



LIBERTY

LIFE INVESTMENTS HEALTH CORPORATE PROPERTIES ADVICE

SIGNIFICANT TRANSACTIONS 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 Significant Transactions Committee (the Committee) has been established to assist the Board in discharging the following obligations:
 - 2.1.1 Considering all transactions regardless of nature that are above management's financial delegation of authority;
 - 2.1.2 Considering significant acquisitions, disposals investments and credit arrangements which may fall within management's delegation of authority but which either should be brought to the attention of the Board due to possible reputational risk or negative impact on the organisation and its stakeholders.
 - 2.1.3 Considering related party transactions as defined by the JSE only to the extent that these related party transactions are within the Board approved strategy and fall out of "business as usual" of the company, viz. a significant acquisition, disposal, Bancassurance arrangement, unusually large credit transaction.

3. Composition

- 3.1 The Committee will comprise least four members, of which two must be independent non-executive directors of the company.
- 3.2 The chairman of the Board shall be the chairman of the Committee. If the chairman of the Board is not independent and the Committee is considering a related party transaction then the lead independent director will chair that meeting.
- 3.3 The lead independent director of the Board shall be a member of the Committee.
- 3.4 A Standard Bank appointed director shall be a member of the Committee.
- 3.5 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.
- 3.6 If necessary, and in accordance with Group policy, specialists may be co-opted to the Committee as consultants.
- 3.7 The secretary shall be the group secretary.

- 3.7 Additional attendance at meetings:
 - Chief executive;
 - executive management as required.
- 3.8 The remuneration of the chairman and Committee members will be recommended by the Group Remuneration Committee and approved by the Board for ultimate shareholder approval.
- 3.9 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 independent non-executive 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 If the appointed chairman is not present at a meeting, the members present must elect one of the members present to act as chairman.
- 6.3 Minutes of the meeting will be available to the Board through the chairman.
- 6.6 The chairman, or alternatively a member, 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 Committee considers 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 at least a majority of members being not less than the quorum requirement. 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 refer the matter to the Board for a decision.
- 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 Review and approve all individual or packaged related party transactions (as defined by the JSE Listings Requirements) less than R500m and which are not business as usual. These must be tabled and recorded at the next Board meeting.
- 9.2 Review and recommend to the Related Party Committee for approval or onward approval to the Board all individual or packaged related party transactions (as defined by the JSE Listings Requirements) larger than R500m and which are not business as usual.
- 9.3 Review any transaction which falls within management's delegation of authority which has been identified by management as either having a potential reputational risk for Liberty or needing the expert guidance of the Committee due to the special nature of the transaction.
- 9.4 Review and approve all transactions between R100m and R500m. These must be tabled and recorded at the next Board meeting.
- 9.5 Review and recommend to the Board for approval all transactions above R500m.
- 9.6 Review and approve all property transactions for the Liberty Property Portfolio between R1bn and R1.5bn.
- 9.7 Review and approve all property transactions for STANLIB REIT Fund Managers Proprietary Limited/Liberty Two Degrees between R1.2bn and R1.5bn.
- 9.8 Review and recommend to the Board for approval all property transactions for the Liberty Property Portfolio over R1.5bn.
- 9.9 Review and recommend to the Board for approval all property transactions for STANLIB REIT Fund Managers Proprietary Limited/Liberty Two Degrees over R1.5bn.
- 9.10 Approve the increase in the above value levels by CPI each calendar year and note the changes at the next Board meeting for subsequent ratification.
- 9.11 Conduct post acquisition reviews of all significant transactions, the timing of which to be determined by the Committee on a case by case basis.

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.