



SOCIAL AND ETHICS COMMITTEE CHARTER

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SOCIAL AND ETHICS COMMITTEE

1. INTRODUCTION

The Social and Ethics Committee (the Committee) is constituted as a Committee of Metair Investments Limited (The Company) in accordance with Article 27 of the Company's Memorandum of Incorporation.

The duties and responsibilities of the members of the Committee as set out in this document are in addition to those duties and responsibilities that they have as members of the board.

The deliberations of the Committee do not reduce the individual and collective responsibilities of board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their legal obligations.

2. PURPOSE OF THE TERMS OF REFERENCE

The purpose of these terms of reference is to set out the Committee's role and associated responsibilities and functions, its composition and qualifying criteria of its members and meeting procedures.

3. COMPOSITION OF THE COMMITTEE

The Committee consists of at least 3 members appointed by the Board of Directors (the Board) with the majority being non-executive members.

The Board will select the members and the Chairperson of the Committee based on recommendations of the Committee. Each Committee member will serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member.

Members of the Committee are required to be knowledgeable, skilled and experienced enough to execute their duties effectively.

The company secretary will be the secretary of the Committee.

4. ROLE

1. Enterprise-wide Social Responsibility and Ethics management

The company adopts an enterprise-wide Social Responsibility and Ethics management process. The process begins at subsidiary/division level, each of whom follow this process on a continuous basis and management report on Social Responsibility and Ethics matters to the Social and Ethics Committee at least twice a year.

The Social and Committee is an integral component of the Social Responsibility and Ethics management process and specifically the Committee must:

- a. Oversee the development and annual review of a policy and plan for Social Responsibility and Ethics management to recommend for approval to the board.
- b. Monitor implementation of the policy and plan for Social Responsibility and Ethics management taking place, by means of Social Responsibility and Ethics management systems and processes.
- c. Ensure that the Social Responsibility and Ethics management plan is widely disseminated throughout the company and integrated in the day-to-day activities of the Company.

- d. Ensure that Social Responsibility and Ethics management assessments are performed on a continuous basis.
 - e. Ensure that management considers and implements appropriate Social Responsibility and Ethics responses.
 - f. Ensure that continuous Social Responsibility and Ethics monitoring by management takes place.
 - g. Review reporting concerning Social Responsibility and Ethics management that is to be included in the integrated report for it being timely, comprehensive and relevant. Ensure that management develop a Code of Ethics/Conduct policy and periodically updates the policy if required.
 - h. Ensure that the company adheres to the Code of Conduct.
 - i. Oversee that the company's core purpose, values, strategy and conduct are congruent with it being a responsible corporate citizen.
 - j. Oversee the company's stakeholder engagement process.
2. To monitor the company's activities, having regard to the Constitution (including the Bill of Rights), any relevant legislation, other legal requirements or prevailing codes of best practise, the company's own code of conduct and policies, with regard to matters relating to –

- a. Social and economic development, including the company's standing in terms of the goals and purposes of –

- i. The 10 principles set out in the United Nations Global Compact Principles –

Human Rights

Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights; and

Principles 2 - make sure that they are not complicit in human rights abuses.

Labour

Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 – the elimination of all forms of forced and compulsory labour;

Principle 5 – the effective abolition of child labour; and

Principle 6 – the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7 – Businesses should support a precautionary approach to environmental challenges;

Principle 8 – undertake initiatives to promote greater environmental responsibility; and

Principle 9 – encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.

- ii. Economic transformation;
- iii. Procurement policies and practices;
- iv. Prevention, detection and response to fraud and corruption;
- v. Responsible and transparent tax practices
- vi. The OECD recommendations regarding corruption (see attached);
- vii. The Employment Equity Act; and

