



## **EPE CAPITAL PARTNERS LTD**

### **BOARD OF DIRECTORS ("the Board")**

#### **CHARTER**

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The Board of EPE Capital Partners Ltd ("Ethos Capital") comprises entirely of Non-Executive Directors, with the majority of Non-Executive Directors being Independent directors. The Non-Executive Directors selected provide broader relevant knowledge and support the formulation of investment strategy and policy.

#### **1. Constitution**

The Board of Directors of Ethos Capital is governed by:

- 1.1. The Constitution of Ethos Capital (the "Constitution");
- 1.2. the Mauritius Companies Act, 15 of 2001 (as amended);
- 1.3. the JSE listings requirements;
- 1.4. any other applicable Acts, legislation or regulations; and
- 1.5. prevailing codes of good governance, and this Charter.

#### **2. Reporting line**

This Board reports to the shareholders of Ethos Capital at least on an annual basis.

#### **3. Composition**

##### **3.1. Membership**

In terms of the Constitution, the number of Directors shall not be less than four.

Given the nature of the Company and its Investment Services Agreement with Ethos Private Equity, there will be no executive directors on the Board, which will comprise entirely of Non-Executive Directors, the majority of whom shall be independent Non-Executive Directors.

At each Annual General Meeting ("AGM") at least one-third of Non-Executive Directors will retire on rotation, as per the Constitution. Retiring Directors are eligible for re-election until they have completed nine years of service as a Director.

Proposals for further re-appointment after nine years of completed service must have the unanimous consent of the entire Board, after due consideration of the Director's continuing objectivity, independence and suitability.

Proposed appointments to the Board shall be on the recommendation of the Directors or of the shareholders, following formal and transparent processes.

All new Director appointments and re-appointments shall be approved by the shareholders at the AGM.

On appointment to the Board, the Non-Executive Directors shall receive a formal letter of appointment setting out clearly the roles and responsibilities, time commitment, and Board Committees to serve on (if applicable). This Board charter shall be attached to all letters of appointment.

An induction programme, aimed at ensuring an understanding of the role and responsibilities of the Board and their duties as a Director, and of Ethos Capital's business and its operating environment, shall be conducted for all newly appointed Directors.

Any Non-Executive Director shall be at liberty to accept appointments to other Boards, provided that such appointments do not result in any conflicts of interest with Ethos Capital or their responsibilities to this Board.

Directors carry full fiduciary responsibility and owe a duty of good faith, care, skill and diligence to Ethos Capital in terms of the law, good governance and the Ethos Capital Code of Ethics and Conduct.

The members of the Board shall be expected to:

- Acquire a working knowledge and understanding of Ethos Capital's business and the laws, regulations and customs that govern the activities of the business;
- Keep abreast of changes and trend in Ethos Capital's business and the economic, political and social, and legal climate in general;
- Make independent and sound business decisions and recommendations; and
- Exercise responsible stewardship at all times and uphold the highest ethics in conduct.
- Submit to the Board a declaration of all financial, economic and other interests held by the member and related parties at least annually, or whenever there are significant changes.

Individual Directors are permitted to take independent professional advice in fulfilling their duties, having followed due process.

### **3.2. Attendees at Board meetings**

3.2.1. All Directors, as members of the Board;

3.2.2. the Senior Advisers as per the Investment Services Agreement with Ethos Private Equity; and

- 3.2.3. any other persons, including as recommended by the Senior Advisers, as determined by the Chairperson of the Board, required to attend a specific meeting, or part thereof, to report on any particular matter or issue.

Non-member attendees who attend Board meetings shall have the right to attend and speak at Board meetings. The Chairperson of the Board may ask any of the attendees to withdraw from the meeting.

No member or attendee shall participate in any discussion or decision in respect of their personal position or standing at Board level.

### **3.3. Chairperson**

The Chairperson shall be elected by the Directors from amongst the Board members, and shall be an independent Non-Executive Director.

The Chairperson shall chair each Board meeting. In their absence, the Directors present will elect a Chairperson of the meeting.

The Chairperson of the Board shall attend and chair the AGM and answer questions concerning the business of Ethos Capital.

The Board shall, at least annually, consider the need to appoint an independent Non-Executive Director as the Lead Independent Director.

### **3.4. Quorum**

The quorum for decisions of the Board shall be a majority of Directors present, in person or electronically, as per the constitution.

A Board meeting may not begin, nor may consideration of a matter to be decided at the Board meeting begin, unless a majority of Directors are present at the meeting.

For purposes of counting a quorum at any time, a Director who is personally present at the meeting, or who participates in person electronically in terms of clause 3 of schedule 3 of the constitution, shall be counted towards a quorum at that time.

Non-members in attendance at Board meetings may participate in discussions but do not form part of the quorum for Board meetings or decisions.

## **4. Terms of Reference, Role and Responsibilities**

The Board is ultimately responsible for Ethos Capital's business, strategy and key policies, and approving Ethos Capital's financial objectives, targets and final investment decisions, including to:

- Define and implement the long term strategic vision of Ethos Capital.
- Define and implement Ethos Capital's investment strategy; evaluate and make commitments to Ethos Private Equity Funds or Direct Investments.

