, its subsidiaries, and all business and operational divisions.
- 1.2 This Charter is subject to the provisions of the Companies Act no. 71 of 2008 and its Regulations (the “Companies Act”), the Company’s Memorandum of Incorporation (“MOI”), the Johannesburg Stock Exchange (“JSE”) Listings Requirements, King IV Report on Corporate Governance for South Africa 2016 (“King IV™”), other relevant legislation, regulatory and supervisory prescripts, and applicable corporate governance principles, codes and best practices.
- 1.3 The Board of Directors (“the Board”) commits to give due consideration to the application of King IV™ and good corporate governance principles, including, but not limited to, the key aspects of ethical leadership, sustainable development, integrated thinking and corporate citizenship.

## 2. Purpose of Charter

- 2.1 The purpose of this Board Charter is to set out the Board’s role and responsibilities, authority, composition, functioning and other related matters.

## 3. Board Composition

- 3.1 The Board or its nominated Board Committee (the Nominations Committee) will determine the size of the Board, subject to the provisions of the Company's MOI and recommended practices.
- 3.2 The Board shall comprise of executive and non-executive directors, with a majority being independent non-executive directors.
- 3.3 All appointments to the Board will be made through a formal and transparent process.
- 3.4 The Board will appoint a Chairman and Lead Independent Director (“LID”), where necessary, from amongst its independent non-executive directors, and will consider the tenure for these positions.
- 3.5 The Group Chief Executive Officer (“Group CEO”), Deputy CEO and the Group Chief Financial Officer (“Group CFO”) of the Company shall be ex officio members of the Board.
- 3.6 The appointment, rotation, resignation and removal of directors shall be done in accordance with the Company’s MOI, including arrangements for periodic and staggered rotation.

## 4. Roles and Responsibilities

### 4.1 General

The Board will:

- 4.1.1 Deal with matters reserved exclusively for itself per the Group Framework for the Delegation of Authority. Matters requiring specific approval by the Board are listed in **Annexure A**.
- 4.1.2 Act in the best interest of the Company and in accordance with the code of conduct for directors, as contained in **Annexure B**.

- 4.1.3 Ensure individual directors adhere to the directors' code of conduct.
- 4.1.4 Directors shall at all times adhere to the rules of the JSE Limited, as well as the relevant policies and procedures of the Company, in respect of dealing in listed shares.
- 4.1.5 Directors are required to disclose interests as set out in **Annexure C**.
- 4.1.6 Request and consider any additional information necessary to fulfil the functions of the Board.
- 4.1.7 The Board and its members will remain transparent in the manner in which they execute their governance role and responsibilities.
- 4.1.8 Perform responsibilities required by relevant Board approved policies including the review and approval of such policies.
- 4.1.9 Perform all functions as prescribed by law.

## **4.2 Leadership, ethics and corporate citizenship**

- 4.2.1 Act as the focal point for, and custodian of, corporate governance.
- 4.2.2 Take accountability and responsibility for the performance and the affairs of the Company by managing its relationship with management, the shareholders and other stakeholders of the Company.
- 4.2.3 Act as guardian of the values and ethics of the Company and its subsidiaries, and approve codes of conduct and ethic policies setting the Board's direction on ethics.
- 4.2.4 Ensure that the Company is and is seen to be a responsible corporate citizen by setting the appropriate direction, oversight, and monitoring on an on-going basis of how the consequences of the Company's activities and outputs affects its status as a responsible corporate citizen.

