

HULAMIN LIMITED

(Registration Number 1940/013924/06)
("the Company")

**MINUTES OF THE SHAREHOLDERS SEVENTY EIGHT ANNUAL
GENERAL MEETING OF HULAMIN LIMITED HELD IN THE SIMUNYE ROOM,
MOSES MABHIDA ROAD, PIETERMARITZBURG
ON THURSDAY, 26 APRIL 2018 AT 15h00**

A. ATTENDANCE AND WELCOME

<u>PRESENT:</u>	Mr M E Mkwanzazi (Chairman) on behalf of various shareholders	- representing	238 210 756	Shares	(Proxies)
	Mr M E Mkwanzazi (Chairman) on behalf of Standard Bank Nominees (RF) (Pty) Ltd	- representing	500	Shares	(letter)
	Mr M E Mkwanzazi (Chairman) on behalf of The 2015 Hulamin Employee share ownership trust	- representing	31 477 333	Shares	(letter)
	Mr R G Jacob (on behalf of Ferbros Nominees)	- representing	745 199	Shares	(letter)
	Mr C A Boles				
	Mr W Fitchat (on behalf of Stockshare Nominee (Pty) Ltd)	- representing	60 532	Shares	(letter)
	Mr V N Khumalo				
	Mr A P Krull				
	Mr R L Larson				
	Mr T P Leeuw				
	Ms N N A Matyumza				
	Dr B Mehloamakulu				
	Mr M Z Mkhize				
	Mr S P Ngwenya Alan Shkudsky via telephone conference	- representing	36 072 000	Shares	(letter)
	Mr P H Staude (on behalf of BNS Nominees (Pty) Ltd)	- representing	91 610	Shares	(letter)
	Mr G H M Watson				

APOLOGIES: Mr N Maharajh
Ms A T Nzimande

IN ATTENDANCE: Ms N Goba - Computershare Investor services
Mr H Govind - PriceWaterhouseCoopers
Ms D Jaglal - Hulamin
Mr A Metcalf - Hulamin
Ms J Padoa - Cox Yeats Attorneys
Mr A Petticrew - Hulamin
Mr S Sithebe - Ernst & Young Incorporated

The Chairman welcomed everyone to the 78th annual general meeting of shareholders of Hulamin.

- B. QUORUM** The necessary quorum being present, the Chairman declared the meeting duly constituted.
- C. NOTICE OF MEETING** The notice convening the meeting, which had been timeously circulated to members, was taken as read.

- D. VOTING** As a poll was demanded, in accordance with the Memorandum of Incorporation (MOI) of the Company, it was unanimously approved that voting would take place on the basis of a poll. The representative of Computershare was appointed as scrutineer.
- E. RESOLUTIONS**
- 1. REPORT OF THE AUDIT COMMITTEE, DIRECTORS' STATUTORY REPORT, ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT** The Chairman advised that, as set out in the notice of the annual general meeting, the annual financial statements for the financial year ended 31 December 2017, as detailed in the integrated annual report (including reports of the directors, the independent auditors and the Audit Committee) were distributed to relevant shareholders.
- 2. APPOINTMENT OF AUDITORS** **ORDINARY RESOLUTION NUMBER 1:**
- The Chairman proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the appointment of Ernst & Young as independent auditors, together with the appointment of Mr S Sithebe as the designated auditor. The motion was proposed and seconded by Mr T P Leeuw and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 3.1 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 2.1**
- Mr M Z Mkhize proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Ms N N A Matyumza as a director of the company. The motion was proposed, seconded by Mr G H M Watson and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 3.2 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 2.2**
- Dr B Mehloakulu proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Mr S P Ngwenya as a director of the company. The motion was proposed, seconded by Mr C A Boles and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.

