

An abstract graphic consisting of several thin grey lines connecting small grey squares. The lines form a complex, overlapping geometric shape that resembles a stylized 'D' or a series of interconnected triangles. The squares are located at various points along the lines, some at the vertices and others at intermediate points.

**DYNAMIA**

**Dynamia Associates & Developers Ltd**

**BOARD CHARTER**

## 1. Introduction

The Board of Directors Charter sets out the objectives, roles and responsibilities and composition of the Board. This Charter should be read in conjunction with the Company's Constitution and in case a dispute in content or meaning arises, the wording of the Constitution shall prevail. This Charter is posted on the company's website.

## 2. Objectives

The objective of the Board is to define the purpose, strategy and value and determine all matters relating to the directions, policies, practices, management and operations of Dynamia Associates and Development Ltd ("Dynamia" or the "Company"). The Board should thereafter ensure that the Company is being managed in accordance with the directions of the Board.

## 3. Composition

- 3.1. The Board is a Unitary Board and shall consist of at least two executive directors and at least one independent director.
- 3.2. The Board shall consist of a minimum of three (3) and a maximum of five (5) directors.
- 3.3. Board members should be qualified for their positions, have a clear understanding of their role and be able to exercise sound judgement about the affairs of the Company. Board composition is reviewed to ensure that the independent director brings the range of skills, knowledge, and experience necessary to direct the Company going forward.
- 3.4. The Chairperson of the Board may be independent.
- 3.5. The Board shall comprise Directors from both genders as members of the Board with at least one male and one female director.

## 4. Appointment and Remuneration of the Board

- 4.1. The appointment process is under the recommendations of the Board members who recommend the members to be appointed.
- 4.2. The Board must have a formal and transparent policy in respect of directors' remuneration. It shall define the level of fees of the independent director to be recommended to the shareholders at the Meeting of Shareholders. No fee shall be paid to the executive directors.

## 5. Meetings

- 5.1. The Board must determine the frequency of the Board meetings, which shall be at least once per semester.
- 5.2. The quorum for Board Meetings is fixed by the constitution of the Company.
- 5.3. Meetings are convened, wherever possible, so that directors are able to attend and participate in person. Where personal attendance by some or all directors is not possible, meetings are convened and conducted by means of audio, or audio and

visual, communication by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting.

- 5.4. The directors present may choose one of their number to chair the meeting.
- 5.5. Every director shall have one vote. The Chairperson shall not have a casting vote. All decisions shall be taken on a majority of votes.

## 6. Roles and responsibilities

The Board is ultimately responsible for the affairs of the Company and to provide effective corporate governance.

### 6.1. Strategy

- 6.1.1. The Board shall approve the strategic objectives, policies and corporate values and, ensure that they are in line with the corporate purpose of the Company set out in article 2 of the constitution and are communicated throughout the organisation.
- 6.1.2. The Board must retain full and effective control over the Company and its capital resources and is responsible for monitoring management in respect of implementation of Board plans and strategies.
- 6.1.3. The Board shall exercise leadership, enterprise, intellectual honesty, integrity and judgement in directing the Company so as to achieve sustainable prosperity for the Company.
- 6.1.4. The Board shall keep track of the competitive position of the Company and the evolution of main competitors.
- 6.1.5. The Board shall encourage a culture that promotes ethical and responsible decision making throughout the organisation.

### 6.2. Control and Risk

- 6.2.1. The Board is responsible for setting principal policies in respect of risk and conduct of business for the Company.
- 6.2.2. The Board shall ensure that clear lines of responsibility and accountability exist and are enforced throughout the organisation.
- 6.2.3. The Board shall ensure that there is appropriate oversight by management consistent with Board policy.
- 6.2.4. The Board shall ensure that procedures and practices are in place that protects the Company's assets and reputation. It shall therefore review processes and procedures on a regular basis to ensure effectiveness of the Organisation's internal control systems.
- 6.2.5. The Board has the duty of ensuring that the Company complies with all the relevant laws, regulations and codes of business practice.

### 6.3. Financials

The Board is responsible for:

- 6.3.1. approval of the financial accounts ensuring that they have been prepared using the appropriate accounting policies and standards and fairly presents the state of affairs of the Company;
- 6.3.2. approval of capital expenditures, contracts, acquisitions and divestments;
- 6.3.3. declaration of dividends when appropriate and determination of the amount of dividend to be declared; and
- 6.3.4. approval of the budget at least annually.
- 6.4. Interests of the Shareholders and other Stakeholders
  - 6.4.1. When carrying out its roles the Board should consider:
    - the primary objective of the Company which is to continue to build sustainable value for shareholders; and
    - the expectations of the other stakeholders who are involved in the achievement of the corporate purpose of the Company; directors should undertake their responsibilities with honesty, integrity, care and diligence, in accordance with the law and in a manner which reflects the highest standards of corporate governance and with the consideration of the corporate social responsibility of the Company and its environmental impacts.
  - 6.4.2. The Board shall ensure that the Company is governed in a transparent manner through accurate and timely information.
  - 6.4.3. The Board shall ensure that each item of special business included in the notice of meeting of shareholders is accompanied by a full explanation of the justification and of the effects of the proposed resolution.
  - 6.4.4. The Board shall ensure that a brief presentation of each director standing for election is made to the shareholders.

