
BOARD DIVERSITY POLICY

1. Preamble

Directors shall be nominated based on their merits and with consideration of the benefits of diversity and the principles that the Company refers to as Diversity of Thought, including but not limited to criteria of diversity such as gender, age and individual differences both in professional and personal experiences. The merits of directors include knowledge of the operational environment of the Company, its markets and of the industry within which it operates, and may include elements of specific competency, geographical representation and business background as required to achieve the appropriate balance of diversity, skills, experience and expertise of the Board collectively.

The foremost criteria for nominating director candidates shall be the candidates' skills and experiences, industrial knowledge as well as personal qualities and integrity.

The composition of the Board of Directors as a whole shall reflect the requirements set by the Company operations and its development stage. The number of directors and the composition of the Board shall be such that they enable the Board to see to its duties efficiently. Both genders shall be represented on the Board of Directors and the Company shall aim to strive towards a good and balanced gender distribution.

2. Purpose & Scope

The Board Diversity Policy (the "Policy") sets out the approach to diversity on the Board of Directors (the "Board") of Home Afrika Plc (the "Company"). The Policy applies to the Board. It does not apply to diversity in relation to employees of the Company which is subject to a separate policy.

3. Guidelines for Diversity

The Board acknowledges the benefits of greater diversity, including gender diversity and remains committed to ensuring that the Company's directors bring a wide range of skills, knowledge, experience, background and perspectives. All directors' appointments will be made on merit against objective criteria, in the context of the overall balance of skills and backgrounds that the Board needs to maintain to remain effective.

In the process of attaining a diverse Board based on the aforementioned norms, the following shall be assessed:

- i. the Board should have an optimum number of executive and non-executive directors and not less than 50% of the Board should consist of the non - executive directors and shall have at least one (1) woman director on the Board subject to the applicable laws;
- ii. when the chairperson of the Board is a non-executive director, at least one third (1/3) of the Board shall comprise of independent directors and;
- iii. while appointing the independent directors, care should be taken as to the independence of the proposed appointee. Non-independent directors may be nominated but their non-independence must be disclosed and formally noted;

- iv. directorships in other companies may also be taken into account while determining the candidature of a person. A director is allowed to hold a maximum of three (3) directorships in other listed companies

4. Alternate Directors

- 4.1. Alternate director means a person elected or appointed to serve, as the occasion requires, as a member of the board of a company in substitution for a particular elected or appointed director of that company.
- 4.2. A director shall choose their alternate director but the proposed alternate director must be vetted by the Nominations Committee.
- 4.3. Each Director shall be allowed to choose one alternate each, only natural persons are appointable as alternates.
- 4.4. Alternate directors have an additional vote on behalf of each appointor who:
 - i. is not participating in a directors' meeting; and
 - ii. would have been entitled to vote if he or she were participating in it.
- 4.5. Alternate directors also have to act in the best interests of the company, independently, with due care and skill, fully apprise himself/herself of the issues to be decided on and not have (or declare) any conflicts of interest.
- 4.6. The Alternate Director shall cease acting when the appointing Directors ceases being a member of the Board.

5. Nominations Committee responsibilities

5.1. Review of Board Composition

Under its terms of reference, the Nominations Committee shall review regularly the structure, size, and composition of the Board (including the balance of skills, knowledge, and experience) and make recommendations to the Board for any changes. The Board may consider the Policy in undertaking such review.

5.2. Recruitment Process

The Nominations Committee may enlist the services of a recruitment firm to recruit candidates for Directorship at the company or may approach prospective Directors directly with the offer of directorship in the Company. In the event a recruitment firm is hired the following guidelines are to be observed:

- the firm shall produce a brief that includes an appropriate emphasis on diversity of skills and background expertise, independence of approach and other personal qualities in addition to career experience and compatibility with

the values and culture of the Company to enhance the overall effectiveness of the Board;

- the firm shall produce candidate lists that shall include female and other diverse candidates of appropriate merit; and
- the firm shall produce candidates lists that include disclosures of independence.

5.3. *Succession Planning*

The Nominations Committee is responsible for formulating succession plans for directors. Furthermore, towards the end of the fixed term of each director, the Nomination Committee considers whether to recommend to the Board the re-appointment of the director concerned. In carrying out these responsibilities, the Nominations Committee shall have regard to this policy and the composition and skills requirements of the Board at that time.

5.4. *Monitoring and Reporting*

The Nominations Committee shall through the company management annually disclose in the corporate governance section of the Company's Intergraded report, on the processes used for Board appointments. The report may include a summary of this Policy.

6. **The Chairman's/the Board's responsibilities**

6.1. *Board evaluation*

The Chairman will ensure that boardroom diversity is considered as part of the annual evaluation of the Board's effectiveness.

6.2. *Development and mentoring*

The Board will ensure that a bespoke and comprehensive induction program is provided to each new director which aims to address any gaps in a new director's knowledge. The Managing Director and Chief Finance Officer will deliver the Induction program for new directors.

7. **Review of the Policy**

The Nominations Committee shall review the Policy annually. This review will include an assessment of the effectiveness of the policy and recommend any revisions to the Board for approval.

This Policy shall be amended from time to time as the need arises, which amendments shall be approved by the Board of Directors.