## **4.3 Strategy, performance and reporting**

- 4.3.1 Appreciate that strategy, risk, performance and sustainability are inseparable, and give effect to this to *inter alia*:
  - 4.3.1.1 Set direction for and approving of the strategic plan of the Company.
  - 4.3.1.2 Monitor implementation and execution of business strategies, plans, as well as policies by management.
  - 4.3.1.3 Satisfy it that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management.
  - 4.3.1.4 Identify key performance, opportunity, and risk areas.
  - 4.3.1.5 Ensure that the strategy will result in sustainable outcomes.
  - 4.3.1.6 Ensure realisation of Company's core purpose and values through its strategy.
  - 4.3.1.7 Consider sustainability as a business opportunity that guides strategy formulation.
  - 4.3.1.8 Consider the legitimate and reasonable needs, interests and expectations of material stakeholders.
- 4.3.2 Remain alert to the general viability of the Company with regard to its reliance and effects on the capitals, its solvency and liquidity, and its status as a going concern.
- 4.3.3 Oversee that reports issued by the Company enable stakeholders to make informed assessments of the Company's performance and its short, medium and long-term prospects, while complying with legal requirements at all times.

- 4.3.4 Ensure the integrity of the Company's annual Integrated Report.
- 4.3.5 Assess processes and procedures to ensure the effectiveness of the Company's internal controls.

#### **4.4 Appointment and succession**

- 4.4.1 Assume responsibility for its composition by setting direction and approving the process to attain broader diversity in terms of appropriate balance of skills, knowledge, experience and independence and the set targets for race and gender representation in the Board's membership.
- 4.4.2 Ensure a formal and transparent process for nomination, election and appointment of Board members.
- 4.4.3 Approve succession plans for *inter alia* Board members, Chairman, the Group CEO, other executive management and key positions (including Heads of Control Functions).
- 4.4.4 Appoint or remove the Group CEO and Company Secretary when necessary.
- 4.4.5 Annually review the performance of the Group CEO and agree with the Group CEO on whether he / she will take up any additional professional positions.
- 4.4.6 Approve policies relating to the appointment, dismissal and succession of Heads of Control Functions.
- 4.4.7 As approvers of the Group Company Secretary's employment contract and remuneration, the Board is also responsible for the annual performance and independence evaluation of the Company Secretary.

#### **4.5 Assurance**

- 4.5.1 Ensure that:
  - 4.5.1.1 Assurance services enable an effective control environment and support the integrity of information used for internal decision-making and of the Company's external reports.
  - 4.5.1.2 The output of the combined assurance model is assessed with objectivity and professional scepticism and by applying an enquiring mind.
  - 4.5.1.3 There is an effective risk-based internal audit process that contributes to the effectiveness of governance, risk management and control processes.
- 4.5.2 Consider recommendations made by the Board Audit Committee in relation to the external auditors, financial statements, etc.

#### **4.6 Stakeholder relationship**

- 4.6.1 Approve policies that articulate and gives effect to the Board's direction on stakeholder relationship, delegate to management the implementation and execution, and continuously oversee the stakeholder relationship management.
- 4.6.2 Communicate with stakeholders openly and timeously throughout the year.
- 4.6.3 Ensure that the designated external audit partner attends the annual general meeting and that a representation of directors are available at the annual general meeting to respond to shareholders' queries on how the Board executed its governance duties.

- 4.6.4 Board interaction with Institutional Investors, Analysts, Media, Customers and Members of the Public must be made only by specifically designated representatives in accordance with the Company's Communication Policy.
- 4.6.5 Safeguard and enhance the image and reputation of the Company.
- 4.6.6 Assume responsibility for governance across the Company by setting the direction for how the relationships and exercise of power within the group should be approached and conducted, approve a group governance framework, and ensure that the Group governance framework is implemented across the Group.
- 4.6.7 Assume responsibility for the direction in approaching institutional investors, approve policy that articulates its direction on responsible investments, delegate the responsibility to implement to management, and ensure that investors are held accountable for complying with the formal mandates.

## **4.7 Appraisal**

### **4.7.1 Board and Director Appraisal**

- 4.7.1.1 Directors should be assessed both individually, and collectively as a Board on a regular basis. The Board will be assessed annually.
- 4.7.1.2 The Board will ensure that a formal appraisal process will be followed.
- 4.7.1.3 Ensure that an independent non-executive director, who has served in such capacity on the Board for 9 (nine) years, undergo an annual assessment to determine the his/her independence.

- 4.7.2 The Board shall undertake a regular review of the objectives and activities of Board Committees.

