RCL FOODS LIMITED AUDIT COMMITTEE CHARTER

1. INTRODUCTION

1.1. The Audit Committee ("Committee") of RCL FOODS Limited ("the Company") is constituted as (i) a statutory committee in terms of the Companies Act, 2008 ("Companies Act"); and a committee of the board of directors ("the Board") of the Company.

1.2. The Committee's charter extends to the Company and to all subsidiaries, affiliates and/or joint ventures of the Company which are required to have an Audit Committee, where any such entity does not have its own committee dealing with the required audit matters. Save where the context requires otherwise, any reference in this charter to the Company shall be deemed to include a reference to each subsidiary, affiliate and/or joint venture.

1.3. The duties and responsibilities of the members of the Committee are in addition to those as members of the Board. The deliberations of the Committee do not reduce the individual and collective responsibilities of the Directors who must continue to exercise due care and judgment in accordance with their legal obligations.

1.4. This charter is subject to the provisions of the Companies Act, the Company's Memorandum of Incorporation, recommendations of the King IV Code of Corporate Governance, the JSE Listing requirements and any other applicable laws or regulations.

1.5. Committee members will serve for a period of one year. Retiring members may be re-elected at the Annual General Meeting.

2. PURPOSE

The purpose of this charter is to outline the Committee's role and responsibilities, membership and operating guidelines and requirements.

3. COMPOSITION

3.1. The Committee shall consist of a minimum of three independent non-executive Directors, elected by the Company's shareholders at the annual general meeting, on the recommendation of the Board.

3.2. The Board shall designate one of the members as Chairperson and determine the period of office. The Chairperson of the Board shall not be eligible to be appointed as Chairperson of the Committee.

3.3. The Chairperson of the Risk Committee will be an ex officio member of the Committee.

3.4. The office of a member of the Committee shall be vacated if:

3.4.1. he or she resigns his or her office by written notice to the Board and to the Committee; or

3.4.2. he or she is removed by the Board as a member of the Committee, or ceases to be a director or prescribed officer of the Company, as the case may be.

3.5. The Board shall have the power to fill any vacancy on the Committee, provided that such appointment is ratified by the Shareholders at the subsequent annual general meeting of the Company.

3.6. The following shall be in attendance at meetings:

3.6.1. Chief Executive Officer;

3.6.2. Chief Financial Officer;

3.6.3. Internal Audit Director;

3.6.4. Group Finance Director; and

3.6.5. External Audit Partner(s).

3.7. The Committee may invite executives and/or specialists to assist with its deliberations and decisions, on a permanent or part time basis, where appropriate. Such executives and/or specialists shall not have a vote at any meetings of the Committee.

3.8. The Company Secretary of the Company shall act as the secretary of the Committee.

4. TERMS OF REFERENCE

4.1. The Committee has an independent role, operating as an overseer and a maker of recommendations to the board for its consideration and final approval.

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

4.3. The Committee has the following specific responsibilities:

4.3.1. <u>Integrated Reporting</u>

The Committee oversees integrated reporting, and in particular the Committee shall:

- have regard to all factors and risks that may impact on the integrity of the integrated report, including factors that may predispose management to present a misleading picture, significant judgements and reporting decisions made, monitoring or enforcement actions by a regulatory body, forward-looking statements or information;
- review the annual financial statements, interim reports, accompanying reports to shareholders, any other intended release of price-sensitive information, the preliminary announcement of results or other financial information to be made public and prospectuses, trading statements and similar documents prior to submission and approval by the Board;
- consider the annual JSE pro-active monitoring report;
- comment in the annual financial statements on the integrity of financial statements (including significant assumptions and matters), the accounting practices and the effectiveness of the internal financial controls;
- review the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information;
- provide a report to Shareholders on the matters within its mandate at the Company's Annual General Meeting and in the integrated report; and
- recommend the integrated report for approval by the Board.