- 3.3 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 2.3**
- Mr T P Leeuw proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Mr R G Jacob as a director of the company. The motion was proposed, seconded by Mr C A Boles and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 3.4 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 2.4**
- Mr T P Leeuw proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Mr V N Khumalo as a director of the company. The motion was proposed, seconded by Dr B Mehlo Makulu and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 3.5 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 2.5**
- Mr M Z Mkhize proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Mr P H Staude as a director of the company. The motion was proposed, seconded by Dr B Mehlo Makulu and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 4.1 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 3.1**
- Ms A T Nzimande was appointed as a non-executive director to the board of the Company on 01 April 2017. Mr C A Boles proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Ms A T Nzimande as a director of the company. The motion was proposed, seconded by Mr A P Krull and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 4.2 RE-ELECTION OF DIRECTOR** **ORDINARY RESOLUTION NUMBER 3.2**
- Mr R Larson was appointed as a non-executive director to the board of the Company on 01 April 2017. Mr M Z Mkhize proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding the re-election of Mr R L Larson as a director of the company. The motion was proposed, seconded by Mr T P Leeuw and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.

- 5.1 APPOINTMENT OF AUDIT COMMITTEE MEMBER** **ORDINARY RESOLUTION NUMBER 4.1**
- Mr T P Leeuw proposed the ordinary resolution, as set out in the notice of annual general meeting, regarding the re-election of Mr N Maharajh as member and election as chairman of the Audit Committee. The motion was proposed, seconded by Mr A P Krull and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 5.2 APPOINTMENT OF AUDIT COMMITTEE MEMBER** **ORDINARY RESOLUTION NUMBER 4.2**
- Mr G H M Watson proposed the ordinary resolution, as set out in the notice of annual general meeting, regarding the election of Mr C A Boles as member of the Audit Committee. The motion was proposed, seconded by Mr M Z Mkhize and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 5.3 APPOINTMENT OF AUDIT COMMITTEE MEMBER AND CHAIRMAN OF AUDIT COMMITTEE** **ORDINARY RESOLUTION NUMBER 4.3**
- Dr B Mehloimakulu proposed the ordinary resolution, as set out in the notice of annual general meeting, regarding the re-election of Ms N N A Matyumza as member of the Audit Committee. The motion was proposed, seconded by Mr M Z Mkhize and declared open for discussion.
- There being no further questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 6 APPROVAL OF THE PROPOSED EQUITY SETTLED CONDITIONAL SHARE PLAN** **ORDINARY RESOLUTION NUMBER 5**
- The Chairman proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding approval of the new share plan, namely the Hulamin Limited Equity–Settled Conditional Share Plan (“ECSP”) to replace the existing Share Appreciation Right Scheme 2007, the Long Term Incentive Plan 2007 and the Deferred Bonus Plan 2007 schemes. A brief summary of the salient features of the new share plan was included as Annexure B in the notice of the meeting. A copy of the new share scheme was initialled by the Chairman and tabled for purposes of identification.
- The motion was proposed by Mr C A Boles and seconded by Mr T P Leeuw and declared open for discussion.
- There being no further questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.

- 7 APPROVAL OF NON-EXECUTIVE DIRECTORS FEES**
- SPECIAL RESOLUTION NUMBER 1:**
- It was noted that the resolution set out in the Notice contained a typographical error in the date in the heading of the second column of the table contained therein. The heading should read and is hereby amended to read “Proposed fees from 1 August 2018.”
- The Chairman proposed the special resolution, as set out in the notice of the annual general meeting, regarding approval of non-executive directors’ fees for their services as directors for the 12 month period commencing 1 August 2018. The motion was proposed, seconded by Mr A P Krull and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 8. AMENDMENT TO CLAUSE 31.6 OF THE MEMORANDUM OF INCORPORATION**
- SPECIAL RESOLUTION NUMBER 2.1:**
- The Chairman proposed the special resolution, as set out in the notice of the meeting, regarding approval of the amendment to clause 31.6 of the company’s Memorandum of Incorporation. The motion was proposed, seconded by Mr G H M Watson and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 9. AMENDMENTS TO SCHEDULE B OF THE MEMORANDUM OF INCORPORATION**
- SPECIAL RESOLUTION NUMBER 2.2:**
- The Chairman proposed the special resolution, as set out in the notice of the meeting, regarding approval of the amendments to Schedule B of the Company’s Memorandum of Incorporation. The motion was proposed, seconded by M A P Krull.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 10. PROVISION OF FINANCIAL ASSISTANCE**
- SPECIAL RESOLUTION NUMBER 3:**
- The Chairman proposed the special resolution, as set out in the notice of the annual general meeting, regarding the grant of authority for the company to provide financial assistance to related or inter-related companies. The motion was proposed, seconded by Mr T P Leeuw and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.

