

# SIRIUS REAL ESTATE LIMITED

## (THE COMPANY)

### SOCIAL AND ETHICS COMMITTEE – TERMS OF REFERENCE

The primary function of the Social and Ethics Committee is to facilitate appropriate attention to the soft, but critical, dimensions of how a company does business, specifically its value system surrounding ethical standards and social responsibility.

In these Terms of Reference the following terms shall have the following meanings:

**Committee** means the Social and Ethics Committee.

**Board** means the board of directors of the Company.

#### 1 Membership and Attendance

- 1.1 The Board shall establish a Social and Ethics Committee of not less than three directors or prescribed officers of the Company, at least one of whom must be a director who is not involved in the day-to-day management of the Company's business (and who must not have been so involved within the previous three financial years) and the majority of whom shall be non-executive members of the Board.
- 1.2 The chairman of the Board (the **Chairman**) may also be a member of, but shall not chair, the Committee provided the Chairman is considered to be an independent non-executive on appointment.
- 1.3 The Board shall appoint a chairman of the Committee (the **Committee Chairman**). In the absence of the Committee Chairman, and/or any appointed deputy, the remaining members present shall choose one of their number to chair meetings of the Committee (the **Meeting**).
- 1.4 The Committee shall meet at least once a year and at such other times as the Committee Chairman shall require.
- 1.5 Only members of the Committee have the right to attend any Meetings. However, other individuals (including the senior managers of the Company and any other external advisers) may be invited to attend all or part of any Meeting, as and when considered appropriate.
- 1.6 Members of the Committee shall be appointed by the Board for a period of up to three years. Such appointment may then be extended by no more than two further periods of up to three years provided the Director continues to meet the criteria for membership of the Committee.

## 2 **Secretary**

The Company Secretary or the Company Secretary's nominee shall act as secretary of the Committee (the **Secretary**).

## 3 **Quorum**

The quorum necessary for any Meeting shall be two members. A duly convened Meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

## 4 **Frequency of Meetings**

The Committee shall meet at least once a year and at such other times as the Committee Chairman shall require. It is recommended that the Committee meets prior to the Company's Annual General Meeting for the purposes of reviewing its report to shareholders, to be made at the Company's Annual General Meeting.

## 5 **Notice of Meetings and Proceedings at Meetings**

- 5.1 Meetings shall be convened by the Secretary at the request of the Committee Chairman.
- 5.2 Unless otherwise agreed, notice of each Meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the Meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time as the dispatch of the notice.
- 5.3 Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.
- 5.4 Meetings of the Committee may be conducted when the members are physically present or through the medium of either video or audio conferences.
- 5.5 If a Committee member is found to have a material conflict of interest (the **Conflicted Member**) in respect of any matter to be considered at a Meeting (the **Conflicted Matter**), then the Conflicted Member shall have no right to vote at and shall have no input into the part or parts of the Meeting at which the Conflicted Matter is discussed. In the event that this results in only one member of the Committee being able to vote on a Conflicted Matter, such member of the Committee shall be entitled to determine his/her own procedures in respect of the Conflicted

Matter, subject to the constitutional documents of the Company and to him/her having regard to the importance and urgency of the Conflicted Matter.

## **6 Minutes of Meetings**

- 6.1 The Secretary shall minute the proceedings and decisions of all Meetings, including recording the names of those present and in attendance.
- 6.2 The Secretary should ascertain, at the beginning of each Meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3 Minutes of Meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board (unless, in the opinion of the Committee Chairman, it would be inappropriate to do so).

## **7 Annual General Meeting**

The Committee Chairman should attend the Company's Annual General Meeting in order to respond to any shareholder questions on the Committee's activities.

## **8 Duties**

- 8.1 The role of the Committee is to monitor the Company's activities, having regard to any relevant legislation, other legal requirements and/or prevailing codes of best practice, and the actual business activities of the Company, with reference to matters relating to:
  - a) Social and economic development, including the Company's standing in terms of the goals and purposes of:
    - i) the ten principles set out in the United Nations Global Compact Principle; and
    - ii) the Organisation for Economic Cooperation and Development ("OECD") recommendations regarding corruption.
  - b) Good 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 or services are predominantly marketed; and

- iii) record of the support and funding through employee involvement, sponsorships and donations to non-profit educational, health, charitable and social organisations.
- 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;
- e) Labour and employment including:
  - i) the Company's standing in terms of the International Labour Organization Protocol on decent work and working conditions; and
  - ii) the Company's employment relationships and its contribution towards the educational development of its employees.

8.2 The Committee shall:

- (a) review the effectiveness of the Company systems for monitoring compliance with relevant legislation, legal requirements and/or codes of best practice;
- (b) identify and monitor the non-financial aspects relevant to the business of the Company and review appropriate non-financial information that goes beyond assessing the financial and quantitative performance of the Company;
- (c) review the effectiveness of the Company's dealing with Safety, Health and the Environment (**SHE**) issues and to provide the necessary guidance in developing and approving the policy, strategy and structure to manage SHE issues;
- (d) review the effectiveness of the Company's environmental strategy regarding:
  - i) the taking of reasonable measures to prevent significant pollution or degradation to the environment from occurring, continuing or recurring; and
  - ii) minimizing and rectifying pollution or degradation that has already been caused.
- (e) draw matters within its mandate to the attention of the Board as occasion requires; and
- (f) report, through one of its members, to the shareholders at the Company's Annual General Meeting, or in the Company's Annual Report, on the matters within its mandate.

## **9 Other Matters**

- 9.1 The Committee shall have access to sufficient resources, including adequate information (provided by the Board on a proactive as well as a reactive basis) in order to carry out its duties, including access to the Company Secretary for assistance as required.
- 9.2 The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 9.3 The Committee shall arrange for periodic reviews of its own performance and, at least annually, review its constitution and these Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 9.4 The Committee shall give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code, the King Report on Corporate Governance for South Africa and the requirements of any stock exchange on which the Company's shares are listed or admitted to trading from time to time (including, at the relevant time, the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules sourcebook and any associated guidance and the JSE Listings Requirements).
- 9.5 These Terms of Reference shall be made generally available.

## **10 Reporting**

- 10.1 The Committee Chairman shall report formally to the Board on the Committee's proceedings after each Meeting on all matters within its duties and responsibilities.
- 10.2 The Committee or the Committee Chairman shall meet formally with the Board at least once a year to discuss matters including its report to shareholders, to be made at the Company's Annual General Meeting, or in the Company's Annual Report.
- 10.3 The Committee shall make recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed.

## **11 Authority**

- 11.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference and to seek any information it requires. The Board shall require that senior management and any external advisers co-operate with any request made by the Committee.

- 11.2 The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other independent professional advice on any matters within its Terms of Reference. However, prior to committing to any fees, the Committee should consult with the Chairman to agree fee levels.

## **12 Procedure**

- 12.1 Subject to the constitutional documents of the Company, the Committee shall determine its own procedures.

Approved by the Board on 19<sup>th</sup> January 2018