

BOARD CHARTER

This Charter (the "Charter") has been adopted by the Board of Directors of Sanlam Kenya Plc ("SKP") to assist the Board and its Committees in exercising their responsibilities. The Board of Directors will review this Charter from time to time.

I. OPERATION OF THE BOARD

1. Responsibilities

The basic responsibility of the Directors is to ensure SKP's prosperity by collectively directing SKP's affairs, and to exercise their business judgement to act in what they reasonably believe to be in the best interests of SKP, its shareholders and relevant stakeholders. In this regard it is especially noted that SKP is Kenyan based and committed to actively promoting a transformed, vibrant, and globally competitive financial sector that reflects the demographics of Kenya, and to contribute towards economic growth, development and the establishment of an equitable society. In discharging this obligation, directors should be entitled to rely on the honesty and integrity of SKP's senior executives and its outside advisors and auditors.

For this purpose, the Board of Directors will:

1.1 in general

- determine and review SKP's purpose and values;
- determine the strategy and long-term direction of SKP to achieve its objectives as a business enterprise;
- monitor and evaluate the implementation of strategies, policies, management performance criteria and business plans;
- regularly assess its performance and effectiveness as a whole, and that of individual directors, including the Chief Executive/s of SKP ("the CE", even if there are more than one Chief Executive/s) and the Chairperson of the Board ("the Chairperson");
- embrace the Code of Practices and Corporate Conduct in the King II Report ("King II") which contains the corporate governance guidelines and recommendations. For purposes of this Charter, the members of the Board will ensure that they are fully informed of SKP's Memorandum and Articles of Association ("the Articles"), the Capital Markets Authority's Guidelines for Corporate Governance for Listed Companies, Companies Act and the Insurance Act.

1.2 ensure that:

- policies and procedures are in place that protect SKP's assets and reputation;
- SKP complies with all relevant laws, regulations and the Sanlam Kenya Group's Ethical Code, in particular with regard to the Insurance Act and the Capital Markets Authority Regulations, as SKP is a regulated entity;

- technology and systems used in SKP are adequate to run the business properly;
- SKP has development and succession plans for its executive directors and senior management;

1.3 review, evaluate and approve:

- SKP's financial objectives, budgets and forecasts, capital adequacy as well as performance targets and return on capital;
- major resource allocations and capital investments;
- the financial and operating results of SKP, as well as its going concern status;
- identified key risk areas and key performance indicators in order for SKP to generate economic profit, so as to enhance shareowner value in the long term, and at the same time recognising the wider interests of society;
- the overall corporate organisational structure and the assignment of senior management responsibilities;
- SKP's targets and objectives;
- compensation strategy as it relates to senior employees;
- SKP's corporate objectives and policies relating to social responsibility;
- the process to ensure the integrity of SKP's risk management and internal controls;
- the role and effectiveness of the Board Committees, Board Plan and Committee Charters, annually;
- the scope and application of and the SKP Approval Framework, periodically.

The directors will therefore have to:

- ensure that they have the time to devote in order to properly carry out their responsibilities and duties to SKP;
- exercise leadership, integrity and judgment, as well as the utmost good faith and honesty in all their dealings with or on behalf of SKP and act independently of any outside fetter or instruction;
- in line with modern trends worldwide, not only exhibit the degree of skill and care as may be reasonably expected from persons of their skill and experience (which is the traditional legal formulation), but also exercise both the care and skill any reasonable person would be expected to show in looking after his/her own affairs;
- qualify themselves on a continuous basis with a sufficient understanding of SKP's business and the effect of the economy, and be informed about the financial, industrial and social milieu in which SKP operates;
- never permit a conflict of duties and interests and to disclose potential conflicts of interest at the earliest possible opportunity;
- treat any confidential matters relating to SKP, learned in their capacity as a director, as strictly confidential and not divulge them to anyone without the authority of SKP;

- regularly attend all meetings and insist that Board papers and other important information regarding SKP are provided to them in time for them to make informed decisions;
- be prepared and able, where necessary, to express disagreement with colleagues on the Board including the Chairperson and CE;
- act with enterprise for and on behalf of SKP and always strive to increase shareowners' value, while having regard for the interests of all stakeholders relevant to SKP; and
- take due cognisance (from a holistic perspective) of environmental codes and practices during their deliberations; and
- if in doubt about any aspect of their duties, obtain independent professional advice at the earliest opportunity.

