

GLOBAL TAILINGS MANAGEMENT INSTITUTE (RF) NPC
(Registration Number 2025/020718/08)
(the "Company")

AUDIT COMMITTEE CHARTER
(the "Charter")

1. Introduction

- 1.1 The Audit Committee (the "**Committee**") is constituted as a statutory committee of the Company in respect of its statutory duties in terms of section 94(7) of the Companies Act and as a committee of the board of directors (the "**Board**") of the Company in respect of all other duties assigned to it by the Board.
- 1.2 This Charter is subject to the provisions of the Companies Act 71 of 2008, as amended (the "**Companies Act**"), the Companies Regulations 2011, as amended (the "**Companies Regulations**"), the Non-Profit Organisations Act, 71 of 1997, as amended and any regulations promulgated thereunder (the "**Non-Profit Organisations Act**"), the Company's memorandum of incorporation (the "**MOI**"), the Board Charter, King IV Report on Corporate Governance for South Africa 2016 issued by the Institute of Directors (or any equivalent code which replaces such code) ("**King IV**"), as well as any other applicable laws or regulations.
- 1.3 In the event of any conflict between this Charter and the MOI, the MOI shall prevail over this Charter and if there is any conflict between the Board Charter and this Charter, this Charter shall prevail.
- 1.4 This Charter is not intended to replace or amend the MOI.
- 1.5 The duties and responsibilities of the members of the Committee as set out in this Charter are in addition to those duties and responsibilities that they have as members of the Board.
- 1.6 Capitalised terms not otherwise defined in this Charter will have the meaning ascribed to them in Annexe A. Any capitalised word or expression, or any other term, that is not otherwise defined in this Charter or Annexe A shall be construed in accordance with the Companies Act or the Standard, as the context may require.

2. Purpose

- 2.1 The purpose of the Charter is to set out the Committee's roles and responsibilities as well as the requirements for its composition, meetings and other procedures.
- 2.2 The Committee's primary purpose is to assist the Board to hire and assure the independence of the independent financial auditor. The Committee must independently review and monitor the integrity of the Company's financial statements and the effectiveness of its systems of governance, risk management and internal control and oversee (a) the financial audit, review or compilation of financial statements; (b) internal controls and related processes designated to assure the reliability of data and (c) risk management processes.

3. Composition

- 3.1 The Committee must comprise of at least 3 (three) members at any given time.
- 3.2 All members shall be independent non-executive directors of the Company. For the avoidance of doubt, the terms "non-executive" and "independent" are construed in accordance with King IV, as is set out in Annexe A.
- 3.3 At least one-third of the members of the Committee at any particular time must have academic qualifications, or experience, in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.
- 3.4 All members shall be suitably skilled and, taken as a whole, have adequate relevant knowledge and experience, including the necessary financial literacy, skills and experience, to perform the functions of the Committee.
- 3.5 The following categories of persons are ineligible to serve as Committee members:
- 3.5.1 persons who are involved in the day-to-day management of the Company's business or have been involved at any time during the previous financial year;
- 3.5.2 prescribed officers or full-time employees of the Company or a related or inter-related company or have been such an officer or employee at any time during the previous three financial years;

- 3.5.3 material suppliers or customers of the Company such that a reasonable and informed third party would conclude in the circumstances that the integrity, impartiality or objectivity of that person is compromised by that relationship; and
- 3.5.4 persons related to any person who fails within any of the criteria mentioned in paragraphs 3.5.1, 3.5.2 and 3.5.3 above.
- 3.6 The chairperson of the Board may not be a member of the Committee.
- 3.7 Any person appointed to the Committee by the Board must not be ineligible or disqualified to be a director as contemplated in the Companies Act, the Non-Profit Organisations Act and the MOI.
- 3.8 A member of the Committee shall cease to hold office immediately if he/she becomes ineligible or disqualified as contemplated in paragraph 3.7 above.
- 3.9 If a director of the Board who is also a Committee member ceases to be a director of the Board for any reason, he or she will automatically cease to be a member of the Committee.

