



**Terrasana**

**SOCIAL & ETHIC COMMITTEE REPORT  
2022**

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# SOCIAL AND ETHICS

## COMMITTEE REPORT

The Social and Ethics Committee (the Committee) is a statutory committee which assists the Board in monitoring the Group's corporate citizenship, sustainability and ethics, and reports to the Board and to the shareholders. The Committee presents the following report to the shareholders for the 2022 financial year, in accordance with the Companies Act 71 of 2008, as amended. The Committee comprises two board members and one member from executive management. The respective senior management of the business divisions attend these meetings by invitation. In terms of the Committee's Terms of Reference, the Committee shall meet at least once a year. Three meetings were held during the year.

The main responsibility of the Committee is to monitor the Group's activities regarding its social impact in the following areas:

- Social and economic development;
- Responsible and caring corporate citizenship;
- The environment, health, and public safety; and
- Consumer relationships.

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

- Environmental, health and public safety matters, including the impact of the Group's activities and of its products or services.
- Current B-BBEE status of the business units and plans to improve the B-BBEE rating of the business units.
- Employment equity of the Group.
- Corporate social investment initiatives by the respective business divisions within the Group.

The Group has identified education, resource efficiency and reduction of waste as the key areas of its social impact and accordingly strives to support the advancement of these areas on all levels throughout the Group's operations and within the communities where we operate.

The Committee is of the view that the Group takes its environmental, social and governance responsibilities seriously. Appropriate policies, plans and programmes are in place to contribute to social and economic development, good corporate citizenship, environmental

responsibility and fair labour practices. 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 non-compliance has occurred.

Key focus areas for 2023 include the following:

- An Environmental, Social and Management system (ESMS) has been implemented in the group.
- Developing Terrasan's Environmental Focus 2025 (towards sustainable fishing practices, no air pollution, use of 60% renewable energy, no water pollution and reduced CO2 emissions);
- A sustainable energy project is being developed for the group.
- A B-BBEE Master plan has been prepared for the group to establish how the Group is measured and performing and to identify the gaps in each of the subsidiaries and ultimately implement the actions to address those gaps.



### MS DE MOSIME

Non-Executive Director

Chairman of the Social and Ethics Committee

24 October 2023