2. Powers

The powers of the Board of Directors are set out in the Articles of SKP; the exercise of these powers is governed by the Companies Act ("the Companies Act"), the common law as enforced in the courts and the previously approved SKP Approval Framework document, which Framework is constantly being revised. SKP is a holding company with various subsidiaries which are governed by a common business philosophy and corporate governance practices. The SKP Board has therefore reserved certain authorisation powers for itself.

The SKP Board has therefore reserved authorisation powers regarding the excluded activities of the Sanlam Kenya Group for itself or delegated it to the Boards of other subsidiary companies in the Sanlam Kenya Group. Similarly the SKP Board has authorised the SKP Group to manage the additional activities on behalf of the SKP Board as if it were part of SKP and its legal structure.

In some instances the business activities which run across the legal boundaries are managed by way of legal agreements between the boards of the legal entities involved. The relevant corporate governance practices implemented to regulate the above arrangements may require the SKP Board to approve decisions taken by other authorised boards regarding business activities within SKP and its legal structure, on a formal basis.

3. Board and Committee Meetings

Regular Board meetings will be held, approximately four to six times per year, and special meetings will be called as necessary. A schedule of dates and locations of the regular meetings will be provided to the Directors well in advance. Directors are expected to attend Board meetings and meetings of the committees on which they serve.

The following standing committees are sub-committees of the Board as authorised by SKP's Articles of Association:

- Audit, Actuarial and Risk Committee

- Human Resources Committee
- Investment Committee

Other special ad hoc committees may be appointed by the Board from among its members for any specific purposes the Board may deem necessary and discontinued as required. The committees are an aid to assist the Board in discharging their duties and responsibilities. The ultimate responsibility vests with the Board and as such the Board can not abdicate this responsibility to the committees.

The responsibilities and activities of the committees, their terms of reference, membership and number of meetings to be held, are contained in their respective Charters, which are annually approved by the Board. The Chairperson of each of the committees report to the Board on issues submitted for discussion at the committee meeting.

The Chairperson, CE or committee chairpersons may from time to time invite corporate officers, other employees and advisors to attend Board or committee meetings whenever deemed appropriate.

4. *Agenda Items for Board Meetings*

The Chairperson will establish the agenda for each Board meeting. At the beginning of the year the Chairperson together with Management will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Refer Annexure B for a draft annual Board plan. Each Director is free to suggest the inclusion of items on the agenda. Each Director is free to raise at any Board meeting subjects that are not on the agenda for that meeting. A detailed agenda and, to the extent feasible, supporting documents and proposed resolutions will be provided to the Directors approximately one week prior to each Board meeting. Directors should review this material in advance of the meeting. Directors having items to suggest for inclusion on the agenda for future Board meetings should advise the Company Secretary well in advance of such meetings.

5. *Director Remuneration*

Non-executive Directors shall receive reasonable remuneration for their services as such. Directors who are employees of the Company or any of its subsidiaries shall receive no additional remuneration for serving as Directors.

The form and amount of Director compensation will be determined by the SKP Board after considering proposals in this regard from its Human Resources Committee, within any limitations imposed by shareholders, and in accordance with the policies and principles set forth in the Committee's Charter; this Committee will conduct an annual review of such Director compensation.