4. Term and appointment

- 4.1 Committee members will be elected annually by the Board at the first Board meeting of the Company's financial year, and shall be eligible for re-election to the membership of the Committee for as long as they are eligible for re-election on the Board.
- 4.2 Retiring Committee members shall be deemed to offer themselves for re-election unless they, at least 90 (ninety) Business Days before the first Board meeting of the Company's financial year, notify the Board of their intention not to seek re-election. The Board may re-elect a retiring Committee member.
- 4.3 If members of the Committee retire and are not re-elected or cease to be members for any other reason, the Board shall have the power to fill any vacancies.
- 4.4 In the event of a vacancy on the Committee, the Board must appoint a suitably qualified person to the Committee within 40 (forty) Business Days after the vacancy arises.
- 4.5 The Board shall appoint the chairperson of the Committee from the Committee members, who shall be an independent non-executive director.

5. Selection criteria for Committee members

5.1 Members of the Committee shall:

5.1.1 taken as a whole, possess the requisite knowledge, expertise and academic qualifications or experience in economics, law, corporate governance, finance, accounting, taxation, commerce, industry, public affairs or human resource management including an understanding of the following as it relates to the Company:

5.1.1.1 financial reporting;

5.1.1.2 internal financial controls;

5.1.1.3 external audit process;

5.1.1.4 risk management;

5.1.1.5 sustainability issues;

5.1.1.6 information technology governance; and

5.1.1.7 governance processes;

5.1.2 be suitably skilled and, taken as a whole, possess adequate relevant knowledge and experience to perform the functions of the Committee;

5.1.3 have a proven history of utilising professional judgement in a manner that is held in high regard by colleagues within their respective industry;

5.1.4 undertake to declare any potential conflicts of interest that may arise during their term on the Committee and undertake to comply with the Company's conflict of interest policy; and

5.1.5 be willing to serve for a minimum term of 3 (three) years and shall dedicate sufficient time to fulfil their duties on the Committee.

5.2 The chairperson of the Committee shall possess the skills necessary:

5.2.1 to cultivate relationships, persuade, convene, facilitate and build consensus among diverse individuals; and

5.2.2 to effectively engage Board members to resolve any concerns that they may have.

6. Access to information and resources

The Committee, in the fulfilment of its duties:

- 6.1 will have reasonable access to the Company records, facilities, and any other resources necessary to discharge its duties and responsibilities subject to any Board approved process;
- 6.2 may call upon any director, member of any other Board Committee, the Founding Partners, secretary of the Company, or assurance providers to provide it with information, subject to any Board approved process; and
- 6.3 may seek independent advice and consult with experts, specialists or consultants, at the Company's expense.

7. Authority

- 7.1 Unless expressly provided otherwise in this Charter, the Committee and its individual members do not have ultimate decision-making authority for the Company. The Committee provides support and makes recommendations to the Board in respect of matters within the scope of the Committee's purpose, roles and responsibilities for the Board's consideration and, if the Board considers it appropriate, ultimate approval for specific matters the Board delegates to the Committee.
- 7.2 The Committee:
 - 7.2.1 may form subcommittees, but it may not delegate authority to any subcommittee or one or more designated members of the Committee;
 - 7.2.2 has the power to make decisions regarding its duties and is accountable for its performance in this regard; and
 - 7.2.3 may seek independent advice at the Company's expense and investigate matters within its mandate.

8. Roles and responsibilities

- 8.1 The role of the Committee shall be to provide independent oversight of, among others:
 - 8.1.1 the effectiveness of the organisation's assurance functions and services, with a focus on combined assurance arrangements, including external assurance service providers, internal audit and the finance function; and

8.1.2 the integrity of the annual financial statements and, to the extent delegated by the Board, other external reports issued by the organisation.

8.2 Statutory responsibilities

8.2.1 The Committee shall have the following statutory duties (as per current legislation) in terms of section 94(7) of the Companies Act:

8.2.1.1 to nominate, for appointment as auditor of the Company, a registered auditor who, in the opinion of the Committee, is independent of the Company;

8.2.1.2 to determine the fees to be paid to the auditor and the auditor's terms of engagement;

8.2.1.3 to ensure that the appointment of the auditor complies with the provisions of the Companies Act and other legislation relating to the appointment of auditors;

8.2.1.4 to determine 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;

8.2.1.5 to pre-approve any proposed agreement with the auditor for the provision of non-audit services to the Company;

8.2.1.6 to prepare a report, to be included in the annual financial statements of the Company for that financial year:

8.2.1.6.1 describing how the Committee carried out its functions;

8.2.1.6.2 stating whether the Committee is satisfied that the auditor was independent of the Company; and

8.2.1.6.3 commenting in any way the Committee considers appropriate on the financial statements, the accounting practices and the internal financial control of the Company;

8.2.1.7 to receive and deal appropriately with any concerns or complaints, whether from within or outside the Company, or on its own initiative, relating to:

8.2.1.7.1 the accounting practices and internal audit of the Company;

- 8.2.1.7.2 the content or auditing of the Company's financial statements;
- 8.2.1.7.3 the internal financial controls of the Company; or
- 8.2.1.7.4 any other related matter;
- 8.2.1.8 to make submissions to the Board on any matter concerning the Company's accounting policies, financial control, records and reporting; and
- 8.2.1.9 to perform such other oversight functions as may be determined by the Board.
- 8.2.2 The duties imposed in terms of section 94(7) of the Companies Act as set out in paragraph 8.2.1 are for ease of reference. If the Companies Act (and/or the Companies Regulations) is amended, such amendments will take precedence over these provisions and these provisions will be deemed to have been amended accordingly.
- 8.3 In addition to its statutory duties, the Committee shall have the following responsibilities:
 - 8.3.1 Internal and external audit
 - 8.3.1.1 to meet annually with the internal and external auditors respectively, without management, to facilitate an exchange of views and concerns;
 - 8.3.1.2 satisfy itself that the internal audit function has adequate expertise, resources and experience to fulfil its function;
 - 8.3.1.3 ensure that the internal audit function is subjected to regular independent quality review to measure and ensure its effectiveness;
 - 8.3.1.4 oversee the internal audit and the external audit process;
 - 8.3.1.5 review the quality and effectiveness of the external audit function; and
 - 8.3.1.6 where necessary, make recommendations to the Board regarding the dismissal or termination of the services of the external auditor;

- 8.3.2 Integrated reporting and internal controls
- 8.3.2.1 ensure that the Company has established appropriate financial reporting procedures and that those procedures are operating;
- 8.3.2.2 have regard to all factors and risks that may impact on the integrity of the financial statements;
- 8.3.2.3 review, and recommend to the Board for approval, the annual financial statements, interim reports, preliminary and provisional results announcements, summarised financial information;
- 8.3.2.4 oversee that the Company's assurance arrangements are effective in achieving the following objectives:
- 8.3.2.4.1 enabling an effectiveness internal control environment;
- 8.3.2.4.2 supporting the integrity of information used for internal decision-making by management, the governing body and its committees; and
- 8.3.2.4.3 supporting the integrity of external reports;
- 8.3.2.5 have oversight, and assess the effectiveness, of internal financial controls and processes, including controls and processes to assure the reliability of underlying data used to prepare financial statements or reports;
- 8.3.2.6 have oversight, and assess the effectiveness, of information technology, operational and other financial controls;
- 8.3.2.7 review the resources and experience of the finance function and specifically the experience and expertise of the Company's treasurer ("**Treasurer**");
- 8.3.2.8 disclose the results of the review on the expertise, resources and experience of the Company's finance function and Treasurer in the annual financial statements; and
- 8.3.2.9 review and recommend to the Board for approval the establishment of or any changes to the Company's financial policy or accounting policy of whatsoever nature, and monitor the implementation thereof;

8.3.3 Risk management

8.3.3.1 make recommendations to the Board in relation to policy that articulates and gives effect to the Board's set direction on risk, and monitor compliance therewith;

8.3.3.2 assist the Board in fulfilling their responsibility of ensuring that there is an effective and embedded risk management process in place throughout the Company;

8.3.3.3 review the periodic audit of the risk management processes;

8.3.3.4 review and determine the acceptable levels of risk tolerance for the Company;

8.3.3.5 assess if appropriate processes or controls are in place to ensure regulatory compliance; and

8.3.3.6 review the adequacy of the risk identification process including risk concentration that could negatively impact the sustainability of the Company;

8.3.4 Information and communication technology

8.3.4.1 assist the Board in carrying out its information communication and technology ("ICT") responsibilities through obtaining appropriate assurance that controls are in place and effective in addressing ICT risk;

8.3.4.2 oversee ICT governance risk management; and

8.3.4.3 review and monitor the Company's policies, strategies and plans as it pertains to cyber security and make recommendations to the Board;

8.3.5 Disclosures

8.3.5.1 to make disclosures as required by the Companies Act and/or King IV in relation to the Company and its functions; and

8.3.5.2 approve any content or disclosures pertaining to the Committee to be included in the Company's annual financial statements and/or reports.