## **4.8 Delegation and Board Committees**

### **4.8.1 Delegation**

- 4.8.1.1 The Board may delegate certain functions to well-structured Board Committees, but without abdicating its own responsibilities, and which does not in any way abrogate the accountability of the Board. Such delegation to Board Committees may be withdrawn or amended at any time.
- 4.8.1.2 The Board shall establish a framework for the delegation of authority to management.

### **4.8.2 Establishment and Role of Board Committees**

- 4.8.2.1 Each Board Committee shall have a Board approved Terms of Reference defining its composition, purpose, authority, role and responsibilities, operations and meeting procedures, tenure, its performance evaluation, reporting requirements and its access to information. At least the following Board Committees shall be established:
- (i) Audit Committee;
  - (ii) Risk, Capital and Compliance Committee;
  - (iii) Nominations Committee;
  - (iv) Social, Ethics and Transformation Committee;
  - (v) Other Board Committees deemed necessary or prescribed by law or otherwise.
- 4.8.2.2 The Committees shall be appropriately constituted with due regard to broader diversity, including skills, knowledge, experience and independence required by each Committee to execute its duties effectively.

- 4.8.2.3 Each committee should have a minimum of three (3) members subject to legal requirements, where applicable.
- 4.8.2.4 Where appropriate and when deemed necessary, the Board Committees shall make recommendations to the Board.
- 4.8.2.5 Board Committees should not take action or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.
- 4.8.2.6 From time to time the Board may also establish ad hoc or special purpose committees to examine, or have the delegated authority to deal with, specific issues on behalf of the Board.
- 4.8.2.7 Delegation to an individual member or members of the Board should be recorded in writing and approved by the Board.
- 4.8.2.8 The Chairmen of Board Committees shall submit quarterly reports to the Boards or the minutes of Committee meetings if deemed necessary.

## **4.9 Remuneration**

The Board should:

- 4.9.1 Establish a Remuneration Committee
- 4.9.2 Give direction on fair, responsible and transparent remuneration within a remuneration policy.
- 4.9.3 Make recommendations on the remuneration of non-executive directors, and submit it for shareholder approval as required by law.
- 4.9.4 Ensure remuneration is disclosed by means of a remuneration report consisting of a background statement, overview of the main provisions of the remuneration policy, and an implementation report as required by law and governance practices and principles on the matter.
- 4.9.5 Ensure the remuneration policy and implementation report is table every year for a separate non-binding advisory vote by the shareholders.

## **4.10 Other**

- 4.10.1 Be responsible to do the following relating to risk, compliance and information and technology (“IT”) governance:
  - 4.10.1.1 Set direction for how risk, compliance and IT governance should be approached and delegate to management the responsibility to implement and execute, while providing oversight thereof.
  - 4.10.1.2 Ensure that risk governance encompasses both the opportunities and associated risks to be considered when developing strategy and the potential positive and negative effects of the same risks on the achievement of organisational objectives.
  - 4.10.1.3 Delegate the responsibility of implementation and execution of risk management and compliance systems.
  - 4.10.1.4 Ensure that there are adequate policies and procedures for the effective governance, compliance and risk management for the Company.
  - 4.10.1.5 Ensure that the Company complies with the letter and the spirit of applicable laws and considers adherence to non-binding rules and standards.
  - 4.10.1.6 Approve the protocol to be followed when any Board members or Committees need to obtain independent, external professional advice at the cost of the Company on matters within the scope of their duties.
  - 4.10.1.7 Approve the protocol to be followed when non-executive directors request information or meetings with management and/ or other employees of Momentum Metropolitan.

