

MASSMART HOLDINGS LIMITED

AUDIT COMMITTEE CHARTER

1. Definitions

In this Charter, the following words and phrases shall, unless otherwise stated or inconsistent with the context in which they appear, bear the following meanings and cognate expressions shall bear corresponding meanings:

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| 1.1 | "Annual Report" | the integrated annual report of the Company from time to time; |
| 1.2 | "Auditors" | the external auditors of the Company from time to time; |
| 1.3 | "Board" | the Board of Directors of the Company as constituted from time to time in accordance with the MOI; |
| 1.4 | "Board Charter" | the charter of the Board as amended or replaced from time to time; |
| 1.5 | "CEO" | the chief executive officer of the Company from time to time; |
| 1.6 | "Chairman" | the chairman of the Committee from time to time; |
| 1.7 | "Charter" | this audit committee charter as amended or replaced from time to time; |
| 1.8 | "Committee" | the audit committee of the Company as constituted in terms of this Charter; |
| 1.9 | "Companies Act" | the Companies Act, 71 of 2008 and any regulations published thereunder, all as amended or replaced from time to time; |
| 1.10 | "Company" | Massmart Holdings Limited, registration number 1940/014066/06, a public company incorporated and registered in accordance with the laws of South Africa; |

1.11	"Company Secretary"	the company secretary of the Company from time to time;
1.12	"Directors"	the directors of the Company from time to time;
1.13	"CFO"	the chief financial officer of the Company from time to time;
1.14	"Group"	the Company and its subsidiaries from time to time;
1.15	"IFRS"	International Financial Reporting Standards as published from time to time by the International Accounting Standards Board;
1.16	"King Report"	the King Report on Corporate Governance for South Africa 2016;
1.17	"Listings Requirements"	the listings requirements of the JSE Limited, as amended or replaced from time to time;
1.18	"MOI"	the memorandum of incorporation of the Company adopted in compliance with the Companies Act, as amended or replaced from time to time;
1.19	"Nomination Committee"	the Group's nomination committee as constituted from time to time; and
1.20	"Stakeholders"	any group affected by, and affecting, the Company's operations.

2. Constitution

- 2.1 The board of directors (Board) of the Company acknowledges the need for an audit committee as required in terms of the Companies Act, No. 71 of 2008, as amended from time to time (the Companies Act). The audit committee of the Company (the Committee) is constituted as a committee of the Board in accordance with the Company's memorandum of incorporation (MOI), section 84(4)(c) of the Companies

Act and section 3.84(d) of the listings requirements of the JSE Limited, as amended from time to time (the Listings Requirements).

- 2.2 In the event of any conflicts between this Charter and the MOI, the MOI will prevail.
- 2.3 It is recorded that the Committee is established as a committee of the Board, the Company and its subsidiaries (Group), and the Committee will act accordance with its statutory duties and the delegated authority of the Board as recorded in this Charter.
- 2.4 The duties and responsibilities of the members of the Committee as set forth in this document are in addition to those duties and responsibilities that they have as members of the Board.
- 2.5 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.
- 2.6 This Charter is subject to the provisions of the Companies Act, the MOI, the Listings Requirements, the King IV Report on Corporate Governance for South Africa (King IV or the Code) and any other applicable law or regulatory provision, in each case, as amended or substituted from time to time. The Committee shall also be required to conduct itself in accordance with the applicable recommendations contained in the Code.
- 2.7 In the execution of their duties, Committee members must apply the “Standards of conduct of directors” as set out in section 76 of the Companies Act and “Directors’ personal financial interests” as set out in section 75 of the Companies Act.
- 2.8 The Committee will have due regard to principles of governance and codes of best practice.

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4. **Introduction**

- 4.1 The purpose of this Charter is to set out the role, duties and responsibilities of the Committee and its relationship with the internal and external audit functions and the Board.