4.3.2. <u>Combined Assurance</u>

The Committee will ensure that a combined assurance model is applied to provide a co-ordinated approach to all assurance activities, and in particular the Committee shall:

- ensure that the combined assurance received is appropriate to address all the significant risks (as per 4.3.4) facing the Company; and
- monitor the relationship between the external assurance providers and the Company.

4.3.3. The Finance Function and Chief Financial Officer

- The Committee reviews the expertise, resources and experience of the Company's finance function, and discloses the results of the review in the integrated report.
- The Committee also considers and satisfies itself of the suitability of the expertise and experience of the Chief Financial Officer every year.

4.3.4. Risk Management

The Committee is an integral component of the risk management process and specifically the Committee shall oversee:

- financial reporting risks;
- internal financial controls;
- fraud risk as it relates to financial reporting;
- IT risk as it relates to financial reporting; and
- the Commodity Raw Material Procurement Policy, and approve changes as recommended.

4.3.5. Auditors and External Audit

The Committee is responsible for recommending the appointment of the external auditor and to oversee the external audit process, and in this regard the Committee shall:

- consider and make recommendations to the Board on the appointment and retention of external auditors, and deal with any questions of resignation or dismissal of the auditors. This may involve the screening of several firms and obtaining written or verbal proposals, if so requested by the Board;
- ensure that the appointment of the auditor complies with the Companies Act and any other legislation relating to the appointment of auditors;
- consider the rotation of audit partners as specified in applicable legislation;
- define a policy for non-audit services provided by the external auditors;
- determine the nature and extent of any non-audit services that the auditor may provide to the Company;
- pre-approve any proposed contract with the auditor for the provision of non-audit services;
- approve, prior to the commencement of the audit, the auditor's engagement letter including the terms, the nature and scope of the audit function, procedures and the audit fee;
- ensure that there is a process for the Committee to be informed of any Reportable Irregularities (as identified in the Auditing Profession Act, 2005) identified and reported by the external auditors;
- monitor and report on the independence of the external auditor in the annual financial statements;
- review and report on the quality and effectiveness of the external audit process; and
- consider whether the audit firm and, where appropriate, the individual auditor that will be

responsible for performing the functions of auditor, are accredited as such on the JSE List of Auditors and their advisors as required by the JSE Limited Listings Requirements.

4.3.6. Internal Audit

The Committee is responsible for overseeing internal audit, and in particular the Committee shall:

- ratify the appointment, performance assessment and/or dismissal of the Internal Audit Director;
- review and approve the internal audit plan;
- ensure that the internal audit function is subject to an independent quality review, in accordance with the Global Internal Audit Standards (GIAS), or when the Committee determines it appropriate; and
- report on the effectiveness of the Internal Audit Director and the internal audit function.

4.3.7. Complaints

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.

5. REPORTING RESPONSIBILITIES

5.1. The Committee reports to the full Board through its Chairperson.

5.2. Minutes of the meetings of the Committee must be submitted to the Board.

5.3. The Committee will report in the annual financial statements how the Committee carried out its functions and whether the Committee is satisfied that the external auditor is independent.

5.4. The Chairperson shall be present at the Company's Annual General Meeting of Shareholders to answer any questions arising.

6. MEETINGS

6.1. The Committee shall hold sufficient scheduled meetings to discharge all its duties as set out in this charter, but subject to a minimum of two meetings per year.

6.2. The Chairperson of the Committee may meet with the Chief Executive Officer, Chief Financial Officer, Internal Audit Director and/or the Company Secretary prior to a Committee meeting to discuss important issues and agree on the agenda.

6.3. A quorum for the meetings shall be a majority of members present. Meetings should be organised so that attendance is maximised.

6.4. The Chairperson of the Committee or any member of the Board or Committee, or a member of senior management or the external and internal auditors, may request through the Chairperson, a meeting at any other time.

6.5. Committee members must attend all scheduled meetings, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the Chairperson or Company Secretary.

6.6. If the nominated Chairperson of the Committee is absent from a meeting, the members present shall elect one of the members present to act as Chairperson.

6.7. 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.

