



BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 2000/017884/06)

unconditionally and irrevocably guaranteed by

RCS CARDS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 2000/017891/07)

INFORMATION STATEMENT in respect of the ZAR10,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME

BNP Paribas Personal Finance South Africa Limited (the **Issuer** (collectively referred to with its subsidiaries as the **RCS Group**) or the **Company**) intends to issue notes from time to time (the **Notes**) under its ZAR10,000,000,000 Domestic Medium Term Note Programme (the **RCS Programme**) on the basis set out in the programme memorandum dated 21 November 2024, as amended and restated from time to time (the **Programme Memorandum**).

The Notes may be issued on a continuing basis and be placed by the dealer(s) specified in the section headed “*Summary of the Programme*” under the Programme Memorandum and any additional dealer(s) appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis (the **Dealer(s)**).

The specific aggregate nominal amount, the status, maturity, interest rate, or interest rate formula and interest payment dates, purchase price to be paid to the Issuer, any terms for redemption or other special terms, currency or currencies, form and denomination of Notes, information as to financial exchange listings and the names of the Dealer(s), underwriters or agents in connection with the sale of Notes being offered at a particular time will be set forth or referred to in the terms and conditions contained in the Programme Memorandum (the **Terms and Conditions**), read together with the pricing supplement applicable to any Notes (the **Applicable Pricing Supplement**).

Availability of Information

This Information Statement (this Information Statement) is also available on the Issuer’s website at <https://rcs.co.za/about/investor-relations/>

Other than in this Information Statement and the Programme Memorandum, any other information on the Issuer’s website is not intended to be incorporated by reference into this Information Statement. Only those documents which are incorporated by reference in the section headed “*Documents Incorporated by Reference*” in the Programme Memorandum should be relied upon for information in respect of the RCS Programme and/or the subscription for the Notes.

Recipients of this Information Statement should retain it for future reference. It is intended that the Programme Memorandum read together with the Applicable Pricing Supplement(s) in connection with the issuance of Notes, will refer to this Information Statement for a description of the Issuer and RCS Cards Proprietary Limited (RCS Cards or the Guarantor), their directors, debt officer, company secretary, corporate governance, financial condition and results of operations (if any) and investor considerations/risk factors, until an updated information statement is issued. This Information Statement is not intended, and should not be construed, as the Programme Memorandum and/or the Applicable Pricing Supplement(s). It is not a standalone document and cannot be read without reference to the Programme Memorandum and/or the Applicable Pricing Supplement(s).

TABLE OF CONTENTS

	<i>Page</i>
GENERAL	3
INVESTOR CONSIDERATIONS/RISK FACTORS	6
BUSINESS DESCRIPTION OF BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED	12
BUSINESS DESCRIPTION OF RCS CARDS PROPRIETARY LIMITED	26
GENERAL INFORMATION	28

GENERAL

Capitalised terms used in this section headed "General" shall bear the same meanings as defined in the Terms and Conditions in the Programme Memorandum, except to the extent that they are separately defined in this section, or this is clearly inappropriate from the context.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Information Statement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made, and that this Information Statement contains all information required by the Applicable Laws and the Debt and Specialist Securities Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Information Statement and any amendments or supplements thereto, except as otherwise stated herein.

In addition, the Issuer, having made all reasonable enquiries, confirms that as at the date of this Information Statement (the **Information Statement Date**) this Information Statement contains or incorporates all information which is material in relation to the issuing and the offering of the Notes, that all information contained or incorporated into this Information Statement is true and accurate in all material respects and that the opinions and the intentions expressed in this Information Statement are honestly held and that there are no other facts, the omission of which, would make this Information Statement or any of such information or expression of any such opinions or intentions misleading in any material respect.

The Arranger, the Dealer(s), the JSE Debt Sponsor or any of their respective subsidiaries or holding companies or a subsidiary of their holding companies (**Affiliates**), and any of their professional advisors (the **Professional Advisors**) have not separately verified the information contained in this Information Statement. Accordingly, no representation, warranty or undertaking, expressed or implied, is made and no responsibility is accepted by the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or any of the Professional Advisors as to the accuracy or completeness of the information contained in this Information Statement, or any other information provided by the Issuer or the Guarantor. None of the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates nor any of the Professional Advisors accept any liability in relation to the information contained in this Information Statement or any other information provided by the Issuer or the Guarantor in connection with the Notes. The statements made in this paragraph are without prejudice to the responsibilities of the Issuer.

No person has been authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with this Information Statement or any other information supplied in connection with the issuing and the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the Professional Advisors. Neither the delivery of this Information Statement nor any offering made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the Information Statement Date, or that any other financial statement or other information supplied in connection with this Information Statement is correct at any time subsequent to the date indicated in the document containing same.

Neither this Information Statement nor any other information supplied in connection with the Notes constitutes the rendering of financial or investment advice by or on behalf of the Issuer, the Guarantor, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or any professional advisor.

This Information Statement and any other information supplied in connection with the Notes is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Guarantor, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or any professional advisor, that any recipient of this Information Statement should subscribe for or purchase any Notes. Each potential investor contemplating subscribing for or purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor. Each potential investor should consult its own professional advisors to make its investment decision and to determine whether it is legally permitted to subscribe for or purchase the Notes pursuant to this Information Statement, the Programme Memorandum and the Applicable Pricing Supplements under Applicable Laws and regulations.

Neither this Information Statement nor any other information supplied in connection with the Notes

constitutes an offer or invitation by or on behalf of the Issuer, the Guarantor, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the Professional Advisors to any person to subscribe for or to purchase any Notes.

This Information Statement does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. None of the Issuer, the Guarantor, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates nor any professional advisor, represents that this Information Statement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the Professional Advisors which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Statement nor any advertisement, nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. The Arranger or the Dealer(s) has represented that all offers and sales by them will be made on the same terms and in compliance with this prohibition.

The distribution of this Information Statement and the offer for the subscription or sale of Notes pursuant to the Programme Memorandum and the Applicable Pricing Supplement(s) may be restricted by law in certain jurisdictions. Currently, the Notes are only available for subscription by South African residents. Persons into whose possession this Information Statement or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Information Statement, the Programme Memorandum, the Applicable Pricing Supplement(s) and the offer for the subscription or sale of Notes in the United States of America, the European Economic Area, the United Kingdom and South Africa.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or with any securities regulatory authority of any state or other jurisdiction of the United States of America, and may not be offered or sold in the United States of America or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act (**Regulation S**)). The Notes will be offered and sold only in offshore transactions outside the United States of America in accordance with Regulation S and, subject to certain exceptions, may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, US Persons.

Information and opinions presented in this Information Statement were obtained or derived from public sources that the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the Professional Advisors believe are reliable but make no representations as to the accuracy or completeness thereof. Any opinions, forecasts or estimates (if any) herein constitute a judgment as at the Information Statement Date. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. The price, value of and income from any of the securities or financial instruments mentioned in this Information Statement (if any) can increase as well as decrease. Any opinions expressed in this Information Statement are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the Professional Advisors as a result of using different assumptions and criteria. Furthermore, the Arranger, the Dealer(s), the JSE Debt Sponsor, their Affiliates and the Professional Advisors (and their respective directors, employees, representatives and agents) accept no liability for any direct or indirect loss or damage incurred arising from the use of the material presented in this Information Statement, except as provided for by Applicable Laws.