## 5. Role of the Chairman, LID, Group CEO and Company Secretary

### 5.1. Chairman

5.1.1 The Chairman is primarily responsible to:

- 5.1.1.1 Manage, and provide overall effective leadership to the Board.
- 5.1.1.2 Preside over Board meetings and ensure that time in meetings is used productively.
- 5.1.1.3 Ensure the integrity and effectiveness of the Board and Board Committees.
- 5.1.1.4 Ensure that complete, timely, relevant and accurate information is placed before the Board.
- 5.1.1.5 Ensure the Board is well informed and that the members, individually and as a group, have the opportunity to generate collective views.
- 5.1.1.6 Ensure that all directors play a full and constructive role in the affairs of the Company and take a lead role in removing non-performing or unsuitable directors.
- 5.1.1.7 Encourage collegiality among Board members without inhibiting transparent discussions on matters.
- 5.1.1.8 Ensure that there are processes and procedures in place to evaluate the performance of the Board, Board Committees and individual Directors.
- 5.1.1.9 Act as a link between the Board and management, and particularly between the Board and the CEO. The Chairman should maintain an arm's length relationship at all times.
- 5.1.1.10 Represent the Board to shareholders and stakeholders and build and maintain stakeholder trust and confidence in the group.

5.1.2 The roles of Chairman and Group CEO are separate, and a previous retired CEO should not become the Chairman of the Board until three (3) complete years have passed after the end of the CEO's tenure.

5.1.3 The Chairman may be a member of the Nominations, Remunerations, Social, Ethics and Transformation, Investments, and Risk, Capital and Compliance Committees. The Chairman may chair Board Committees with exception to the Remuneration, Audit, and Social, Ethics and Transformation Committee. The Chairman may also not be a member of the Audit Committee.

5.1.4 The number of outside professional positions that the Chairman is allowed to hold, taking into account the relative size and complexity of the organisations involved, should be determined in collaboration with the Board.

### 5.2 Lead Independent Director

If applicable, the Lead Independent Director (LID) is primarily responsible to:

5.2.1 Lead in the absence of the Chairman.

5.2.2 Serve as a sounding board to the Chairman.

5.2.3 Act as an intermediary between the Chairman and Board members, if necessary.

5.2.4 Deal with Shareholders' concern where contact through the normal channels has failed to resolve concerns, or where such contact is appropriate.

5.2.5 Strengthen independence on the Board should the Chairman not be an independent non-executive director.



5.2.6 Chair discussions and decision-making by the Board on matters where the Chairman has a conflict of interest.

5.2.7 Lead the performance evaluation of the Chairman.

### 5.3 Group CEO

5.3.1 The Group CEO bears ultimate responsibility for all management functions. The Board delegates (without abdicating its duties and responsibilities) to management *via* the Group CEO, who in turn delegates to those reporting to him / her.

5.3.2 The Group CEO is accountable, and report, to the Board.

5.3.3 The Group CEO is further responsible for the following:

5.3.3.1 Developing a short, medium and long-term strategy and vision for the Company.

5.3.3.2 Developing the annual business plans and budgets in support of the Company's strategy.

5.3.3.3 Establishing an organisational structure for the Company which is necessary to enable execution of strategic planning. The Operational Structures may establish such Committees, including Divisional Executive Committees, as deemed necessary, and in consultation with the Group CEO.

5.3.3.4 Ensuring that the Company has an effective management team and to actively participate in the appointment, performance appraisals, development, and succession planning of management.

5.3.3.5 Ensuring that the Company complies with all relevant laws and corporate governance principles, and set the tone in providing ethical leadership and creating an ethical environment.

5.3.3.6 Ensuring continuous improvement in the quality and value of the products and services provided by the Company, and maintain and develop the brands of the Company.

5.3.3.7 Formulating and overseeing the implementation of major corporate policies.

5.3.3.8 Monitoring opportunities and risks in respect of, and recommend steps to enhance, the black economic empowerment status of the Company.

5.3.3.9 Ensuring that presentations on strategic matters, as deemed appropriate, matters of material or potential material impact, positive or negative and significant risks are made to the Board.

5.3.3.10 Ensuring that reports to the Board meetings include at least the reports by the Group CEO, CFO and the Divisions and/or operational functions.

5.3.4 The composition, roles and responsibilities, authority, reporting lines, operations and other matters relating to the Operational Structures shall be determined by the Group CEO, who may consult with the necessary committees, forums and/ or individuals.