6. *Director Orientation and Education*

The Board will from time to time evaluate the training needs of the Directors with respect to the business of Sanlam Kenya as well as their fiduciary duties and legal responsibilities as directors and draw up a training programme. All new Directors will be provided with an initial orientation in order to familiarise them with their responsibilities as Directors under the law, and with SKP and its strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Ethics, its senior management, and its internal and external auditors. The Directors will also ensure that they remain informed.

7. *Directors' Access to Officers and Employees*

Directors have full and free access to officers and employees of SKP. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO or the Company Secretary. The Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of SKP and will, to the extent not inappropriate, copy the CEO or the Company Secretary on any written communications between a Director and an officer or employee of SKP.

8. *Independent Advisors*

The Board and each committee have the power to, after having discussed it with the Chairperson of the Board, and in coordination with the Company Secretary, engage experts or advisors, including independent legal counsel, to obtain independent, professional advice relating to the affairs of SKP, or to their other responsibilities as Board members.

II. BOARD STRUCTURE

1. *Size of the Board*

SKP's Articles prescribe that the number of Directors of SKP which shall constitute the whole Board shall not be less than 4 (four) nor more than 10 (ten). The exact number of Directors within such range shall be determined from time to time by resolution of the Board, and the majority will be non-executive directors.

2. *Selection of Directors*

Shareholders are responsible ultimately for electing or removing Board members, and it is in their interests that the Board is properly constituted. The Board through the Human Resources Committee of SKP however usually plays a role in selecting its own members, and should accordingly plan for its own continuity and succession.

SKP adopts a process of staggered continuity and re-election of their Boards, to ensure a continuity of experience and knowledge. In terms of SKP's Articles, at the annual general meeting held each year, one third of the directors must retire from office.

The shareholders will elect and appoint, and the Board will induct, develop and remove Board members as and when necessary. Incompetent or unsuitable directors (including those who fail to attend meetings without proper explanation) should be removed, taking relevant legal, regulatory and other matters into consideration, with the Chairperson usually leading the process.

3. *Director Qualifications*

The SKP Human Resources Committee, on an annual basis, reviews the requisite skills and characteristics of Board members as well as the composition of the Board as a whole. This assessment will include members' qualification as independent, as well as consideration of diversity, age, skills, and experience in the context of the needs of the Board.

The Board's standards for determining characteristics of a Director are set out in the Schedule annexed to this Charter.

4. *Director Retirement*

The Board's retirement age policy in terms of SKP's Articles is that Directors will cease to hold office on the day of his/her 70th (seventieth) birthday or any other time as approved by the shareholders at a General Meeting.

5. *Resignation from the Board*

Any Director may resign at any time by giving 1 (one) months' notice in writing or earlier, with the permission of the Chairperson.

6. *Board Interaction with Institutional Investors, Analysts, Media, Customers and Members of the Public*

Except where directed by the Chairperson, CE or the Chief Financial Officer of SKP, communications on behalf of SKP with the media, securities analysts, stockbrokers and investors must be made only by specifically designated representatives of SKP. If a Director receives any inquiry relating to SKP from the media, securities analysts, brokers or investors, including informal social contacts, he or she should decline to comment and ask them to call SKP's Chairperson or the Group Chief Executive Officer.

7. *Board and Director Appraisal*

Directors will be assessed both individually, and collectively as a Board.

Formal evaluations of Directors are to be conducted by the Chairperson regularly and, if peer reviews are in place for executive management, these should be extended to director level. The Chairperson should ensure that the Directors know that they will be the subject of a review, the criteria used for assessment and the procedure that will be followed. A series of assessment questions should be distributed in time for Directors to complete prior to any meeting with the Chairperson.

The assessment questions should also include an evaluation of the other Directors. The responses will be collected and collated by the Chairperson, who then discusses the results with each member. The Chairperson may obtain the counsel of the SKP Human Resources Committee in fulfilling this task. The Chairperson's own position is discussed by the Independent Directors' Committee under chairmanship of the Lead Director. The Lead Director thereafter discusses the results with the Chairperson. A consolidated summary of the results of the process should be reported to the full Board.

