



BOARD CHARTER

DELTA PROPERTY FUND

The Board of Directors (“the Board”) of Delta Property Fund Limited (“the Company”) has the following Charter (“Charter”) in terms of the recommendations contained in the King Code of Governance Principles (“King IV”). The Charter is subject to the provisions of the Companies Act, the Company’s memorandum of Incorporation (“the MOI”), the Listing Requirements of the JSE and any other applicable law or regulatory division. Good governance is characterised by the ethical values of responsibility, accountability, fairness and transparency.

1. PURPOSE OF CHARTER

This Charter sets out:

- 1.1 The roles, functions, obligations, rights, responsibilities and powers of the Board; and
- 1.2 The policies and practices of the Board in respect of its duties, functions and responsibilities.

2. COMPOSITION OF THE BOARD

- 2.1 The Company shall maintain a unitary Board which shall comprise of Executive and Non-Executive Directors, a majority of whom shall be independent Non-Executive Directors.
- 2.2 The Chairman of the Board shall preferably be an Independent Non-Executive Director.
- 2.3 In the event of the Chairman not qualifying as independent or if conflicted, then the Board shall appoint a Deputy Chairman to fulfil the role of Lead Independent Non-Executive Director.
- 2.4 The Board shall appoint the Chief Executive Officer (“CEO”) and set the terms of his/her employment. The CEO in addition to being appointed by the Board is accountable to and reports to the Board.
- 2.5 The demographics of South Africa shall be considered in relation to the size and composition of the Board in terms of the mix of skills and diversity which shall also reflect the responsibilities that it is vested with and the duties that it has to discharge and perform.
- 2.6 The Company Secretary is the secretary to the Board.



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3. MEMBERSHIP OF THE BOARD

- 3.1 The offices of the Chairman of the Board, the Lead Independent Director and the CEO shall be separate. There shall at all times be a clearly defined division of responsibilities in offices to ensure a balance of authority and power. In this respect, the Board shall approve a Statement of Division of Responsibilities Amongst the Chairman, Lead Independent Director and the CEO to clarify their roles.
- 3.2 The members of the Board shall be expected to:
- Acquire a working knowledge and understanding of the Company's business and the laws, regulations and customs that govern the activities of the business.
 - Keep abreast of changes and trends applicable to the Company and the economic, political, social and legal climate in general.
 - Make independent and sound business decisions and recommendations; and
 - Uphold the highest ethics in conduct at all times.
- 3.3 The size of the Board shall be sufficiently large to ensure the presence of a wide range of skills, knowledge and experience without compromising common purpose, involvement, participation, partnership and a sense of responsibility amongst its members necessary to meet the Company's strategic objectives.
- 3.4 The period of office of Directors shall be as follows:
- 3.4.1 New Directors shall hold office only until the next Annual General Meeting at which they will retire and be available for re-election.
- All Directors are subject to retirement by rotation and re-election by Shareholders at least once every three years, consistent with the MOI.
 - The termination of service of any Executive Director for whatever reason shall result in the resignation of that Director from the Board; and
 - A review of Non-Executive Directors serving for 9 or more years shall be conducted to ensure independence and required performance.
- 3.5 Appointments to the Board shall only be on recommendation of the Nomination Committee and the process shall be formal and transparent. The Board shall decide on any appointment to the Board, subject to shareholder approval, as set out in the MOI. A biography of Directors standing for re-election shall be made available to shareholders.
- 3.6 On appointment to the Board, Non-Executive Directors shall receive a formal letter of appointment setting out clearly what is expected of them in terms of their roles and responsibilities, time commitments, Committee service and



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involvement outside Board meetings. This Board Charter shall be attached to all letters of appointment and be specifically incorporated by reference.

- 3.7 An induction programme aimed at ensuring an understanding of the Company, its operating environment and the markets in which it trades shall be conducted for all newly appointed Directors.
- 3.8 The Board shall establish a Nomination Committee with the objects of ensuring directorship continuity, overseeing the succession planning of Directors and the regular review of the performance of the Board, the Board members and Board Committees.
- 3.9 Non-Executive Directors shall be at liberty to accept appointments to other Boards, provided that such appointments do not result in any conflicts of interest with the Company and provided that such appointments do not encroach upon the time of Directors to fulfil their duties.

4. THE ROLE OF THE BOARD

- 4.1 The Board shall assume the ultimate responsibility for the performance and affairs of the Company and shall in so doing effectively represent and promote the legitimate interests of the Company and its shareholders. The Board shall at all times retain full and effective control over the Company and shall direct and supervise the business and affairs of the Company.
- 4.2 In addition, the Board has a responsibility to the broader stakeholders which include, but are not limited to, the present and potential beneficiaries of Delta Property Fund properties, service providers, clients, lenders, employees and the wider community to achieve continuing prosperity for the Company.
- 4.3 Directors, both Executive and Non-Executive, carry full fiduciary responsibility and owe a duty of care and skill to Delta Property Fund in terms of Common Law and the Code of Ethics, always acting in the best interests of the Company.
- 4.4 The Board shall exercise leadership, enterprise, integrity and judgement in directing the Company's affairs to achieve continuing prosperity within the context of, transparency and accountability. The Board should appreciate that strategy, risk, performance and sustainability are inseparable.
- 4.5 The Board shall oversee, approve, monitor and review corporate strategy, major plans of action, Company policies, appropriate systems, annual budgets and business plans.
- 4.6 The Board shall establish performance objectives to enable it to measure management's performance and the progress of the Company in attaining set goals, objectives and targets.