5.3.5 The Group Executive Committee ("Exco") will be chaired by the CEO, who will provide effective leadership to them, and will comprise of other Executive Directors or persons from the ranks of the senior management of the Company, who will take responsibility to manage the business on a day-to-day basis. The Executive Committee shall have its own Terms of Reference defining its mandate.

5.3.6 The Group CEO shall act within the approved framework of delegated authority and will serve as the chief spokesperson for the Company.

5.3.7 The Group CEO may be a member of certain Board Committees. He/ she may however not be a member of the Remuneration, Audit and Nominations Committees but should attend any meetings by invitation, or part thereof, if needed to contribute pertinent insights and information.

## 5.4 Company Secretary

The role of the Company Secretary shall, inter alia, include the following:

- 5.4.1 The Company Secretary will be secretary to the Board.
- 5.4.2 The Board should empower the Company Secretary to enable him/her to fulfil the role and responsibilities set out in this Charter and other relevant Company documents.
- 5.4.3 All Directors shall have access to the Company Secretary, and the Company Secretary will have unfettered access to the Board but, for reasons of independence, should maintain an arms-length with all Board members.
- 5.4.4 The Company Secretary will not be a Director of the Company.
- 5.4.5 The Company Secretary will report to the Board via the Chairman on his/her statutory duties and functions performed in connection with the Board. Regarding other duties and administrative duties, the Company Secretary will report to the designated and appropriate member of executive management.
- 5.4.6 The Company Secretary will, amongst other things:
  - 5.4.6.1 In consultation with the Chairman, play a substantial role in the orientation process for Directors, and attend to any educational or development requirements of Directors.
  - 5.4.6.2 Provide the Board and individual Directors with detailed guidance to properly discharge their responsibilities in the best interest of the Company.
  - 5.4.6.3 Ensure the Charter and Board Committee Terms of Reference/Charters are kept up to date.
  - 5.4.6.4 Prepare and circulate Board papers.
  - 5.4.6.5 Assist in drafting yearly work plans for the Board and Board Committees.
  - 5.4.6.6 Ensure preparation and dissemination of Board and Board Committee meeting minutes.
  - 5.4.6.7 Support and coordinate the functioning of the Board and its Committees.
  - 5.4.6.8 Assist with the evaluation of the Board, Board Committees and individual Directors.
  - 5.4.6.9 Assist the Nominations Committee with a programme of professional development and regular briefings on legal and corporate governance developments, risks and changes in the external environment of the Company, to be provided to the Directors.
- 5.4.7 The Company Secretary will be subjected to a fit and proper test in the same manner as is recommended for new Director appointments.
- 5.4.8 The necessary induction, training and mentorship for Directors shall be provided by the Company, as and when required.

## 6. Meeting Procedures

### 6.1 Frequency

- 6.1.1. The Board shall hold sufficient scheduled meetings to discharge all its duties as set out in this Charter and other relevant Company documents and policies.
- 6.1.2. There shall be a minimum of 4 (four) meetings per year and additional meetings shall be held as and when necessary.

- 6.1.3. A schedule of regular meetings for the following year shall be provided to the Directors at the end of each year.

## **6.2 Attendance**

- 6.2.1 Board members must attend all scheduled meetings of the Board, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the Chairman or Group Company Secretary.
- 6.2.2 If the Chairman and Lead Independent Director of the Board, where applicable, are absent from a meeting, the Directors present must elect one of the Directors amongst them to act as a Chairman, subject to the provisions of the Company's MOI.
- 6.2.3 If a Director is absent from three (3) consecutive board and/or committee meetings, the Chairman shall engage with the Director in connection with the matter.