- 4.2 This Charter aims to ensure that the Committee is compliant with the Companies Act, the King Report and the Listings Requirements.
- 4.3 The Committee is established to assist the Board in:
- 4.3.1 identifying and managing financial and other risks;
 - 4.3.2 the evaluation of the adequacy of the Group's assurance systems;
 - 4.3.3 the review and preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance and accounting standards; and
 - 4.3.4 addressing statutory and regulatory issues, specifically the nomination for appointment, removal and replacement of the Auditors, with the appointment being subject to the approval by shareholders at the next annual general meeting.
- 4.4 The Committee shall act in accordance with its statutory duties and the delegated authority of the Board.

5. **Composition**

- 5.1 At each annual general meeting, the shareholders shall appoint the Committee for the following financial year as recommended by the Nominations Committee. The Committee shall consist of not less than three Directors, all of whom shall be independent non-executive Directors.
- 5.2 The Chairman shall be an independent non-executive Director and shall be appointed by the Board. The Chairman shall have the requisite business, financial and leadership skills. The chairman of the Board is not eligible to be the chairperson or a member of the Committee, but may attend Committee meetings by invitation.
- 5.3 The shareholders of the Company shall have the power at any time to remove any member from the Committee and to fill any vacancy so created.
- 5.4 The members of the Committee must, as a whole, have the necessary financial literacy, skills and experience to execute their duties effectively, including an understanding of the following: financial and sustainability reporting; internal financial controls; external audit process; internal audit process; corporate law, risk management; sustainability issues; information technology governance as it relates

to integrated reporting; and governance processes within the Company. The Committee should keep up-to-date with developments affecting the required skill set.

- 5.5 The Committee, in carrying out its tasks under this Charter, may obtain such outside or other independent professional advice, as it considers necessary to carry out its duties.
- 5.6 The term of office of the Committee shall be one year, and the Board will review its composition and chairmanship annually.

6. Role and responsibilities of the Committee

6.1 General

- 6.1.1 The delegation of authority to the Committee is documented in the Board Charter and the relevant resolution authorising same.
- 6.1.2 The Committee is authorised by the Board to investigate any activity within this Charter. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee and provide it with all information it requests.
- 6.1.3 The Committee has authority to meet with the internal auditors and/or external Auditors without management of the Company being present.
- 6.1.4 The Committee must have access to any information it needs and must have the power to investigate any matter within the ambit of its authority.
- 6.1.5 The purpose of the Committee is to assist the Board in discharging its duties relating to:
- 6.1.5.1 evaluating financial and other risk;
 - 6.1.5.2 maintaining adequate accounting records;
 - 6.1.5.3 the operation of adequate financial and administration systems including internal control;
 - 6.1.5.4 complete and accurate reporting to shareholders and other Stakeholders and the provision of financial statements in compliance with all applicable legal requirements and accounting standards; and

- 6.1.5.5 compliance with relevant laws, regulations and procedures.
- 6.1.6 Notwithstanding anything contained in this Charter to the contrary, the Committee is solely responsible for its statutory duties in terms of the Companies Act, in particular the Committee is solely responsible:
- 6.1.6.1 to nominate, for appointment as Auditor of the Company, a registered auditor who, in the opinion of the Committee, is independent of the Company;
- 6.1.6.2 to ensure that the appointment of the Auditor complies with the provisions of the Companies Act and any other legislation relating to the appointment of auditors;
- 6.1.6.3 to determine the fees to be paid to the Auditor and the terms of engagement of the Auditor;
- 6.1.6.4 for the approval of the appointment of internal auditors if the function is outsourced, and of the head of internal audit function if the internal audit function is in-house;
- 6.1.6.5 to determine, subject to the provisions of the Companies Act, the nature and extent of any non-audit services that the Auditor may provide to the Company, or that the Auditor must not provide to the Company, or a related Company;
- 6.1.6.6 to pre-approve any proposed agreement with the Auditor for the provision of non-audit services to the Company;
- 6.1.6.7 to prepare a report, to be included in the annual financial statements for that financial year:
- 6.1.6.7.1 describing how the Committee carried out its functions;
- 6.1.6.7.2 stating whether the Committee is satisfied that the Auditor was independent of the Company, and specifically addressing the following:
- 6.1.6.7.2.1 the policy and controls that address the provision of non-audit services by the external auditor, and the nature and extent of such services rendered during the financial year;

