

DIRECTORS' APPOINTMENT, TENURE, AND REPLACEMENT POLICY

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CONTENTS

1.	GLOSSARY OF TERMS, ABBREVIATIONS, AND DEFINITIONS.....	3
2.	INTRODUCTION.....	3
3.	THE PURPOSE OF THIS POLICY.....	3
4.	REGULATORY REQUIREMENTS.....	4
5.	THE NOMINATIONS COMMITTEE.....	4
6.	DETERMINATION OF BOARD COMPOSITION.....	4
7.	ASSESSMENT OF BOARD COMPOSITION.....	5
8.	ASSESSMENT OF DIRECTORS.....	5
9.	REPLACEMENT AND EXIT OF DIRECTORS.....	6
10.	PROCEDURE FOR THE SELECTION AND APPOINTMENT OF NEW NON- EXECUTIVE DIRECTORS.....	6
11.	PROCEDURE FOR THE SELECTION AND APPOINTMENT OF EXECUTIVE DIRECTORS.....	7
12.	THE SERT COMMITTEE.....	8
13.	PROCEDURE FOR THE SELECTION OF DOMESTIC PROMINENT INFLUENTIAL PERSONS.....	8
14.	PROCEDURE FOR THE RE-APPOINTMENT OD RETIRING DIRECTORS.....	9
15.	NON-EXECUTIVE DIRECTORS' TENURE.....	9
16.	ONBOARDING AND INDUCTION OF NEW DIRECTORS.....	9
17.	REVIEW AND COMPLIANCE.....	9
18.	RESPONSIBILITY FOR THE IMPLEMENTATION OF THIS POLICY.....	10

1. GLOSSARY OF TERMS, ABBREVIATIONS, AND DEFINITIONS

The table below lists this document's terms and acronyms.

Term	Description
AGM	Annual General Meeting
Companies Act	The Companies Act 71 of 2008, as amended
CPA	City Property Administration (Pty) Ltd manages Octodec properties per the Management Agreement.
King IV™	King IV Report on Corporate Governance for South Africa, 2016
Listings Requirements	Johannesburg Stock Exchange Listings Requirements
Management Agreement	The asset and property management agreement between Octodec Investments Limited and CPA.
MOI	Memorandum of Incorporation
SERT Committee	Social, Ethics, Remuneration, and Transformation Committee

2. INTRODUCTION

The Board of Octodec Investments Limited ("Octodec" or the "Company") maintains responsibility for approving directors for appointment to the Board of Directors ("the Board").

In accordance with Octodec's MOI, the Board has the power to appoint at any time and from time to time, any appropriate person as a director, either to fill a casual vacancy or as an addition to the Board. The total number of directors shall not at any time exceed 12 (twelve), being the maximum number stipulated in Octodec's MOI.

The appointment of all directors shall be subject to the approval of the shareholders at the Company's AGM.

3. THE PURPOSE OF THIS POLICY

The role of the Board is to set a strategy for the sustainable development and growth of the company and to govern, oversee and manage the company's performance in the interests of shareholders and stakeholders.

To do its work effectively, with the highest degree of knowledge and competency, the Board shall be composed to include the specifically identified knowledge, skills, and experience that are necessary to carry out the Board's role and due diligence functions with due consideration for diversity.

The purpose of this Directors' Appointment, Tenure, and Replacement Policy ("the Policy") is to provide guidelines and rules for the appointment, tenure and replacement of directors to outline

a formal and transparent process to be utilised in the nomination and final appointment of incoming directors for Octodec and its subsidiaries (collectively, the "Group"). The Policy shall be read in conjunction with the Promotion of Gender and Race Diversity at Board Level Policy, as amended from time to time.

4. REGULATORY REQUIREMENTS

4.1 LISTINGS REQUIREMENTS AND DEBT LISTINGS REQUIREMENTS

Paragraph 3.84 of the Listings Requirements and paragraphs 7.7 – 7.8 of the Debt Listings Requirements stipulate that companies must comply with certain specific requirements concerning the appointment of directors. As these provisions are mandatory, the Group Company Secretary must be in a position to confirm compliance with the Listings Requirements and Debt Listings Requirements in the Annual Compliance Certificate.

4.2 COMPANIES ACT

The Companies Act requires:

- 4.2.1 The Board to ensure that a director is not disqualified for appointment in terms of Section 69 (on the grounds of being an un-rehabilitated insolvent, prohibited from being a director in terms of regulation, removed from an office of trust on grounds of misconduct involving dishonesty or convicted from fraud, etc.); and
- 4.2.2 The Company is to provide for the election by shareholders of at least 1/3 (one-third) of the directors for the time being, in accordance with the terms of the MOI.

5. THE NOMINATIONS COMMITTEE

The Nominations Committee is appointed by the Board and comprises at least three non-executive directors, the majority of whom must be independent. The Chairman of the Nominations Committee must be an independent non-executive director. In the event that the Chairman of the Board is not independent, the Nominations Committee must be chaired by the Lead Independent Director, with the Chairman of the Board attending meetings as a Nominations Committee member.