## **6.3 Agenda and Minutes**

- 6.3.1 The Board shall establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The number, timing and length of the meetings and the agendas are to be determined in accordance with the annual plan.
- 6.3.2 The Chairman of the Board may meet with the Group CEO, and/or the Company Secretary prior to a Board meeting to discuss important issues and agree on the agenda.
- 6.3.3 The notice of each meeting of the Board, confirming the venue, time and date and enclosing an agenda of items to be discussed, together with supporting documentation shall, other than under exceptional circumstances, be forwarded to each Director not less than five (5) working days prior to the date of the meeting, unless alternative arrangements and timelines have been made with members.
- 6.3.4 The content, presentation and delivery of agendas to Directors for each meeting will be in accordance with the guidelines agreed by the Board.
- 6.3.5 The minutes of each Board meeting must be completed as soon as possible after the meeting. The minutes must be formally approved by the Board at its next scheduled meeting.

## **6.4 Quorum**

- 6.4.1 A quorum for meetings shall be a majority of the Directors then in office (but not counting Alternate Directors for this purpose).
- 6.4.2 Any non-Director in attendance at Board meetings shall not count towards the quorum for that meeting.
- 6.4.3 A meeting may be conducted by way of electronic media such as video or telephone conferencing.
- 6.4.4 Should the need arise for a decision to be taken by the Board outside of its meeting cycle, such decision can be taken on a round robin basis.
- 6.4.4.1 For a decision to be legitimately taken by round robin procedure, the support of the majority of members is required in writing and signed by them (and for the purposes of this procedure, communication email will be regarded as being in writing). Should a Board member object to a decision, the remaining members of the Board must be advised of such objection.

6.4.4.2 At the Board meeting following the date of the round robin decision, the Company Secretary must report on the decision so taken by the Board.

## **7. Dispute Resolution**

7.1 The Board does not intend to institute a formal dispute resolution process as it believes that the existing processes within the group operate satisfactorily and do not require a more formal and separate mechanism. Shareholders also have remedies in terms of the Companies Act.

## **8. Review**

8.1 This Board Charter and the annual work plan shall be reviewed annually by Group Company Secretariat and submitted for approval by the Board.

**Annexure A – Matters Requiring Specific Approval by the Board**

*(unless authority is explicitly delegated)*

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**a. Strategic**

1. Approval of the strategy, business plans, and annual budgets and of any subsequent material changes in strategic direction or material deviations in the strategy or business plans.
2. Establishment of any material business or one of strategic importance, outside of South Africa;
3. Major acquisitions or disposals.

**b. Financial**

1. Adoption of any significant change or departure in the accounting policies and practices of the Company which may have a material impact on results.
2. Approval of annual and interim financial statements, annual and interim reports, valuation of unlisted investments, declaration of dividends and the forfeiture of unclaimed dividends.
3. Consideration of the going concern status of the company.
4. Recommendations to shareholders of any increase, reduction or alteration in the share capital of the Company and the allotment, issue or disposal of shares of the Company.

**c. Statutory and administrative**

1. Amendments to the Memorandum of Incorporation (MOI) of the Company, as required by legislation.
2. Variation of the rights attaching to shares where such powers are vested in the Directors.
3. Frequency of meetings of the Board.
4. Convening of general meetings of shareholders of the Company.
5. Delegation of powers to the CEO.
6. Granting of general or specific signing authorities pursuant to the MOI of the Company, and not covered by the delegation to the CEO.
7. Appointment and removal of the Company Secretary.

**d. Regulatory**

1. Approval of matters requiring general or specific Board approval in terms of legislation.
2. Approval of terms and conditions of the Company's rights issues, public offers, capital issues or issues of convertible securities, including shares or convertible securities issued for acquisition.
3. Approval of and authority to issue prospectuses, listing particulars, rights offers or takeover or merger documents.

4. Approval of any ordinary or special resolutions in respect of the Company, prior to proposing such resolutions to the shareholders.
5. Any decision to list or de-list the Company's shares on any stock exchange.
6. Credit limits in excess of the prudential threshold.
7. Actuarial Reports.

**e. Governance**

1. Changes to the Board Charter or powers, limits and authorities of Board Committees.
2. Changes to the Delegation of Authority to the CEO.
3. Minutes of previous Board meetings.