All trademarks, service marks and logos used in this Information Statement are trademarks, service marks or logos, or registered trademarks, service marks or logos of the Issuer or the Guarantor. This Information Statement may not be reproduced without the prior written consent of the Issuer, the Guarantor, the Arranger or the Dealer(s). It may not be considered as advice, a recommendation or an offer to enter into or conclude any transactions.

Copies of this Information Statement are available through a secure electronic manner at the election of the person requesting inspection and by request from the registered offices of the Issuer.

INVESTOR CONSIDERATIONS/RISK FACTORS

Capitalised terms used in this section headed “Investor Considerations/Risk Factors” shall bear the same meanings as used in the Terms and Conditions set out in the Programme Memorandum, except to the extent that they are separately defined in this section, or this is clearly inappropriate from the context. References below to the “Terms and Conditions”, in relation to the Notes, shall mean the “Terms and Conditions of the Notes” as set out in the Programme Memorandum.

The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information available to it at the Information Statement Date, or which it may not be able to anticipate at the Information Statement Date. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in the Programme Memorandum to reach their own views prior to making any investment decision.

Factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme

Material risks relating to the Issuer’s business

Below are the material risks impacting the Issuer, as at the Information Statement Date:

Solvency, Capital Adequacy and Funding Risk

Solvency risk is the risk that the RCS Group will not have sufficient capital to meet materially adverse market conditions beyond that which has already been factored into the business model, primarily through its provisioning for expected credit loss and as such closely linked to its Credit Risk.

Should capitalisation levels fall to a point where the Asset Cover Ratio is breached or at risk of being breached, the Issuer may need to raise additional capital to ensure that capitalisation levels are adequate.

The Issuer’s ability to raise capital may be limited by numerous factors, including general economic and financial conditions, the availability of capital markets generally or from the Issuer’s shareholders, investor confidence, sentiment towards the South African, Namibian or Botswana economy and their credit ratings, financial condition, and results of operations. There can be no assurance that the Issuer will be able to obtain such capital on favourable terms, in a timely manner or at all.

Liquidity Risk

Liquidity Risk is the risk that the RCS Group is unable to meet its payment obligations when they fall due. This may be caused by the RCS Group’s inability to liquidate assets or to obtain funding to meet its liquidity needs. RCS Group’s ability to maintain adequate liquidity levels plays a critical roles in its ability to operate its businesses, grow organically and take advantage of strategic opportunities. The maintenance of adequate liquidity levels provide RCS Group with the ability to be flexible in the face of turbulent or uncertain local and global economic conditions

Strategic Risk

The RCS Group can be faced with strategic risks when faced with significant changes in the business conditions, changes in significant shareholders, the competitive market environment or company strategy.

Strategic risk also refers to the risk inherent in the chosen strategies of the RCS Group and the chance that these strategies may not result in the desired or planned outcome. This includes strategies adopted for RCS Group’s products, channels, customer value offering, partnerships, marketing and systems.

The consequence of a failed strategy may include loss arising from unsuccessful businesses, poor decisions and /or inadequate resource allocation to new initiatives.

Credit Risk

Given that the RCS Group offers a range of credit card and loan products, the RCS Group is faced with the risk of loss due to the failure by a client or counterparty to meet its contractual obligations to the RCS Group. This is impacted by customers' ability to pay which is a function of prevailing economic and socio-economic conditions where the customers' disposable income is adversely impacted and thus their loan or store card and credit card serviceability.

Market Risk

Market risk is the risk of a change in the actual or effective market value or earnings of a portfolio of financial instruments caused by adverse movements in market variables such as equity, bond and commodity prices, currency exchange rates and interest rates, credit spreads, recovery rates, correlations and implied volatilities in all of the above.

RCS Group's key market risk is the interest rate risk associated with its store card, credit card and loan book whereby measures need to be put in place to manage potential adverse interest rate movements on the loan, credit card and store card book.

Operational Risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes information and legal risk but excludes reputational and strategic risk. Operational risk is inherent within all organisations and is a standard by-product of a business that provides financial services including lending.

Operational risk includes the risk of loss due to employees' lack of knowledge or wilful violation of laws, rules and regulations or other misconduct which could result in regulatory sanctions or fines as well as serious reputational or financial harm.

People risk pertains to the RCS Group's ability to ensure an attractive employee value proposition and maintain a stable labour force environment. RCS Group depends on the continued contributions of its directors, senior management and other key personnel with the experience, knowledge and skills in lending and other operations. The loss of one or more directors or members, senior management or other key personnel without finding suitable replacements, or any adverse perception resulting from the change in RCS Group's governance or management structure, may delay or adversely affect the ability of the Issuer to implement its strategy and, therefore, have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Legal and compliance risks involves risk of loss arising from regulatory sanction or reputational damage due to noncompliance.

Business Risk

The risk of loss, usually from inflexible cost structures or inefficiencies, due to adverse operating conditions caused by market-driven pressures such as decreased demand, increased competition or cost increases, and by specific causes such as poor choice of strategy, reputational damage or the decision to absorb costs or losses to preserve reputation.

Reputational Risk

Reputational risk results from damage to the RCS Group's image which may impair its ability to retain and generate business. The damage may result from a breakdown of trust, confidence or business relationships. Safeguarding the RCS Group's reputation is of paramount importance to its continued success and is the responsibility of every member of staff.

A risk of loss resulting from damages to an entity's reputation can result in lost revenue, increased operating, capital or regulatory costs or destruction of shareholder value, consequent to an adverse event which affects the entity, whether the event is the result of the relevant entity's actions or not.

The Issuer's ability to attract and retain customers, staff and funding and conduct business with its counterparties could be adversely affected to the extent that its reputation or the reputation of its brand is damaged. Failure to address, or appearing to fail to address, various issues that could give rise to

reputational risk could cause harm to the Issuer's business, financial condition, results of operations and prospects.

There is also a link between reputational risk and liquidity risk. The ability of RCS Group to attract customers and funding providers alike is dependent on maintaining a good reputation amongst clients and funding providers.

Any deterioration of RCS Group's reputation could make customers and funders unwilling to do business with RCS Group or damage its relationships with its regulators and all of its other stakeholders, which could in turn have a material adverse effect on its business, financial condition, results of operations and prospects.

Information Technology Risk

RCS Group relies on the proper functioning of Information Technology ("IT") and communication systems, some of which are provided by third parties, to price and sell its products, process payments, collect data, assess acceptable levels of risk exposure, set required levels of provisions and capital and maintain customer records and security.

RCS Group manages IT risk in accordance with the BNPP Technology Policy, the RCS Group Software Development Policy, The RCS Group Information Security and User Access Management Policies and The RCS Group Cyber Security Incident Response Plan (CSIRP).

IT risk is managed through the continuous monitoring of security of information, proactive monitoring of intelligence to identify and respond to incidents, including cyber attaches and the disposal of obsolete technology and information environmental impact and information security.

Risks relating to the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in the Notes in light of its own circumstances. In particular, each potential investor should, amongst other things:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in the Programme Memorandum or any Applicable Pricing Supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact that the investment will have on the potential investor's overall investment portfolio.

