



**LIBERTY**

LIFE INVESTMENTS HEALTH CORPORATE PROPERTIES ADVICE

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## **EXECUTIVE COMMITTEE MANDATE**

For approval at the Exco meeting to be held on 12 May 2015

**Level** Liberty Holdings Limited

**Date** April 2015

## **1. Constitution**

- 1.1 The Board has delegated authority to the chief executive or any executive director for the time being of the company to manage the business and affairs of the company from time to time, with full power on behalf of and in the name of the company.
- 1.2 The committee is constituted as a sub-committee of the Liberty Holdings Board and operates under delegated authority from that body.

## **2. Purpose**

- 2.1 The Executive Committee has been established to assist the chief executive or any executive director for the time being of the company to manage, direct, control and co-ordinate the business activities and affairs of the company from time to time, subject to statutory limits and the board's limitations on delegation of authority to the chief executive, to achieve sustainable growth within approved risk profile.
- 2.2 The Committee assists the chief executive in guiding and controlling the overall governance and direction of the business of the group and acts as a medium of communication and co-ordination between business units and group companies, the Board, shareholders, Regulators and other key stakeholders.

## **3. Composition**

- 3.1 The membership of the Committee will consist of the chief executive, executive directors and all the customer facing unit (CFU) chief executives for the time being of the company and other executive management at the discretion of the chief executive.
- 3.2 Membership is determined at the discretion of the chief executive who shall have the power to remove any member from the Committee and to fill such vacancies as he deems fit.
- 3.3 The head of internal audit will submit written reports to meetings and will be invited to attend meetings at the discretion of the chief executive.
- 3.4 Senior management may be invited to meetings of the Committee.
- 3.5 The chairman of the Committee will be the chief executive and in his absence, any member nominated by himself.
- 3.6 If required, specialists may be co-opted to the Committee.
- 3.7 The secretary will be the Group Secretary.

#### **4. Reporting Responsibilities**

- 4.1 The Committee shall report to the Board through the chief executive who is accountable to the Board to manage the business and affairs of the company in terms of the delegation of authority.
- 4.2 Minutes of meetings will be submitted to the Board.
- 4.3 The chief executive shall express an opinion at least quarterly to the Board on the performance of the company.
- 4.4 The Committee shall express an opinion annually to the Board on the adequacy and effectiveness of its own performance.

#### **5. Authority**

- 5.1 The Committee shall have authority to:
  - 5.1.1 Access any information it needs to fulfill its responsibilities;
  - 5.1.2 Seek independent advice at the group's expense, subject to approved policy;
  - 5.1.3 Investigate matters within its mandate;
  - 5.1.4 Consult with, and receive the full co-operation of, any employee where necessary to fulfil its responsibilities; and
  - 5.1.5 Form and delegate authority to sub-committees and may also delegate authority to one or more designated members of the Committee, within clearly defined limits.

#### **6. Committee Operation**

- 6.1 The Committee will meet at least ten times during the year, or as often as the needs of the business require. Additional meetings will be held annually to discuss talent, succession and organisational structure.
- 6.2 A quorum for Committee meetings shall consist of half of the members plus one, present in person, by video or tele-conference. If a quorum is not present, the meeting may be continued with on condition that:
  - the chief executive is present; and
  - the business undertaken by that meeting is confirmed at the next meeting.
- 6.3 Papers for consideration by the Committee will be submitted, in the normal course, at least 4 days before the meeting to enable members to study the documentation and allow adequate opportunity for formal and informal discussions.
- 6.4 Decisions will be based on consensus. In the event that there is no consensus, the chairman has the discretion to make the decision or to refer the matter to the Board for decision.

- 6.5 Minutes of the meetings shall record the proceedings and decisions taken, and declarations of personal interest made, together with how these were addressed.
- 6.6 Round robin approvals may be made but only where there is a business requirement for a decision which cannot be held over until the next scheduled Committee meeting. A resolution by round robin shall be passed by a majority of members being not less than the number and composition required to constitute a quorum. It may be done by electronic means, and shall have full force and effect as if passed by a majority of members personally present. If there are any votes against the resolution, an urgent meeting shall be called on the matter.
- 6.7 Members may participate in a meeting by electronic means.
- 6.8 The Committee will review its mandate on a regular basis.
- 6.9 It is the responsibility of the members to ensure that the information discussed at the meeting or included in the meeting packs remains confidential.