**f. Human Resources**

1. Appointments to and removals from the Board, including the appointment of the Chairman or Lead Independent Director, non-executive and executive directors, and the nomination of alternate directors (if any), as recommended by the Nominations Committee.
2. The Board is permitted to remove any director without shareholder approval.
3. Appointment of members to Board Committees and the Boards of major subsidiaries within Momentum Metropolitan group of companies.
4. Changes to Directors' fees as recommended by the Remuneration Committee.

**g. Delegation of Authority**

1. Any matter in the Framework for the Delegation of Authority, for which the Board has reserved powers for itself, i.e. excesses over any limits granted by the Board

## Annexure B - Code of Conduct for Directors

- a. The Board expects its members, both individually and collectively, to act ethically and in a manner consistent with the values of the business and beyond mere legal compliance.
- b. A director must act honestly, in good faith and in the best interest of the Company as a whole, at all times.
- c. A director must use the powers of office for a proper purpose, and shall use due care and diligence in fulfilling the functions of the office and exercising the powers attached to that office.
- d. A director must recognise that the primary responsibility is to the Company's shareholders, but should also have regard to the interests of all stakeholders of the Company.
- e. A director must not make improper use of information acquired as a director, and must not take improper advantage of their position as director.
- f. Board members must be fully prepared for Board meetings to be able to provide appropriate and constructive input on matters for discussion.
- g. A director has an obligation to be independent and impartial in judgment and actions, and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
- h. Confidential information received by a director in the course of the exercise of their duties as a director of the Company remains the property of the Company and it is improper to disclose it, or allow it to be disclosed, unless disclosure has been authorised by the Company, or the person from whom the information is provided, or when such disclosure is required by law.
- i. A director must not allow personal interests, or the interests of any associated person, to conflict with the interests of the Company.
- j. A director should not engage in conduct likely to bring discredit upon the Company.
- k. A director has an obligation, at all times, to comply with the spirit, as well as the letter, of the law.
- l. Directors should ensure, to the extent applicable in their capacities as Directors, compliance with all legislation, such as the Companies Act, JSE Listings requirements, Financial Markets Act, as well as applicable governance principles and the principles of this Code of Conduct.
- m. Directors will complete annual declarations of interest as required by legislation, regulations and internal Momentum Metropolitan Group policies.
- n. Directors should take steps to ensure that they have sufficient working knowledge of the Company, the wider Momentum Metropolitan Group and the context in which the Company operates.

## Annexure C - Conflict of Interests

- a. The Companies Act requires directors to disclose their personal financial, economic and other interests, and those of persons related to them; in contracts or other matters in which the Company has a material interest or which are to be considered at a Board meeting. Directors are required to disclose any potential conflict of interest as soon as they become aware of it.
- b. A director shall not be disqualified, by virtue of his office, from contracting with the Company or any of its subsidiaries. However, each director shall minimise the possibility of any conflict of interest with the Company, by restricting involvement in other businesses that would be likely to lead to a conflict of interest.
- c. Full disclosure of the nature of a director's interest on any matter before the Board, is required prior to commencement of meetings, and a director may not vote on any matter in which he or she has an interest.
- d. Where conflicts of interest do arise, directors shall recuse themselves from related discussions at the discretion of the Chairman and in accordance with the listings rules of the stock exchanges on which the Company is listed.
- e. A register of declarations of interest shall be kept and maintained by the Group Company Secretary.
- f. Executive directors must distinguish between their role as director and that of manager. If these roles conflict, they should withdraw from the discussion and voting. An executive director, when acting as a director as opposed to when acting as a manager, is not accountable to the Group CEO in the hierarchal sense for their actions and/or vote.
- g. The Chairman may with good reason request executive directors to excuse themselves from any part of the Board meeting. This is especially applicable during deliberations relating to executive performance and/or remuneration.
- h. Should non-executive directors meet without the executive directors present, the non-executive directors shall not resolve on, or engage in matters relating to the business of the Company that would ordinarily require the involvement of the executive directors.
- i. Non-executive directors may be categorised as independent if the Board concludes that there is no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision making in the best interest of the Company.