There may not be an active trading market for the Notes

Notes issued under the RCS Programme will be new securities which may not be widely distributed and for which there is no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If

the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the government of South Africa or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all Outstanding Notes in accordance with the Terms and Conditions.

In addition, if in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low.

In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Since uncertificated Notes are held in the CSD, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the RCS Programme which are listed on the Interest Rate Market of the JSE or such other or additional Financial Exchange and/or held in the CSD may, subject to Applicable Laws and the Applicable Procedures, be issued in uncertificated form. Unlisted Notes may also be held in the CSD in uncertificated form. Notes held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. Except in the limited circumstances described in the Terms and Conditions, investors will not be entitled to receive Individual Certificates. The CSD will maintain records of the Beneficial Interests in Notes issued in uncertificated form, which are held in the CSD (whether such Notes are listed or unlisted). Investors will be able to trade their Beneficial Interests only through the CSD and in accordance with the Applicable Procedures.

Payments of principal and/or interest in respect of uncertificated Notes will be made to the CSD or the Participants and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the CSD or the Participants for distribution to their account holders. A holder of a Beneficial Interest in uncertificated Notes, whether listed or unlisted, must rely on the procedures of the CSD to receive payments under the relevant Notes. Each investor shown in the records of the CSD or the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his/her share of each payment so made by the Issuer to the registered holder of such uncertificated Notes (being the CSD or the Participant). The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, such Beneficial Interests.

Holders of Beneficial Interests in uncertificated Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the CSD to appoint appropriate proxies.

Credit Rating

The RCS Programme, Tranches of Notes issued under the RCS Programme, the Issuer and/or the Guarantor, as the case may be, may be rated or unrated. A Rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

Any amendment in the Rating of the Issuer and/or the Guarantor and/or the RCS Programme and/or a Tranche of Notes, as the case may be, after the Information Statement Date, will be announced on SENS.

Risks related to the structure of the particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index-Linked and Dual Currency Notes

The Issuer may issue Notes the terms of which provide for interest or principal payable in respect of such Notes to be determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a **Relevant Factor**) or with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- no interest may be payable on such Notes;
- payments of principal or interest on such Notes may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the Nominal Amount of such Notes (as defined in the Applicable Pricing Supplement) or even zero;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest

rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the prevailing rates on its Notes.

Notes where denominations involve integral multiples: Individual Certificates

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination (as defined in the Applicable Pricing Supplement) plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his/her account with the relevant clearing system at the relevant time may not receive an Individual Certificate in respect of such holding and would need to purchase a Nominal Amount of Notes such that its holding amounts to a minimum Specified Denomination.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Modification and waivers and substitution

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Change of law

The Notes are governed by, and will be construed in accordance with, South African law in effect as at the Information Statement Date. No assurance can be given as to the impact of any possible judicial decision, change to South African law or administrative practice in South Africa after the Information Statement Date.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

BUSINESS DESCRIPTION OF BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED

Capitalised terms used in this section headed “Business Description of BNP Paribas Personal Finance South Africa Limited” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section, or this is clearly inappropriate from the context.

1. INTRODUCTION

1.1. BNP Paribas Personal Finance South Africa Limited (**BNP PPFSA** or **Issuer**) is the holding company of the following entities:

1.1.1. RCS Cards Proprietary Limited (**RCS Cards**);

RCS Cards is a consumer finance business, incorporated in South Africa, that offers its customers a range of financial services.

1.1.2. RCS Collections Proprietary Limited (**RCS Collections**);

RCS Collections company is incorporated in the Republic of South Africa and is a registered debt collector and in-house collector for the Group.

1.1.3. RCS Home Loans Proprietary Limited (**RCS Home Loans**);

RCS Home Loans is incorporated in South Africa and is party to a joint operation with SA Home Loans Proprietary Limited involved in the origination and servicing of home loans and offering related insurance products to individuals.

1.1.4. RCS Investment Holdings Namibia Proprietary Limited (**RCS Investment Holdings Namibia**);

RCS Investment Holdings Namibia is incorporated in Namibia and offers a private label revolving card product to consumers, delivered via participating merchant outlets; and

1.1.5. RCS Botswana Proprietary Limited (**RCS Botswana**).

RCS Botswana is a consumer finance business, incorporated in Botswana, that offers its customers a range of financial services products under its own brand name and in association with leading retailers in Botswana,

(collectively the **RCS Group / RCS**).

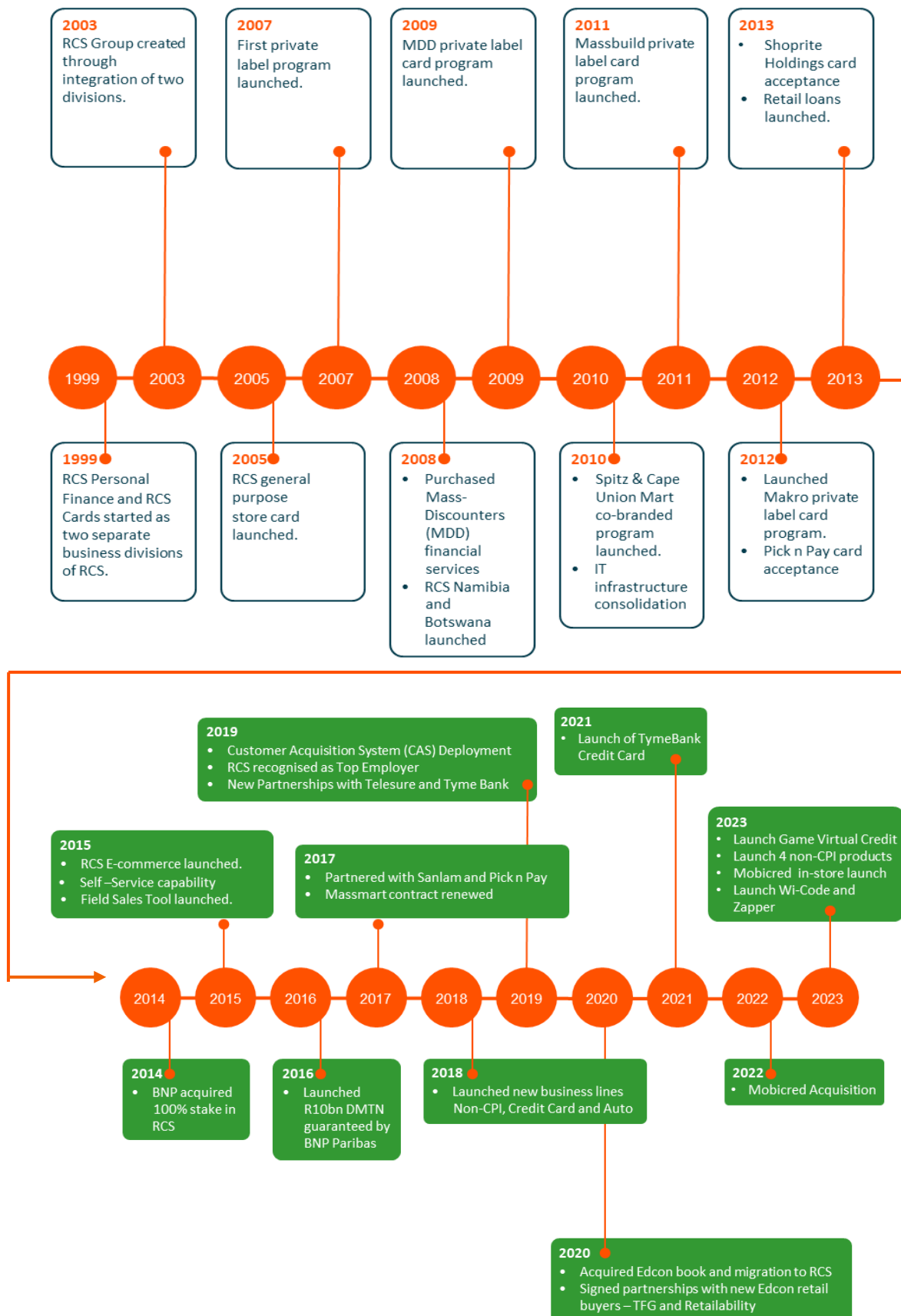
The RCS Group structure is dealt with in more detail below.

