TERMS OF REFERENCE

SOCIAL AND ETHICS COMMITTEE

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Abbreviations

ATR	Annual Training Report
BBBEE	Broad-Based Black Economic Empowerment
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
EE	Employment Equity
EIA	Environmental Impact Assessment
ESG	Environmental, Social and Governance
HR	Human Resources
ILO	International Labour Organisation
JSE	Johannesburg Stock Exchange
King V	King Code of Corporate Governance
OECD	Organisation for Economic Cooperation and Development
SLP	Social Labour Plan
UN	United Nations
WSP	Workplace Skills Plan

1. Introduction

1.1 The Social and Ethics Committee (the "Committee") is constituted as a committee of the Board of Directors of Salungano Group Limited ("Salungano" or the "Company") in terms of section 72(4) of the Companies Act 71 of 2008, as amended ("the Companies Act"), read with Regulation 43 of the Companies Regulations, 2011.

1.2 The duties and responsibilities of the members of the Committee, as set out in this document, are in addition to those duties and responsibilities that they have as members of the Board. The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members regarding their fiduciary duties and responsibilities, and they must continue to exercise due care and judgment in accordance with their legal obligations.

1.3 These Terms of Reference are subject to the provisions of the Companies Act, the Company's Memorandum of Incorporation, King V, the JSE Listings Requirements, the Board Charter and any other applicable legislation, regulation or governance standard, in each case as amended or replaced from time to time.

2. Purpose of the 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, meetings and other procedures.

3. Purpose of the Committee

The Committee is established to assist the Board in overseeing social, ethical, and governance matters, ensuring that the Group operates as a socially responsible corporate citizen. The Committee's primary role is to supplement, support, advise, and provide guidance on the effectiveness of management's efforts in respect of social and ethics, transformation, and sustainable development-related matters.

4. Composition of the Committee

4.1 The Committee shall comprise at least three members. In accordance with section 72(7A) of the Companies Act, the majority of the members shall be directors who are not involved in the day-to-day management of the business of the Company and have not been so involved at any time during the previous three financial years.

4.2 The Committee is chaired by an independent non-executive director who is not the Chairperson of the Board. The Board designates the Chairperson of the Committee from the appointed members.

4.3 The members of the Committee shall be elected by shareholders at each annual general meeting of the Company, in terms of section 72(9A) of the Companies Act, on the recommendation of the Board. The recommendations of the Nomination Committee shall inform the Board's recommendations to shareholders.

4.4 The members of the Committee must collectively have sufficient qualifications and experience to fulfil their duties.

4.5 Committee members are required to keep their knowledge and skillsets up to date.

4.6 Where a vacancy arises on the Committee, the Board shall appoint a person to fill the vacancy within 40 days after the vacancy arises.

5. Independence

5.1 The Committee has an independent role, with accountability to the Board and statutory reporting responsibilities to shareholders.

5.2 The Committee does not assume the functions of management, which remains the responsibility of the executive directors, officers, and other members of senior management.

6. Authority

6.1 The Committee acts in accordance with its statutory powers and the delegated authority of the Board as recorded in these Terms of Reference.

6.2 The Committee may require from any director or prescribed officer of the Company, and may request from any employee of the Company, any information or explanation reasonably necessary for the performance of its functions.

6.3 The Committee is entitled to reasonable access to the Company's records, facilities, and employees as necessary to discharge its duties and responsibilities.

6.4 The Committee may establish working groups or request designated members, management or external advisers to undertake preparatory, investigative or administrative work on its behalf. The Committee may not delegate its statutory responsibilities and remains accountable for the discharge of its mandate and for its conclusions, recommendations and reports.

6.5 The Committee may obtain independent external professional advice where it reasonably considers such advice necessary for the proper performance of its functions, at the Company's cost and in accordance with any applicable Board-approved process, provided that such Board-approved process does not fetter the Committee's statutory powers or independence.

6.6 The Committee is entitled to attend any general shareholders' meeting, to receive all notices and other communications relating to any such meeting, and to be heard on any part of the business of the meeting that concerns the Committee's functions.

6.7 The Committee acknowledges that its roles and responsibilities may overlap with those of other committees. In such instances, the Committee shall incorporate its inputs or information into its reporting and recommendations to the Board.

7. Responsibilities

The Committee's responsibilities include, but are not limited to, the following:

7.1 Reporting responsibilities

The Committee shall oversee the preparation of and approve the social and ethics committee report to be presented at each annual general meeting and shall report, through one of its members, to shareholders on matters within its mandate.