- 6.1.6.7.2.2 the tenure of the external audit firm and, in the event of the firm having been involved in a merger or acquisition, including the tenure of the predecessor firm;
- 6.1.6.7.2.3 the rotation of the designated external audit partner;
- 6.1.6.7.2.4 significant changes in the management of the organisation during the external audit firm's tenure which may mitigate the attendant risk of familiarity between the external auditor and management; and
- 6.1.6.7.3 commenting in any way the Committee considers appropriate on the financial statements, the accounting practices and the internal financial control of the Company;
- 6.1.6.8 to receive and deal appropriately with any concerns or complaints, whether from within or outside the Company, or on its own initiative, relating to:
 - 6.1.6.8.1 the accounting practices and internal audit of the Company;
 - 6.1.6.8.2 the content of auditing of the Company's financial statements;
 - 6.1.6.8.3 the internal financial controls of the Company; or
 - 6.1.6.8.4 any related matter;
- 6.1.6.9 to make submissions to the Board on any matter concerning the Company's accounting policies, financial control, records and reporting; and
- 6.1.6.10 to perform such other oversight functions as may be determined by the Board.
- 6.1.7 With the exception of items above, the Committee shall not perform any management functions or assume any management or Board responsibilities, but shall have an objective independent role and shall submit recommendations as appropriate to the Board for approval or final discussion.

6.1.8 The Committee will ensure that there is a readily available mechanism for the general public to confidentially contact the Committee to query or complain about the disclosure or content of any of the Company's financial reporting.

6.2 **Audit responsibilities - general**

6.2.1 Management should bring to the Committee's attention any relevant significant internal audit, forensic audit and external audit findings and the remedial action that has been taken.

6.2.2 The Committee has oversight of the activities of the Company's internal audit function and the external audit function.

6.2.3 The Committee shall act as a channel of communication between the Board, management and the internal auditors and external Auditors.

6.2.4 The responsibilities of the Committee shall be:

6.2.4.1 to review the internal control structures including financial control, accounting systems and reporting;

6.2.4.2 to review the Group's statement on internal control systems prior to endorsement by the Board and in particular reviewing:

6.2.4.2.1 the Group's policies for preventing and detecting fraud;

6.2.4.2.2 the Group's policies for ensuring that the Group complies with relevant regulatory and legal requirements;

6.2.4.2.3 the operational effectiveness of the policies and procedures;

6.2.4.3 to review the quality of reporting to shareholders (to the extent practicable) of corporations in which the Company is invested to satisfy itself of the validity thereof;

6.2.4.4 liaison with external Auditors (see clause 6.3 below) and internal auditors (see clause 6.4 below);

6.2.4.5 monitoring and ensuring compliance of the Group with the laws and regulations of applicable statutes and of controlling bodies and all legal requirements; and

6.2.4.6 monitoring compliance of the Company's code of conduct and the ethical conduct of the Company, the Group, Group executives and senior officials and identification of any violations of ethical conduct.