1.2. The RCS Group is a South African-based consumer finance group established in 1999. In 2014, the then shareholders sold their shareholding in BNP PPFSA to BNP Paribas Personal Finance Société Anonyme (France). (**BNPP**), a wholly-owned subsidiary of BNP Paribas Société Anonyme (France) (**BNP Paribas**).

1.3. The RCS Group has its head office in Cape Town, with most of the South African Retailers that accept the RCS card. RCS also operates a small number of branches in Namibia and Botswana, given its association with the Game and Edgars businesses in these countries.

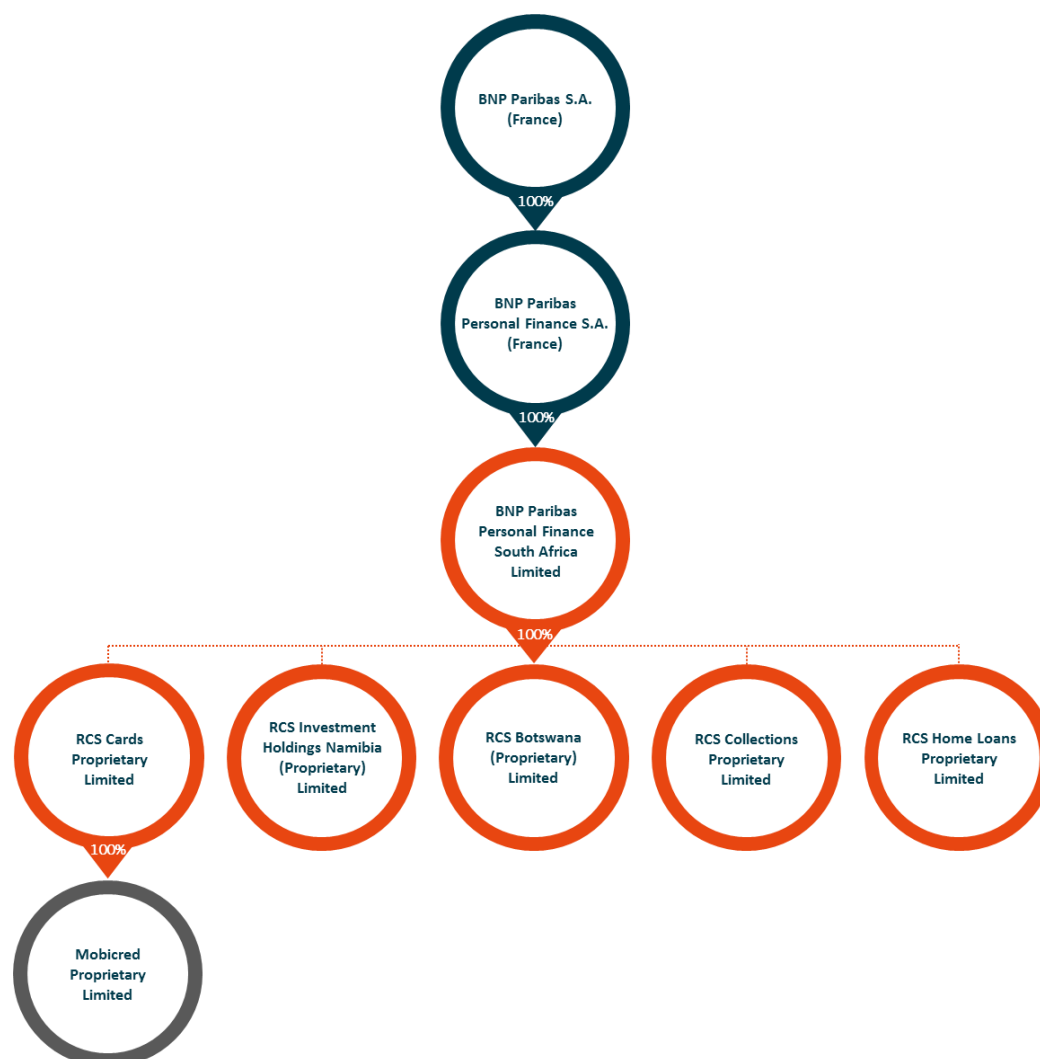
RCS facilitates customer interaction through RCS-trained staff, in conjunction with retail partners (new account opening branches) and branches within Massmart, Pick n Pay, Shoprite and Edgars.

2. HISTORY



3. GROUP STRUCTURE

As at the Information Statement Date, the Issuer's group structure (the **RCS Group**) is as set out below:



4. REVIEW OF OPERATIONS

The RCS Group offers a range of consumer finance products that include cards, loans and insurance and is the leading provider of white label consumer finance solutions for some of the largest retailers in South Africa.

4.1. RCS Store Card

The Store Cards offered by RCS are revolving credit facilities that allow customers to shop within the RCS network of over 30 000 stores in South Africa, both online and in-store. The product offers flexible repayment terms, including 24 and 36 month budget plans, with selected customers being able to access cash from their cards. Customers also have a variety of payment options, including the ability to pay in-store, via Debt Order and EFT. Customers will need to be employed and earn a minimum of R2,000 in order to apply for the product.

4.2. RCS Credit Card

The Credit Cards offered by RCS are MasterCard Credit Cards. Customers have access to flexible payment options, with revolving as well as fixed term budget plans (6, 12, 18, 24

and 36 months) and the option to enjoy up to 55 days' interest free and the ability to access cash via ATM's. Payment options include Debt Order and EFT options. Customers will need to be employed and earn a minimum of R3,000 in order to apply for the product.

