

## THE SHAREHOLDERS CHARTER

Metrofile shareholders depend on the Board for strategic guidance and oversight of the Company. The Board recognises its responsibility to act honestly, fairly and diligently, in accordance with the law, in serving the interests of Metrofile's shareholders with shareholders being the focus of Metrofile's strategy. Metrofile's objective is to increase the value of shareholder investment through strong, steady growth in earnings and dividends over the long term.

Metrofile's responsibility towards its shareholders, formalised in the Shareholders' Charter, is based on three commitments:

### **1. A company that has consideration and respect for all its shareholders**

- equality of all shareholders: 1 share = 1 vote (no double-voting rights);
- restriction of resolutions proposed at Shareholders' Meetings to genuine corporate requirements; and
- Clear and effective communication between the Board of Directors and Management.

### **2. A company that remunerates and increases investment value over the long term for its shareholders**

- steady long-term growth in earnings; and
- strong dividend-payout policy.

### **3. A company that listens to and informs shareholders**

- Frequent meetings with shareholders;
- Regular publication of information about the Company;
- Transparency and clarity of financial information published;
- Consistent and uniform accounting methods; and
- Information sent to all shareholders before meetings.



## Principles

The following principles underpin the approach of Metrofile and the Board in serving the interests of shareholders:

### **1. Create value for Metrofile shareholders:**

- 1.1 Metrofile aims to deliver superior long-term total shareholder return; and
- 1.2 Metrofile seeks to balance short and long-term objectives, and is focused on responding to the social and environmental issues inherent in our business decisions and operations to provide sustainable returns.

### **2. Deliver good corporate governance:**

- 2.1 Corporate governance is an important focus for the Board. Good corporate governance meets ethical and stewardship responsibilities, and Metrofile also believes it provides a strong commercial advantage;
- 2.2 Metrofile seeks to be a leading organisation in the field of corporate governance by:
  - (a) Taking an active and lead role in the corporate governance arena;
  - (b) Embracing governance principles it considers to be best practice; and
  - (c) Where possible, adopting governance initiatives early, by complying before a published law or other requirement takes effect;
- 2.3 In reviewing and implementing the governance structure within Metrofile, the Board's approach is to adopt systems and procedures that make sense from a practical perspective and add value – the focus is on substance rather than a “tick the box” approach; and
- 2.4 Metrofile shares are listed on the JSE. Metrofile takes into account all corporate governance requirements and recommendations.

### **3. Maintain clear and open communication with shareholders and ensure continuous disclosure to the market:**

- 3.1 In order to make informed decisions about Metrofile, and to communicate their views to the Company, shareholders need an understanding of the Company's business operations and performance;



- 3.2 Metrofile encourages shareholders to take an active interest in the Company. We seek to provide shareholders with quality information in a timely fashion through Metrofile's reporting of results, the Company's Integrated Report, announcements and briefings to the market;
- 3.3 Metrofile promotes electronic communications with its shareholders as we believe that communicating electronically provides a more timely, efficient, cost effective and environmentally conscious method for shareholders to access information;
- 3.4 Metrofile strives for transparency in all its business practices. We recognise the impact of quality disclosure on the trust and confidence of the shareholder, the wider investor market and the community; and
- 3.5 It is Metrofile's practice to release all price-sensitive information to the JSE as required under the JSE Listings Requirements.

#### **4. Make constructive use of shareholder meetings/presentations**

- 4.1 Metrofile facilitates shareholder involvement in general meetings of the Company;
- 4.2 Metrofile, where practicable, uses webcast technology to make it possible for shareholders to view meetings and presentations over the internet;
- 4.4 Prior to the Annual General Meeting, Metrofile encourages shareholders to submit any questions they may have for the Chairman or Chief Executive Officer to enable key issues to be addressed;
- 4.5 The external auditor is present at Annual General Meetings and available to answer shareholder questions. The auditor can respond on any business item that concerns them in their capacity as auditor;
- 4.6 The Sponsor is present at Annual General Meetings and available to answer shareholder questions. The Sponsor can respond on any business item that concerns them in their capacity as Sponsor;
- 4.7 If shareholders are unable to attend a meeting they can and are encouraged to submit their proxies via post or electronically; and
- 4.8 Metrofile's practice is to conduct a poll on each resolution at general meetings to enable shareholders attending the meeting in person or by proxy to vote the number of shares held by them. Metrofile appoints an independent party to act as scrutineer in relation to the poll procedure and the results of any poll are reported to the JSE.



## **5. Ethical And Responsible Decision-Making**

- 5.1 'Tone at the top' at Metrofile emanates from the Board which is committed to ensuring an ethical culture – one which is based on the values of honesty, integrity, quality and trust;
- 5.2 The Board encourages management to promote and maintain a culture within Metrofile which draws upon these values to guide the actions and decisions of the Board and all employees;
- 5.3 Metrofile's Code of Conduct and Ethics which guides everyday business practice and decision-making throughout the Group provides a practical set of guiding principles to help employees make decisions in their day-to-day work consistent with Metrofile's values and ethical standards, whatever they do and wherever they do it; and
- 5.4 Metrofile strives to achieve outstanding performance and results for our shareholders while at the same time having regard to employees, customers, the community and others with whom we do business within the framework of our values and ethical standards.

### **Governance and Accountabilities**

The Audit, Governance and Risk Committee of the Board will review this Charter on an annual basis and revise it as and when believed appropriate. Where the Committee forms the view, as part of this review, that there are material concerns about Metrofile's performance against the principles espoused in this Charter, the Committee will report these matters to the Board for consideration.