6.3 External audit

The Committee shall:

6.3.1 When nominating an Auditor for appointment (as envisaged in clause 6.1.6.1) in considering whether a registered auditor is independent of the Company, the Committee must:

6.3.1.1 ascertain that the Auditor does not receive any direct or indirect remuneration or other benefit from the Company, except (i) as Auditor; or (ii) for rendering other services to the Company, to the extent permitted in terms of section 94(7(d)) of the Companies Act;

6.3.1.2 consider whether the Auditors' independence may have been prejudiced (i) as a result of any previous appointment as Auditor; or (ii) having regard to the extent of any consultancy, advisory or other work undertaken by the Auditor for the Company; and

6.3.1.3 consider compliance with other criteria relating to independence or conflict of interest as prescribed by the independent regulatory board for auditors established by the Auditing Profession Act, 26 of 2005, in relation to the Company's Group. In the event that the annual general meeting appoints a different auditor to the one nominated by the Committee, the appointment will not be valid unless the Committee is satisfied that the proposed auditor is independent of the Company;

6.3.2 discuss and review with the external Auditors before the audit commences, the Auditors' engagement letter, the terms, nature and scope of the audit, function, procedure and engagement. The Committee should review the overall audit role to explore objectives, minimise duplication and discuss implications of new auditing standards;

6.3.3 in relation to the non-audit services referred to in clause 6.1.6.4, negotiate procedures, subject to agreement beyond minimum statutory and professional duties and pre-approve the proposed contract with the Auditors in respect of all non-audit services to be rendered. The Committee shall ensure, in relation to

such non-audit services provided by the designated Auditor that the Auditor appointed shall not, for the duration of the appointment, perform any bookkeeping, accounting or internal audit services and, to the extent that these would be subject to its own auditing, tax advisory services for the Company. The Committee shall keep the nature and extent of non-audit services under review, seeking to balance the maintenance of objectivity with value for money;

- 6.3.4 evaluate the performance of the Auditors;
- 6.3.5 agree to the timing and nature of reports from the Auditors;
- 6.3.6 give directive to Auditors to address areas of concern, in addition to the Auditors' minimum statutory and professional duties and consider any problems, identified in regard to the Company's going concern status or matters of internal control;
- 6.3.7 consider and approve the appropriateness of accounting policies and their implementation, accounting treatments, significant unusual transactions, or accounting judgments, that could be contentious;
- 6.3.8 identify key matters arising in the Auditors' current year's management letter and satisfying itself that these are being properly followed up;
- 6.3.9 review the adequacy of corrective action in response to significant external audit findings;
- 6.3.10 consider whether any significant ventures, investments or operations are not subject to external audit;
- 6.3.11 obtain assurance from the Auditors that adequate accounting records are being maintained;
- 6.3.12 be advised on discussions between management and the Auditors and consider and discuss any differences of opinion between management and Auditors and deal with any Issues of material or significant investigations and management responses;
- 6.3.13 review management's letter of representation to the Auditors before finalisation of the Annual Report;

- 6.3.14 when recommending the appointment of the Auditor, consider whether the auditors are accredited as such on the JSE Limited list of auditors as required by the Listings Requirements and periodically consider alternative firms and obtain proposals to facilitate the Committee arriving at its recommendation;
- 6.3.15 monitor the relationship between the Auditors and the Company;
- 6.3.16 consider any questions on the resignation or dismissal of the Auditors;
- 6.3.17 ensure that the Auditor is invited to attend any general meeting of the shareholders at which the financial statements are considered, to answer any question posed to the Auditor at such meeting, relevant to the conduct of the audit.

6.4 **Internal audit**

An important role of the Committee is to monitor and supervise the effective function of internal audit to provide an objective overview of the operational effectiveness of the company's systems of internal control and reporting. This will include:

- 6.4.1 reviewing the objectives and operations of the internal audit function;
- 6.4.2 evaluating the performance of internal audit, its effectiveness and independence;
- 6.4.3 reviewing the internal audit function's compliance with its mandate as approved by the Committee and considering whether the mandate, organisation, resources, internal audit skills and standing of the internal audit function are appropriate to enable the Committee to meet its objectives;
- 6.4.4 reviewing and approving the internal audit charter, internal audit coverage plan and budgets and satisfying itself that the coverage plan makes provision for effectively addressing, the critical risk areas of the business;
- 6.4.5 reviewing the effectiveness of the Group's systems of internal control and business risk management, and monitoring the maintenance of effective, internal control systems by management;
- 6.4.6 considering internal audit reports on the effectiveness of the process for identifying, assessing, and reporting on all significant business and operational

risks and the management and mitigation of those risks by the Group and making appropriate recommendations to the Board;

