



SOCIAL, ETHICS AND HUMAN RESOURCES COMMITTEE REPORT

The Social, Ethics and Human Resources Committee ("the committee") presents the following report to the shareholders for the 2017 financial year, in accordance with the Companies Act 71 of 2008, as amended.

The committee comprises three members appointed by the Board. The Group Financial Manager, the respective general managers of the business divisions, and the human resources manager attend these meetings by invitation. In terms of the committee's Terms of Reference the committee shall meet at least once a year. Four meetings were held during the year.

The main responsibility of the committee is to monitor the group's activities with regard to its social impact in the following areas:

- Social and economic development;
- Good corporate citizenship;
- The environment, health and public safety;
- Consumer relationships; and
- Labour and employment.

The committee reports to the Board and to the shareholders.

The committee received and considered the following reports by management during the year:

- Terrasan culture and becoming the employer of choice.
- Staff safety and death and disability cover for employees.
- A comprehensive review of all group policies, aligning them within the group and with applicable legislation and best practices.
- A report on the current BEE status of the business units and plans to improve the BEE rating of the business units.
- Short term and long term incentive targets for senior employees.
- Investment in social and economic development by the respective business sectors within the group. The group has identified education as one of the key areas of its social impact and accordingly strives to support the advancement of education on all levels in the communities where we operate.

No substantive non-compliance with legislation and regulations relevant to the areas within the Committee's mandate has been brought to its attention during the period under review. The Committee also has no reason to believe that any such noncompliance has occurred.



A handwritten signature in black ink, appearing to read "Burger" with a stylized flourish.

BF Burger

**Chairman of the Social, Ethics
and Human
Resources Committee**

19 June 2018