- viii. The Broad-based Black Economic Empowerment Act.
- b. Good and responsible corporate citizenship, including the company's –
 - i. Promotion of equality, prevention of unfair discrimination, and reduction of corruption;
 - ii. Contribution to development of the communities in which its activities are predominantly conducted or within which its products and services are predominantly marketed; and
 - iii. Record of sponsorship, donations and charitable giving.
- c. The environment, health and public safety, pollution, waste disposal and protection of biodiversity, including the impact of the company's activities and of its products or services.
- d. Stakeholder and consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws. The social and ethics committee oversees:
 - i. Methodologies for identifying individual stakeholders and stakeholder groupings.
 - ii. Determination of material stakeholders based on the extent to which they affect, or are affected by, the activities, outputs and outcomes of the organisation.
 - iii. Management of stakeholder risk as an integral part of organisation-wide risk management.
 - iv. Formal mechanisms for engagement and communication with stakeholders, including the use of dispute resolution mechanisms and associated processes.
 - v. Measurement of the quality of material stakeholder relationships, and appropriate responses to the outcomes.
- e. Labour and employment, including –
 - i. The company's standing in terms of the International Labour Organization Protocol on decent work and working conditions, Children's rights issues; and
 - ii. The company's employment relationships;
 - iii. Employee safety and health;
 - iv. Employee dignity
 - v. Fairness of remuneration
 - vi. Employee and organisational ethics management

The following people issues will be handled by the Remuneration Committee and noted by this Committee

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- i. Employment equity;
 - ii. Employee relations;
 - iii. Educational development and skilling of employees;
 - iv. Succession planning.
- 3. To draw matters within its mandate to the attention of the Board to the best of their knowledge as occasion requires.
 - 4. To report, through one of its members, to the shareholders at the company's annual general meeting on the matters within its mandate to the best of their knowledge.

5. Ensure that the internal audit function assesses the ethical culture of the company as well as the adequacy and effectiveness of the ethics programme of the company. The internal audit function should follow an integrated approach to assess the quality of ethics performance by:
 - a. Considering the effectiveness of the ethics strategy of the company;
 - b. Evaluating and assessing the ethics risks attached to the ethics strategy;
 - c. Evaluating the adequacy and effectiveness of specific controls implemented by the ethics office to address the risks for example ethics structures, policies and procedures, whistle blowing channels, personnel practices, communication strategies, conflict resolution and ethics training;
 - d. Testing compliance to specific ethics policies and procedures;
 - e. Evaluating the efficiency and effectiveness of all ethics initiatives in achieving ethics objectives;
 - f. Evaluating the outcomes of all ethics initiatives;
 - g. Identifying weaknesses in formal and informal systems and processes;
 - h. Making recommendations to senior management and the board for improving the ethical culture and ethics programme.
 - i. Obtaining independent external assurance of the company's ethics performance on an annual basis, and including an assurance statement related to the ethics performance of the company in the Integrated Report

5. AUTHORITY

The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at company's cost, subject to following a board approved process.

6. MEETINGS & REPORTING

1. Meetings of the Committee will be held as the Committee deems to be appropriate, however, the Committee should meet at least twice each year. Further meetings may be called by the chairperson of the Committee or any member of the Committee.
2. The notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances be forwarded to each member of the Committee prior to the date of the meeting.
3. The Committee Chairperson shall, in consultation with the other members of the Committee and appropriate officers of the Company, establish the agenda for each Committee meeting. Each Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting.
4. The quorum for decisions of the Committee shall be any two members present who shall vote on the matter for decision.
5. The Committee shall normally invite the chief executive to attend meetings to discuss the performance of other executive directors and to make proposals as necessary.
6. The Committee may request any officer or employee of the Company, or any representative of the Company's advisors, to attend a meeting or to meet with any members or representatives of the Committee.
7. The Committee shall provide the Board of Directors with a report of the Committee's activities and proceedings, as appropriate. The Committee will maintain written minutes of its meetings, which will be filed with the minutes of the meetings of the Board of Directors.
8. The Social and Ethics Committee to confirm that it is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

7. EVALUATION

1. The Committee shall conduct an annual performance self-evaluation and shall report the results to the Board.
2. The Committee shall assess the adequacy of its terms of reference annually and recommend changes to the Board and where applicable update.

8. REMUNERATION

1. Having regard to the functions performed by the members of the Committee in addition to their functions as directors in relation to the activities of the Committee, and pursuant to the specific power conferred upon the board by the Memorandum of Incorporation of the Company, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the board.
2. Such special remuneration shall be in addition to the annual fees payable to directors.

9. APPROVAL

These terms of reference were approved by the Chairman of the Board and Chairperson of the Committee as follows:

Amended and approved by the board 26 September 2018

Amended and approved by the Social and Ethics committee 17 March 2020

Amended and approved by the board on 29 September 2020

Reviewed and approved by the Board on 29 September 2021

Reviewed and approved by the Board on 9 November 2022

