

**Comprising:**

CONDUIT CAPITAL LIMITED AND ITS SUBSIDIARIES; AND  
ENTITIES ASSOCIATED WITH AND/OR CONDROLLED BY A DIRECTOR OF CONDUIT CAPITAL LIMITED

HEREINAFTER REFERRED TO AS THE “CONDUIT GROUP” OR “THE COMPANY”

# Table of Contents

**INTRODUCTION AND CONSTITUTION ..... 2**

**MEMBERSHIP ..... 3**

**TERMS OF REFERENCE..... 3**

**RESPONSIBILITIES ..... 4**

**AUTHORITY ..... 4**

**MEETING PROCEDURES..... 5**

**REPORTING ..... 6**

**ENFORCEMENT ..... 7**

**REMUNERATION..... 7**

**GENERAL ..... 7**

**CLOSING ..... 7**

**REVISION HISTORY..... 8**

The Conduit Capital Limited group of companies recognise the importance of operating in an open and transparent manner in all aspects of its business, be it with clients, suppliers, service providers or members of the greater business community, be they directly a part of the financial services industry or not. Whilst legislative requirements may be the foundation of this policy, this statement is more practical in its application and utilises basic business ethics and practices as its overall primary standard. This policy statement has been approved by the board of directors of the above listed insurers and the Financial Service Providers.

Approved by the Board of Directors

Date: 5 October 2018

## INTRODUCTION AND CONSTITUTION

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The Umbrella Investment Committee (“the Committee”) has been established by the Board of Directors (“the Board”) of the Company as a key element of sound corporate governance practice.

## MEMBERSHIP

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- The Committee should consist of no fewer than three (3) members, a majority of whom must be independent non-executives, who are appointed by the Board on the recommendation of the Nominations Committee.
- The Board shall appoint a non-executive director as the Committee Chairperson and determine the period for which he/she shall hold office.
- The members of the Committee must collectively have sufficient qualifications and experience to fulfil their duties.
- The Board may from time to time consider the composition of the Committee and make such changes thereto as it deems fit.
- The following persons shall attend all Committee meetings as invitees in an ex-officio capacity, unless otherwise decided by the Chairperson of the Committee:
  - the Chief Executive Officer;
  - the Chief Financial Officer;
  - the executive responsible for Human Resources; and
  - any other persons, as determined by the Chairperson required to attend a specific meeting (or part thereof) to report on any particular matter/issue.

## TERMS OF REFERENCE

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The committee has an independent role, operating as an overseer and makes recommendations to the board for its consideration and final approval. The committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

The role of the committee is to assist the board:

- In considering investment opportunities in respect of properties, listed securities and other corporate action.
- To approve acquisitions, disposals and capital expenditure in line with the limits of authority delegated to it and in line with the strategy determined by the board.

## RESPONSIBILITIES

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The main purpose of the Committee is to consider and provide direction and assurance to the Board on strategic considerations and risks in respect of the proposed investments or divestments within the Group prior to approval by the Board.

The Committee's specific duties and main areas of focus are the following:

- capital investments;
- merger and acquisition transactions or forming of joint ventures;
- divestitures or disposal, encumbrance or transfer of tangible or intangible property or assets not in the normal course of business or below market value;
- approve any deviation of up to 10% (cumulative) from the capital budget for any project of which the initial Board approved capital expenditure and will inform the Board of such deviation;
- monitor the execution or implementation of any Board approved investments, divestments and disposals failing in one of the above categories;
- monitor mergers and acquisitions and take-over activities on a Group level;
- when evaluating and monitoring any matter within its mandate, the Committee should as appropriate to the applicable phase of the project:
  - assess alignment with the Group strategy, financial viability, financing, feasibility and sustainability;
  - assess the cost benefit analysis, considering key risks and the short- and long-term environmental and social-economic impacts, ensuring the necessary mitigation controls are implemented;
  - assess the sensitivity to determine whether investments would remain feasible if assumptions used in the calculations/projections were to change;
  - assess cost effectiveness and arrangements for implementation to ensure efficiency and execution within time and budget;
  - consider the Group structure and funding strategies which would best support the investment; and
  - consider the appropriateness of a communication strategy, if applicable.

## AUTHORITY

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- The Committee is obliged to account to the Board, shareholders and other stakeholders with regards to the execution of its functions and responsibilities.
- The Committee is obliged to act in accordance with the Investment and Capital Allocation Policy as approved by the Board.

- The members of the Committee are collectively responsible for decisions taken in dispensing with its mandate.
- Through the annual Board evaluation process, the Committee shall review and report to the Board on its operating effectiveness and performance.