## **7. Terms of Reference**

The Committee is conferred with the power to take any action necessary to manage the group and fulfill its responsibilities to the board which include, inter alia:

- 7.1 Strategy:
- Formulation of the group's overall strategy, targets (both financial and non-financial) that are to be approved by the Board of directors;
  - Delivery of the group strategy as approved by the Board of directors and review of the performance against the agreed financial, non-financial and operational targets of the group;
  - Execution of group-wide strategic issues and opportunities;
  - Management of the brand, advertising campaigns and strategies; and
  - Approval of individual business unit strategies and targets.
- 7.2 Financial Management:
- Monitor the group's financial performance;
  - Monitor actual performance against budget and financial indicators;
  - Ensuring adequate budget and planning processes;
  - Consider operational expenditure for the group;
  - Monitor operational performance of the group and its subsidiaries and where appropriate significant business units;
  - Consider any significant changes proposed in accounting policy or practice; and
  - Ensure that the company has adequate systems of financial and operational internal controls. Review the adequacy and the level of compliance with such systems.

- 7.3 Capital Management:
- and Delegate the management of the balance sheet to the Group Balance Sheet Management Committee (“GBSMC”), including, but not limited to, the following:
    - o taking any and all actions necessary to manage the Group’s capital;
    - o Ensuring the efficient use of capital;
    - o Considering capital funding, capital expenditure for the group;
    - o considering and approve recommendations on the structuring of available capital, capital raising and capital forecasting; and
    - o monitoring the financial returns from the market, credit and liquidity risks taken across the balance sheet.
- 7.4 Governance:
- Review relevant and / or material submissions to Board / Board Committees prior to those meetings, unless otherwise agreed by the chief executive;
  - Establish and review major changes to group policies and make recommendations to the Board, where appropriate;
  - Recommend the corporate governance and risk management objectives for approval by the Board; and
  - Determine the terms of reference and procedures of key management committees it forms and delegates authority to, by approving their mandates and reviewing their minutes and reports, where necessary.
- 7.5 Risk management:
- Delegate oversight of all risk issues within the group to the Group Control and Risk Oversight Committee (“GCROC”), including, but limited to, the following:
    - o Considering and reviewing regulatory environmental and other issues impacting on its operations;
    - o Considering, reviewing and monitoring reputational matters affecting the group;
    - o Ensuring the integrity of the integrated report and establish sub-committees to assist in this process; and
    - o Considering IT governance and IT risk management.
- 7.6 People / Transformation:
- Execute on the group wide talent management strategy and capability;
  - Approve all nominations for executive talent development programmes; and
  - Approve transformation targets for the group, for review by the Group Transformation Committee.
- 7.7 Oversight of committees:
- Monitor the progress and performance of sub-committees it establishes; and
  - Receive recommendations and proposals from these committees.

## 7.8 Other

- Deal with any other matters that may be delegated/referred to Exco by the Board via the chief executive;
- Consider non-financial matters; best practice; technical and human resources issues; and
- Considering any other action necessary to manage the group and fulfil its responsibilities to the Board.

## 7.9 Board Approvals

7.9.1 The committee will report on the following matters to the board or relevant board committee for approval:

- significant capitalisations, acquisitions, disposals and new strategic alliances;
- annual budget, forecasts, business plans and capital expenditure plans;
- Operational expenditure beyond agreed limits;
- significant changes to policies;
- values, code of ethics and strategic plans;
- Regulatory matters requiring board approval, e.g. risk appetite, stress testing scenarios;
- organisational structures and policies regarding delegation of authority to management;
- Strategic marketing / branding issues; and
- Stakeholder management.

## 7.10 Board Information and Guidance

7.10.1 The committee will refer the following matters to the Board or relevant Board Committee for information and guidance:

- senior management succession, appointments and performance;
- human resources policies or labour union issues;
- new services and products;
- major marketing and advertising strategies and campaigns;
- risk parameters and policy;
- credit policy and credit management strategies;
- sponsorship policy.