If a deficiency has been identified, a plan should be developed and implemented for the director to acquire the necessary skills or behavior patterns. It is important that director evaluation be approached in an open, constructive and non-confrontational manner and that this should be a two-way process.

This will also form the basis for the Board to identify key objectives for the effective functioning of the Board for the subsequent year.

While individual evaluations should be conducted regularly, an assessment of the functioning of the Board could be undertaken less frequently, particularly if the composition of the Board is stable. An appropriate time to conduct a further Board assessment would be when there are no major changes to strategy or structure.

8. *Disqualification of Directors*

The Companies Act and SKP's Articles set out the grounds for the disqualification of directors, which include insolvency, unsound mind and non-attendance of meetings.

9. *Indemnities and Insurance*

SKP will provide the Board and committee members with, and will pay the premiums for indemnity and insurance cover while acting in their capacity as members, to the fullest extent permitted by the Companies Act. The level of cover provided will be decided upon by the Board after considering proposals in this regard from its Audit, Actuarial and Risk Committee.

III BOARD FUNCTIONARIES

1. *Chairperson*

1.1 *General*

The SKP Board requires the firm and objective leadership of a Chairperson who ensures that all directors, executive and non-executive alike, are enabled to play their full part in the Board's activities. The Chairperson's primary function is to preside over meetings of directors and to ensure the smooth running of the Board, in the interests of good governance. The Chairperson will usually also preside over SKP's shareholders' meetings. The position of Chairperson of SKP, being a major financial institution requires a fundamental understanding and strong knowledge of finance and financial risk relevant to the institution. The Chairperson is also expected to represent the company on business and industry organisations.

1.2 Appointment and Appraisal

Each year the Board will appoint from amongst the Board members a Chairperson and a Lead Director who will preferably be independent non-executive directors. The Deputy Chairperson will deputise for the Chairperson in his/her absence or at his/her request. The Board via its Independent Directors' Committee will appraise the performance of the Chairperson on an annual or such other basis as the Board may determine.

1.3 Responsibilities

Responsibility for the working of the Board is the Chairperson's principal role and includes, among other things, the following:

- *Providing leadership:* Providing overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions.
- *Selection of members:* Actively participating and recommending, subject to Board and shareholder approval, that the membership is properly balanced. The Chairperson should also ensure, through the SKP Human Resources Committee, that a formal succession plan for the Board is in place.
- *Setting of agendas:* In conjunction with the CE and Company Secretary, setting the agenda for Board meetings. He/she must also ensure that the appropriate information on every issue is placed before the Board so that members can make informed decisions.
- *Chairing of meetings:* The Chairperson will act as facilitator at meetings of the Board to ensure that no director, whether executive or non-executive, dominates the discussion, that relevant discussion takes place, that the opinions of all Directors relevant to the subject under discussion are solicited and freely expressed and that Board discussions lead to appropriate decisions. The Chairperson will seek consensus in the Board but may, where considered necessary, call for a vote in which event the decision of an ordinary majority of the Board shall prevail.
- *Reviewing of minutes of meetings:* Reviewing the minutes of the meetings of the Board, before the meeting at which they will be presented for confirmation, to ensure that:
 - they accurately reflect the Board's deliberations; and
 - matters arising from the minutes and on which further action is required, have been addressed.
- *Directors and Board evaluations:* Taking a lead in monitoring and evaluating the individual performance of Directors and taking the initiative in initiating periodic evaluations of the Board as a whole. The evaluation of the

Chairperson is to be carried out in discussions by the Independent Directors' Committee, led by the Lead Director.

- *Director induction:* Arranging for new Directors to be properly inducted.
- *Work programme:* In conjunction with the CE and Company Secretary, initiating the formulation of a Board Plan to ensure that the Board establishes, at the beginning of each year, the goals it wishes to achieve and the means by which this will be carried out.
- *Committees:* Initiating the establishment of Board committees and ensuring that they achieve their objectives.