## MEETING PROCEDURES

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### FREQUENCY

- Meetings of the Committee will be held as frequently as the Committee considers appropriate, but it will normally meet not less than twice a year.
- The Committee must hold sufficient scheduled meetings to discharge all its duties as set out in this Terms of Reference.

### AGENDAS, MEETING PAPERS AND MINUTES

- A detailed agenda, together with supporting documentation must be circulated approximately seven (7) days prior to each meeting to the members of the Committee and other invitees.
- The Chairperson, with the assistance of the Company, must ensure that the agenda, as prepared, raises all relevant issues requiring attention in such a way and sequence that effective proceedings are facilitated.
- The minutes must be completed, by the Company Secretary, within two (2) weeks of the meeting. The draft minutes must be circulated to the Company for review, where after the minutes shall be circulated to the Chairperson for review.
- The minutes will be formally approved by the Chairperson at its next scheduled meeting and will thereafter be signed by the Chairperson.
- The directors must treat the meeting papers with the strictest of confidence and to manage their electronic access to their meeting packs with due care and vigilance.

### ATTENDANCE

- Directors shall attend all Committee meetings and prepare adequately.
- Directors who are unable to attend a meeting should advise the Chairperson or the Company Secretary at least one (1) week prior to the intended meeting date.
- Directors may invite any person to attend specific meetings or part of a meeting, with the prior approval of the Chairperson.
- Directors are expected to provide appropriate and constructive input on matters for discussion and also to participate fully, frankly and constructively in order to bring the benefit of their particular knowledge, experience, skills and abilities to bear in discharging their duties as directors.

- Executive management, assurance providers and advisors may be in attendance at meetings, but by invitation only.
- Invitees shall not have a right to vote at the meetings of the Committee.

## QUORUM

- The Committee shall not have a quorum to proceed with a meeting if more than one of its members is not present.
- Invitees and a representative of the Company Secretary shall not be taken into account when determining a quorum.

## WRITTEN RESOLUTIONS

- A resolution in writing, signed by all the members of the Committee shall be as valid and effectual as if it has been passed at a duly constituted meeting of the Committee, provided that each member of the Committee was afforded reasonable opportunity to express an opinion on the matter to which such resolution relates.

## COMPANY SECRETARY

- The Company Secretary provides a central source of guidance and support to the Board and its committees and within the Company on matters of good governance and changes in legislation.
- The Committee is aware of the duties of the Company Secretary and empowers them to fulfil those duties.
- The Company Secretary maintains an arms' length relationship with the Board and its directors as far as is reasonably possible.
- The Company Secretary is not a director of the Company and has a direct channel of communication to the Chairperson.
- The Company Secretary is accountable to the Board.
- The Company Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute these accordingly.
- The Company Secretary shall be the secretary of the Committee.

## REPORTING

- The Chairperson of the Committee shall report to the Board on its proceedings, after each meeting, on all significant matters within its duties and responsibilities as set out in these Terms of Reference.
- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is required.

## ENFORCEMENT

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These terms of reference shall be recommended to the Board by the Committee, following a review by its members and ultimately approved by the Board.

## REMUNERATION

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- The Board will determine the level of remuneration for non-executive directors and remuneration to be approved at the Annual General Meeting of shareholders, as set out in the Companies Act.
- Executive directors shall not receive any fees but will be paid as employees of the Company in accordance with their contracts of employment with the Company.

## GENERAL

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- Unless varied by these Terms of Reference, meetings and proceedings of the Committee will be governed by the Company's MOI, regulating the proceedings of the meetings of the Committee.
- The Committee, in carrying out its responsibilities under these Terms of Reference is authorised to investigate any matter within its terms of reference, may at its discretion, require other employees of the Company to attend meetings or parts of meetings and may consult with and seek any information it requires from any employees. All employees shall be required to cooperate with any request made by the Committee in the course of its duties.
- The Committee may obtain such outside or other independent professional advice as it considers necessary to carry out its duties, in terms of the approval process determined by the Board.
- The Board will ensure that the Committee will have access to professional advice both inside and outside the Company for it to perform its duties.

## CLOSING

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The Group may amend this Terms of Reference from time to time and shall be reviewed no less than once within each calendar year cycle. Reasonable efforts will be made to inform all members of any amendments to the policy. Non-compliance with this Terms of Reference will be dealt with in accordance with the Code of Conduct.

## REVISION HISTORY

Version	Date	Author	Organisation	Revision
1.0	May 2015	R. Kok	Ops Manager	Created charter
2.0	Feb 2018	R. Kok	Ops Manager	Amendments made for review by CoSec
3.0	Aug 2018	R. Kok	Ops Manager	Amendments made for review by Board