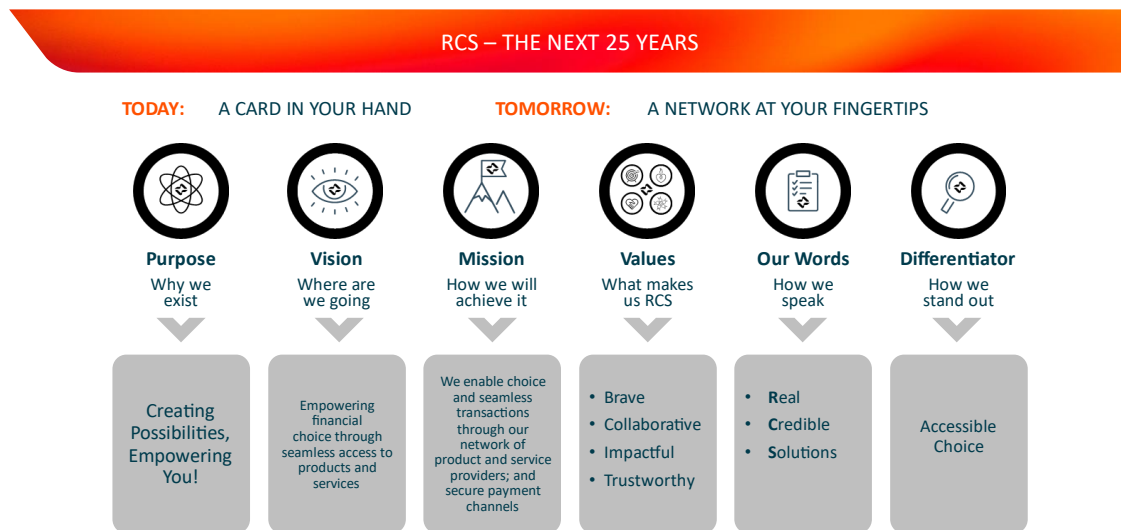
4.3. **RCS Personal Loans**

The Cash Loan products are fixed term products – with up to R250,000 and terms ranging from 12 to 60 months. Cash Loans are disbursed to approved customers within 24 hours. Customers will need to be employed and earn a minimum of R3,000 in order to apply for the product.

4.4. **Insurance**

RCS offers a range of insurance products to cater for the needs of our customers. These products include Customer Protection Insurance (which includes cover for death, loss of income, permanent and temporary disability), Card Protection Insurance, Funeral Plans and Comprehensive Protection Plans. Premiums are conveniently billed to the customers account.

5. **MANAGEMENT STRATEGY**



5.1. **Core purpose**

RCS Group's core purpose is 'Creating Possibilities, Empowering You'. This core purpose is driven by RCS's intrinsic motivation to have a positive impact on all its stakeholders, whether inside or outside of its business. This is underpinned by their set of values to drive the right behaviours across all teams in their business. These values include:

- 5.1.1 Impactful – to create a positive impact and empower those around us;
- 5.1.2 Brave – despite risks, opposition, fear or uncertainty, RCS is committed to enduring difficult times and situations with bravery and determination;
- 5.1.3 Collaborative – successfully addressing and solving difficult situations by tapping into our pool of collective knowledge and experience; and
- 5.1.4 Trustworthy – together, our honesty builds trust that earns the confidence of those around us.

5.2. **Vision**

Empowering financial choice through seamless access to products and services.

6. BOARD OF DIRECTORS

As at the Information Statement Date, the composition of the Issuer's board of directors (the **Board**) is as follows:

Name	Background
<p>Vincent Metz (Non-executive director and Chairperson)</p>	<p>Vincent has over thirty years of experience in finance and consumer lending. He is responsible for several countries within BNPP. Vincent is a multi-specialist in specialised financial services, with various experiences in M&A, partnership management, finance, risk, sales and marketing. Vincent will take on the role of Chairman of the Remuneration, Asset and Liability, and Credit Risk Committees of the RCS Group.</p> <p>Qualifications: Pure mathematics; Financial Modeling and Mathematical Methods in Economy</p> <p>Other directorships:</p> <ul style="list-style-type: none"> • JSC UkrSibbank (Ukraine): Member of the Supervisory Board • BNP Paribas Polska (Poland): Member of the Supervisory Board • BNPP El Djazair (Algeria): Member of the Supervisory Board of– Group BNP Paribas • TEB Finansman AS (Türkiye): Chairman of the Board • ETELEM SA DE CV • SOFOM E.R
<p>Edwin ("Eddy") Oblowitz (Independent Non-executive Director)</p>	<p>Edwin has vast audit, finance and business advisory experience having spent over 20 years in professional practice, most notably as an International Partner at Arthur Andersen including serving as Senior Partner of their Cape Town, Durban and Port Elizabeth offices. Eddy is the Principal at Contineo Financial Services which provides specialist advisory and fiduciary services to high net worth South African and international families and their entities. In addition to holding the position of Lead Independent Non-executive Director, Eddy serves as Chairman of the Board Audit and Risk and Social and Ethics Committees and as a member of the Credit Risk and Assets and Liabilities Committees with the RCS Group.</p> <p>Qualifications: B Com (Accounting), CA(SA), CPA (Isr)</p> <p>Other Directorships:</p> <ul style="list-style-type: none"> • The Foschini Group Ltd: Independent Non-executive Director, Chairman of the Audit and Remuneration Committees and member of the Risk Committee • Fortress Real Estate Investments Limited: Independent Non-executive director and Chairman of the Remuneration Committee, Member of the Audit and Risk Committees

<p>Benoit Cavelier (Independent Non-executive Director)</p>	<p>Benoit will transition from Chairman of the Remuneration, Asset and Liability, and Credit Risk Committees of the RCS Group but will remain a Non-executive Director. Benoit has over thirty years' experience in finance and consumer finance lending. He has held a number of senior roles at during his tenure, including that of Deputy Chief Executive Officer.</p> <p>Qualifications: BA; LLB; Finance speciality qualification; CA (FR)</p> <p>Other directorships:</p> <ul style="list-style-type: none"> • None
<p>Blagoy Vankov Bochev (Non-executive)</p>	<p>Blagoy has over 25 years of experience in finance and banking and has held a number of management positions within BNPP. Blagoy is currently a Senior Country Management Officer for EMEA, serving on several supervisory boards within the region.</p> <p>Qualifications: MBA; CFA</p> <p>Other directorships:</p> <ul style="list-style-type: none"> • None
<p>Michel Falvert (Non-executive)</p>	<p>Michel Falvert is Heading the Strategy and Development Department in BNP Paribas Personal Finance. He has over thirty years' experience in finance, Strategy and Corporate Development.</p> <p>His carrier includes 5 years in Consulting (strategy and Marketing, GEMINI consulting), 5 years in Private Equity (Paribas), 25 years in the Banking Industry (BNP Paribas)</p> <p>He holds the following positions at companies outside of the RCS Group: President of Magyar Cetelem in Hungary (will be ended in October), Board Member of Stellantis Bank and Member of the Risk Committee, Board Member of UCI (JV with Santander in mortgage in Spain).</p> <p>Qualifications: MBA (ESSEC Business School / 1987); Master in Statistics and Economy (ENSAE / French Engineer school / 1989)</p> <p>Other directorships:</p> <ul style="list-style-type: none"> • Ekspres Bank A/S • Central Europe Technologies SRL
<p>Regan Franklin Adams (Executive, CEO)</p>	<p>Regan was appointed as CEO of the RCS Group in 2016. Having been an executive director since 2004, Regan has had experience in a number of senior roles in the RCS Group, most notably as Chief Operating Officer and Chief Commercial Officer. Before joining the RCS Group in 2004, Regan was a senior manager</p>

