

APPROVED BY THE BOARD OF DIRECTORS ON 11 DECEMBER 2003

METAIR INVESTMENTS LIMITED

**POLICY FOR THE PURPOSE OF EVIDENCING A CLEAR DIVISION OF
RESPONSIBILITIES AT BOARD LEVEL**

1. OBJECTIVE

To ensure a balance of power and authority, so that no one individual on the Board of the company has unfettered powers of decision-making.

2. CONSIDERATIONS

- 2.1 In the interests of establishing a clear and unambiguous division and responsibility at the helm of the company in order to ensure a balance of power and authority, the office of Chairman and Chief Executive Office (CEO) is split.
- 2.2 The primary responsibility of the Chairman is to preside over meetings of directors and to ensure the smooth functioning of the board in the interest of good governance. The Chairman will usually also preside over the company's shareholder meetings.
- 2.3 The primary responsibility of the CEO is to direct and promote the profitable operation and development of the company.
- 2.4 The detailed roles of the Chairman and CEO are explained in the attached.

Johannesburg
17 November 2003

METAIR INVESTMENTS LIMITED

Role and Function of the Chairman

(As adapted from the King II Report)

1. All boards should be subject to the firm and objective leadership of a Chairman who brings out the best in each director.
2. The Chairman's primary function is to preside over meetings of directors and to ensure the smooth functioning of the board in the interests of good governance. The Chairman will usually also preside over the company's shareholder meetings.
3. The role and function of the Chairman will be influenced by such matters as the size or particular circumstances of the company, the complexity of its operations, the qualities of the Chief Executive Officer (CEO) - to the extent that the positions are separated - the management team, and the skills and experience of each board member. There are a number of common, core functions performed by the Chairman, which usually include:
 - 3.1 providing overall leadership to the board without limiting the principle of collective responsibility for board decisions;
 - 3.2 actively participating in the selection of board members, as well as overseeing a formal succession plan for the board, CEO and senior management;
 - 3.3 arranging for new directors appointed to the board to be properly inducted and oriented, and monitoring and evaluating board and director appraisals;
 - 3.4 determining, normally in conjunction with the CEO and the Company Secretary, the formulation of an annual work plan for the board against agreed objectives and goals, as well as playing an active part in setting the agenda for board meetings;
 - 3.5 acting as the main informal link between the board and management, and particularly between the board and the CEO;
 - 3.6 maintaining relations with the company's shareholders and perhaps, some of its important stakeholders, although the latter may be more in the nature of an operational issue to be conducted by the CEO and the senior management team;

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- 3.7 ensuring that all directors play a full and constructive role in the affairs of the company and taking a lead role in removing non-performing or unsuitable directors from the board; and
 - 3.8 ensuring that all the relevant information and facts, objectively speaking, are placed before the board to enable the directors to reach an informed decision.
- 4 The roles of the Chairman and CEO are two distinct functions and are better kept separate. The Chairman is primarily responsible for the working of the board. The CEO's task is to run the business and to implement the policies and strategies adopted by the board.

Johannesburg
25 November 2003

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Role and Function of the CEO

(As adapted from the King II Report)

1. The CEO has a critical and strategic role to play in the operational success of a company's business. For this reason, it is recognised that the role of the CEO should be separate from that of the Chairman.
2. Some of the important functions that a CEO fulfils are usually to:
 - 2.1 develop and recommend to the board a long-term strategy and vision for the company that will generate satisfactory levels of shareholder value and positive, reciprocal relations with relevant stakeholders;
 - 2.2 develop and recommend to the board annual business plans and budgets that support the company's long-term strategy;
 - 2.3 strive consistently to achieve the company's financial and operating goals and objectives, and ensure that the day-to-day business affairs of the company are appropriately monitored and managed;
 - 2.4 ensure continuous improvement in the quality and value of the products and services provided by the company, and that the company achieves and maintains a satisfactory competitive position within its industry;
 - 2.5 ensure that the company has an effective management team and to actively participate in the development of management and succession planning (including the CEO's own position);
 - 2.6 formulate and oversee the implementation of major corporate policies; and
3. The CEO should also maintain a positive and ethical work climate that is conducive to attracting, retaining and motivating a diverse group of top-quality employees at all levels of the company. In addition, the CEO is expected to foster a corporate culture that promotes ethical practices, encourages individual integrity, and fulfils social responsibility objectives and imperatives.

Johannesburg
25 November 2003