



ARC INVESTMENTS

This policy refers to the insider trading policy for ARC Investments Limited and all entities which are fellow subsidiaries of ARC Investments Limited in the UBI Group.

Insider Trading Policy

1. PURPOSE

The purpose of this document is to provide a framework for compliance with the requirements of Insider Trading legislation which, together with compliance with the Price Sensitive Information Policy, will provide reasonable assurance that directors, officers and employees of ARC Investments Limited (“the Company”) and its fellow subsidiaries within the Ubuntu-Botho Investments Proprietary Limited (“UBI”) group comply with the Insider Trading requirements enforced in terms of legislation in South Africa.

2. INTRODUCTION AND CONTEXT

The board of the Company (“the Board”) is committed to a high standard of corporate governance and this includes ensuring that the Company complies with the applicable laws and regulations which govern its operation. Furthermore, the Board requires appropriate policies and procedures to be implemented internally to ensure that its directors, officers and employees comply with the terms of the relevant laws and regulations.

To this extent, this Insider Trading Policy (the “Policy”) has been developed to govern and guide trading in AIL’s securities and most importantly in the context of Insider Trading, taking cognisance of the requirements of the Financial Markets Act No.19 of 2012 (“FMA”) as well as the Listings Requirements of the JSE (“JSE Listings Requirements”).

Certain of the group’s operations occur outside South Africa, the country in respect of which the legislation and regulations mentioned above apply, however, the Board notes that it expects that all Designated Persons (as defined below) apply the principles contained in this document regardless of the territories in which they operate.

3. SCOPE AND APPLICABILITY

This policy shall apply to the following applicable persons, where relevant:

- a. the Board and Company Secretary of the Company (“Company Secretary”);
- b. The board of UBI and boards of fellow subsidiaries of the Company including the company secretaries and employees of those boards and entities.
- c. associates of the above (collectively referred to for purposes of the clauses below as “directors”).
- d. In addition, any employees of the Company and/or subsidiaries within the UBI Group who may be in possession of inside information from time to time.

4. DEFINITIONS

The following definitions are applicable to this document:

Definition	Description
AIL or the Company	African Rainbow Capital Investments Limited.
UBI GP	UBI General Partner Proprietary Limited, the general partner in the ARC Fund where AIL is the limited partner.
Associate includes	<p>With reference to an individual:</p> <ol style="list-style-type: none"> a. the individual's immediate family, being their spouse/civil partner and children. (Children in relation to an individual includes any step child, adopted child or illegitimate child, who has not yet attained the age of 21 years, and any person under guardianship of the individual). b. trustees of any trusts of which the individual or any of the individual's immediate family is a beneficiary or discretionary subject, including trustees of a trust without nominated beneficiaries (excluding an occupational pension scheme such as an employee share scheme that does not confer benefits on the individual or the individual's immediate family). c. any trust (or similar vehicle) in which the individual and/or his immediate family (referred to above) individually or collectively have the ability to: control 35% of the votes of the trustees; and/or to appoint 35% of the trustees; and/or appoint or change 35% of the trust beneficiaries. Without derogating from the above, the term trust may also be replaced with any other similar vehicle or arrangement set up for similar purposes to that of a trust; d. any company in whose equity securities the individual or any person/trust mentioned in a) and b) above, collectively are directly or indirectly beneficially interested, or have a conditional, contingent or future entitlement to become beneficially interested, and are able to: exercise or control the exercise of 35% or more of the votes at general meetings on all or substantially all matters; and/or to appoint or remove directors holding 35% or more of the voting rights at board meetings on all or substantially all matters; and/or to exercise or control the exercise of 35% or more of the votes at board meetings on all or substantially all matters; e. any close corporation in which the individual and/or other party mentioned above taken together beneficially hold an interest of 35% or more of the member's interest; and/or are able to exercise or control the exercise of 35% or more of the votes able to be cast at members' meetings on all, or substantially all, matters; and f. Any associate of a company that is an associate to the individual. g) Where more than one individual of the same listed company is directly or indirectly beneficially interested in the equity securities of another company/entity, then such interests will be aggregated.
Associate includes	<p>With reference to a company:</p> <ol style="list-style-type: none"> a. Any company and its subsidiary/ies, holding company/ies or fellow subsidiary; b. Any company whose directors are accustomed to act in accordance with the company's directive or instruction; and/or c. Any trust that the company and any associate company mentioned above, individually or taken together have the ability to control 35% of the votes and/or to appoint 35% of the trustees and/or appoint or change 35% of the beneficiaries of the trust.
Designated Persons	All members of AIL and UBI GP boards, executive and management committees, as well as temporary and permanent employees and contractors.
Inside Information	<p>Specific or precise information, which has not been made public and which:</p> <ol style="list-style-type: none"> a. is obtained or learned as an Insider; and b. if it were made public, would be likely to have a material effect on the price or value of any security listed on a regulated market.
Insider	<p>A person who has Inside Information—</p> <ol style="list-style-type: none"> a) through <ol style="list-style-type: none"> i. being a director, employee or shareholder of an issuer of securities listed on a regulated market to which the Inside Information relates; or ii. having access to such information by virtue of employment, office or profession; or b) where such person knows that the direct or indirect source of the information was a person contemplated in paragraph (a) above