1.4 Relationship with management

The Chairperson will have no executive functions. He will act as the main link between the Board and management and particularly between the Board and the GCEO as no company is likely to run effectively and efficiently unless there is a good working relationship between the Chairperson and the GCEO and unless each respects the other's abilities and personal qualities.

The Chairperson, along with all other Directors, should recognise that the GCEO is the leader of the Company in all matters of operational management and should not expect, as a right, to become involved in the Company's day-to-day operations. It is the GCEO's responsibility to report to the Board as a whole and not just to the Chairperson.

Because of their particular relationship, the Chairperson should nevertheless:

- Expect to be kept informed by the GCEO of all such important matters as emerging problems, risks, potentially good or bad publicity, investment and divestment proposals, funding issues and current performance. Especially issues of concern to the GCEO or Chairperson should be freely discussed.
- Make him or herself available at all reasonable times to the GCEO to
 - act as a sounding board and be part of the control mechanism in ensuring that the GCEO's decisions are properly considered and soundly based, and
 - give assistance and advice when needed, especially on sensitive matters which the GCEO feels unable to discuss with other executives.
- Ensure that the GCEO understands and properly performs his or her role in the relationship.
- In addition to having an effective working relationship with the GCEO, the Chairperson should have free access to discuss financial funding and performance issues directly with the financial director. The GCEO should, however, be aware of such discussions.

- Ensure that he is sufficiently familiar with company activities and senior management so that he is in a position to provide the Board with independent comment on the GCEO's reports.
- Keep him/her fully informed of trends and changes in the finance and insurance industries and SKP's operating environment, both locally and internationally. S/he should generally also stay more informed of the company's business and strategy than other directors. To achieve this, the Chairperson will be invited to attend strategy and budget setting meetings. At these meetings the Chairperson will act as observer, sounding board and adviser, but not as a member of the executive team.

1.5 Relationship with shareholders

The Chairperson should chair all the Annual General and general meetings of SKP and all other shareholder meetings. However, the responsibility of reporting on the detail of the business to shareholders is mostly that of the GCEO, assisted by the Financial Director.

1.6 Other relationships

The Chairperson can be called upon to visit, meet or entertain clients, employees, regulators or other people who are important to SKP. He may have to make speeches or negotiate on occasions on behalf of the company.

SKP has a special relationship with its regulators. It is a specific requirement that the Chairperson, in addition to the GCEO and other staff, not only be in a position to maintain his relationships with the Regulators in good standing, but that he also take active steps to strengthen these relationships.

SKP is affiliated to a number of business organisations, and the GCEO is its first choice as representative at these organisations. However, the Chairperson may from time to time represent the company at these organisations where he and the GCEO agree on such representation.

1.7 General

While performing the functions set out above, the Chairperson should also be expected to play a leading role in supporting the GCEO in:

- the process of forming the company's vision and goals before their presentation to the Board;
- the company's strategic direction and planning process before its presentation to the Board;
- fostering high corporate ethical standards and positive relationships with the company's stakeholders; and
- ensuring adherence by the company to both the letter and the spirit of the law.

2. Group Chief Executive/s of SKP (GCEO)

2.1 General

The GCEO has a critical and strategic role to play in the operational success of SKP's business. Where more than one GCEO is appointed by the SKP Board, an effective and efficient allocation of operational responsibilities will be made. The close relationship between the Chairperson, the company and its industry makes it absolutely essential that there be a clear understanding and role clarity in respect of the GCEO. There should accordingly be a clear division of responsibilities between these two roles to ensure a balance of power and authority, such that no individual has unfettered powers of decision-making. Therefore, the roles of Chairperson and GCEO should be separate, with responsibilities divided between them.

2.2 Responsibilities

The task of the GCEO is to run the business and implement the policies and strategies adopted by the Board. All Board authority conferred on management is delegated through the GCEO, so that the authority and accountability of management is regarded as the authority and accountability of the GCEO insofar as the Board is concerned.