	<p>at Capital One Financial Corporation in engineering management.</p> <p>Outside of the RCS Group, Regan holds the position of Chairman of the CapeBPO Board. Regan is also a Trustee of Hillsong Africa Foundation and serves as a non-executive director of iHub Africa, an NPO innovation hub focused on training youth from disadvantaged backgrounds in digital marketing skills for employment.</p> <p>Qualifications: B.Sc Engineering (Electrical & Electronics); B.Com; B.Com Hons (Financial Analysis & Portfolio Management, Investments & Securities)</p> <p>Other directorships:</p> <ul style="list-style-type: none"> • CapeBPO: (Chairman) • iHub Africa: Non-executive Director • Hillsong Africa Foundation: Trustee
<p>Mariné van Brakel (Executive, Deputy CEO, COO and CFO)</p>	<p>Mariné is Deputy CEO, CFO and the COO of the RCS Group. Mariné joined the RCS Group in 2014, where she was promoted through the Finance department to ultimately being appointed Chief Financial Officer (CFO) in December 2019. Prior to this, Mariné was the finance executive and deputy to the CFO. Mariné joined the RCS Group from KPMG where she gained valuable international experience in her capacity as Corporate Audit Manager and Management Consultant in the United Kingdom.</p> <p>Qualifications: B.Com (Accounting); B.Com Hons (Accounting); CA (SA)</p> <p>Other directorships:</p> <ul style="list-style-type: none"> • Kunste Onbeperk NPC

7. DIRECTOR DECLARATIONS

The Issuer confirms that none of its directors have:

- ever been adjudged bankrupt, insolvent or sequestrated, or entered into any voluntary compromise arrangements, in any jurisdiction;
- ever been convicted of an offence resulting from dishonesty, fraud, theft, forgery, perjury, misrepresentation or embezzlement;
- ever been involved in any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act of 2008 (the **Companies Act**), receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary compromise arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company; where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s);
- ever been involved in any compulsory liquidations, administrations or partnership voluntary compromise arrangements of any partnerships where they were partners at the time of, or

- within the 12 months preceding such event(s);
- (e) ever been involved in the receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event;
 - (f) ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
 - (g) ever been barred from entry into any profession or occupation;
 - (h) ever been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act;
 - (i) ever been removed from an office of trust, on the grounds of misconduct and involving dishonesty; and
 - (j) ever been declared delinquent or placed under probation in terms of section 162 of the Companies Act and/or section 47 of the Close Corporation's Act, 1984 or disqualified to act as a director in terms of section 219 of the Companies Act, 1973.

8. CORPORATE INFORMATION

8.1. Company Secretary

As at the Information Statement Date, Tali Anderssen serves as the Issuer's Company Secretary. The registered address of the Company Secretary is:

Mutual Park
Jan Smuts Drive
Pinelands
Cape Town
Western Cape, 7405
South Africa
Telephone Number: +27 82 503 5599
Email: Tali@rcsgroup.co.za

8.2. Debt Officer

Pursuant to paragraphs 6.39(a) and 7.3(g) of the Debt and Specialist Securities Listings Requirements, Mariné van Brakel has been appointed as the Debt Officer as at the Information Statement Date. The Board has considered and is satisfied with the competence, qualifications and experience of the Debt Officer. The contact details of the Debt Officer are as follows:

Mariné van Brakel
Email: MarineH@rcsgroup.co.za
Telephone Number: +27 21 597 4000

9. CORPORATE GOVERNANCE

9.1. Composition of the Board

The composition of the Board is regulated by BNPP, the sole shareholder of the RCS Group, in terms of the RCS Group's Memorandum of Incorporation and in line with the Debt and Specialist Securities Listings Requirements.

9.2. The chairperson of the Board

Vincent Metz is the chairperson whose role and responsibilities include:

- Briefs the CEO of the Board on issues and concerns relevant to the RCS Group;
- Enables access to information to assist the Board in monitoring the RCS Group's performance and the performance of management;

- Ensures the Board is advised on country, industry and market best practice governance standards;
- Aids in the distribution of information to directors;
- Provides support and advice to the CEO of the Board;
- Represents the Board on various sub-committees;
- Advises the Board on ad hoc strategic matters; and
- Provides expert, independent advice to the Board.

9.3. **Company Secretary**

Tali Anderssen was appointed as the Company Secretary with effect from 1 November 2021.

The Company Secretary acts as the governance advisor to ensure the Board is aware of its fiduciary duties and responsibilities and kept abreast of relevant changes in legislation and governance best practice. The Board has unfettered access to the Company Secretary.

The Board assessed the company secretarial function for the review period, as required by the JSE Listings Requirements and confirms that the Company Secretary continues to demonstrate the requisite level of knowledge and experience to carry out her duties.

The Board is also satisfied that they are independent of management; does not have executive duties and responsibilities, aside from the core responsibilities of a Company Secretary; is not a material shareholder of the Company and is not party to any major contractual relationships with the Company.

9.4. **King IV™**

- The Board is committed to applying the recommendations of King IV™, complying with the Debt and Specialist Securities Listings Requirements and the Companies Act, and incorporating relevant best governance practice.
- The Board ensures that it acts in the best interest of the RCS Group at all times. In line with King IV™'s '*apply and explain*' approach, the directors disclose the extent to which the RCS Group applies the King IV™ principles to create and sustain value for stakeholders over the short, medium and long term. The RCS Group's application of the King IV™ principles is disclosed in its Annual Financial Statements, which is available on the RCS Group's website at: <https://rcs.co.za/about/investor-relations/>
- In line with the overriding principle in King IV™ of '*apply and explain*', the Board, to the best of its knowledge, believes the RCS Group has satisfactorily applied the principles of King IV™.
- RCS Group has not obtained a third-party governance rating on its application of King IV™.
- The RCS Group Board is satisfied with the application of the principles and believes that it effectively discharges its responsibilities to achieve the good governance outcomes of an ethical culture, good performance, effective control and legitimacy with stakeholders.

9.5. **Nomination and appointment of directors**

- The ultimate shareholder of the RCS Group nominates candidates for election as members of the Board in consultation with the Issuer.
- The process of nomination, election and ultimately, the appointment of members to the Board should be formal, transparent and in line with shareholder policies and the Companies Act requirements.
- Before nomination of a candidate for election, the shareholder, in consultation with the Issuer, will consider the following:
 - the collective knowledge, skills and experience of the Board;

- diversity of the Board; and
- whether the candidate meets the appropriate fit and proper criteria as set out in the Nomination Policy available on the RCS Group's website at: <https://rcs.co.za/about/investor-relations/>, Companies Act and King IV™.
- A candidate for election as a non-executive Director should, when nominated, be requested to provide the shareholder with details of professional commitments and a statement that confirms that the candidate has sufficient time available to fulfil the responsibilities as member of the Board.
- Prior to their nomination for election, candidates' backgrounds should be independently investigated, and their qualification should be independently verified.
- The RCS Group, in consultation with its shareholder, should establish a succession plan for its membership, which should include the identification, mentorship and development of further candidates.