Insider Trading	trading in listed securities of AIL, either directly or indirectly, by an applicable person who is in possession of Inside Information which is price sensitive and has not been made available to the public, where the individual knows that the source was an Insider
Material	Information is material if a reasonable investor is likely to consider it significant enough in making an investment decision or if the information is reasonably certain to have a substantial impact on the share price.
Price sensitive information	information which, if made available to the public, would be reasonably likely to have an effect on the price of a listed company's securities.

5. MINIMUM REGULATORY REQUIREMENTS

5.1 Insider trading

Definitions of Insider Trading and related terms are included in Section 4 above. Examples of information that is price sensitive and which may, in respect of a company, Materially impact the market include, but are not limited to:

- Financial performance information affecting profit announcements for any year, half year or other financial reporting period;
- Material variance in performance from market expectations;
- Acquisitions or sales of assets;
- Takeovers, mergers or other corporate actions;
- Dividends and other distributions to shareholders;
- Any decision to increase / reduce the dividend cover;
- Any proposed change in the capital structure of the company or any redemption of securities;
- Any proposed change in the general character or nature of the business; and/or
- Any material claim or unexpected liability.

If there is any doubt as to whether information is price sensitive, advice should be sought from the Company Secretary.

5.2 Financial Markets Act

In addition to other matters, the FMA regulates Insider Trading.

The FMA prohibits an Insider that knows that he/she has Inside Information from:

- a. dealing in securities for their own account or for another person (unless a dealer is acting on behalf of a client without knowledge of the inside information);
- b. disclosing Inside Information to another person (unless provided as part of that person's profession and not for dealing purposes);
- c. encouraging or discouraging another person to trade or causing or stopping another person to trade in the company's securities.

Committing an offence in terms of the FMA attracts civil liability and restitution, pursuable by the Financial Services Board. In addition, any market manipulation and false statements are offences in terms of the FMA.

5.3 JSE Listings Requirements

The JSE has certain requirements regarding announcements which are governed and managed through other processes within a company.

In terms of the JSE Listings Requirements, a director and the company secretary as well as the director and company secretary of a major subsidiary may not deal in securities relating to a listed company without first obtaining clearance for such trade. This clearance must be obtained from the Chairman or a designated director. In addition, a director may not trade during a closed period or at a time when he/she is in possession of unpublished price sensitive information. Clearance to trade must not be given during a closed period or any period when there exists any matter, which constitutes unpublished price sensitive information in relation to the company's securities (whether or not the director as defined above has knowledge of such matter).

The JSE requires that the Company have a closed period from:

- the date of the financial year end up to the date of the earliest publication of the preliminary report;
- the date from the expiration of the first six month period of a financial year up to the date of publication of the interim results; and
- any date when the company is trading under a cautionary announcement.
- The above assumes a twelve month reporting period with no quarterly results being published.