- 6.4.7 reviewing and considering the conclusions and significant matters reported by the internal audit function in relation to financial reporting, corporate governance and internal control;
- 6.4.8 reviewing the adequacy of corrective action taken in response to significant internal audit findings;
- 6.4.9 ensuring that the internal auditor reports at all Committee meetings;
- 6.4.10 reviewing the co-operation and co-ordination between the internal and external audit functions and co-ordinating the formal internal audit work plan with external Auditors to prevent duplication of work;
- 6.4.11 reviewing significant differences of opinion between management and the internal audit function;
- 6.4.12 considering internal audit reports dealing with:
 - 6.4.12.1 ensuring maintenance of proper and adequate accounting records;
 - 6.4.12.2 controlling the overall operational and financial reporting environment;
 - 6.4.12.3 safeguarding the Company's assets against unauthorised use or disposal;
- 6.4.13 directing and supervising investigations into matters within its scope, for example, evaluations of the effectiveness of the Company's internal control, cases of employee fraud, misconduct or conflict of interest;
- 6.4.14 considering and reviewing any difficulties encountered in the course of internal audits including any restrictions in scopes;
- 6.4.15 considering whether the financial, budgets of the internal audit function provide adequate support to enable the Committee to meet its objectives;
- 6.4.16 approving the joint decision of the Directors as regards the appointment / dismissal of the Chief Audit Executive (head of internal audit);

6.4.17 providing the Board with an annual written assessment of the effectiveness of the risk management processes, via this Committee, of internal controls and risk management.

6.5 **Financial statements**

6.5.1 The Committee shall review the annual financial statements and interim reports, the preliminary report and any other announcement regarding the Group's results or other financial information under its responsibilities to be made public, prior to submission to and approval by the Board, focusing on:

6.5.1.1 Integrated reporting as contemplated in the King Report;

6.5.1.2 the quality of financial reporting and ensuring that such reporting presents a balanced and understandable assessment of the position performance and prospects of the Group;

6.5.1.3 the implementation of new systems;

6.5.1.4 any tax and litigation matters involving uncertainty;

6.5.1.5 any changes in accounting policies and procedures;

6.5.1.6 significant adjustments resulting from the audit including problems and reservations arising from the audit and any matters the Auditors may wish to discuss;

6.5.1.7 the basis on which the Group has been determined to be a going concern;

6.5.1.8 capital adequacy;

6.5.1.9 strength of internal controls;

6.5.1.10 compliance with Group accounting standards, local and international, compliance with applicable laws and the Listings Requirements;

6.5.1.11 the appropriateness of major accounting adjustments processed at the year-end;

6.5.1.12 compliance with the conditions and covenants of loan agreements;

- 6.5.1.13 reviewing special documents such as prospectuses, rights offers, etc., as and when prepared;
 - 6.5.1.14 in the case of the interim (first six-month) report for determining whether it should be subject to an independent review by the external Auditor and if not the reasons should be tabled at the following Board meeting;
 - 6.5.1.15 the content of any accompanying report to shareholders;
 - 6.5.1.16 major judgmental areas in any financial information under its responsibilities;
 - 6.5.1.17 reviewing and considering the JSE Limited pro-active monitoring of the Company's annual financial statements for compliance with IFRS;
 - 6.5.1.18 reviewing significant transactions not directly related to the Company's normal business as the Committee might deem appropriate; and
 - 6.5.1.19 reviewing the controls over significant risks.
- 6.5.2 Annually, the Committee will evaluate the CFO's expertise and experience, and shall review the expertise and experience of the Group's finance function, and shall disclose this.
- 6.5.3 The Committee shall review the South African subsidiary financial reports and be responsible for subsidiary and managed joint venture audit committee and financial matters unless such subsidiary companies or joint ventures elect to constitute separate audit committees as defined by the Companies Act. The Committee may constitute sub-committees called financial review and compliance committees to assist it in discharging its duties in respect of subsidiaries or divisions by collating and recording the information the Committee requires for its work.
- 6.5.4 The Committee shall receive and deal appropriately with any complaints relating to accounting practices, internal audit, content or auditing of financial statements or to any related matter.
- 6.5.5 The Committee will perform any other functions determined by the Board.

