

	INVESTMENT REVIEW COMMITTEE CHARTER	www.afrimat.co.za
		F2024

1. INTRODUCTION

The Investment Committee (“the Committee”) is constituted as a standing committee of the board of directors (“the Board”) of Afrimat Limited (“the Company”).

2. COMPOSITION

The members of the Committee will be appointed from time to time by the Board. The Committee must have at least three members, of which two must be non-executive directors and independent. The Chairman may nominate members other than directors of the board to act in advisory /support roles on a project by project basis.

3. MANDATE

The functions and responsibilities of the Committee shall be:

3.1. Primary duties

Role vis-à-vis executive management

The executive management of the Company shall be responsible for identifying acquisition, merger and disposal opportunities. The Committee shall assist and advise executive management on such opportunities and all aspects of other material transactions not in the ordinary course of business, and matters related thereto.

The Committee shall approve any recommendations or proposals to be made to the Board in relation to such opportunities or transactions.

Role vis-à-vis the Board

The Committee shall make recommendations to the Board, monitor on behalf of the Board and report to the Board on material acquisition, merger or disposal opportunities and on-going material transactions and matters related thereto.

3.2. Other delegated duties

The board of the Company may, by way of its formal “Delegation of Authority” document or on an ad hoc basis, mandate the Committee to fulfil any additional functions that it may deem appropriate.

3.3. Specific terms of reference

The following investments will be subject to a review by the committee:

3.3.1. Investment with cost >R100m

3.3.2. Investment opportunity >R300m NPV (Net Present Value)

3.3.3. Complex investment

Defined in terms of key risks facing the project and the materiality of the impact on the value of the project.

3.4. Specific focus

The committee will not be an all-embracing review committee but will focus on specific risks/opportunities in an investment that will have a material effect on the attaining of the required rate of return.

4. AUTHORITY

The Committee has the authority to:

- Investigate, monitor and report to the Board on any activity within the scope of its mandate.
- In the fulfilment of its duties, call on the chairmen of other Board committees, any of the executive directors and officers, or the company secretary, of the Company to provide it with information, subject to following a Board-approved process, if any;
- Access the records of the Company and its subsidiaries, facilities and any other resources necessary to discharge its duties and responsibilities; and
- Obtain independent outside professional advice to assist with the execution of its duties, at the cost of the Company, subject to following a board-approved process, if any.

5. ADMINISTRATION AND MEETINGS

5.1. Frequency

The Committee does not have a formal meeting schedule and meets as often as is required or desirable, having regard to the matters that fall within its mandate.

The Committee should be engaged as soon as possible to allow for debate on specific risk/opportunities focussing on the due diligence/feasibility study;

Meetings are scheduled by the chairman of the Committee, in consultation with the company's Chief Executive Officer, or at the instance of the Board.

5.2. Attendance

Committee members are expected to make every effort to attend, physically or virtually, all meetings of the Committee.

If it is not possible for a member of the Committee to attend any of the meetings of the Committee, prior apology, with reasons, shall be submitted to the chairman of the Committee or to the Afrimat company secretary.

5.3. Chairman

If the chairman is absent from the meeting and/or in the event where no chairman has been appointed, the members present shall elect a member that is present to act as chairman of that meeting.

5.4. Quorum

If more than one of its members is not present the Committee shall not have a quorum to proceed with a meeting.

Invitees and a representative of the company secretary shall not be taken into account when determining a quorum.

5.5. Compensation

Considering that the functions performed by the members of the Committee are in addition to their functions as directors, members of the Committee may be paid such remuneration for their work as members of the Committee to be fixed by the Board from time to time.

Such remuneration shall be in addition to the annual fees payable to non-executive directors.

Those members of the Committee who are not directors, may be paid such remuneration as shall be fixed by the Board from time to time and approved by shareholders.

END.