The Nominations Committee is mandated to assist the Board with the selection and appointment of directors and to ensure that a transparent and accountable process is followed in determining the Board and the Board Committees' compositions

6. DETERMINATION OF BOARD COMPOSITION

- 6.1. The Board, under the direction of the Nominations Committee, will determine the optimal Board composition for the Company in terms of functionality, diversity, independence, tenure, skills mix, etc.

- 6.2. The optimum Board composition model will serve as the target against which the Board will strive to achieve and maintain its ideal composition.
- 6.3. This model will not be rigid but will account for changes in the business environment, good governance principles, business strategy and regulatory requirements.

7. ASSESSMENT OF BOARD COMPOSITION

- 7.1. On an annual basis, the Nominations Committee will conduct a gap analysis between the existing and the optimum Board composition status and recommend such changes to the Board as necessary.
- 7.2. Changes may include consideration of the appointment or replacement of independent experts to guide Board Committees.
- 7.3. Based on this analysis, the Nominations Committee will identify which of the currently serving directors will be replaced and what new appointments will be made.
- 7.4. The annual assessment of directors will inform any decision regarding the replacement/exit of directors.

8. ASSESSMENT OF DIRECTORS

- 8.1. On an annual basis, the Board, under the direction of the Nominations Committee, will assess directors to determine suitability for continued service on the Board taking into account the following assessment factors:
 - 8.1.1. Tenure on the Board, particularly in cases where the tenure exceeds nine years;
 - 8.1.2. Age of the director;
 - 8.1.3. Skills profile of the director;
 - 8.1.4. Performance during the preceding three years;
 - 8.1.5. Independence status of the director;
 - 8.1.6. Continuous professional development initiatives of the director;
 - 8.1.7. Commitments and time constraints in terms of other business interests and tenure on other boards;
 - 8.1.8. Diversity profile of the director e.g. gender, race.
- 8.2. The Nominations Committee will, from time to time, review the above assessment factors and determine the criteria against which directors are to be measured.

8.3. Director assessments may be undertaken by an independent external agency appointed for this purpose.

8.4. Directors who do not meet the criteria for continued tenure will be earmarked for replacement.

9. REPLACEMENT AND EXIT OF DIRECTORS

9.1. The Board, under the direction of the Nominations Committee, will determine suitable exit dates for current directors, considering the following:

9.1.1. Business continuity from a Board and Company perspective.

9.1.2. The necessary crossover period required for the effective transfer of institutional knowledge, mentoring and coaching of new directors by the outgoing director.

9.1.3. A period of at least 6 (six) months is envisaged for effective handover unless the circumstances require the outgoing director to exit immediately.

10. PROCEDURE FOR THE SELECTION AND APPOINTMENT OF NEW NON-EXECUTIVE DIRECTORS

The Nominations Committee is required to:

10.1. annually review the Board composition against the Board Charter, the MOI, the Companies Act, the JSE Listings Requirements and Debt Listings Requirements, King IV™, and the Promotion of Gender and Race Diversity at Board Level Policy;

10.2. perform a needs assessment of the current Board skills, experience and expertise; gender and race diversity; age range; tenure; and levels of independence, and those required in the foreseeable future to ensure Board effectiveness;

10.3. consult with the Chief Executive Office ("CEO") on the appointment of non- executive directors for all subsidiaries in the Group;

10.4. agree and develop selection criteria for potential Board candidates;

10.5. provide the Board with details of the selection criteria together with recommendations on potential candidates;

10.6. appoint an independent service provider to perform detailed background checks, conduct fit and proper assessments; identify any potential conflicts of interest and assess the independence of potential candidates;

10.7. assess and agree on the final candidate(s) to recommend to the Board for approval;

- 10.8. engage with the SERT Committee to ensure that the remuneration to be offered is aligned with the Remuneration Policy and fees approved by shareholders at the previous AGM;
- 10.9. authorise the Chairman of the Board to approach the preferred candidate(s); and
- 10.10. subject to the Chairman of the Board's commendation, nominate a candidate for appointment to the Board.

The Board may:

- 10.11. invite the candidate(s) to attend some meetings to meet the Board; and
- 10.12. makes its final decision and approves the appointment of a new non-executive director.

The Group Company Secretary will be required to:

- 10.13. prepare relevant letters of appointment, which shall include, inter alia, director duties and obligations, tenure, code of conduct, remuneration, and liability insurance;
- 10.14. ensure that all relevant statutory documentation is completed by the new director and lodged with respective regulators, if applicable; and
- 10.15. ensure that the new director(s) appointment is tabled at the next AGM for election by the Company's shareholders

11. PROCEDURE FOR THE SELECTION AND APPOINTMENT OF EXECUTIVE DIRECTORS

11.1 Appointment of the CEO

Executive appointments are critical to business success and an important element of corporate governance. The appointment of the CEO is notably one of the most important decisions made by the Board given the impact the appointment will have on the Company's culture and ability to attract a high-performing executive team, as well as being key to driving shareholder value.