- 11. GENERAL REPURCHASE OF SHARES**
- SPECIAL RESOLUTION NUMBER 4:**
- The Chairman proposed the special resolution, as set out in the notice of the annual general meeting, regarding the approval of the general repurchase of shares. The motion was proposed, seconded by Mr A P Krull and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 12. NON-BINDING ADVISORY VOTE : REMUNERATION POLICY**
- The Chairman proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding approval of the group’s remuneration policy, by way of a non-binding advisory vote. The motion was proposed, seconded by Mr G H M Watson and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 13. NON BINDING ADVISORY VOTE: REMUNERATION IMPLEMENTATION REPORT**
- The Chairman proposed the ordinary resolution, as set out in the notice of the annual general meeting, regarding approval of the group’s implementation report, by way of a non-binding advisory vote, in accordance with the JSE Listings Requirements and the recommendations of King 4. The motion was proposed, seconded by Mr T P Leeuw and declared open for discussion.
- There being no questions regarding the proposed resolution, the Chairman requested shareholders to cast their votes on the polling forms provided.
- 14. DECLARATION OF RESULTS**
- After the votes cast (in respect of all resolutions) on the polling forms had been counted by the scrutineer, the Company Secretary declared that all the resolutions were adopted with the prerequisite majority and that the details of the voting percentages would be released on SENS.
- The resolutions adopted were as follows:
- 14.1. ORDINARY RESOLUTION NUMBER 1: APPROVAL OF THE APPOINTMENT OF ERNST & YOUNG AS THE INDEPENDENT AUDITORS OF THE COMPANY WITH MR SIFISO SITHEBE AS THE DESIGNATED AUDITOR**
- “Resolved that Ernst & Young, be appointed as auditors of the company for the ensuing year, with Mr Sifiso Sithebe as the designated audit.”
- 14.2. ORDINARY RESOLUTION NUMBER 2.1: RE-ELECTION OF MS N N A MATYUMZA AS A DIRECTOR OF THE COMPANY**
- “Resolved that Ms N N A Matyumza who retires by rotation in accordance with article 33.11 of the company’s Memorandum of Incorporation (“MOI”), and being eligible and available for re-election, be re-elected as a director of the company.”
- 14.3. ORDINARY RESOLUTION NUMBER 2.2: RE-ELECTION OF MR S P NGWENYA AS A DIRECTOR OF THE COMPANY**
- “Resolved that Mr S P Ngwenya who retires by rotation in accordance with article 33.11 of the company’s Memorandum of Incorporation (“MOI”), and being eligible and available for re-election, be re-elected as a director of the company.”

14.4. ORDINARY RESOLUTION NUMBER 2.3: RE-ELECTION OF MR R G JACOB AS A DIRECTOR OF THE COMPANY

“Resolved that Mr R G Jacob who retires by rotation in accordance with article 33.11 of the company’s Memorandum of Incorporation (“MOI”), and being eligible and available for re-election, be re-elected as a director of the company.”

14.5. ORDINARY RESOLUTION NUMBER 2.4: RE-ELECTION OF MR VN KHUMALO AS A DIRECTOR OF THE COMPANY

“Resolved that Mr V N Khumalo who retires by rotation in accordance with article 33.11 of the company’s Memorandum of Incorporation (“MOI”), and being eligible and available for re-election, be re-elected as a director of the company.”

14.6. ORDINARY RESOLUTION NUMBER 2.5: RE-ELECTION OF MR P H STAUDE AS A DIRECTOR OF THE COMPANY

“Resolved that Mr P H Staude who retires by rotation in accordance with article 33.11 of the company’s Memorandum of Incorporation (“MOI”), and being eligible and available for re-election, be re-elected as a director of the company.”

14.7. ORDINARY RESOLUTION NUMBER 3.1: ELECTION OF MS A T NZIMANDE AS A DIRECTOR OF THE COMPANY

“Resolved that Mr A T Nzimande who is eligible and available for appointment, be elected as a director of the company.”

