

SOCIAL COMPLIANCE POLICY

POLICY STATEMENT

At Brite Reef, we are committed to ensuring high social, ethical and environmental standards within our business and throughout our supply chain and to working with our suppliers to ensure these standards are continually improving.

This policy communicates our values and expectations and emphasises the importance of responsible workplace policies and practices, which comply, at a minimum, with applicable occupational H&S, environmental and labour laws and regulations. The standards outlined below reflect the values we uphold in our own policies, and we expect our suppliers to follow these standards and requirements:

We are committed to ensuring that the standards outlined in the policy are effectively implemented, measured and monitored throughout our supply chain and we require the support of our suppliers to achieve this goal.

1.0 SCOPE

Brite Reef's management define this policy as relevant to the organisation itself, its contractors, sub-contractors, suppliers and other parties engaged through the supply chain.

2.0 GENERAL PROVISIONS

Business Partners (including but not limited to agents, vendors, manufacturers, factories, suppliers, and subcontractors) must comply fully with all legal requirements relevant to the conduct of their businesses.

2.1 Employment is freely chosen

There is no forced, bonded, indentured or involuntary prison labour.

Workers are not required to pay fees or lodge "deposits" or original identity papers with their employer and are free to leave their employer after reasonable notice.

2.2 Freedom of Association

The freedom of association and the right to collective bargaining is respected.

The employer adopts an open attitude towards the activities of both trade unions and worker organisations.

Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

2.3 Working Conditions

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring during work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment. Applicable occupational Health and Safety regulations will be adhered to, and a working environment which is safe and conducive to

good health shall be provided. Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.

Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.

Responsibility for health and safety shall be assigned to a senior management representative.

2.4 Child Labour

Brite Reef does not engage in or support the use of child labour.

Suppliers and Contractors must not recruit child labour.

Suppliers and Contractors must maintain formal documentation that verifies the age of each worker.

2.5 Fair wages are paid

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards.

All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the of their wages for the pay period concerned each time that they are paid.

Wages shall be paid directly to the workers, at the agreed intervals and in full.

Overtime must be paid at an enhanced rate, at a minimum compliant with national legislation.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

2.6 Working Hours

Working hours comply with national laws and benchmark industry standards, whichever affords greater protection. Comply with applicable hour and benefits laws relative to the industry and/or local labour market.

2.7 No Discrimination

Suppliers and Contractors must comply fully with local laws regarding equality of employment opportunities. There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, nationality, origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

2.8 Regular Employment is Provided

To every extent possible work performed must be based on a recognised employment relationship established through national law and practice.

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment. Migrant, contract, part-time and home-workers must receive the same rights, benefits and opportunities as other workers performing similar activities.

2.9 No Harsh or Inhumane Treatment is Allowed

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. All disciplinary actions must be recorded and be fair,

proportionate and fully compliant with local laws. Suppliers and contractors will ensure access to confidential means of reporting inhumane treatment and workplace grievances.

2.10 Protect the Environment

Conduct business in compliance with all applicable environmental laws, rules and regulations.

Waste is minimised and items recycled wherever this is practicable. Effective controls of waste in respect of ground, air and water pollution are adopted. In the case of hazardous materials, emergency response plans are in place.

In respect of packaging and paper, undue and unnecessary use of materials is avoided, and recycled materials are used whenever appropriate

In respect of energy use, all production and delivery processes, including the use of heating, ventilation, lighting, IT systems and transportation, are based on the need to maximise efficient energy use and to minimise harmful emissions.

2.11 Business Integrity

Strive to provide a workplace free of bribery and corruption by complying with all applicable laws relating to bribery, money laundering and/or corruption as well as prohibiting the exchange of money or anything else of value to or from anyone, including government officials, to influence actions or obtain an improper advantage.

3.0 Implementation of the social compliance policy

Brite Reef is committed not only to comply with this Policy within its own business, but to working with its Suppliers and Contractors to drive compliance throughout the supply chain. We will support our Suppliers and Contractors in achieving this objective and will abide by the following principles in order to drive this improvement in ethical performance.