7.2 Social responsibilities

7.2.1 Monitor the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and other relevant OECD anti-corruption recommendations, as amended or replaced from time to time;

7.2.2 Monitor the Company's good corporate citizenship, including its promotion of equality, prevention of unfair discrimination, reduction of corruption, contribution to the development of the communities in which its activities are predominantly conducted or its products or services are predominantly marketed, and its record of sponsorships, donations and charitable giving.

7.2.3 Oversee the Company's corporate social investment programmes and the governance of sponsorships, donations and charitable giving.Promote good corporate citizenship, including equality, prevention of unfair discrimination, and reduction of corruption.

7.2.4 Monitor the Company's labour and employment practices, including its employment relationships, employee development and training, and its standing in relation to applicable International Labour Organisation standards concerning decent work and working conditions.

7.3 Ethics and ethical behaviour responsibilities

7.3.1 Review the Company's Code of Ethics and related policies, recommend them to the Board for approval where appropriate, and oversee their implementation and the associated ethics awareness and training programmes.

7.3.2 Review relevant employee culture, attitude or ethics survey results, where such surveys are conducted, and consider identified ethics risks and opportunities.Review employee attitude surveys and identify ethics risks and opportunities.

7.3.3 Promote ethical behaviour among employees, Board members, and stakeholders, with a focus on:

- Conflicts of interest;
- Confidential information;
- Compliance with relevant laws;
- Workplace conduct; and
- Safeguarding of the Company's assets.

7.4 **Sustainability responsibilities**

7.4.1 Oversee the Company's sustainability goals, policies, and procedures, ensuring alignment with applicable legislation and best practices.
7.4.2 Monitor matters relating to the environment, health and public safety, including the impact of the Company's activities and of its products or services, and review related performance, incidents and remedial actions.Review health and safety reports and recommend actions to be taken.
7.4.3 Monitor consumer relationships, including the Company's advertising, public relations and compliance with applicable consumer protection laws.
7.4.4 Oversee the Company's approach to material stakeholder relationships and stakeholder engagement insofar as these matters fall within the Committee's mandate.

7.5 **Transformation responsibilities**

7.5.1 Monitor integration and alignment of transformation processes, including compliance with the Employment Equity Act, B-BBEE Act, and Mining Charter requirements.
7.5.2 Review and recommend transformation targets and strategies to the Board.

7.6 **General responsibilities**

7.6.1 Draw matters within its mandate to the attention of the Board as required.
7.6.2 Liaise with other Board committees on overlapping responsibilities.
7.6.3 Review these Terms of Reference annually and propose changes as necessary.
7.6.4 Report to the Board and shareholders on matters within its mandate.

8. Reports to be considered by the Committee

The Committee shall receive and review reports at intervals appropriate to the nature of the relevant matter, the Company's reporting cycle and its risk profile, including reports on the following:

8.1 Social and economic development, including performance against the UN Global Compact Principles, relevant OECD anti-corruption recommendations, employment equity and B-BBEE requirements;
8.2 Good corporate citizenship, community development, corporate social investment, sponsorships, donations, charitable giving and whistleblowing statistics and trends;
8.3 Organisational ethics and culture, employee wellness, labour and employment relationships, employee development and transformation; and
8.4 Environmental performance, health and public safety, consumer relationships, stakeholder engagement and sustainability performance.

9. Meetings and procedures

9.1 The Committee shall meet at least twice annually, or more frequently as required.
9.2 Attendance by non-members is at the discretion of the Chairperson.
9.3 Agendas and supporting documents shall be circulated at least five working days prior to meetings.
9.4 Minutes shall be completed within ten working days and approved at the next meeting.
9.5 A quorum for meetings shall consist of a majority of members.

10. Evaluation

10.1 The Committee shall periodically evaluate its performance and effectiveness and report the outcome to the Board.

10.2 The Committee, its Chairperson and individual members shall participate in formal performance evaluations in accordance with the evaluation framework, cycle and methodology approved by the Board.

11. Review of Terms of Reference

These Terms of Reference shall be reviewed annually to ensure alignment with legislative changes, corporate governance best practices, and the Company's strategic objectives.

12. Approval of Terms of Reference

These Terms of Reference were approved by the Committee on 16 July 2026 and by the Board of Directors on 29 July 2026 2026.



CHAIRMAN
SALUNGANO BOARD OF DIRECTORS

Date: 29 July 2026

Annexure A

The Ten Principles of the UN Global Compact

Corporate sustainability starts with a company's value system and a principles-based approach to doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.