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- 4.7 The Board shall develop clear definitions of the levels of appropriate materiality or sensitivity in order to determine the scope and delegation of its authority and to ensure that it reserves specific powers and authority for itself. All delegated authority shall be in writing and shall be evaluated on a regular basis.
- 4.8 The Board shall manage potential conflicts of interest of Board members, management, the shareholders and wider stakeholders.
- 4.9 The Board shall oversee the Company's values and ethics and shall ensure that an appropriate Business Integrity Policy is in place.
- 4.10 Directors' responsibilities and limitations are set out in the MOI, the Companies Act. The JSE Listings Requirements and the Code of Corporate Practices and Conduct (King IV).

5. COMMITTEE

- 5.1 The Board is authorised to form committees to assist in the execution of its duties, powers and authorities, but at all times remains accountable to shareholders.
- 5.2 The Board has standing committees, namely the Audit, Risk and Compliance Committee, the Nomination, Remuneration, the Social, Ethics and Transformation Committee and the Asset Liability and Investment Committee.
- 5.3 Each committee will have Terms of Reference approved by the Board.

6. MEETING – FREQUENCY, QUORUM AND BOARD ATTENDANCE

- 6.1 Meetings of the Board shall be held at such time and at such venue as the Board deems appropriate, but it shall normally meet at least four times a year or at the call of the Chairman of the Board. The quorum necessary for the transactions of business of the directors shall be a majority of directors present at a meeting, as determined by the MOI.
- 6.2 Directors shall use their best endeavours to attend Board meetings and are expected to attend at least 75% of Board meetings on an annual basis and are to prepare thoroughly for these meetings. Directors are expected to participate fully, frankly and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the board table and in so doing, add value to the Board. Directors who are unable to attend a meeting shall advise the Company Secretary.
- 6.3 Members of senior management, assurance providers and professional advisors may be in attendance at meetings, but by invitation only and they may not vote nor shall they receive fees for their attendance/participation at the Committee meetings.
- 6.4 The same attendance requirements will be applicable to the Board Committees.



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7. PROCEEDINGS OF MEETINGS

- 7.1 Unless varied by these terms of reference, meetings and proceedings of the Board shall be governed by the company's MOI.
- 7.2 The Board 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.
- 7.3 The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.
- 7.4 Except under exceptional circumstances, at least fourteen days' notice shall be given for a meeting of the Board.
- 7.5 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.
- 7.6 Board members must be fully prepared for board meetings to be able to provide appropriate and constructive input on matters for discussion.

Minutes of the meeting shall be taken by the Company Secretary. The minutes must be completed as soon as possible after the meeting and circulated to the Chairman and members of the board for review thereof. The minutes must be formally approved by the Board at its next scheduled meeting.

8. PROFESSIONAL OR BUSINESS SERVICES PROVIDED BY DIRECTORS

- 8.1 Non-executive directors should, as a general rule, not provide any professional or business services of an on-going nature to the company.
- 8.2 The company may, for the purpose of a specific assignment, engage the services of a non-executive director (specific field of expertise).
- 8.3 The terms of the engagement must be competitive, clearly recorded and all requirements with regards to disclosure must be complied with, including Board approval being obtained.
- 8.4 The terms of engagement (agreement) with a non – executive director shall be signed by the Chairman of the Board and such director.

9. EVALUATIONS

The Board, its committees and individual directors, including the Chairman shall every alternate year evaluate their composition, own performance, processes and procedures to ensure that they are designed to assist the Board in effectively fulfilling its role. Guidance in the Code of Corporate Practices and Conduct ("King IV") shall, at a minimum, be adopted.

10. SHAREHOLDING BY DIRECTORS



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Directors shall observe the provisions of buying or selling of their shares in respect of any relevant rules, legislative or regulatory procedures and prescribed procedural recommendations (including the Companies Communications and Trading Policy). Specific reference is made in this respect to the requirement of disclosure of share dealings to the JSE, the prohibition on any share dealings in closed periods and the provisions of the Insider Trading Act.

11. DECLARATION OF INTERESTS

Directors shall at all times observe the legal requirements in respect of the declaration of interests and do everything reasonable possible to avoid a conflict of interest in the execution of their duties and responsibilities to the company.

Any possible conflict of interest shall at all times be declared up front and the director concerned shall not participate in a discussion, or vote on the subject matter.

12. GENERAL

The Board in carrying out its tasks under these terms of reference, may obtain outside or other independent professional advice as it considers necessary, to carry out its duties.

These terms of reference may from time to time be amended by the Board, as and when required.

13. WRITTEN RESOLUTIONS

A resolution in writing signed by a majority of the members of the committee at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meeting of the committee, provided that each member of the committee shall have been afforded a reasonable opportunity to express and opinion on the matter to which such resolution relates.

14. APPROVAL OF THIS CHARTER

This charter was approved by the Chairman of the Board.

Date approved: 28 February 2020

Date reviewed: 16 February 2024