

ALEXANDER FORBES GROUP HOLDINGS LIMITED (AFGH) BOARD DIVERSITY POLICY



POLICY NAME	BOARD DIVERSITY POLICY
POLICY OWNER	EXECUTIVE: GOVERNANCE, LEGAL AND COMPLIANCE
EFFECTIVE DATE	4 March 2020
APPROVED BY	AFGH BOARD OF DIRECTORS

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1. INTRODUCTION

The Board recognises the importance of diversity, in the widest sense possible, as one of the key considerations to enable an appropriately balanced board for it to discharge its governance role and responsibilities objectively and effectively. Specific objectives and targets in respect of race and gender and broadly, through the Board skills and experience matrix, for skills and experience diversity, had previously been committed to and incorporated in the Board Charter and Nominations Committee Terms of Reference. The Board wishes to expand these objectives to also reference and include other diversity indicators and has therefore approved this expanded Board diversity policy.

2. PURPOSE

The purpose of this policy is to capture the Board's objectives, approach and voluntary targets (where applicable) in relation to board diversity. The purpose is further to give effect to the JSE Limited Listings Requirements related to board diversity, in that the Company must have a policy on the promotion of broader diversity at board level, specifically focusing on the promotion of the diversity indicators of gender, race, culture, age, field of knowledge, skills and experience.

3. LEGISLATION AND CORPORATE GOVERNANCE REQUIREMENTS REFERENCE

The following main Corporate Governance requirements / documentation are applicable to the policy:

- JSE Limited Listings Requirements.
- King IV report.
- AFGH Board Charter.
- AFGH Nominations Committee terms of reference.

4. SCOPE

This policy applies to the AFGH Board only, although the Nominations Committee will also take diversity in its broadest sense into consideration in nominating directors to subsidiary company boards.

5. POLICY STATEMENT

All AFGH Board and Board Committee nominations are made on merit. A truly diverse board will benefit from differences in, *inter alia*, skills, age, race, gender, experience, culture and industry and hence merit is considered within the context of these diversity indicators in the widest sense.

For certain diversity indicators, the Board has determined specific targets, whilst the focus on other aspects of diversity will be informed by the specific deficiencies identified through the Board skills and experience matrix process. The Board embraces cultural diversity in its widest form, including but not limited to religion, sexual orientation and citizenship.

Due to the Board's relatively small size, it has not determined specific diversity targets for Committee composition and will focus primarily on skills and experience diversity and requirements in relation to Committee nomination.

Voluntary diversity targets for specific subsidiary companies have not been determined. Localisation requirements applicable to any subsidiaries in Botswana, Namibia and Nigeria will take preference over any other diversity considerations on

nominating proposed directors for those jurisdictions.

Diversity indicator	Informed by / considerations	Voluntary target
Race	Current Board race composition	50% black representation
Gender	Current Board gender composition	30% female representation
Skills, experience and industry	The skills and experience matrix defines the desired board level competency to achieve the Company's strategic objectives and compares the desired requirements with that of the individual directors, as well as the board as a collective in order to identify deficiencies. Specific identified deficiencies inform the requirements for any vacancy created or additional director nomination to be considered.	N/A: per identified gaps / areas of deficiency
Age	Current Board age profile	Appropriate and diverse age distribution

Other indicators of diversity, not specifically highlighted above, will be taken into consideration as secondary aspects during the nomination process.

6. BOARD SKILLS AND EXPERIENCE MATRIX

The board skills and experience matrix forms the basis of defining the board composition requirements, to enable achievement of the Company's strategic objectives, from a skills, experience, industry and jurisdictional perspective.

The matrix is maintained by the Executive: Governance, Legal and Compliance and is reviewed annually to ensure it is reflective of any strategic changes resultantly impacting board and committee requirements.

Individual director skills and experience levels are captured against the desired/required level and deficiencies identified. In addition to informing recruitment and nomination processes, the deficiencies also inform continued professional development and training interventions for directors.

7. DISCLOSURE

This policy will be available on the Company's website for access by all stakeholders.

The existence of this policy, the voluntary targets and annual performance against the voluntary targets, as well as how the Nominations Committee considered and applied this policy in their nomination process (including the reasons for certain diversity indicators not having been considered), will annually be disclosed in the Company's annual integrated report.

8. PERIOD OF OPERATION

This policy will remain in force from the date of acceptance until amended.

9. STANDARD ADMINISTRATION**Administration**

Name	Division of Board responsibilities policy
Designation	Executive: Governance, Legal and Compliance
Phone number	011 290 0000
E-mail address	wesselsc@aforbes.com

Version information

Version	Date	Description of changes
01/2020	4 March 2020	N/A – First draft

Review

Frequency of review	Next review date	Last review date
Every 3 years or as required	February 2023	

Approvals

Role	Name	Signature	Date
Chairman of the Board	M Ramplin		04 March 2020