

BOARD MEETINGS

Directors are required to attend all board meetings. The board follows a formal workplan that includes strategy, operational and financial performance, risk and governance. Progress against the group's strategic objectives is reported on at each meeting.

The company secretary is responsible for circulating the agenda and other meeting papers in good time. Formal board papers are prepared for each item on the meeting's agenda, including reports by the executive office. At least four board meetings are held annually, one of which includes a strategic review.

BOARD AND COMMITTEE MEETING ATTENDANCE FOR THE YEAR UNDER REVIEW

Number of meetings held for the year	Board	Audit, risk and compliance	Nominations	Remuneration	Social and ethics	Asset and liability
	4	3	2	2	2	4
Board member	Status					
Christopher Seabrooke	3	2	1	1	-	3
Phumzile Langeni	4	3	-	-	2	-
Moses Kgosana ¹	4	2	-	-	-	-
Kuben Pillay	4	-	2	2	-	-
Olufunke Ighodaro ²	3	3	-	-	-	3
Roberto Rossi	4	-	2	2*	-	-
Paul Miller ³	2	-	-	1	-	-
David Hurwitz	4	3*	2*	2*	2	4
Mark Herskovits	4	-	-	-	-	4
Jonathan Jawno	4	3*	2*	2	-	4
Michael Mendelowitz	4	-	2*	2*	-	-
Ronen Goldstein	4	3*	2*	2*	2	4*

* Invitee

1. Moses Kgosana resigned on 8 September 2017.

2. Olufunke Ighodaro was appointed as an independent non-executive director on 1 April 2017 and attended all relevant meetings since date of appointment.

3. Paul Miller was appointed as a non-executive director on 1 July 2017 and attended all relevant meetings since date of appointment.

Succession planning

The nominations committee is responsible for formulating the formal succession plans of the board, the CEO and the CEO's direct reports. The committee reviews these succession plans annually. On approval of the succession plans, the CEO conducts alignment discussions with potential successors, where necessary, which may result in direct development interventions.

PRINCIPLE 8:

Committees of the governing body

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.

Board sub-committees

A delegation of authority is in place for board sub-committees. Board sub-committees have terms of reference, which are reviewed annually.

The governance function of the board sub-committees is outlined in the respective approved committee terms of reference.

Included in each committee's terms of reference is the imperative to enhance the standard of governance within the group, together with clearly defined authority delegation and reporting procedures. The board receives formal feedback from the chairman of each committee at each board meeting. Copies of the minutes of committee meetings are included in board documentation.

To align with King IV, changes were made to committee compositions, which were effective from 1 November 2017. Paul Miller has been appointed to the remuneration committee, replacing Jonathan Jawno, and Kuben Pillay has been appointed to the social and ethics committee, replacing Ronen Goldstein.

BOARD SUB-COMMITTEES AT DATE OF REPORT

	NOMINATIONS	REMUNERATION	SOCIAL AND ETHICS	AUDIT, RISK AND COMPLIANCE	ASSET AND LIABILITY
Chairperson	Christopher Seabrooke ¹	Kuben Pillay ¹	Phumzile Langeni ¹	Olufunke Ighodaro ¹	David Hurwitz ³
Members	Roberto Rossi ² Kuben Pillay ¹	Christopher Seabrooke ¹ Paul Miller ²	David Hurwitz ³ Kuben Pillay ¹	Phumzile Langeni ¹ Christopher Seabrooke ¹	Christopher Seabrooke ¹ Olufunke Ighodaro ¹ Mark Herskovits ³ Jonathan Jawno ³
Functions managed	<ul style="list-style-type: none"> Directors People Succession 	<ul style="list-style-type: none"> People Remuneration Retention 	<ul style="list-style-type: none"> Transformation Sustainability Ethics 	<ul style="list-style-type: none"> Accounting, tax and compliance Information and technology Internal audit Risk Credit 	<ul style="list-style-type: none"> Funding Liquidity Capital
Number of meetings per year	At least two	At least two	At least two	At least three	At least four
Composition	Non-executive directors, the majority of whom are independent. The chairman is the independent non-executive chairman of the board.	All members are non-executive, the majority of which are independent.	The chairperson is an independent non-executive director. The committee comprises a majority of non-executive directors.	Independent non-executive directors.	Includes an independent non-executive director as necessary.

1. Independent non-executive director.

2. Non-executive director.

3. Executive director.

PRINCIPLE 9:

Delegation to management

The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

Assessment of the effectiveness of the board, its committees and the company secretary

A formal performance evaluation of the board, its committees and the company secretary is conducted annually by means of an evaluation questionnaire, to review the mix of skills, performance during the year, contribution and independence of individual directors, and the effectiveness of committees. Results of the evaluations provide the basis for improvement of the board and its committees for the following year.

The nominations committee workplan allows for a discussion of board performance as well as that of committees, the chair and members.

Based on the annual evaluations undertaken during November 2017, the board is satisfied that:

- All directors are committed to their roles and are performing to acceptable standards.
- The board and its committees are effective and operating to an appropriate standard.
- The group's risk management processes are operating effectively.
- All directors and committee members have the appropriate qualifications, experience and skills required to fulfil the respective committee's mandate.
- Independent non-executive directors meet the criteria for independence in terms of King IV.
- The expertise, performance and experience of the chairman, CEO, financial director, internal audit executive and the company secretary are adequate (refer principle 7 starting on page 76).