The Chairperson, in consultation with the Board, shall set certain specific targets directed at achieving SKP's goals and business objectives and an appropriate delegation of authority to the GCEO to ensure that the targets are achieved. The GCEO shall act within the specific authorities delegated to him or her by the Board.

The Board shall annually via the Human Resources Committee of Sanlam Kenya Plc measure the GCEO's performance as it relates to achieving the specific targets.

Without in any way limiting the obligations of the GCEO as determined in his or her contract, the GCEO shall, in particular, be responsible for:

- ensuring the growth and profitability of SKP within the vision, goals and strategic direction approved by the Board;
- making sure that the assets of SKP are adequately maintained and protected, and not unnecessarily placed at risk;
- ensuring that the comprehensive and appropriate internal control mechanisms are recommended to and adopted by the Board in order to mitigate against key risks;
- not causing or permitting any practice, activity or decision by or within SKP that is contrary to commonly accepted good business practice, good corporate governance or professional ethics;

- communicating to the Board, at least annually, SKP's senior management succession planning and management development initiatives, including details of the company's compliance with employment equity and human capital development imperatives; and
- developing and growing SKP's human capital. The GCEO should maintain a positive and ethical work climate that is conducive to attracting, retaining and motivating a diverse group of top-quality employees at all levels of SKP, and
- serve as the chief spokesperson for the SKP Group of businesses.

2.3 Appraisal

The Chairperson, in consultation with the SKP Human Resources Committee, appraises the performance of the GCEO in order to ensure that the CE is providing the best leadership for the Company in the long- and short-term. The Human Resources Committee should make an annual report to the Board on succession planning. The entire Board will work with the Committee to nominate and evaluate potential successors to the GCEO.

3. Executive and Non-Executive Directors

The law does not recognise the distinction between an executive and non-executive director. Every director has a legal duty to act independently, in good faith, with due care and skill, and without fetter or instruction. The labels of executive, non- executive and independent non-executive have evolved in practice. The third label applies to those directors who are not in the employ of SKP, do not participate in day-to-day management and are perceived as independent because they do not contract with SKP except in the ordinary course of business, or advise SKP professionally.

All directors, both executive and non-executive, are bound by fiduciary duties and duties of care and skill. Non-executive directors perform such duties intermittently and have less regular access to the books and records of SKP than do executive directors. Executive directors, on the other hand, must always manage the conflict between their management responsibilities and their fiduciary duties as a director in the best interests of SKP. Non- executive directors play a particularly important role in providing independent judgment in such circumstances.

Executive directors could take other non-executive directorships, provided these are not detrimental to their immediate responsibilities as an executive director of SKP and that it is approved by the Human Resources Committee of Sanlam Kenya Plc. Director remuneration paid by such other directorships taken on accrues to and must be paid directly to SKP. Deviations from this principle must be approved by the HR Committee. On the other hand, non- executive directors should be judicious in the number of directorships they accept, in order to ensure that they do full justice to their onerous and demanding responsibilities.

- *Executive directors* are involved in the day to day management and running of the business and are in the full-time employment of SKP.
- *Non-executive directors*, on the other hand, are not involved in the day to day management of the business and are not full time employees of SKP. They bring an external judgment on issues of strategy, performance, resources and standards of conduct to the Board.
- *Independent directors* are non-executive directors who:
 - have not been employed by SKP, or the SKP group of businesses in any executive capacity for the preceding three financial years;
 - is not a member of the immediate family of an individual who is, or has been in any of the past three financial years, employed by SKP or the group in an executive capacity;
 - is not a professional advisor to SKP or the group, other than in the capacity as director ;
 - is not a significant supplier to, or customer of SKP or group;
 - has no significant contractual relationship with SKP or group; and
 - is free from any business or other relationship that could be seen to materially interfere with the individual's capacity to act in an independent manner.

Directors should be categorised in the annual report according to the above criteria.