Details of trading in the company's securities by directors and the company secretary, directors and company secretary of a major subsidiary, and the associates of such parties need to be published on SENS within 3 working days of dealing. Directors, as defined above, must notify the company within 48 hours of dealing and the company must announce such information on SENS within a further 24 hours of receipt of the information.

For the sake of clarity, the directors and the company secretary as well as the director and company secretary of a major subsidiary must obtain clearance in terms of paragraph 4.2 below before any trade takes place. An associate of a director as defined in the table in section 4 above is NOT required to obtain clearance and can trade at any time i.e. is not subject to the closed period.

However, an associate will be governed by the FMA detailed in section 3 in that if an associate was trading on the back of unpublished price sensitive information, they would be committing an offence.

6. AIL POLICY REQUIREMENTS

6.1 Closed periods

The Board may, at any time it deems necessary, declare a closed period for all or selected applicable persons, either in terms of this Policy or in line with the requirements of the Price Sensitive Information Policy. In terms of the closed period, until further definition is provided to the class of persons permitted to trade, Designated Persons (excluding their associates) cannot trade in the securities of the Company.

In terms of the interim and year end financial results, a closed period will be imposed:

- One week prior to the date of expiration of the first six month period, to the day after the interim financial results are published on SENS; and
- One week prior to the date of expiration of the year end to the date that the final financial results are published on SENS.

Applicable persons will be advised by email of their obligations in terms of the announcement of interim and final results and of the dates of the closed period and will be advised by email of any closed period that the Board may declare from time to time.

Even though the company may give a reminder or advice, the obligation not to trade or to encourage/discourage anyone else to trade in AIL shares while in possession of price sensitive information remains with the individual concerned. Designated persons are reminded that even outside closed periods, Insider Trading provisions apply.

6.2 Applications for consent

6.2.1 Company Directors trading in AIL shares

A director of the Company and/or the Company Secretary may not deal in the AIL's securities without having first received clearance from the chairperson of the Board ("Chairperson") in the first instance or if the Chairperson is not available then clearance from the lead independent director. Any applications by the Chairperson to deal in AIL securities should be submitted to the chairperson of the Audit and Risk Committee of the Company.

Applications by a director of the Company for consent to deal in AIL securities must be made in writing and addressed to the Company Secretary. Application forms for dealing are available from the Company Secretary. The written application must state:

- The nature of the transaction, e.g. sale, exercise of options etc;
- The person who wishes to carry out the transaction, e.g. self, spouse etc; and
- The maximum number of securities involved.

The application will then be forwarded to the appropriate authority for clearance so as to ensure the necessary records are kept as required.

The Company Secretary must be advised in writing of the details of a trade by a director of the Company within forty-eight hours, to enable the details to be published timeously on

SENS. The written details must include:

- The nature of the transaction;
- The person who carried out the transaction;
- The number of securities involved, and the price at which the securities traded;
- The date on which the transaction was effected and whether it was effected on/off market;
- The nature and extent of the director's interest in the transaction; and
- In the case of options or any other similar right or obligation, the strike price, strike date and periods of exercise and/or vesting.

Any written clearance granted will be valid for a maximum period of 5 business days, or a shorter period should the written approval state as such. Due to the SENS announcement deadline, should the trades take place over a number of days and tranches, the director should communicate with the Company Secretary from the time of the expiry of the first forty-eight hours to discuss further developments.

The following trades shall not be subject to this policy:

- a. undertakings or elections to take up entitlements under a rights issue or other pre-emptive offer (including an offer of shares in lieu of a cash dividend);
- b. the take up of entitlements under a rights issue or other pre-emptive offer (including an offer of shares in lieu of a cash dividend);
- c. allowing entitlements to lapse under a rights issue or other pre-emptive offer (including an offer of shares in lieu of a cash dividend);
- d. the sale of sufficient entitlements nil-paid to allow take up of the balance of the entitlements under a rights issue; or
- e. undertakings to accept, or the acceptance of, a takeover offer.

However, the Company Secretary shall be advised in writing for record purposes.

