



LIBERTY

LIFE INVESTMENTS HEALTH CORPORATE PROPERTIES ADVICE

RELATED PARTY COMMITTEE MANDATE

Level	Liberty Holdings Limited
Date	November 2017

1. Constitution

- 1.1 The Committee is constituted as a committee of the Board of Liberty Holdings Limited in terms of its Memorandum of Incorporation and operates under delegated authority.
- 1.2 The Committee's responsibilities cover Liberty Holdings Limited, Liberty Group Limited and all subsidiaries (the company).

2. Purpose

- 2.1 The Related Party Committee (the Committee) has been established to facilitate the optimisation of the relationship between Liberty and Standard Bank and assist the Board in discharging its governance obligations in respect of material related party transactions. The Committee will only review related party transactions after the business case has been approved by the Significant Transactions Committee.

3. Composition

- 3.1 The Committee will comprise at least two members, all of whom shall be independent non-executive directors of the company.
- 3.2 The Lead Independent Director shall be the chairman of the Committee.
- 3.3 If necessary, and in accordance with Group policy, specialists may be co-opted to the Committee as consultants.
- 3.4 If any of the members of the Committee are conflicted due to the nature of a transaction that is being considered and therefore recuse themselves from voting, then a replacement, nominated by the chairman, shall be co-opted from the Board to serve on the Committee just for that meeting.
- 3.5 The secretary shall be the group secretary.
- 3.6 Additional attendance at meetings as required:
 - Chief executive;
 - Financial director;
 - Group corporate officer;
 - Chief risk officer;
 - Legal advisors;
 - Executive management.
- 3.7 The remuneration of the chairman and Committee members will be at the ad hoc meeting rate as recommended by the Group Remuneration Committee and approved by the Board for ultimate shareholder approval.
- 3.8 Committee members shall attend all scheduled meetings of the Committee including meetings called on an ad hoc basis unless prior apologies, with reasons have been submitted to the chairman or company secretary.
- 3.10 Conflicts of interest of any member of the Committee shall be disclosed at the commencement of each meeting and recorded in the minutes of that meeting.

4. Quorum

4.1 The quorum will be two members.

5. Term

5.1 The Board shall review and approve the members of the Committee at least once a year.

5.2 The Board shall have the power at all times to remove any members from the Committee and to fill any vacancies created by such removal.

6. Reporting Responsibilities

6.1 The Committee reports to the Board and makes recommendations to the Board through its chairman.

6.2 Minutes of the meeting will be available to the Board through the chairman.

6.6 The chairman shall be present at the Liberty Holdings Annual General Meeting to answer questions from shareholders.

6.7 The Committee shall express an opinion annually to the Board about the adequacy and effectiveness of its own performance.

7. Authority

The Committee shall have authority to:

7.1 Access any information it needs to fulfill its responsibilities;

7.2 Seek independent advice at the Group's expense, subject to approved policy;

7.3 Investigate matters within its mandate and delegate its authority and duties to sub-committees or individual members of the Committee as it deems appropriate provided it is not precluded from doing so by legal or regulatory requirements;

7.4 Access the chief executive, executive directors, head of internal audit, financial director, chief risk officer, the external auditors and other management as required;

7.5 Consult with, and receive the full co-operation of, any employee where necessary to fulfill its responsibilities including attendance by employees at Committee meetings if so required;

7.6 access any other reasonable resources it requires to fulfil its mandate.

8. Procedure

8.1 Meetings will be held as frequently as the chairman of the committee and the chief executive consider appropriate.

8.2 The quorum must be present throughout the meeting.

- 8.3 Reasonable notice of meetings and the business to be conducted shall be given to members and attendees.
- 8.4 Papers for consideration by the Committee will be submitted, in the normal course, at least four days before the meeting to enable members to study the documentation and allow adequate opportunity for formal and informal discussions.
- 8.5 Minutes of the meeting shall record the proceedings and decisions taken, and declarations of personal interests made, together with how these were addressed. The minutes shall remain confidential.
- 8.6 Members may participate in a meeting by electronic means.
- 8.7 Round robin approvals may be obtained where there is a business requirement for a decision which cannot reasonably be held over until the next scheduled Committee meeting. Decisions must be received from all the members. This may be achieved by electronic means and will be of full force and effect as if passed by a majority of members personally present. If there are any votes against the resolution, paragraph 8.8 will apply.
- 8.8 Decisions will be based on consensus. In the event that there is no consensus, the chairman of the Committee will discuss the matter with the chairman of the Board.
- 8.9 This mandate may be amended as required, subject to approval of the Board.

9. Terms of reference

The Board of directors delegates the following duties and responsibilities to the Committee:

- 9.1 Considering and recommending that the Board approve related party transactions as defined by the JSE only to the extent that these related party transactions fall out of "business as usual" of the company, regardless of quantum, viz. a significant acquisition, disposal, Bancassurance arrangement, unusually large credit transaction.
- 9.2 Considering "Fair and Reasonable" evaluations for transactions that exceed the JSE imposed "Related Party Transaction Thresholds" and transactions "Notices to Shareholders" for transactions that require disclosure to shareholders.
- 9.3 Ensuring that the rights of minority shareholders are considered and protected in any related party transaction.

10. Limitations

- 10.1 The Committee is responsible to the Board of directors of Liberty Holdings Limited for carrying out this mandate and to operate within the mandate specifically delegated by the Board.
- 10.2 Amendments may be made to the mandate as required, subject to Board approval.

10.3 The Committee provides an advisory service to the Board and has no executive authority unless specifically delegated by the Board.