4. Lead Director/Deputy Chairperson

The Board may, at its discretion, appoint a senior independent or "Lead" Director, that will deputise for the Chairperson at meetings during the Chairperson's absence. This person fulfils an important role where any difficulties or conflicts arise between the non-executive component on the Board and the executives, as well as in assisting the Chairperson in fulfilling his or her tasks when required. This director will be the chairperson of the Independent Directors' Committee.

5. Alternate Directors

With regard to alternate directors, the Board will have the power to appoint persons to act as the alternate of any director in a director's place during his/her absence or inability to act as such, as provided for and in accordance with the requirements of SKP's Articles.

6. Statutory Actuary

In terms of the Insurance Act, SKP as long-term insurer is obliged to at all times have a statutory actuary, who is to be approved by the Registrar. An alternate has been appointed to act in his place during his absence.

The statutory actuary, who is subject to the disciplines of professional conduct and guidance, reports to the Board of Directors of SKP and to the regulatory authorities. He is a member of the SKP Independent Directors' Committee. He also has full access to the Board of SKP and must report completely and impartially to these bodies on the financial soundness of SKP, based on the actuarial valuations of its assets and policy liabilities. He reviews the financial soundness of SKP, embedded value and the value of the new life insurance business. He also approves the financial soundness of new products or revised premium rating and the bonus declarations.

He has right of access at all times to the accounting records and other books and documents of SKP and is entitled to require from the directors or officers of SKP the information and explanations he deems necessary for the carrying out of his duties. He is entitled to attend any general meeting of SKP, to receive the notices and other communications relating to a general meeting which a member of SKP is entitled to receive, and to be heard at those meetings on the business of the meeting, which concerns him as statutory actuary.

He is the ultimate guardian of the interests of the policyholders of SKP.

7. Company Secretary

7.1 General

The appointment of a Company Secretary in public companies with a share capital is mandatory under the Companies Act. Furthermore, the Companies Act has various provisions regarding the appointment, removal and duties of the Company Secretary. In addition to extensive statutory duties, the Company Secretary has an important role in the induction of new or inexperienced directors, and in assisting the Chairperson and CE in determining the Annual Board Plan and the administration of other issues of a strategic nature at Board level. The Board should be cognisant of the duties imposed upon the Company Secretary and should empower the Company Secretary accordingly to enable him/her to properly fulfil those duties.

7.2 Appointment

The Company Secretary is required to be appointed by the Board as a whole. The Board should be satisfied that the appointee has the requisite attributes, experience and qualification to properly discharge his/her duties.

7.3 Responsibilities

The Company Secretary

- must guide the Board, collectively, and each director, individually, as to their duties and responsibilities and make them aware of all legislation and regulations relevant to the company on which Board the directors serve;
- must ensure that the procedure for the appointment of directors is properly carried out and he/she should assist in the proper induction and orientation of directors, including assessing the specific training needs of directors and executive management in regard to their fiduciary and other responsibilities;
- needs also to be available to provide comprehensive practical support and guidance to directors, with particular emphasis on supporting the non-executive directors and Chairperson;
- should also ensure unhindered access to information by all Board and committee members so that they can contribute to Board meetings and other discussions;
- is responsible for the compilation of Board papers and for filtering them to ensure compliance with the required standards of good governance. The Company Secretary's role should also be to raise matters that may warrant the attention of the Board;
- should raise matters that may warrant the attention of the Board;
- should ensure compliance with all relevant statutory and regulatory requirements, having due regard to the specific business interests and structures of SKP. In particular, the Company Secretary must also be aware of the duties set out in section 268 G of the Companies Act;
- should help to carry out corporate strategies by ensuring that the Board's decisions and instructions are clearly communicated to the relevant persons;
- needs to communicate with the shareholders as appropriate, and to ensure that due regard is paid to their interests; and
- should provide a central source of guidance and advice to the Board and within SKP on matters of ethics and good governance.