14.8. ORDINARY RESOLUTION NUMBER 3.2: ELECTION OF MR R L LARSON AS A DIRECTOR OF THE COMPANY

“Resolved that Mr R L Larson who is eligible and available for appointment, be elected as a director of the company.”

14.9. ORDINARY RESOLUTION NUMBER 4.1: APPOINTMENT OF MR N MAHARAJH AS A MEMBER AND CHAIRMAN OF THE AUDIT COMMITTEE

“Resolved that Mr N Maharajh, an independent non-executive director, be appointed as member and Chairman of the Audit Committee.”

14.10. ORDINARY RESOLUTION NUMBER 4.2: APPOINTMENT OF MR C A BOLES AS A MEMBER OF THE AUDIT COMMITTEE

“Resolved that Mr C A Boles, an independent non-executive director, be appointed as member of the Audit Committee.”

14.11. ORDINARY RESOLUTION NUMBER 4.3: APPOINTMENT OF MS N N A MATYUMZA AS A MEMBER OF THE AUDIT COMMITTEE

“Resolved that Ms N N A Matyumza, an independent non-executive director, be appointed as member of the Audit Committee.”

14.12. ORDINARY RESOLUTION NUMBER 5: APPROVAL OF THE PROPOSED EQUITY-SETTLED CONDITIONAL SHARE PLAN

“Resolved that the proposed Equity-Settled Conditional Share Plan, be and is hereby approved and that the directors of the company be and are hereby authorised to take all steps as may be necessary for the establishment and carrying into effect of the ECSP.”

14.13. SPECIAL RESOLUTION NUMBER 1: APPROVAL OF NON-EXECUTIVE DIRECTORS FEES

“Resolved as a special resolution that the proposed fees, set out in the notice, payable to non-executive directors for their services as directors on the board and on board committees and as invitees to board committees, when invited by the Chairman of the board committee to attend a meeting as an invitee, for the twelve month period commencing 1 August 2018, be and are hereby approved.”

	Proposed fees to 31 July 2018		Proposed fees from 1 August 2018	
	Retainer per annum R	Attendance per meeting R	Retainer per annum R	Attendance per meeting R
Hulamin Board				
Chairman	430 980	36 940	454 680	38 970
Non-executive directors	157 480	13 500	166 140	14 240
Audit Committee				
Chairman	113 340	16 190	119 570	17 080
Non-executive directors	65 860	9 410	69 480	9 930
		– invitee	–	9 930
Risk and Safety, Health and Environment Committee				
Chairman	78 260	11 180	82 560	11 790
Non-executive directors	42 950	6 140	45 310	6 480
		– invitee	–	6 480
Remuneration and Nomination Committee				
Chairman	78 260	11 180	82 560	11 790
Non-executive directors	42 950	6 140	45 310	6 480
		– invitee	–	6 480
Transformation, Social and Ethics Committee				
Chairman	78 260	11 180	82 560	11 790
Non-executive directors	42 950	6 140	45 310	6 480
		– invitee	–	6 480
Ad Hoc Board Committee (For example Chairman's Committee)				
Chairman	78 260	11 180	82 560	11 790
Non-executive directors	42 950	6 140	45 310	6 480
		– invitee	–	6 480
Hulamin Board – International directors				
Non-executive directors	(€) 30 522	2 615	30 797	2 638
Non-executive directors	(\$)	30 522	2 615	31 163

14.14. SPECIAL RESOLUTION NUMBER 2.1: AMENDMENT OF CLAUSE 31.6 OF THE MEMORANDUM OF INCORPORATION

“Resolved as a special resolution that clause 31.6 of the company’s Memorandum of Incorporation be and is hereby substituted with the following clause:

‘A copy of the instrument appointing a proxy must be delivered to the recipient named in the notice of the meeting before the commencement of the meeting at which the proxy is intended to be used.’”

14.15.