## 7. Role of Executive and Independent Directors

- 7.1. The Independent director shall contribute to the development of the strategy, analyse, and monitor the performance of management against agreed objectives. Whenever required, he/she should challenge proposals presented by the executive directors and request additional information where he/she considers that information is necessary to support informed decision-making.
- 7.2. The Independent director shall provide independent judgement in all circumstances.
- 7.3. All directors are expected to take reasonable steps to satisfy themselves that financial, social and environmental information released to the shareholders and the stakeholders is accurate.
- 7.4. All directors are bound by fiduciary duties and duties of care and skill.
- 7.5. Executive directors must always manage the conflict between their management responsibilities and their fiduciary duties as a director in the best interests of the

Company. Additionally, executive directors have the additional responsibility of ensuring that the information laid out before the Board is an accurate and true representation of their understanding of the Company's affairs.

## 8. Role of Company Secretary

### 8.1. Compliance

8.1.1. To ensure that the organisation complies with its constitution, this charter, all relevant statutory and regulatory requirements, codes of ethics and procedures established by the Board.

8.1.2. To inform the Board of all legislations relevant to or affecting meetings of shareholders and directors.

8.1.3. To continually review developments in corporate governance.

### 8.2. Board members - Guidance and Development

8.2.1. To provide the Board as a whole and directors individually with guidance as to their roles and responsibilities, advising and assisting the directors with respect to their duties and responsibilities, in particular compliance with prevailing regulations.

8.2.2. To act as a channel of communication and information for independent directors.

8.2.3. To assist the directors in governance processes.

### 8.3. Organisation of Meetings of the Company

8.3.1. To prepare the agenda of Board and shareholders' meetings and to circulate the agendas and supporting documents in a timely manner.

8.3.2. To ensure that there is a quorum for meetings.

8.3.3. To take minutes of Board/shareholders' meetings and circulate draft minutes to all members and to ensure that minutes of proceedings of Board meetings and meetings of shareholders as well as resolutions of the Board are properly maintained.

8.3.4. To ensure that Annual and Special Meetings of Shareholders are held in accordance with the requirements of the Companies Act and the Company's Constitution.

8.3.5. To ensure that proxy forms are correctly processed and that the voting process whenever applicable is carried out correctly at meetings of shareholders.

### 8.4. Communication with the Shareholders

8.4.1. To ensure that the shareholders' interests are taken care of and act as a primary point of contact for all shareholders.

8.4.2. To communicate with shareholders and arrange payment of dividends.

## 9. Other provisions

### 9.1. Conflict of interests

- 9.1.1. Transactions between the Company and its directors or shareholders may be sources of conflicts of interest.
- 9.1.2. The personal interests of a director, or persons closely associated with the director must not take precedence over those of the Company and its shareholders.
- 9.1.3. A director should make a best effort to avoid conflicts of interest or situations where others might reasonably perceive there to be a conflict of interest.
- 9.1.4. A director shall forthwith after becoming aware of the fact that he/she is interested in a transaction or proposed transaction with the Company, disclose same to the Board and cause same to be entered in the Interests Register.
- 9.1.5. The Board has developed a corporate code of business principles that addresses issues that relate, inter alia, to conflicts of interest, particularly relating to employees and others working for the Company.

### 9.2. Reporting

- 9.2.1. All matters likely to have an impact on the affairs or reputation of the Company shall be reported by at least one of its members.
- 9.2.2. The Board shall deal with and take appropriate decisions with respect to all significant matters brought up by at least one of its members.

### 9.3. Confidentiality

#### 9.3.1. Duty to Keep Information Confidential

Unless required to do so by law, no Board member shall, during his or her membership on the Board or afterwards, disclose any information of a confidential nature regarding the business of the Company, that came to his or her knowledge in the capacity of his or her work for the Company and which he/she knows or should know to be of a confidential nature. A Board member may disclose such information to fellow Board members as well as to staff members of the Company who, in view of their activities for the Company, should be informed of the information. A Board member shall not use such confidential information for his or her personal benefit.

#### 9.3.2. Return of Confidential Information

At the end of each Board member's term of office, he/she shall return all confidential documents in his or her possession to the Company or guarantee their disposal in a manner that ensures confidentiality is preserved.

#### 9.3.3. Notice of Disclosure

If a Board member intends to disclose to third parties information which he/she has become aware of in his or her duties and which may be confidential, he/she must inform the other directors of his or her intent and the identity of the person who is to

receive the information with sufficient notice for the other directors to assess the situation and advise.

9.4. Acceptance by Board Members

Anyone who is appointed as a Board member must, upon assuming office, declare in writing to the Company that he/she accepts and agrees to comply with the provisions of this charter.

9.5. Occasional Non-Compliance

If permitted by law, the Board may occasionally decide (by unanimous decision) at its sole discretion not to comply with the provisions of this charter.

9.6. Amendment

This charter may be amended by the Board at its sole discretion without prior notification.

9.7. Partial Invalidity

If one or more provisions of this charter are (or become) invalid, this shall not affect the validity of the remaining provisions. The Board may replace the invalid provisions by provisions which are valid and the effect of which, given the contents and purpose of this charter is, to the greatest extent possible, similar to that of the invalid provisions.