6.2.2 Divisional directors trading in company shares

From time to time the Company and / or its major subsidiaries may appoint divisional directors within the group, who are not directors of the Company and / or its major subsidiaries. However, these divisional directors will have access to inside and price sensitive information. As such, the requirement is that divisional directors are required to apply for clearance in the same manner as that outlined in 6.2.1. However, authority to provide clearance is given to the Chief Executive of the Company in the first instance or the Chief Financial Officer of the Company should he/she not be available.

7. SUBMISSIONS TO BOARD MEETINGS

The Company Secretary of the Company will maintain a written record of all requests by directors of the Company for clearance and any clearance given in regard thereto. Written confirmation must be provided to the director concerned evidencing that such request and any clearance given have been recorded.

A list of all trading of directors, management, officers and employees will be tabled at the quarterly board meetings.

8. BREACH

In addition to the civil liability that breach of this Policy and Insider Trading law may expose Designated Persons to, the aforementioned breach will be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

9. OPERATION OF THE POLICY

If there is any doubt as to the applicability or operation of this Policy, advice should be sought from the Company Secretary.

The Policy will be reviewed as and when necessary, based on recommendations from the Board, management and the AIL's sponsors.

This Policy will be distributed to all employees and acknowledged as having been reviewed.

APPENDIX I

CLOSED PERIOD LETTER SHARE DEALINGS BY DIRECTORS OF THE COMPANY AND SUBSIDIARIES

Dear Director

I am writing to you in your capacity as a director of ARC Investments Limited ("AIL"). Kindly be advised that, in terms of the Listings Requirements of the JSE Limited ("Listings Requirements"), AIL will enter a closed period with effect from (xxxDATExxx). It is currently anticipated that the release of our results for the six months/year ended (xxxDATExxx) will be published on SENS and the closed period relating thereto should end on or about (xxxDATExxx).

During this period, you are prohibited from dealing in AIL shares. Attached, is an explanatory note providing more detail as to the Directors' Dealings and closed period provisions.

You are reminded that in terms of our Insider Trading Policy, a copy of which is available on our intranet site.

You must inform your financial advisors and/or investment managers of the closed period dates to ensure that they do not deal in the shares of the company and instruct them that they may only trade in your company securities unless they have your express consent in writing.

The Insider Trading Policy is for your protection, to ensure that you do not deal in shares of the company at a time when you have information that is potentially price sensitive. Compliance with the policy and the requirements of the closed period will ensure that you comply with the JSE Listings Requirements and do not commit an offence in terms of the Financial Markets Act.

If you have any queries regarding the Insider Trading Policy, or the interpretation thereof, please do not hesitate to contact me on the details given below.

XXX | Company Secretary | ARC Investments Limited

Tel xxx | Fax xxx | Mobile xxx | email@address.com

APPENDIX II

CLOSED PERIOD LETTER SHARE DEALINGS BY EMPLOYEES OF THE COMPANY

Kindly be advised that, in terms of the Listings Requirements of the JSE Limited ("Listings Requirements"), AIL will enter a closed period with effect from (xxxDATExxx). During this period, you are prohibited from dealing in AIL shares. It is currently anticipated that the release of our results for the six months/year ended (xxxDATExxx) will be published on SENS and the closed period relating thereto should end on or about (xxxDATExxx).

You are reminded that in terms of our Insider Trading Policy, a copy of which is available on our intranet site, all employees are prohibited from dealing in AIL shares during this period.

You must inform your financial advisors and/or investment managers of the closed period dates to ensure that they do not deal in the shares of the company and instruct them that they may only trade in your company securities unless they have your express consent in writing.

The Insider Trading Policy is for your protection, to ensure that you do not deal in shares of the company at a time when you have information that is potentially price sensitive. Compliance with the policy and the requirements of the closed period will ensure that you comply with the JSE Listings Requirements and do not commit an offence in terms of the Financial Markets Act.

If you have any queries regarding the Insider Trading Policy, or the interpretation thereof, please do not hesitate to contact me on the details given below.

Please do not hesitate to contact me should you have any queries.

Regards

Company Secretary