SPECIAL RESOLUTION NUMBER 2.2: AMENDMENT TO SCHEDULE B OF THE MEMORANDUM OF INCORPORATION

Resolved as a special resolution that the following amendments to Schedule B to the company's Memorandum of Incorporation be and are hereby authorised:

2.2.1 In paragraph 2.7, the description of the "P1" component of the formula is amended by deleting the words "or if the Company's ordinary shares are no longer trading on the JSE, the market value of the shares determined in accordance with Appendix A to this Schedule B" so that this reads as follows:

"P1 = R5.83 (VWAP during the 30 JSE trading days preceding the Completion Date);"

2.2.2 In paragraph 2.7, the reference to "Appendix A" in the P2 component of the formula is substituted with a reference to "Appendix 1".

2.2.3 In paragraph 2.7, the description of the "C" component of the formula is deleted in its entirety and replaced with the following:

"C = R11.96."

2.2.4 In paragraphs 3.7 and 4.7, the description of the "P1" component of the formula is amended by deleting the words "or if the Company's ordinary shares are no longer trading on the JSE, the market value of the shares determined in accordance with Appendix 1 to this Schedule B" so that this reads as follows:

"P1 = R5.83 (VWAP during the 30 JSE trading days preceding the Completion Date);"

2.2.5 In paragraphs 3.7 and 4.7, the description of the "C" component of the formula is deleted in its entirety and replaced with the following:

"C = R8.10."

14.16.

SPECIAL RESOLUTION NUMBER 3:PROVISION OF FINANCIAL ASSISTANCE

"Resolved as a special resolution, subject to the provisions of the Companies Act, that the provision of any financial assistance by the company to any company or corporation which is related or inter-related to the company (as defined in the Companies Act), on the terms and conditions which the directors may determine, be and is hereby approved."

SPECIAL RESOLUTION NUMBER 4:GENERAL REPURCHASE OF SHARES

Resolved as a special resolution that the Board of directors is hereby authorised in terms of section 48(8) of the Companies Act by way of a renewable general authority, in terms of the provisions of the Listings Requirements of the JSE Limited ("JSE") and as permitted by the company's Memorandum of Incorporation, to approve the purchase by the company of its ordinary shares, and/ or the purchase of ordinary shares in the company by any of its subsidiaries or any trust controlled by the company, upon such terms and conditions and in such amounts as the board may from time to time determine, but subject to the Memorandum of

Incorporation of the company, the provisions of the Companies Act and the Listings Requirements of the JSE, when applicable, and provided that:

- the general repurchase by the company of ordinary shares in terms of this general authority may not, in the aggregate, exceed in any one financial year 5% of the company's issued ordinary share capital as at the beginning of the financial year from the date of the grant of this general authority;
- any such repurchase of securities shall be implemented through the order book operated by the JSE trading system and without any prior understanding or arrangement between the company and the counter party;
- this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 months from the date this resolution is passed;
- the company will only appoint one agent at any point in time to effect any repurchase(s) on its behalf;
- general repurchases by the company and/or any subsidiary of the company and/or any trust controlled by the company in terms of this authority, may not be made at a price greater than 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE, as determined over the five business days immediately preceding the date of the repurchase of such ordinary shares by the company and/ or any subsidiary of the company and/or any trust controlled by the company; the company and/ or any subsidiary of the company and/or any trust controlled by the company may not repurchase securities during a prohibited period, as detailed in the JSE Listings Requirements, unless the company has a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (and not subject to any variation) and has been submitted to the JSE in writing prior to the commencement of the prohibited period.

- The company must instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of and uninfluenced by the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE; and
- a SENS and press announcement will be published giving such details as may be required in terms of the JSE Listings Requirements as soon as the company and/ or any subsidiary and/ or any trust controlled by the company has in terms of this general authority, repurchased ordinary shares constituting on a cumulative basis 3% of the number of ordinary shares in issue at the date of the passing of this resolution, and for each 3% in aggregate of the initial number of shares acquired thereafter."

14.18. NON-BINDING ADVISORY VOTE – REMUNERATION POLICY

“Resolved that the Company's remuneration policy for financial year-end 31 December 2017, as set out in the remuneration report set out on pages 88 to 99 of the integrated report of which this notice forms part, be and is hereby approved, through a non-binding advisory vote, in accordance with the JSE Listings Requirements and the recommendations of King IV.”

