

SANTOVA LIMITED

SOCIAL AND ETHICS COMMITTEE CHARTER

CONTENTS

1. CONSTITUTION
2. PURPOSE
3. MEMBERSHIP
4. ROLE
5. RESPONSIBILITIES - STATUTORY DUTIES
6. RESPONSIBILITIES – NON-STATUTORY DUTIES
7. AUTHORITY
8. MEETINGS AND PROCEDURES
 - 8.1. Frequency
 - 8.2. Attendance
 - 8.3. Agenda and Minutes
 - 8.4. Quorum
9. REPORTING
10. REMUNERATION
11. GENERAL
12. APPROVAL OF CHARTER

1. Constitution

- 1.1. The Social and Ethics Committee is constituted as a statutory committee of Santova Limited (the Company) in respect of its statutory duties in terms of section 72(4) of the Companies Act, 2008 ("the Companies Act") read with Regulation 43 of the Companies Regulations 2011 and a committee of the Board in respect of all other duties assigned to it by the Board.
- 1.2. Those 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.
- 1.3. 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.
- 1.4. This charter is subject to the provisions of the Companies Act, the Company's Memorandum of Incorporation and any other applicable law or regulatory provision.

2. Purpose of the Charter

The purpose of the terms of reference contained in this Charter is to set out the Committee's role and responsibilities, as well as the requirements for its composition and meeting procedures.

3. Membership

- 3.1. The members of the Committee are appointed for a term as determined by the Board.
- 3.2. The Committee will comprise at least three directors or prescribed officers of the Company, consisting of executive and non-executive members with a majority being non-executive members of the Board.
- 3.3. The Committee shall be chaired by a non-executive Board member who is not the Chairman of the Board. The Chairman shall be appointed by the Board from the elected members.
- 3.4. The members of the Committee must collectively have sufficient qualifications, skills and experience to fulfill their duties, including an understanding of the following:

- social and economic issues;
- corporate social investment;
- environmental, health and public safety issues;
- consumer relations and
- labour and employment practices.

3.5. The Board must fill vacancies on the committee within 40 (forty) business days after the vacancy arises.

4. Role

- 4.1. The Committee has an independent role with accountability to the board.
- 4.2. The Committee is an advisory committee and not an executive committee. It does not assume the functions of management, which remains the responsibility of the executive directors, officers and other members of senior management.
- 4.3. The role of the Committee is to assist the Board with the governance of social and ethical matters relating to the Company, as described in the Committee's statutory and non-statutory responsibilities set out below.
- 4.4. The Committee undertakes to perform its duties on behalf of all the subsidiaries of the Company.

5. Responsibilities – Statutory Duties

5.1. The Social and Ethics Committee must perform all the functions that are necessary to fulfil its role as stated above and including the following statutory duties:

5.1.1. Monitoring the Group's activities with regard to any relevant legislation, other legal requirements or prevailing codes of best practice with regard to matters relating to:

5.1.1.1. Social and economic development, including the Group's standing in terms of the goals and purposes of:

- the 10 principles set out in the United Nations Global Compact Principles;
- the OECD recommendations regarding corruption;
- The Employment Equity Act; and
- The Broad-Based Black Economic Empowerment Act.

5.1.1.2. Good corporate citizenship, including the Group's:

- Promotion of equality, prevention of unfair discrimination and reduction of corruption;
- Contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed;
- Record of sponsorship, donations and charitable giving.

5.1.1.3. The environment, health and public safety, including the impact of the Group's activities and of its products or services;

5.1.1.4. Consumer relations, including the Group's advertising, public relations and compliance with consumer protection laws; and

5.1.1.5. Labour and employment, including;

- the Group's standing in terms of the International Labour Organisation protocol on decent work and working conditions;
- the Group's employment relationships and its contribution toward the educational development of its employees.

5.1.2. Drawing matters within its mandate to the attention of the Board as required.

5.1.3. Reporting to the shareholders at the Annual General Meetings on matters within its mandate.

6. Responsibilities – Non-Statutory

In addition to the statutory responsibilities of the Committee, the Committee shall perform the following non-statutory responsibility delegated by the Board:

6.1. The Committee should ensure that the ethics of the organization is managed in a way that supports the establishment of an ethical culture including:

6.1.1. Leadership demonstrating support for ethics throughout the organisation;

6.1.2. Setting a strategy for managing ethics that is informed by the supporting policies;

- 6.1.3. Articulating ethical standards in a code of ethics and supporting policies;
 - 6.1.4. Ensuring that structures, systems and processes are in place to familiarise the Board, employees and supply chains with the organisation's ethics standards;
 - 6.1.5. Monitoring adherence to the organisation's ethics standards by all contracted stakeholders;
 - 6.1.6. Making ethics a criterion in the selection, promotion and performance management of staff and suppliers;
 - 6.1.7. Providing reporting mechanisms for safe reporting of unethical behavior;
 - 6.1.8. Responding to breaches of ethical standards in a manner that will prevent reoccurrence;
 - 6.1.9. Including ethics management and performance in the scope of internal audit;
 - 6.1.10. Reporting on the organisation's ethics performance in the organisation's integrated annual report; and
 - 6.1.11. Evaluating the extent to which ethics has become part of the corporate culture.
 - 6.1.12. *Include additional responsibilities relating to social and ethics matters that the board wishes to delegate to the Committee.*
- 6.2. Provide strategic and policy advice to the Board on all matters within the Committee's statutory and non-statutory responsibilities.