9. Meetings of the Committee

9.1 Frequency

9.1.1 The Committee shall hold sufficient meetings to discharge all its duties as set out in this Charter, subject to a minimum of 4 (four) times per year, which shall be scheduled in its annual work plan.

9.1.2 Additional meetings to those scheduled may be held at the request of the chairperson of the Committee or any member of the Board, as required.

9.2 Attendance

9.2.1 Committee members must attend all meetings of the Committee, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the chairperson of the Committee.

9.2.2 The chairperson of the Committee, with prior approval of the Committee, may invite any person, including Board members (who are not Committee members), the Chief Executive Officer, professional advisors and experts, to attend meetings, when deemed necessary.

9.2.3 Attendees at a Committee meeting who are not members of the Committee (whether standing invitees or invitees on an ad hoc basis) may only participate in discussions to the extent necessary to fulfil the purpose of his/her attendance (provided that Board members who are not Committee members shall not be entitled to participate without the consent of the chairperson of the Committee), but they do not form part of the quorum, and may not vote on any matter.

9.3 Disclosure of conflicts of interest

9.3.1 At the beginning of each Committee meeting, members must disclose whether they have any conflict of interest in respect of any matter on the agenda.

9.3.2 Members must comply with the Company's conflict of interest policy as developed by the Board.

9.4 **Agenda and minutes**

- 9.4.1 The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual work plan.
- 9.4.2 A detailed agenda containing all matters to be discussed and/or voted on at the meeting, together with supporting documentation, must be circulated, at least one week prior to each meeting (other than under exceptional circumstances), to the members of the Committee and other invitees, noting that the chairperson of the Committee may require the agenda and supporting documentation for more complex matters to be circulated with a longer period prior to a meeting.
- 9.4.3 Committee members must be fully prepared for Committee meetings to be able to provide appropriate and constructive input on matters for discussion.
- 9.4.4 The secretary of the Company shall, or if no secretary is appointed or present at the meeting, the members of the Committee who are present, shall elect one of the members or another officer to, take minutes at the Committee meeting.
- 9.4.5 Minutes of the Committee meeting shall be completed as soon as reasonably permissible after the meeting and shall be included in the agenda for the subsequent Committee meeting, for formal approval by the Committee.
- 9.4.6 All Committee meetings shall be conducted in English (with translation facilities available) and the minutes will be in English.

9.5 **Quorum**

A quorum of the Committee shall be a majority of members present throughout the meeting either in person or by Electronic Communication, provided that such members shall include the chairperson of the Committee.

9.6 **Voting**

- 9.6.1 The Committee should ideally operate on consensus but where voting is required, the Committee must reach decisions as contemplated in

paragraph 9.6.3, and each decision must be referred for Board consideration as contemplated in paragraph 7.1.

- 9.6.2 Each Committee member has one vote on a matter considered by the Committee.
- 9.6.3 Any matter placed before the Committee for decision shall be passed by majority of the votes cast at a quorate meeting of the Committee (by voting members of the Committee) and as contemplated in paragraph 9.6.4.
- 9.6.4 Where any voting members of the Committee were not personally present at the meeting or participating by Electronic Communication when the vote on a resolution was initiated, the secretary or member or officer appointed to take the minutes contemplated in paragraph 9.4.4, shall circulate the proposed resolution, together with the minutes of the meeting, within 2 (two) Business Days of the Committee meeting, to all such members ("**Committee Resolution Circulation Date**"). Such members shall be entitled to vote on the proposed resolution within 10 (ten) Business Days of the Committee Resolution Circulation Date.

10. Reporting

- 10.1 The Committee shall report to the Board through its chairperson.
- 10.2 Minutes of each meeting of the Committee shall be submitted by the chairperson of the Committee to the Board for information purposes within 15 (fifteen) Business Days after each meeting of the Committee.
- 10.3 The chairperson of the Committee shall report to the Board at the Board meeting following each Committee meeting.