- Approve the annual business plan and budgets.
- Perform required approvals per the Ethos Capital Approvals Framework from time to time.
- Promote organisational integrity and monitor and oversee Ethos Capital's values and ethics.
- Advise on Director succession planning.
- Monitor and review Ethos Capital's performance and delivery against strategy, business plans and budget.
- Monitor and review the performance and delivery of services by Ethos Private Equity in terms of the Investment Services Agreement.
- Monitor, review and evaluate the performance of the Portfolio.
- Represent Ethos Capital on, be a member of relevant Ethos Private Equity Funds' Advisory Boards where appropriate, where invested.
- Monitor and oversee Ethos Capital's recognition and management of risk, via the Audit and Risk Committee.
- Monitor and oversee the appropriateness of financial processes, systems and controls, via the Audit and Risk Committee; protecting Ethos Capital's financial resources and position.
- Monitor the appropriateness of business processes, systems and controls, effectiveness and competitiveness of Ethos Capital.
- Approve the Annual Financial Statements and the Integrated Annual Report, after review and approval by the Audit and Risk Committee.
- Monitor and oversee the appropriateness of regulatory compliance, processes and reporting, via the Audit and Risk Committee; protecting Ethos Capital's regulatory reputation.
- Monitor the policies and processes for open and honest communication with shareholders, staff, and other stakeholders; protecting Ethos Capital's business reputation.
- Review the remuneration of Directors, via the Remuneration Committee.
- Review the performance of the Company Secretary, as well as their competence, qualifications and experience, annually, and report on whether or not the Board is satisfied therewith, to the shareholders in the Integrated Annual report.
- Monitor and advise on the management of potential conflicts of interest of, and with, Board members, Senior Advisors, shareholders and wider stakeholders.
- Monitor and appreciate stakeholders' perceptions affecting Ethos Capital's reputation.
- Review the performance of the Board, the Directors, and of Board Committees, and report on whether the Board is satisfied that it has fulfilled its responsibilities in accordance with its charter for the reporting period.

The Board has the authority to seek any information that it requires from any executive or employee of Ethos Capital, and may, in carrying out its tasks under these terms of reference, obtain outside or independent professional advice as it considers necessary to carry out its duties, having followed due process, at Ethos Capital's expense.

## **5. Delegation, and Board Committees**

The Board may delegate certain of its functions to Board Committees, to meet either Ethos Capital's or the Board's objectives.

These Committees will be formally structured, with formal charters or terms of reference.

Board Committee chairpersons will report to the Board on Committee affairs, deliberations and recommendations.

Board Committees currently established include:

- Audit and Risk Committee.
- Investment Committee.
- Remuneration Committee.
- Social and Ethics Committee.

The Board recognises that the establishment of such Committees does not absolve the Board from any of its responsibilities, nor diminish the Board's responsibilities and accountability.

## **6. Rights of Board Members**

Each Board member has the right to/of:

- Be properly informed of all material or relevant decisions relating to Ethos Capital prior to them being taken.
- Receive timely, balanced reports relating to the performance or any matter relating to Ethos Capital.
- Unrestricted access to information.
- Access to Senior Advisors and/or representatives of Ethos Private Equity, provided necessary protocols are observed.

## **7. Meeting Procedures**

### **7.1. Frequency**

The Board of Directors will meet at least twice per year. The Chairperson of the Board, or any member in consultation with the Chairperson, may call further meetings.

### **7.2. Secretarial**

The Company Secretary shall record the proceedings of each meeting, which shall be maintained in the minute book. The draft minutes of each meeting shall be reviewed by the Chairperson of the Board, and upon finalisation shall be circulated to each member.

The minutes will be formally approved by the Board at the next scheduled meeting.

### **7.3. Agenda**

The agenda shall be prepared by the Company Secretary in conjunction with the Chairperson of the Board and the Senior Advisers, to reflect the matters for discussion at each meeting.

The agenda with the accompanying documentation shall be circulated to the members and attendees at least 5 (five) working days prior to the meeting.

The Board agendas for the year will ensure that the Board role and responsibilities are all adequately catered for with sufficient time and frequency for effective discussion, across the scheduled meetings for the year.

Board members must be fully prepared for Board meetings to be able to provide appropriate and constructive input on matters for discussion.

#### **7.4. Attendance Register and Conflict Declarations**

An attendance register shall be maintained for all meetings and shall be signed by each Board member and all attendees, as indication of their attendance of that meeting.

At the beginning of each meeting of the Board and its Committees, all members shall declare any conflict of interest in respect of a matter on the agenda. Any such conflicts should be proactively managed as determined by the Board, subject to legal provisions.

The conflict of interest declarations register will also be maintained, and signed by each Director at each meeting.

### **8. Review and Approval of this Charter**

This Charter was reviewed and approved by the Board on 11 July, 2016.

This Charter will be reviewed and amended as appropriate, and approved by the Board from time to time.

The dates of subsequent reviews and amendments of this Charter, and Board approval thereof are recorded in **Annexure A** to this Charter.

