



WINHOLD LIMITED

BOARD CHARTER

INTRODUCTION

The board of directors of Winhold Limited (the Company) acknowledges the need for a board charter as recommended in the Code of Governance Principles for South Africa – 2009 (“King III”), as supported by the JSE.

This board charter is subject to the provisions of the Companies Act, the Company’s Memorandum of Incorporation, the JSE’s regulations and any other applicable law or regulatory provision.

Purpose of the board charter

The purpose of this charter is to formalize the board’s role and responsibilities as well as the requirements for its composition and meeting procedures.

Composition

The board comprises a balance of executive and non-executive directors, with a majority of non-executive directors. The aim is that the majority of the non-executive directors is independent.

Directors are appointed through a formal process and the Nomination Committee assists with the process of identifying suitable candidates to be proposed to the shareholders.

The chief executive officer and the chief finance officer are ex officio members of the board.

A formal induction programme is established for and is overseen by the Chairman for new directors.

Inexperienced directors (if any) are developed through a formal mentorship programme.

Continuing professional development programmes are implemented and overseen by the Chairman which ensure that directors receive regular briefings on changes in risks, laws and the environment.

Role and responsibilities

The roles and responsibilities of the board are to:

- a. Act as the focal point for, and custodian of, corporate governance by managing its relationship with management, the shareholders and other stakeholders of the Company along sound corporate governance principles.
- b. Appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:
 - Contributing to and approving the strategy
 - Satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management
 - Identifying and approving key performance and risk areas
 - Ensuring that the strategy will result in sustainable outcomes
 - Considering sustainability as a business opportunity that guides strategy formulation
- c. Provide effective leadership on an ethical foundation
- d. Ensure that the Company is and is seen to be a responsible corporate citizen by having regard to not only the financial aspects of the business of the Company but also the impact that business operations have on the environment and the society within which it operates
- e. Ensure that the Company's ethics are managed effectively
- f. Ensure that the Company has an effective and independent audit committee
- g. Be responsible for the governance of risk
- h. Be responsible for information technology (IT) governance
- i. Ensure that the Company complies with applicable laws and considers adherence to non-binding rules and standards
- j. Ensure that there is an effective risk based internal review programme and process
- k. Approve the Combined Assurance Plan and any parts of the plan which have to be postponed for economic reasons
- l. Appreciate that stakeholder's perceptions affect the company's reputation
- m. Ensure the integrity and the verification of the Company's integrated report
- n. Act in the best interests of the Company by ensuring that individual directors:
 - Adhere to legal standards of conduct
 - Are permitted to take independent advice in connection with their duties following an agreed procedure
 - Disclose real or perceived conflicts to the board and deal with them accordingly
 - Deal with securities only in accordance with the policy adopted by the board
- o. Commence business rescue proceedings as soon as the Company is financially distressed
- p. Elect a chairman of the board that is a non-executive director
- q. Appoint and evaluate the performance of the chief executive officer

The board should do everything necessary to fulfil its role set out above.

Delegation

The board delegates certain functions to well-structured committees but without abdicating its own responsibilities. Delegation is formal and involved the following:

- Formal terms of reference are established and approved for each committee of the board
- The committees' terms of reference are reviewed once a year
- The committees are appropriately constituted with due regard to the skills by each committee
- The board establishes a framework for the delegation of authority to management

Meeting procedures

The board must hold sufficient scheduled meetings to discharge all its duties as set out in this charter but subject to a minimum of four meetings per year.

Meetings in addition to those scheduled may be held at the written request of any board member.

The chairman of the board may meet with the chief executive officer and the chief finance officer and the company secretary prior to a board meeting to discuss important issues and agree on the agenda.

Attendance

Members of senior management, assurance providers and professional advisors may be in attendance at meetings, but by invitation only and they may not vote.

Board members must attend all scheduled meetings of the board, including meetings called on an ad hoc-basis for special matters, unless prior apology, with reasons, has been submitted to the chairman or company secretary.

The company secretary is to be secretary to the board.

If the nominated chairman of the board is absent from a meeting, the members present must elect one of the members present to act as chairman.

Agenda and minutes

The Chairman must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in this charter: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

A detailed agenda, together with supporting documentation, must be circulated, at least one week prior to each meeting to the members of the board and other invitees.

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

The minutes must comprehensively summarize the matters discussed and agreed actions and must be completed as soon as possible after the meeting and circulated to the chairman and members of the board for review thereof. The target is to distribute these minutes within 5 business days of the meeting. The minutes must be formally approved by the board at its next scheduled meeting.

Quorum

A representative quorum for meetings is a majority of members present.

Individuals in attendance at board meetings by invitation may participate in discussions but do not form part of the quorum for board meetings.

Evaluation

The evaluation of the board, its committees and individual directors, including the chairman, must be performed every year.