

NEW FRONTIER PROPERTIES LTD

BOARD CHARTER

Board members are the link between the shareholders and New Frontier Properties Ltd (“The Company”) and are collectively responsible to lead and control the Company to enable it to attain its strategic objectives. In discharging its duties, the Board should be guided by the interests of the Company and its business and shall take into account the interest of the stakeholders.

The broad responsibilities of the Board are to:

- Set the Company’s vision, mission and values
- Determine the strategy and policy of the Company and its subsidiaries to achieve those objectives
- Monitor and evaluate the implementation of strategies, policies and performance measurements
- Exercise leadership, enterprise, integrity and judgement in directing the Company
- Identify and assess key risk areas of the business and ensure measures are taken to mitigate those risks
- Ensure that effective internal controls systems are in place to safeguard the Company’s assets.
- Ensure compliance with laws and regulations, including risk management and corporate governance practices and disclosure requirements.
- Assess auditors’ work both internal and external
- Approve the annual report
- Evaluate performance and review compensation of senior management and directors
- Ensure adequate succession planning
- Ensure adoption of good corporate governance practices
- Ensure effective communication with shareholders

In order to meet all the legal and regulatory requirements and effectively discharge its duties, including the exercise of adequate oversight over the activities of the subsidiaries and other entities of the group, the Board may delegate some of its functions to specialised board committees. From time to time, the Board may delegate specific assignments to directors or other parties to better guide the Board in important matters requiring significant expertise. Delegation however does not discharge the Board from its duties and responsibilities and while delegating authorities, the Board should bear in mind its fiduciary duties and responsibilities under the Companies Act of Mauritius.

Board Composition

The Board should be composed of at least 4 members and should not exceed 12 members, as determined in consultation with the Corporate Governance Committee, provided that:

- the board shall include 2 Mauritian resident directors while the Company is required to meet the GBC1 licensing requirements;
- the number of directors resident for tax purposes in a jurisdiction other than the United Kingdom (“UK”) shall be less than the number of directors solely resident in the UK for tax purposes.

The Board should include non-executive members who are independent, as defined in the Mauritius Code of Corporate Governance.

All members of the Board should be individuals of integrity and, collectively, should bring a blend of knowledge, skills, objectivity and experience to the Board to enable it to carry out its functions effectively.

Directors will be recommended to the Board by the Nominations Committee and may be appointed by the Board or by the Company in general meeting.

Directors' retirement should be planned to ensure some continuity i.e. there should be staggered retirement of directors.

Chairperson

The members of the Board shall elect a non-executive Chairperson, who must possess demonstrated expertise and experience to provide firm and objective leadership. The Chairperson should not be involved in the day-to-day running of the business and should not be a full-time employee of the Company.

The main roles of a Chairperson shall be to:

- preside over meetings, encourage participation of directors in board matters and mediate differences of opinion, provided that the Chairperson shall attend all board meetings in the United Kingdom and shall not have a casting vote
- evaluate the performance of directors collectively and individually
- guide the Board and Senior Management ensuring time for consultation, preparing of agenda and minutes and supervision of implementation of resolutions
- ensure adequate succession planning for the directors and management
- ensure that all relevant information on financial and operating matters are placed before the Board to enable directors to reach informed decisions
- ensure adoption of good corporate governance practices
- maintain relations with the shareholders of the Company and ensure that information is clearly communicated to them through appropriate disclosure.

The Chairperson shall be appointed for a pre-approved term, in accordance with the Company's Constitution and the Code.

Executive Directors

The Board shall also appoint at least 2 executive directors to whom some functions will be delegated. The executive directors will have the responsibility for managing the day-to-day business and operations of the Company. The Board will have to appoint a Chief Executive whose responsibility amongst others will be to:

- develop and recommend to the Board a long term strategy and vision for the Group that would generate adequate shareholder value
- develop and recommend to the Board annual business plans and budgets that support the long term strategy of the Group
- provide to the Board all relevant financial and operating information to enable them to assess performance
- strive to achieve the Group's financial and operating goals
- serve as the chief spokesman for the company on all operational issues, further to discussion with the Board on the division of responsibilities for communication with shareholders and other stakeholders
- maintain a positive and ethical work climate that is conducive to attracting retaining and nominating a diverse group of top-quality employees at all levels of the Company

The Chief Executive Officer (“CEO”) shall be nominated by the Nominations Committee, with any additional executive directors nominated by the CEO. All executive directors shall thereafter be appointed in the manner as provided in the Company’s Constitution.

Company Secretary

To ensure the smooth functioning of Board and Board Committee meetings, the Board should appoint a Company Secretary to:

- assist the Chairperson of the Board with the agenda, information gathering and other logistics
- devise induction and training programmes for the new directors
- keep minutes and records of the Board/Board Committee meetings.

Board Committees

The Board shall have the following committees to which it can delegate some of its duties:

- Audit and Risk Committee
- Corporate Governance Committee
- Investment Committee
- Nominations Committee

Each committee shall establish Terms of Reference, which shall indicate the role and responsibilities of the committee. The composition of the committees will be reviewed at least once a year by the Corporate Governance Committee to ensure the balance of specialist skills, independence and experience, in accordance with the Company’s guidelines.

The Corporate Governance Committee shall assess the collective effectiveness of the Committees and the Board. In addition the Chairperson will individually appraise the directors.

The Committees shall submit to the Board the minutes of proceedings of their meetings.

Board meetings

The Board shall meet at least four times annually in the UK only and meetings shall be convened by the Chairman, as scheduled or at the request of one or more directors. Meetings may be held by telephone or videoconference, provided that participants can hear each other simultaneously and provided that directors resident in South Africa for tax purposes shall not be entitled to attend the meeting by telephone or videoconference from South Africa. In the event that non-UK resident directors are attending the meeting by telephone or videoconference, they will only be permitted to vote if there is a quorum of UK resident directors physically present in the UK.

The meeting will be presided by the Chairperson or in his absence, by a director designated by the Chairperson. The quorum shall be five directors, of which at least one must be an executive director. No meeting of the board shall be quorate unless a majority of directors attending that meeting are physically present at the meeting in the UK.

Resolutions will be passed by a simple majority. The minutes of proceedings of each meeting shall be approved at the following meeting as evidence that the resolutions have been adopted.

At least once a year, the non-executive directors shall meet separately to discuss the functioning of the Board and the executive directors, collectively as executive management and in their individual capacity, and address any issues that arise thereof, if any.

UK-REIT status

In order to maintain the UK-REIT status of the Company, the Board shall ensure that all key management and commercial decisions are taken in the UK and that the UK resident directorates carry out the day to day management of the Company.

Remuneration

In order to promote transparency, the compensation of the directors will be disclosed in the annual report. The remuneration of directors will be debated and recommended by the Corporate Governance Committee to the Board.

Conflict of Interest

A director must identify potential, perceived or actual conflicts of interests between him or herself and the Company. In such instances, the director must take such action, to the satisfaction of the Chairman, to avoid, manage and disclose the conflict which must include a restriction to inappropriate information and his or her recusal from making decisions on the matter.

Review

The Board's Charter may be reviewed at least once a year or as may be required with the introduction of or amendment to laws, regulations and practices.