



# Resource Generation Limited ACN 059 950 337

## Social, Ethics & Transformation Committee Charter

### Purpose

The primary objective of the Social and Ethics Committee is to assist the Board discharge its responsibilities, in the following areas:

- Recommending and adopting social and ethical policies aligned with being a Good Corporate Citizen;
- Ensuring that the Company has the necessary processes and procedures in place to comply with the relevant legislative or other legal requirements, prevailing codes of best practice and Company policies in relation to:
  - i. Social and economic (including transformation) development
  - ii. The environment, health and public safety
  - iii. Consumer and public relations
  - iv. Labour and employment practices
- Ensuring that the Company monitors and assesses compliance and performance, including engagement of external assurance providers, with legislative and policy requirements with particular reference to B-BEE legislation
- Reporting matters of social and ethical importance to the Board and shareholders.

### Membership

- The Committee should comprise of at least three members with at least two members (majority) being independent non-executive directors
- The Managing Director or CEO being a prescribed officer will also be a member of the Committee
- External experts may be invited to attend meetings at the Committee's discretion

### Chairman

- The Chairman of the Social and Ethics Committee shall be a Non-executive Director
- The Chairman of the Social and Ethics Committee shall report significant findings and recommendations of the Committee to the Board after each Committee meeting

- The Chairman of the Social and Ethics Committee may meet with the head of HR and/or the Company Secretary prior to a scheduled meeting to discuss matters of importance on the agenda

## Meetings

- The Committee must hold sufficient scheduled meetings in order to fulfil its responsibilities subject to a minimum of two meetings per year.
- A quorum of the meeting shall be a minimum of two.
- The minutes of all Committee meetings shall be circulated to members of the Board.
- The Chairman will call a meeting of the Social and Ethics Committee if so requested by any Committee member.

## Authority

- The Social and Ethics Committee shall have the authority to enquire from any director or prescribed officer of the Company any information or explanation necessary for the performance of the Committee's functions
- To request from any employee of the Company any information or explanation for the performance of the Committee's functions
- To be heard at any general shareholders meeting on any matters of business that concerns the Committee's functions
- The Social and Ethics Committee is authorised to take such independent professional advice as it considers necessary
- The Social and Ethics Committee has no executive powers with regards to its findings and recommendations.

## Responsibilities

The responsibilities of the Social and Ethics Committee include but are not limited to the following:

- 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:
  - i. Social and economic development, including the Company's standing in terms of the goals and purpose of:
    - The ten principles set out in the United Nations Global Compact
    - The organisation for Economic Cooperation and Development (OECD) regarding corruption
    - The Employment Equity Act
    - The Broad-Based Black Economic Empowerment Act
  - ii. Good corporate citizenship, including the Company's:
    - Promotion of equality, prevention of unfair discrimination and reduction of corruption
    - Contribution to development of communities in which its activities are predominantly conducted and/or within which its products or services are predominantly marketed including the implementation of the Company's Social, Labour and Development Plan
    - Record any sponsorships, donations and charitable giving

- iii. The environment, health and public safety, including the impact of the Company's activities and its products or services
  - iv. Consumer relationships, including the Company's advertising, public relations and compliance with the consumer protection laws
  - v. Labour and employment including:
    - The Company's standing in terms of the International Labour Organisation Protocol
    - The Company's employment relationships and its contribution towards the educational development of its employees
  - vi. To draw matters within its mandate to the attention of the Board when required
- To coordinate with the Audit Committee the review and approval of Company policies
  - To ensure that the Company has a Code of Conduct (covering values and ethics) and that directors, employees and contractors adhere to this Code
  - To undertake an annual review of the Code of Conduct and all other policies and codes dealing with environmental, social and governance matters
  - To monitor and seek confirmation that the Company has adequate resources to comply with all social, environmental, ethical and governance policies
  - To assess the Company's ethical performance with a specific focus on procurement and tender practices
  - To monitor and oversee all Corporate Social Investment (CSI) projects including budgets
  - To assess the Company's performance in terms of achieving the principles of the National Development Plan and infrastructure maintenance
  - Coordinate and provide input to the Remuneration Committee and the Audit Committee matters concerning ethics and social responsibility
  - To obtain and assess reports from the CEO and Head of HR on HR related matters following exit interviews with employees that leave the Company
  - To assess the Company's impact on society and the environment
  - To compile an ethics risk and opportunity profile

The Committee will be assisted by an Environmental, Social and Governance Working Group to champion social and ethical matters within the Group.

The Committee will have oversight of the implementation of the Ledjadja Coal (Pty) Ltd Transformation Policy.

## Membership

Papi Molotsane (Chairman)  
Lulamile Xate  
Dr Konji Sebati  
Rob Lowe

Reviewed and approved by the Board: 16 August 2017