THE SCHEDULE

THE BOARD'S STANDARDS FOR DETERMINING THE DESIRABLE CHARACTERISTIC OF A DIRECTOR

1. Personal Characteristics

- *Integrity and Accountability:* High ethical standards, integrity and strength of character in his or her personal and professional dealings and a willingness to act on and be accountable for his or her decisions.
- *Informed Judgement:* Demonstrate intelligence, wisdom and thoughtfulness in decision-making. Demonstrate a willingness to thoroughly discuss issues, ask questions, express reservations and voice dissent.
- *Mature Confidence:* Assertive, responsible and supportive in dealing with others. Respect for others, openness to others' opinions and the willingness to listen.
- *High standards:* History of achievements that reflect high standards for himself or herself and others.
- *Leadership:* Understand and possess skills and have a history of motivating high performing, talented managers.

2. Core Competencies

- *Accounting, Finance and Actuarial :* Experience in financial accounting and corporate finance, especially with respect to trends in debt and equity markets. Familiarity with internal financial controls
- *Financial Literacy:* An ability to read and understand balance sheets, income and cash flow statements. Understand financial ratios and other indices for evaluating SKP performance.
- *Business judgement:* Record of making good business decisions and evidence that duties as a Director will be discharged in good faith and in a manner that is in the best interests of the Sanlam Kenya Plc
- *Management:* Experience in corporate management. Understand management trends in general and in the areas in which SKP conducts its business.
- *Crisis Response:* Ability and time to perform during periods of both short-term and prolonged crisis.
- *Industry/Technology:* Unique experience and skills in an area in which SKP conducts its business, including science, manufacturing and technology relevant to the Company.
- *International Markets:* Experience in global markets, international issues and foreign business practices.
- *Strategy and Vision:* Skills and capacity to provide strategic insight and direction by encouraging innovations, conceptualising key trends, evaluating strategic decisions, and challenging SKP to sharpen its vision.

3. Commitment to the Company

- *Time and Effort:* Willing to commit the time and energy necessary to satisfy the requirements of Board and Board Committee membership. Expected to attend and participate in all Board meetings and Board Committee meetings in which they are a member. A willingness to rigorously prepare prior to each meeting and actively participate in the meeting. Willingness to make himself or herself available to management upon request to provide advice and counsel.
- *Awareness and Ongoing Education:* Possess, or be willing to develop, a broad knowledge of both critical issues affecting SKP (including industry - , technology – and market –specific information), and director's roles and responsibilities (including the general legal principles that guide board members).
- *Other Commitments:* In light of other existing commitments, ability to perform adequately as a Director, including preparation for and attendance at Board meetings and a willingness to do so.

4. Team and Company Considerations

- *Balancing and Board:* Contributes talent, skills and experience that the Board needs as a team to supplement existing resources and provide taken for future needs.
- *Diversity:* Contributes to the Board in a way that can enhance perspective and experiences through diversity in gender, ethnic background, geographic origin, and professional experience.

ADDENDUM "B"

Annual Board Plan

		MEETINGS			
		Feb	May	Aug	Nov
1.	Business Strategy		✓		✓
2.	Financial Results	✓		✓	
3.	External and Internal Audit Reports	✓	✓	✓	✓
4.	Group Actuarial Report	✓	✓	✓	✓
5.	Business plan/budgets				✓
6.	Annual and Six Months Results	✓		✓	
7.	Annual Report	✓			
8.	Annual General Meeting		✓		
9.	Dividend declaration	✓			
10	HR Committee feedback	✓	✓	✓	✓
11	Investment Committee Report				
12	Audit, Actuarial, Risk & Compliance Committee feedback	✓	✓	✓	✓
13	Group Key Risk Report	✓	✓	✓	✓
14.	Approval Framework				✓
15.	Succession Planning		✓		
16	Bonus & DA Declaration	✓			
17	Risk Management Policy				✓

Date Tabled for Approval: 9th November 2016