9.6. **Board performance**

- RCS Group's Corporate Governance Policy sets out how the board of directors' performance is evaluated.
- The Board should ensure evaluation of its own performance and that of its sub-committees by determining how it should be approached and conducted to support continued improvement in its performance and effectiveness. In this regard, the Board could, if required, schedule in its annual work plan an opportunity for consideration, reflection and discussion of its performance and that of its sub-committees.
- If required by the shareholder, a formal external facilitated process will be followed for evaluating the performance of the Board and its sub-committees.
- The following should be disclosed in relation to the evaluation of the performance of the Board:
 - an overview of the evaluation results and remedial actions taken; and
 - whether the Board is satisfied that the evaluation process is improving its performance and effectiveness.

9.7. **Conflicts of interest**

RCS Group's Corporate Governance Policy sets out several provisions regarding its conflict-of-interest policy available on the RCS Group's website at: <https://rcs.co.za/about/investor-relations/>. In terms of King IV™, directors and employees should act in the best interest of the Issuer and ensure that real or perceived conflicts are disclosed, and adequately managed. The interests of RCS Group should take precedence over personal or professional interests of employees, directors, consultants, contractors and any other third party acting on behalf of RCS Group. Potential conflict of interests should be disclosed timeously in the interest of transparency. The Companies Act also places a responsibility on Directors to deal with instances where there is an interest in a contract or a proposed contract, in a specific way.

All Directors, regardless of the classification as an executive, non-executive or independent non-executive Director, have the duty to always act in the best interest of the RCS Group. A Director will refuse any benefit or service liable to compromise his or her independence, and undertake to avoid any conflicts of interest, as described in more detail below.

A Director should never use this/her position to gain an advantage for either himself/herself or any related person. In order to comply with this duty, each Director is required to apply an independent state of mind and objective judgement and personal interest should never cloud their judgment. Directors will freely express his or her position, even a minority position, about the matters discussed during meetings of the board or of a sub-committee. In this regard, directors will respect both the legal and regulatory provisions applicable to conflicts of interest, and the provisions below on the measures to be adopted in recognizing conflicts of interest and managing such conflicts appropriately.

10. BOARD COMMITTEES

The board of directors has delegated specific responsibilities to board committees. The Board Audit Committee and Social and Ethics Committee have their own terms of reference that define their powers and duties. The board committees meet independently and report back to the board through their chairmen.

10.1. **Audit and Risk Committee**

The role of the RCS Group Board Audit and Risk Committee is:

- Commenting on the integrity of the RCS Group's financial statements and accounting practices and
- overseeing the effectiveness of the internal control function;
- Reviewing, on an annual basis, the expertise, resources and experience of the finance function;
- Overseeing the internal audit function;
- Monitoring, reviewing and providing assurance regarding the effectiveness of the RCS Group's overall internal and enterprise risk management systems pursuant to the shareholder's requirements. This includes overseeing the effectiveness and quality of the internal control framework, the consistency of measurement systems and risk control. For this purpose, the Audit and Risk Committee collects all the elements necessary for such assessment from the following independent control functions: Internal Audit, Enterprise Operational Risk, Risk Management Permanent Control, Legal and Compliance;
- Overseeing the effectiveness and quality of the Financial Security Framework according to the shareholder's requirements;
- Reviewing and ensuring that the RCS Group's significant areas of risk are assessed and adequately addressed, including but not limited to:
 - Financial reporting risks;
 - Internal financial controls;
 - Fraud risk; and
 - Information technology risks;
- Assisting the Board in carrying out its information technology governance responsibilities;
- Recommending the appointment of the external auditor and overseeing the external audit process; and
- Maintaining open lines of communication between the Board and the RCS Group's risk management, internal and external auditors and compliance officers.

10.2. **Social and Ethics Committee**

The role of the RCS Group Social and Ethics Committee is:

- Amongst other things, monitor the RCS Group's social and economic development and fulfil the functions required in terms of the Companies Act of South Africa;
- Monitor and report on the manner and extent to which the RCS Group protects, enhances and invests in the economy, society and the environment in which the RCS Group operates in order to ensure that its business practices are sustainable; and
- Review and consider local economic development opportunities to enable historically disadvantaged South Africans to develop economically and socially.

10.3. **Credit Risk Committee**

The role of the RCS Group Credit Risk Committee is to:

- Oversee the RCS Group's Risk Control Framework;
- Oversee the RCS Group's Risk Appetite Framework which includes the risk appetite statement, risk limits and tolerances;
- Oversee the critical credit risk metrics and the RCS Group's bad debt performance trends;
- Oversee the RCS Group's Risk Policy including formal approval of modifications and tracking the impact of policy and scorecard changes;
- Discuss and challenge credit proposals to make sure they are in accordance with the RCS Group's risk appetite;
- Provide feedback on new products and initiatives affecting the credit risk;
- Discuss and analyse the macro-economic impacts affecting the RCS Group's credit risk;
- Oversee the collection and recoveries performance;
- Analyse and track the cost of risk and the portfolios bad debt provision;
- Oversee the efficiency of the RCS Group's credit decision system, its credit scorecard and the risk tools;
- Oversee impacts of regulatory changes on the credit risk of the RCS Group;
- Report on the data quality and data governance framework;
- Oversee fraud prevention process; and
- Liaise with Audit and Risk Committee on relevant matters. review.

10.4. **Asset and Liability Committee**

The mandate and role of the Asset and Liability Committee includes liquidity risk management, as guided by BNPP, including:

- Structural liquidity;
- Funding diversification (source and tenor);
- Investment requirements;
- Liquidity coverage;
- Interest rate risk management;
- Foreign currency risk management;
- The RCS Group capital management;
- Oversight of Domestic Medium Term Notes Programme;
- Monitoring of solvency and liquidity; and
- Funding plans.

10.5. **Remuneration Committee**

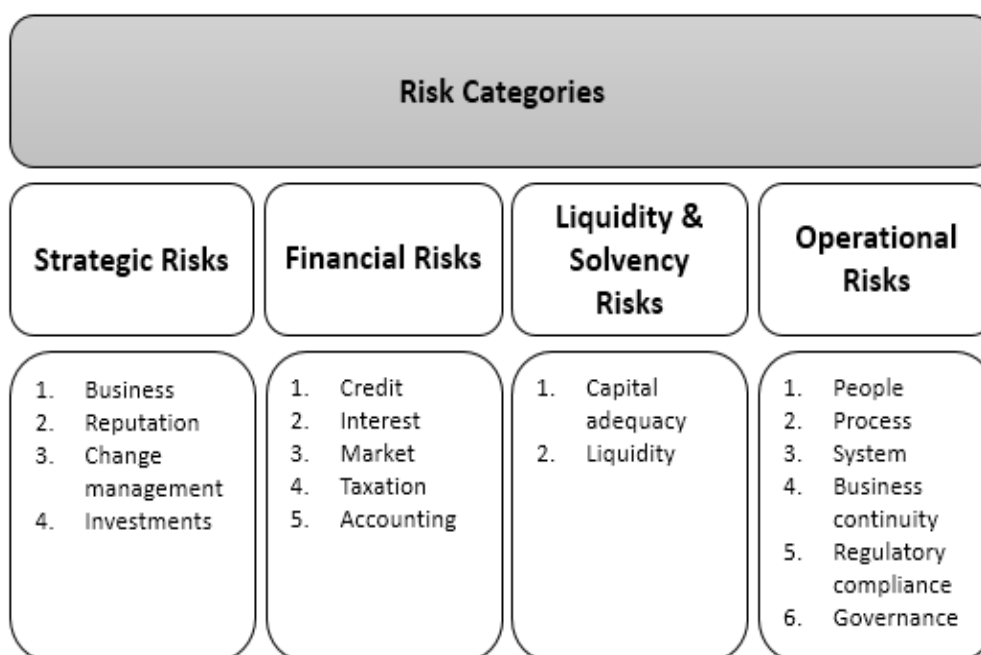
- The Remuneration Committee has an independent role and governs and approves:
 - All remuneration matters in respect of staff, executives and directors;
 - Remuneration increases for non-executive directors from time to time;
 - Annual cycle base level salary increases in respect of all employees; and