6.6 Disclosures

- 6.6.1 The Committee shall disclose the following in the Annual Report:
- 6.6.1.1 its overall role and associated responsibilities and functions;
 - 6.6.1.2 its composition, including each member's qualifications and experience;
 - 6.6.1.3 any external advisors or invitees who regularly attend Committee meetings;
 - 6.6.1.4 key areas of focus during the reporting period;
 - 6.6.1.5 the number of meetings held during the reporting period and attendance at those meetings;
 - 6.6.1.6 whether the Committee is satisfied that it has fulfilled its responsibilities in accordance with this Charter for the reporting period;
 - 6.6.1.7 significant matters that the Committee has considered in relation to the annual financial statements, and how these were addressed by the Committee;
 - 6.6.1.8 the Committee's views on the quality of the external audit, with reference to the audit quality indicators such as those that may be included in inspection reports issued by external audit regulators;
 - 6.6.1.9 the Committee's views on the effectiveness of the chief audit executive and the arrangements for internal audit;
 - 6.6.1.10 the Committee's views on the effectiveness of the design and implementation of internal financial controls, and on the nature and extent of any significant weaknesses in the design, implementation or execution of internal financial controls that resulted in material financial loss, fraud, corruption or error;
 - 6.6.1.11 the Committee's views on the effectiveness of the CFO and the finance function; and
 - 6.6.1.12 the arrangements in place for combined assurance and the Committee's views on its effectiveness.

7. Authority

- 7.1 The Committee has decision-making authority in regard to its statutory duties and is accountable in this respect to both the Board and the shareholders of the Company. To this end, the chairperson of the Committee must be present at all annual general meetings.
- 7.2 On all responsibilities delegated to it by the Board outside of the statutory duties, the Committee makes recommendations for approval by the Board. The Committee acts in accordance with its statutory duties and the delegated authority of the Board as recorded in this Charter. It has the power to investigate any activity within the scope of this Charter.
- 7.3 The Committee, in the fulfilment of its duties, may call upon the chairpersons of the other Board committees, any of the executive directors, officers or the company secretary to provide it with information subject to Board approved process.
- 7.4 The Committee shall have reasonable access to the Company's records, facilities, employees and any other resources necessary to discharge its duties and responsibilities.
- 7.5 The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at the Group's cost, subject to a Board approved process being followed.
- 7.6 The Committee makes the recommendations to the Board that it deems appropriate on any area within the ambit of this Charter where action or improvement is required.

8. Meeting Procedures

The meetings and proceedings of the Committee shall be governed *mutatis mutandis*, by the provisions of the MOI regulating meetings of Directors.

8.1 Frequency

- 8.1.1 The Committee shall meet at least three times per year or more frequently as the Committee or circumstances may dictate.
- 8.1.2 Meetings must be held prior to the Board's approval of final financial results and Annual Report and before the Board's approval of interim financial results.

- 8.1.3 The Committee will meet with the internal and the external Auditors at least once a year without management or the other Auditor present in order to discuss any issues relevant to the audit.
- 8.1.4 The external Auditors may request a meeting if they consider that one is necessary.
- 8.1.5 Meetings in addition to those scheduled may, with the approval of the Chairman, be held at the request of the external Auditors, the chairman of the Company, the CEO, the CFO or any Director at the instance of the Board.