In the appointment of an external candidate, the Committee will in part follow the process utilised in the selection of non-executive directors. The SERT Committee must:

- 11.1.1 ensure the offer to the candidate is attractive;
- 11.1.2 ensure that all terms of the contract, including remuneration have been comprehensively understood by the individual; and
- 11.1.3 seek agreement to the proposed terms from the candidate, and then document these terms of engagement.

The appointment of the CEO is in accordance with the terms of the MOI.

11.2 Appointment of executive directors who report to the CEO

The Company's Executive Directors, in accordance with their employment contract, report to the CEO. The process for the appointment of an Executive to the Board of Directors is initiated by the CEO, who reviews candidates' employment history and performance prior to recommending the appointment to the Committee. The Committee:

- 11.2.1 reviews the proposed candidate against Board composition;
- 11.2.2 reviews the candidate's declaration of interests to ensure no material conflict;
- 11.2.3 if comfortable that the candidate is eligible to be a director in terms of the Companies Act, a letter of undertaking should be prepared; and
- 11.2.4 recommends for Board approval the appointment of the candidate.

If the appointment relates to the Finance Director ("FD"), the Group Audit Committee:

- 11.2.5 reviews and evaluates the suitability of the expertise and experience of the candidate as a finance director; and
- 11.2.6 if satisfied with the credentials of the candidate, recommends for Board approval the appointment of the candidate.

12. THE SERT COMMITTEE

The remuneration and share options offered to candidates for appointment as Executive Directors must be agreed upon by the SERT Committee.

The Board thereafter assesses the recommendation(s) of the Nominations Committee, SERT Committee and Group Audit Committee (if applicable) before approving the appointment. The appointed director is required to retire at the upcoming AGM in accordance with the Companies Act and the Company's MOI.

13. PROCEDURE FOR THE SELECTION OF DOMESTIC PROMINENT INFLUENTIAL PERSONS

Should a proposed candidate for appointment as an executive or non-executive director be a Domestic Prominent Influential Person as defined in the Financial Intelligence Centre Act, No 38 of 2001, as amended, the due diligence assessment referred to in paragraph 10.6 above must robustly assess the prevalence of any conflicts of interests (actual, potential or perceived) based on accepted best practice, standards and guidelines in this regard, to enable the Nominations Committee to assess any potential risks for the Group.

14. PROCEDURE FOR THE RE-APPOINTMENT OF RETIRING DIRECTORS

The re-appointment of directors is not automatic. The Board must endeavour to ensure planned and progressive refreshing of the Board. The Nominations Committee assists the Chairman of the Board in evaluating the current Board's skills and qualities periodically to appropriately assess the current needs of the business and those going forward. The performance and independence of individual directors retiring by rotation are also assessed to enable the Nominations Committee to recommend directors for re-election in accordance with the MOI. To comply with international best practice, executive directors also retire by rotation every three years.

At each October meeting, the Nominations Committee will evaluate the performance and independence of retiring directors and assess the Board's composition with due regard to the provisions of the Promotion of Gender and Race Diversity at Board Level Policy. A formal independence test is performed on those directors retiring by rotation at the AGM. The Board applies the direction provided by King IV™ and international governance best practice in its determination of a director's independence.

Eligible retiring directors will be nominated for re-election at the next AGM accompanied by their resume outlining relevant experience and qualifications.

15. NON-EXECUTIVE DIRECTORS' TENURE

As per the Policy, the Board shall continually assess the effectiveness and objective judgment of all non-executive directors and should the Board unanimously agree the non-executive director can no longer be considered effective and objective, that non-executive director's term of office shall expire.

16. ONBOARDING AND INDUCTION OF NEW DIRECTORS

16.1. New directors appointed to the Board will be properly inducted through a structured onboarding process.

16.2. The Nominations Committee will be responsible for this process.

16.3. In addition to the onboarding and induction, a crossover period of at least six months will be arranged for the outgoing director to effectively hand over to the new appointment.

16.4. During the crossover period, the Board will, on a two-monthly basis, assess the degree to which handover has been achieved and make such necessary interventions as may be required to ensure a successful transition.

17. REVIEW AND COMPLIANCE

This Policy will be reviewed on an annual basis and any amendments must be recommended to the Board for approval to ensure its effectiveness and relevance to the evolving needs.

Compliance with the Policy will be monitored by the Nominations Committee who will report any non-compliance to the Board.

18. RESPONSIBILITY FOR THE IMPLEMENTATION OF THIS POLICY

The Nominations Committee is the custodian of this Policy and is responsible for its implementation and communication.

APPROVED BY THE BOARD ON 7 MARCH 2025