14.19. NON-BINDING ADVISORY VOTE – IMPLEMENTATION POLICY

Resolved that the Company's implementation report, as set out in the remuneration report set out on pages 88 to 99 of the integrated report of which this notice forms part, be and is hereby approved, through a non-binding advisory vote, in accordance with the JSE Listings Requirements and the recommendations of King IV.”

F. GENERAL

Transformation, Social & Ethics Committee feedback report

1.

THE CHAIRMAN OF THE TRANSFORMATION, SOCIAL AND ETHICS COMMITTEE FEEDBACK REPORT

The Chairman of the Transformation, Social and Ethics Committee, Mr VN Khumalo, advised that the following, inter alia, were discussed at the Transformation, Social and Ethics Committee meetings held during 2017.

The terms of reference incorporating the responsibilities prescribed for a Social and Ethics Committee in terms of the Companies Act, King IV Code of Corporate Governance and the annual workplan

- Evaluation of the Transformation, Social and Ethics Committee
- Strategy on how Hulamín will achieve its transformation, social and ethics goals
- Employment equity targets and the progress made in achieving same
- Hulamín's BEE scorecard report and the impact of the new B-BBEE codes on Hulamín's score
- Environmental sustainability matters and Hulamín's carbon footprint
- Report on disputes and stakeholder engagement issues
- Report on Hulamín's contribution to the greater Pietermaritzburg area and Hulamín's granting of sponsorships, donations and charitable giving
- Report on the educational development of employees
- Report on labour regulatory compliance
- Assurance from the Risk and Safety, Health and Environment Committee that appropriate safety, health and environment policies are implemented
- Assurance on the implementation of Hulamín's compliance policies in customer dealings
- Review of the following codes and policies:
 - Stakeholder engagement policy
 - Code of ethics incorporating code of conduct and ethics pertaining to the procurement staff
 - Code of conduct for suppliers and service providers
 - Corporate compliance policy
 - Whistle blowing policy
 - Crimes involving dishonesty
 - Conflict of interest and gifts policy for employees.
- Noting the fraud policy and fraud prevention strategy approved by the Audit Committee.

In addition, the committee, whose terms of reference include the functions to be performed by a Social and Ethics Committee, as prescribed by the Companies Act of 2008, wishes to confirm that:

1. Compliance by the group with the United Nations Global Compact Principles and the OECD recommendations is mandatory, which in essence relate to: social, labour, environmental and anti-corruption standards. Any non-compliance is therefore not tolerated by the group.
2. The group complies with the Employment Equity and Black Economic Empowerment Acts. Specific targets have been set for the company to increase its levels of compliance with these Acts over the short to medium term.
3. The group complies with its Code of Ethics. The Code of Ethics of the group requires all directors and employees to be committed to fair dealing, honesty and integrity in the conduct of its business. The Code of Ethics has been endorsed by the Board and distributed to all employees in the group. Compliance by all employees to the high moral, ethical and legal standards of the Code is mandatory, and if employees become aware of, or suspect, a contravention of the Code, they must promptly and confidentially report it in the prescribed manner.

2.

Questions raised by Mr A Shkudsky were addressed by Mr A P Krull.

Questions raised by Mr A Shkudsky

Question: Mr A Shkudsky questioned the performance of the business. In 2017 the company achieved record production levels and although earnings went up, it was not a bumper year, despite the relatively weak Rand in 2017.

Answer: Mr A P Krull commented that it was important to consider the increasing cost base on a year to year basis and the impact of the currency on the rolling margins. In 2017 good work was done to improve volumes and to reduce the cost base of the business. The business also benefitted from a metal price lag benefit and the free cash flow generated of R300m was viewed positively.
Mr A P Krull suggested that free cash flow should be the figure that investors should focus on for a business like Hulamin. He encouraged all shareholders to evaluate management performance on free cash flow measures.

Question: Mr A Shkudsky stated that the Rand was relatively weak in 2017, and what does Hulamin want the Rand to do?

Answer: Mr A P Krull advised that a large portion of Hulamin's sales were in USD dollars and in Euro's, whilst the cost base of the business increases with the Rand. Over time the currency needs to weaken by inflation differentials. When the Rand strengthens from period to period, the need for the business to become leaner and cost efficient, intensifies.
In his opinion the way to look at the business was to reflect on the actions being taken to improve margins, product mix and the cost base of the business. These are operational drivers under the control of management.