11. Remuneration of members

- 11.1 Members of the Committee will be remunerated for their services to the Committee at the same rates as the other Board committees, unless varied by the Board.
- 11.2 Any remuneration payable in terms of paragraph 11.1 shall be commensurate with the services actually rendered and shall not be excessive, having regard to what is generally considered reasonable for similar services.

12. Evaluation and reporting to the Board

12.1 The Board shall, in consultation with the nominations and governance committee, perform an evaluation of the effectiveness of the Committee every 2 (two) years.

12.2 The Committee shall undertake an annual self-evaluation, which shall include assessments of the chairperson of the Committee by the rest of the Committee members. The chairperson of the Committee shall report back to the Board in respect of such assessments.

13. Review and status of the Charter

13.1 This Charter was approved by the Committee and the Board, and will be reviewed as required, and at least annually, and may be amended from time to time subject to the approval of the Board.

13.2 This Charter will be deemed to be accepted by, and be binding upon, all existing and future members of the Committee from the effective date of their appointment as members, without any further action being required.

Mark Cutifani

Mark Cutifani (Nov 6, 2025 08:52:55 GMT+1)

Chairperson of the Board

Global Tailings Management Institute (RF) NPC

Name: Mark Cutifani

Date: 06/11/2025

John Howchin

Audit Committee Chairperson

Global Tailings Management Institute (RF) NPC

Name: John Howchin

Date: 24/10 2025

Definitions and interpretation

1. Definitions

- 1.1 **"Business Day"** means any day other than a Saturday, Sunday or official public holiday in the Republic;
- 1.2 **"Electronic Communication"** shall have the meaning given thereto in the Companies Act;
- 1.3 **"Founding Partners"** means ICMM, UNEP and PRI;
- 1.4 **"ICMM"** means the International Council on Mining and Metals;
- 1.5 **"PRI"** means Principles for Responsible Investment;
- 1.6 **"Republic"** means the Republic of South Africa;
- 1.7 **"Standard"** means the Global Industry Standard on Tailings Management (GISTM); and
- 1.8 **"UNEP"** means the United Nations Environment Programme.

2. Interpretation

- 2.1 The terms "non-executive" and "independent" are construed in accordance with King IV as follows:
 - 2.1.1 King IV defines "independence" as "*the exercise of objective, unfettered judgment. When used as the measure by which to judge the appearance of independence, or to categorise a non-executive member of the governing body or its committees as independent, it means the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making.*";
 - 2.1.2 a governing body (which includes a board) should consider the following and other indicators holistically, and on a substance-over form basis, when assessing the independence of a member of the governing body for purposes of categorisation. The member of the governing body:

- 2.1.2.1 is a significant provider of financial capital, or ongoing funding to the organisation; or is an officer, employee or a representative of such provider of financial capital or funding;
- 2.1.2.2 if the organisation is a company, participates in a share-based incentive scheme offered by the company;
- 2.1.2.3 if the organisation is a company, owns securities in the company, the value of which is material to the personal wealth of the director;
- 2.1.2.4 has been in the employ of the organisation as an executive manager during the preceding three financial years, or is a related party to such executive manager;
- 2.1.2.5 has been the designated external auditor responsible for performing the statutory audit for the organisation, or a key member of the audit team of the external audit firm, during the preceding three financial years;
- 2.1.2.6 is a significant or ongoing professional adviser to the organisation, other than as a member of the governing body;
- 2.1.2.7 is a member of the governing body or executive management of a significant customer of, or supplier to, the organisation;
- 2.1.2.8 is a member of the governing body or the executive management of another organisation which is a related party to the organisation; or
- 2.1.2.9 is entitled to remuneration contingent on the performance of the organisation;
- 2.1.3 a non-executive member generally refers to a member of a board who is not involved in the day-to-day management of the company but rather participates in policymaking and planning. These members do not have operational responsibilities within a company but contribute to strategy and oversight. An independent non-executive member must be in a position to make objective and unbiased decisions.
- 2.2 The interpretation of the terms "non-executive" and "independent" based on King IV are set out in this Annexe A for ease of reference. If King IV is amended, such amendments will take precedence over these provisions to the extent required and these provisions will be deemed to be amended accordingly.

Signature: 

Email: j.s.howchin@gmail.com