



## **TRELIDOR HOLDINGS LIMITED**

### **SOCIAL, ETHICS & TRANSFORMATION COMMITTEE (“SETCOM”) CHARTER**

#### ***Introduction and Constitution***

TRELIDOR Holdings Limited (“the Company”) believes in improving the livelihood of all individuals through corporate initiatives such as access to education, employment equity, enterprise development and preferential procurement.

In line with the requirements of Section 72(4) of the Companies Act of 2008 (“the Act”) the Board of directors of the company (“the Board”) resolved to establish a statutory Committee of the Board to be known as the Social, Ethics & Transformation Committee (“the Committee” or “SETCOM”) which shall fulfil the duties as listed below in respect of the Company.

Neither the appointment nor the duties of the Committee reduce the functions and duties of the Board or the Directors of the Company.

Any reference in this Committee Charter (“the Charter”) to “the Group” is to be seen as a reference to the Company or any company or companies within the Group as the context may require and not necessarily to the Group as a whole.

These terms of reference shall be subject to the provisions of the Companies Act, the Company's Memorandum of Incorporation and any other applicable law or regulatory provision.

#### ***Purpose of the Charter/terms of reference***

The purpose of these terms of reference is to set out the Committee’s role and responsibilities as well as the requirements for its composition and meeting procedures.

#### ***Objectives***

1. Focused, manageable and measurable strategy, focusing on key strategic areas.
2. Making a meaningful and measurable impact in the South African Community.
3. Enhance the company image and reputation as a socially conscious business to all Board members, staff and the business community.
4. Enhance and contribute to the Company’s brand image.
5. All CSI objectives have to be aligned to the core functions of the business and should be mutually beneficial to all Board members and recipients.
6. Promote equal opportunity and fairness for all citizens in the broader South African Community.
7. Ethics

### ***Composition of the Committee***

The committee shall comprise executive and non-executive members, with a majority being non-executive members.

The members of the committee shall be appointed by the board who shall also fill any vacancy on the committee as and when required. The composition of the committee will be reviewed at least every three years.

A quorum shall be a majority of members present in person or via telecommunication facilities.

The chairman of the committee shall be appointed by the board and shall be one of the members of the committee.

The chairman of the committee or designated nominee shall be required to attend the company's annual general meeting to answer relevant questions posed by shareholders.

All committee members will be required to keep up to date with developments affecting the areas of responsibility of the committee.

### ***Authority***

The Committee will act in terms of the delegated authority of the board as recorded in these terms of reference. It has the power to investigate any activity within the scope of its terms of reference.

The Committee, in the fulfilment of its duties, may call upon the Chairmen of the other board committees, any of the executive directors, officers or Company Secretary to provide it with information, subject to following a board approved process.

The Committee will have reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.

The Committee may form, and delegate authority to, subcommittees and may delegate authority to one or more designated members of the Committee.

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

The Committee shall make the recommendations to the board that it deems appropriate on any area within the ambit of its terms of reference where action or improvement is required.

### ***Strategic focus areas***

1. Employment Equity/Transformation
2. Corporate Social Investment ("CSI") and Social Economic Development ("SED")
3. Procurement
4. Enterprise Development
5. Ethics
6. Sustainability/Green Issues

7. Preference will be given to projects where the following groups are major beneficiaries (>50%)
  - Previously disadvantaged individuals
  - PDI Youth (10-25 years)
  - Black Women
  - Previously disadvantaged communities
  
8. The Company's CSI initiatives will focus on the following five key areas:
  - Education and welfare
  - Skills transfer and Job Creations

***Statutory duties***

1. Statutory duties (Regulation 43 to the Act)

- (i) To monitor the company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to -
  - (a) social and economic development, including the company's standing in terms of the goals and purposes of—
    - (aa) the 10 principles set out in the United Nations Global Compact Principles; and
    - (bb) the OECD recommendations regarding corruption;
    - (cc) the Employment Equity Act; and
    - (dd) the Broad-Based Black Economic Empowerment Act;
  - (b) good corporate citizenship, including the company's—
    - (aa) promotion of equality, prevention of unfair discrimination, and reduction of corruption;
    - (bb) contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed; and
    - (cc) record of sponsorship, donations and charitable giving;
  - (c) the environment, health and public safety, including the impact of the company's activities and of its products or services;
  - (d) consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws; and
  - (e) labour and employment, including—
    - (aa) the company's standing in terms of the International Labour Organization Protocol on decent work and working conditions; and
    - (bb) the company's employment relationships, and its contribution toward the educational development of its employees;
- (ii) to draw matters within its mandate to the attention of the board as occasion requires; and
- (iii) to report, through one of its members, to the shareholders at the company's annual general meeting on the matters within its mandate.

## 2. General

The committee shall at all times:

- (i) Give due consideration to the relevant provisions of the Act and a Code of Governance Principles;
- (ii) Retain a copy of the current terms of reference of the committee at the registered office of the company and provide shareholders with a copy of same if requested; and
- (iii) Consider such other topics and fulfil such other duties as defined by the board.

### ***Meeting procedures***

#### ***Frequency***

The Committee should 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.

Meetings in addition to those scheduled may, with approval of the Chairman, be held at the request of the Chief Executive Officer, Chief Risk Officer or other members of senior management or at the instance of the Board.

The Chairman of the Committee may meet with the Chief Executive Officer, Chief Finance Officer, Chief Risk Officer and/or the Company Secretary prior to a Committee meeting to discuss important issues and agree on the agenda.

#### ***Attendance***

The Chief Executive Officer, Chief Finance Officer, Chief Risk Officer or other members of senior management as may be required, assurance providers and board members may be in attendance at Committee meetings, but by invitation only and they may not vote.

Committee members will 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 with the chairman or company secretary.

The Company Secretary will be the secretary to this Committee.

If the nominated Chairman of the Committee is absent from a meeting, the members present shall elect one of the members present to act as Chairman.

The Chairman of the committee may attend any general shareholders meeting.

The committee shall receive all notices of and other communications relating to any general shareholders' meeting.

The committee may be heard at any general shareholders' meeting on any part of the business of the meeting that concerns the committee's functions.

### ***Agenda and minutes***

The Committee will establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year.

The annual plan should ensure proper coverage of the matters laid out in the committee charter: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three-year period.

The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

A detailed agenda, together with supporting documentation, will be circulated, at least one week prior to each meeting to the members of the Committee and, where applicable, other invited attendees.

Committee members must be fully prepared for Committee meetings, to provide appropriate and constructive input on matters discussed.

The minutes must be completed as soon as possible after the meeting and circulated to the Chairman and the Committee members for review thereof. The minutes will be formally approved by the Committee at its next scheduled meeting.

### ***Quorum***

A representative quorum for meetings is a majority of members present.

Individuals in attendance at Committee meetings by invitation may participate in discussions but do not form part of the quorum for Committee meetings.

### ***Written resolutions***

A resolution in writing signed by a majority of the members of the committee at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meeting of the committee, provided that each member of the committee shall have been afforded a reasonable opportunity to express and opinion on the matter to which such resolution relates.

### ***Evaluation***

The board will perform an evaluation of the effectiveness of the Committee every alternate year.

### ***Approval of these terms of reference***

These terms of reference was approved by the Chairman of the board and Chairman of the Committee.