Question: Mr A Shkudsky questioned the increase in the employment number in 2017.

Answer: Mr R G Jacob advised that the increase was mainly due to movement of some contractors who were appointed into full time employee positions.

Mr A Shkudsky thanked management for the responses and the excellent annual report.

G. CLOSURE

CHAIRMAN'S STATEMENT

The following statement was released by the chairman. It was noted that it would also be released on SENS.

The Chairman's Statement is to read as follows:

Hulamin Limited

[Chairman's Statement at the Annual General Meeting of Shareholders](#)

Hulamin achieved record operational performance in 2017. This facilitated the generation of in excess of R700 million free cash flow over the past two financial years, in addition to record profits in 2016.

As a result of the improved performance and stronger business, the company has resumed its annual dividend flow to shareholders subject to favourable conditions.

Having led the board since its listing, and with a very capable board of directors to ensure continuity in leadership, I decided early in 2017 to give the board notice of my intention to retire and to advise the board to start its search for a new Chairman.

The Board, through the Remuneration Nominations Committee, concluded that process at the end of 2017. I am delighted that my colleague and friend Thabo Leeuw, was selected by the board and has been voted in by shareholders, following a test of his independence.

Thabo has served the board with distinction over the past 10 years and I am supremely confident that I hand over leadership to a person highly capable of taking the board and company to new levels of performance and achievement.

I thank all stakeholders for the support and engagement during my tenure. I wish the company and incoming Chairman all the best for the future.

I hand over the reins at a challenging time for the company and indeed turbulent times for the world. Hulamin trades in more than 50 countries worldwide. Our biggest market (after South Africa) being the United States of America.

We have developed relationships with customers, built our reputation for excellence and supported the USA manufacturing economy for more than 30 years. Over the past year, and particularly in recent weeks, the Trump Administration has introduced no fewer than 5 regulatory actions that affect trade from Hulamin and South Africa.

These are tariff interventions that have heightened risks of a fractious trade war, particularly between the USA and China. Included in these actions in the US are personal sanctions against certain Russian oligarchs, a duty justified by strategic Defence concerns, Intellectual Property protection, Anti-dumping and Countervailing- import duties.

Massive over-capitalisation leading to over-capacity in aluminium rolling in China has resulted in global over-supply and the resultant decline in conversion prices over the past three to four years.

As a result of these actions, that appear likely to affect Hulamin and its competitors in different ways, prices for Hulamin products have risen sharply in the USA in recent weeks as the market adjusts for a different supply / demand balance. Prices outside the USA are not yet responding measurably, except the London Metals Exchange (LME) price for aluminium.

The LME price of aluminium has risen sharply since early April when the US government announced sanctions against specific Russian companies, including UC Rusal, supplier of approximately 15% of western primary aluminium (outside China). This has resulted in dramatic market shortages and a rise in excess of 20% in the US dollar price of primary aluminium.

Given this background, order books for the second quarter are full [and at margins in US Dollars ahead of the corresponding period].

Hulamin continues to focus on operational and manufacturing excellence in order to deliver further cost saving, improved efficiencies and growth in sales volumes. In 2018 to date, manufacturing performance is steady, while sales volumes have lagged production, as is usual this time of year.

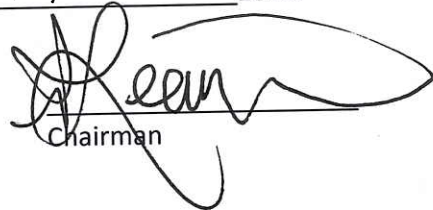
With change and progress accelerating, often driven by technology, Hulamin is particularly well placed. Being in aluminium, a truly remarkable metal we are at the forefront of material choices that support leading technological innovation.

As such Hulamin is deeply engaged in new technology uses for aluminium including electric vehicles, local and international battery innovation as well as renewable energy developments and telecommunications. All these elements augur well for our metal and our Company.

The prevailing stronger Rand continues to impact negatively on profits. We have operational measures in place to mitigate the severity as much as possible.

There being no further business, the Chairman declared the meeting closed and thanked the members for their attendance.

Read and verified this 26 day of July 2018.


Chairman