8.2 **Attendance**

- 8.2.1 The quorum for decisions of the Committee will be any two members present throughout the meeting of the Committee.
- 8.2.2 The Chairman, in his/her discretion, should invite such executives, employees of the Company and / or third parties, including independent experts, as appropriate, to attend meetings of the Committee and provide insights in relation to their areas of expertise.
- 8.2.3 The CEO, CFO, representatives at the Company's financial management and representatives of the Auditors and internal auditor should attend meetings as invitees and will have unrestricted access to the Chairman or any other member of the Committee as required.
- 8.2.4 The Committee will ensure that the lead partner of the Auditors has a formal audience with the Board, at least annually.
- 8.2.5 Every member of the Board is entitled to attend the meetings of the Committee as an observer. If the Chairman of the Committee is not present at the meeting, the members of the Committee shall appoint one of their number to chair the meeting. The members of the Committee may consent to any other non-executive independent director of the Board acting as the Chairman of the Committee meetings as may be deemed necessary and/or as required where Committee members are unable to chair the Committee meetings. The Committee is authorised to require any employee of the Company to attend and report at its meetings, in addition to the attendees specified in 8.2.3 above.

8.2.6 Representatives from Massmart's majority shareholder, Walmart, have a standing invitation to attend Committee meetings.

8.3 **Agenda and minutes**

8.3.1 The General Counsel, Company secretary, or any executive nominated by the Chairman from time to time shall be the secretary of the Committee.

8.3.2 The Company Secretary shall prepare and circulate the minutes of the meetings of the Committee to all members of the Committee, and the Board.

8.3.3 Meeting agendas, which will incorporate the minutes of the previous meeting held, shall be prepared and distributed by the Company Secretary in advance, together with sufficient background information to enable the Committee members to appropriately prepare for the meetings.

8.4 **Reporting**

8.4.1 The Chairman shall account to the Board for its activities and make recommendations to the Board concerning the adoption of the annual and interim financial statements and any other matters arising from the Committee's responsibilities.

8.4.2 The Chairman shall attend the annual general meeting of the Company to answer questions concerning matters within the ambit of the Committee.

9. **Remuneration**

9.1 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 MOI, members of the Committee shall (unless specifically waived in writing) be paid such additional special remuneration in respect of their appointment as shall be fixed by the Board and as approved by shareholders.

9.2 The Chairman shall receive a further fee, determined by the Board, in addition to his remuneration as a member.

9.3 Remuneration in terms of this clause 9 shall be in addition to the fees payable to Directors for their service on the Board.

- 9.4 The Company shall meet all expenses reasonably incurred by the Committee including the fees of any consultant or specialist engaged by the Committee to assist in the performance of its duties.

10. Confidentiality

- 10.1 Subject to the paragraph below, all information in whatever form and howsoever obtained by members of the Committee in the course of serving as members of the Committee (Confidential Information) must be kept confidential and members of the Committee must not disclose any of the Confidential Information within their knowledge or possession in any manner to any person, company or other entity (Person).

- 10.2 The provisions of the paragraph above shall not apply to Confidential Information:

- 10.2.1 which was in the public domain prior to its disclosure to the relevant member of the Committee or subsequently came to be in the public domain in any way otherwise than by the wrongful disclosure by such member of the Committee;

- 10.2.2 which is disclosed directly or indirectly by the relevant member of the Committee to any Person who is a director, employee, agent, consultant, adviser or contractor of or to the Company, as the case may be, whose knowledge or possession of such Confidential Information is necessary for that Person to perform their particular functions; or

- 10.2.3 the disclosure of which is required by any applicable law, by an order of court or by the rules of any securities exchange on which the Company's shares are listed or by any other regulatory body to which the Company is subject.

11. Evaluation

- 11.1 This Charter will be reviewed annually by the Committee and the Board.
- 11.2 The Committee shall undertake annual self-assessments, which shall include assessments by the Auditors and internal auditors and the CFO, as well as assessments of the Chairman by the rest of the Committee. The Chairman shall report back to the Board in respect of such assessments.