6.8. The annual plan must ensure proper coverage of the matters laid out in these terms of reference. The number, timing and length of meetings, and agendas, are to be determined in accordance with the annual plan.

6.9. An agenda of items to be discussed shall, except under exceptional circumstances, be forwarded to each member of the Committee not less than seven working days prior to the date of the meeting.

6.10. Resolutions of the Committee shall be by majority vote. Should any disagreement arise, the issue shall be referred to the Board for decision.

6.11. The Chairperson may exclude any person from a specific meeting or item under consideration before the Committee, if in his/her opinion, good cause to do so exists.

6.12. Minutes of meetings must be completed as soon as possible after the meeting and circulated to the Chairperson and members of the Committee for review thereof. The minutes must be formally approved by the Committee at its next scheduled meeting.

6.13. The meetings of the Committee may be held in person, by telephone or other form of long-distance conference facility as circumstances may require (such person shall be deemed as being present at the meeting) provided that the quorum is met.

7. AUTHORITY

7.1. The Committee acts in terms of the authority granted to the Committee in terms of the Companies Act and the regulations in terms of the Companies Act, as well as in terms of the delegated authority of the Board as recorded in these terms of reference. It has the power to investigate any activity within the scope of these terms of reference.

7.2. The Committee may require other employees of the Company to attend meetings or parts of meetings.

7.3. The Committee may request from the Chairperson of the other Board Committees, any of the Executive Directors, Company Officers, Company Secretary or assurance providers to provide it with information subject to Board approved process.

7.4. The Committee may consult with and seek any information it requires from any employees, and all employees shall be required to co-operate with any request made by the Committee in the course of its duties.

7.5. The Committee may form, and delegate authority to, sub-committees, and may delegate authority to one or more designated members of the Committee.

7.6. The Committee shall at least once a year meet with the external and internal auditors without any executive member of the Board in attendance.

7.7. The Company shall pay all expenses reasonably incurred by the Committee, including, if the Committee considers it appropriate, the cost or fees of any consultant or specialist engaged by the Committee in the performance of its functions.

8. REMUNERATION

8.1. 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 Memorandum of Incorporation of the Company, members of the Committee shall be paid such remuneration in respect of their appointment as shall be fixed by the Board.

8.2. The Chairperson of the Committee shall, in addition to his/her remuneration as a member, receive a further sum as determined by the Board.

8.3. Such remuneration shall be in addition to the annual fees payable to Directors.

9. MEMBERS SKILLS AND TRAINING

9.1. The Committee's effectiveness in performing its functions depends on its members' knowledge and competence in business matters, financial reporting, internal controls and auditing.

- Every member should have experience in some area pertinent to the business, and at least one member should be familiar with the Company's industry.
- All members must have basic financial literacy, i.e. the ability to read and understand the fundamentals of financial statements, including a Group balance sheet, income statement and cash flow statement.
- At a minimum, one member should have a solid background in finance, accounting, or auditing, to be able to act as guide for the Committee during technical discussions.
- All members should be adept at communicating with management and the auditors, ready to ask probing questions relating to the Company's financial risks and accounting.

9.2. New members should receive an orientation that allows them to function effectively from the outset.

10. EVALUATION

The Board must perform an evaluation of the effectiveness of the Committee on an annual basis.

11. GENERAL

11.1. The Committee shall carry out its tasks under these terms of reference. Any Company related information that comes to light during their performance of duties must be kept confidential.

11.2. The Board will ensure that the Committee has access to professional advice both inside and outside the Company in order for it to perform its duties.

11.3. The Committee will have access to any information it requires in order to fulfil its responsibilities.

11.4. The Committee will have direct access to the Board Chairperson, Chief Executive Officer, Executive Directors, Internal Audit and External Audit.

11.5. The Committee will have the right to consult with, and receive the full co-operation of, any employee where necessary to fulfil its responsibilities.

12. REVIEW OF CHARTER

This charter shall be reviewed at least annually but more frequently as circumstances may necessitate, subject to the approval of the Board.

13. APPROVAL

This document has been approved by the Board on 27 June 2025.