- The aggregate short-term incentive bonus pool and long-term incentive bonus pool.
- The Remuneration Committee further ensures that:
 - The RCS Group remunerates executive directors and non-executive directors fairly and responsibly;
 - The disclosure of directors' remuneration is accurate, complete and transparent; and
 - The RCS Group's overall remuneration philosophy promotes the achievement of the RCS Group's strategic objectives, encourages individual performance and rewards sustainable value creation.
- The Committee further performs all the functions necessary to fulfil its role as stated above, including but not limited to the following:
 - Reviews the RCS Group's remuneration philosophy and policies for directors and staff;
 - Ensures that the remuneration strategy reflects the interests of stakeholders, is comparable to the general remuneration environment in the industry and complies with relevant principles of good corporate governance;
 - Considers whether the objectives of the remuneration policy have been achieved;
 - Ensures that the ratio of fixed and variable pay, in cash and benefits, is aligned with the RCS Group's strategic objectives;
 - Ensures that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued;
 - Select an appropriate peer group when comparing remuneration levels;
 - Advises on the remuneration of independent non-executive directors;
 - Oversees the preparation of the remuneration report, to ensure that it:
 - Provides a clear explanation of how the remuneration policy has been implemented;
- Provides sufficient forward-looking information to the Board regarding the fees of non-executive directors; and
- Enables the Board to propose to shareholders, for their consideration and approval, a special resolution in terms of section 66(9) of the Companies Act of South Africa.

11. RISK MANAGEMENT

11.1. *Risk management philosophy*

- The RCS Group views risks as an inherent part of running a successful business. Risks are not only mitigated but are also analysed and investigated for opportunities. Successful risk management therefore entails understanding which risks can enhance shareholder value and which risks are incidental and potentially value destroying.
- The RCS Group's business model focuses primarily on providing unsecured credit whilst trying to minimise or avoid all other risk types.
- The following is an illustration of the risk management process within the RCS Group:



11.2. **Internal Controls and Audit**

- The board of directors is responsible for the RCS Group's systems of internal control. Effective internal control systems have been implemented and are continuously evaluated:
 - to provide reasonable assurance as to the integrity and reliability of the financial statements;
 - to safeguard, verify and maintain accountability of its assets;
 - to detect and minimise fraud, potential liability, loss and material misstatement; and
 - to ensure compliance with applicable legislation and regulations.
 - Compliance with these laid-down standards rests within each business area and is monitored via internal and external audit checks.
- The RCS internal audit function is currently performed by Deloitte & Touche and is managed by the RCS board Audit and Risk Committee, which reports directly to the RCS board of directors. An Internal Audit Charter, approved by the audit committee and conforming to the International Standards for the Professional Practice of Internal Auditing, determines the mission and scope of the internal audit function.

12. LITIGATION STATEMENT

The Issuer and/or RCS Cards Proprietary Limited (whether as defendant or otherwise) are not engaged in any legal, arbitration, administration or other proceedings the results of which might have or have had a significant effect on the financial position or the operations of the Issuer and/or RCS Cards Proprietary Limited, nor are they aware of any such proceedings being threatened or pending.

BUSINESS DESCRIPTION OF RCS CARDS PROPRIETARY LIMITED

Capitalised terms used in this section headed "Business Description of RCS Cards Proprietary Limited" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. BUSINESS DESCRIPTION

RCS Cards Proprietary Limited is a consumer finance business, incorporated in South Africa, that offers its customers a range of financial services

2. BOARD OF DIRECTORS

As at the Information Statement Date, the members of the Guarantor's Board are:

- 2.1. Regan Franklin Adams
- 2.2. Mariné van Brakel
- 2.3. Vincent Metz


3. REGISTERED OFFICE AND COMPANY SECRETARY

As at the Information Statement Date, the Company Secretary is Tali Anderssen. The registered address of the Company Secretary is:


Mutual Park
Jan Smuts Drive
Pinelands
Cape Town
Western Cape, 7405
South Africa
Telephone Number: +27 21 597 4495
Email: Tali@rcsgroup.co.za

SIGNED at Cape Town on this the 21st day of November 2024.

For and on behalf of
BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED

DocuSigned by:


1EECE079418246
Name: ~~Regan~~ Adams
Capacity: Director
Who warrants his/her authority hereto

DocuSigned by:


43E5A0A246324CA
Name: ~~Marine~~ van Brakel
Capacity: Director
Who warrants his/her authority hereto

ISSUER

BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED

(registration number 2000/017884/06)

Mutual Park
Jan Smuts Drive
Pinelands

Cape Town
Western Cape, 7405
South Africa

Contact: Ms Mariné van Brakel

GUARANTOR

RCS CARDS PROPRIETARY LIMITED

(registration number 2000/017891/07)

Mutual Park
Jan Smuts Drive
Pinelands
Cape Town

Western Cape, 7405
South Africa

Contact: Ms Mariné van Brakel

ARRANGER AND DEALER

**RAND MERCHANT BANK,
A DIVISION OF FIRSTRAND BANK LIMITED**

(registration number 1929/001225/06)

1 Merchant Place

Cnr Fredman Drive and Rivonia Road
Sandton, 2196
South Africa

Contact: Head – Debt Capital Markets

JSE DEBT SPONSOR

**THE STANDARD BANK OF SOUTH AFRICA LIMITED,
ACTING THROUGH ITS CORPORATE AND INVESTMENT BANKING DIVISION**

(registration number 1962/000738/06)

3rd Floor, East Wing
30 Baker Street

Rosebank, Johannesburg, 2001
South Africa

Contact: Head – Debt Capital Markets

**PAYING AGENT, ISSUER AGENT, TRANSFER AGENT, SETTLEMENT AGENT AND
CALCULATION AGENT**

**RAND MERCHANT BANK,
A DIVISION OF FIRSTRAND BANK LIMITED**

(registration number 1929/001225/06)

1 Merchant Place

Cnr Fredman Drive and Rivonia Road
Sandton, 2196
South Africa

Contact: Head – Debt Capital Markets

LEGAL ADVISORS TO ISSUER, ARRANGER AND DEALERS

BOWMAN GILFILLAN INCORPORATED

(registration number 1998/021409/21)

11 Alice Lane

Sandown

Sandton, 2196

South Africa

Contact: Mr C van Heerden

AUDITORS TO THE ISSUER AND GUARANTOR

DELOITTE AND TOUCHE

5 Magwa Crescent

Waterfall, 2090

South Africa

Contact: Audit Partner