7. Authority of the Committee

- 7.1. The Committee acts in accordance with its statutory powers and the delegated authority of the Board as recorded in this Charter.
- 7.2. The Committee, in the fulfilment of its duties, under these terms of reference may call upon the Chairmen of the other Board committees, any of the executive director, company officers or assurance providers to provide it with relevant information subject to a Board approved process.
- 7.3. The Committee is entitled to reasonable access to the Company's records, facilities and employees as is necessary to discharge its duties and responsibilities.
- 7.4. The Committee may form, and delegate authority to, subcommittees, one or more designated members of the Committee and/or to one or more members of the executive to perform certain tasks on its behalf.

- 7.5. The Committee has the right to obtain independent external professional advice to assist with the execution of its duties, at the Company's cost, subject to a Board approved process.
- 7.6. The Committee has the right to be heard at any general shareholder's meeting on any part of the business of the meeting that concerns the Committee's statutory responsibilities.

8. Meetings and Procedures

8.1. Frequency

- 8.1.1. The Committee must hold sufficient scheduled meetings to discharge all its duties as set out in these terms of reference but subject to a minimum of two meetings per year.
- 8.1.2. Reasonable notice of meetings confirming the venue, time and date; together with an agenda of items to be discussed, shall be forwarded timeously to each member of the Committee, and any other person required to attend the meeting.
- 8.2. Meetings in addition to those scheduled may, with approval of the chairman, be held at the request of the Chief Executive Officer, Group Financial Director, Group Legal Adviser or other members of senior management or at the instance of the Board.

8.3. Attendance

- 8.3.1. Committee members shall attend all scheduled meetings of the Committee, including meetings called on an *ad hoc* basis for special matters, unless prior apology, with reasons, has been submitted to the chairman or Company Secretary.
- 8.3.2. Any other member of the Board is entitled to attend the Committee meetings as an observer.
- 8.3.3. If the nominated chairman of the Committee is absent from a meeting, the members present must elect one of the members present to act as chairman.
- 8.3.4. The Chief Executive Officer, Group Financial Director, Group Legal Adviser, professional advisors and Board members may be in attendance at Committee meetings, but by invitation only and they may not vote.

- 8.3.5. The Group Legal Adviser shall have unrestricted access to the chairman or any other member of the Committee as is required in relation to any matter falling within the remit of the Committee.
- 8.3.6. The Company Secretary is the secretary to this Committee.

8.4. Agenda and Minutes

- 8.4.1. The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings scheduled for the year.
- 8.4.2. A detailed agenda, together with supporting documentation, must be circulated at least one week prior to each scheduled meeting, to the members of the Committee and other invitees.
- 8.4.3. Committee members must be fully prepared for committee meetings, to provide appropriate and constructive input on matters discussed.
- 8.4.4. The minutes must be completed as soon as possible after the meeting and circulated to the chairman and members of the Committee for review.
- 8.4.5. Once approved, these minutes should be distributed to all the members of the Board for information purposes.
- 8.4.6. The minutes must be formally approved by the Committee at its next scheduled meeting.
- 8.4.7. Minutes of the meeting, signed by the Chairman, are sufficient evidence that the matters referred to therein have been fully discussed and agreed, whether by way of a formal meeting or otherwise.

8.5. Quorum

- 8.5.1. A quorum for meetings is a majority of members being present.
- 8.5.2. Individuals in attendance at committee meetings by invitation may participate in discussions but do not form part of the quorum for committee meetings.

9. Reporting

- 9.1. The chairman of the Committee shall report to the Board on its proceedings after each meeting on all significant matters within its duties and responsibilities as set out in this charter.
- 9.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is required.
- 9.3. The chairman (or, in his/her absence, an alternate member) of the Committee shall attend the Annual General Meeting to answer questions, through the Chairman of the Board, on the Committee's activities and its responsibilities.
- 9.4. The Committee shall compile a report to shareholders on its activities to be included in the Company's Annual Integrated Report.

10. Remuneration

- 10.2. Having regard to the functions performed by the members of the Committee in addition to their functions as directors and 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 shall be paid such special remuneration in respect of their appointment as shall be determined by the Board.
- 10.3. The chairman of the Committee shall, in addition to his remuneration as a member, receive a further sum as determined by the Board, unless he is also the Chairman of the Board and is remunerated as such.
- 10.4. Such special remuneration in terms hereof shall be in addition to any annual fees payable to directors.

11. General

- 11.1. The Committee should, on an annual basis, review its own performance and that of its members, its charter and terms of reference to ensure it is operating at maximum effectiveness.
- 11.2. The Board should also perform an evaluation of the effectiveness of the Committee every year.

11.3. This charter shall be reviewed annually and amended as required, subject to the approval of the Board.

12. Approval of Charter

This charter of the Santova Social and Ethics Committee as set out above was approved by the Board of Directors on 16 May 2018. The updated Charter was reviewed by the Social and Ethics Committee at the meeting held on 11 May 2018.