Brite Reef Commits To: -

Assign responsibility for the implementation of this Policy to an appropriately trained management representative who will provide the Board, suppliers and other stakeholders with compliance updates and implementation performance as required.

Allocate the required resources in order to fully implement the Policy, including an internal system to record and monitor compliance throughout the supply base to this Policy.

Full compliance with this Policy within our own business and to ensuring that all relevant employees are aware of the Social Compliance Policy.

Work with our suppliers, supporting them in the improvement of social, ethical and environmental standards where required and appropriate.

Acknowledge specific national, regional and cultural challenges that may affect compliance.

Recognise suppliers' own standards where they are comparable to our own.

Communicate this Policy to all suppliers and contractors and seek formal acceptance and commitment to its implementation.

Report level of compliance to each supplier and request a comprehensive corrective action plan be developed, complete with relevant targets and timescales. Brite Reef will support suppliers through any remediation process and will monitor progress.

Communicate periodically to Brite Reef employees, management, suppliers, the progress towards compliance with this Policy. Cease trading with suppliers demonstrating a persistent disregard for this Policy while giving appropriate consideration to the impact this may have on the supplier and community in which they operate.

Brite Reef Requires its Suppliers to: -

Comply with this Policy and all applicable laws in the countries in which they operate. Where standards differ, the standard which offers the greater degree of protection to workers shall apply.

Allocate the relevant resource for full implementation of the Social Compliance Policy.

Communicate the Policy to all employees, suppliers, sub-contractors, home workers and temporary and contract workers engaged in their supply chain. (Brite Reef will recognize suppliers' own Policy and standards where they are comparable with our own).

Communicate openly and honestly and allow access to documentation and sites as required to determine performance against this Policy.

4.0 CONTINUOUS IMPROVEMENT

The Company commits to periodically review this policy to continually improve, taking into consideration changes in legislation, and any other requirements to which the Company subscribes, and to ensure the adequacy, suitability and continuing effectiveness of the policy.

Specifically, the policy will be routinely reviewed at the Company's Management Review Meetings and will be integrated into its QMS.

5.0 QUERIES ON SOCIAL COMPLIANCE

If you have any questions or would like to discuss our supplier social responsibility requirements in more details, please email: info@britereef.co.za

The section below to be signed by the supplier/contractor and a copy of this page to be returned to Brite Reef Limited.

Brite Reef Supplier Code of Conduct

Brite Reef are committed to conducting business in an ethical and socially responsible manner. We are determined to build our business together with our suppliers based on the highest ethical principles of trust, teamwork, honesty, and respect for the rights and dignity of others. We seek suppliers who demonstrate a commitment to contribute to the improvement of working conditions and who strive to meet our requirements as stated herein.

Our Ethical Sourcing – Supplier Code of Conduct (the “Code”) applies to all our suppliers. Suppliers are also expected to ensure that their suppliers and subcontractors are aware of and comply with the Code. In addition to adhering to this Code, suppliers must comply with all legal requirements as well as the standards of their industry, in each of the countries in which they do business. Where industry standards are more rigorous than legal requirements, we recommend compliance with the higher standard.

Where applicable, suppliers must participate in the Company's social compliance program, which may include but is not limited to disclosure of factories, participation in factory audits, and inspection of books and records. If a supplier manages and enforces its own social compliance program, it must meet or exceed the compliance standards set forth in our Company's program, and may be required to submit supporting documents to demonstrate same.

Ethical Business Behavior

Our Company has a zero-tolerance policy for any corrupt practices, including kick-backs, excessive or disguised commissions, extortion or embezzlement, any forms of bribery - including but not limited to - the promising, offering, giving or accepting of any improper monetary or other incentive, or any other practice which is intended to reward or otherwise encourage non-compliance with our requirements and/or the law. Suppliers are expected to keep accurate information regarding their activities, structure

and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices. Suppliers should neither participate in falsifying such information, nor in any act of misrepresentation of their supply chain.

Suppliers are expected to familiarize their workers with this Code, and to display the Employment section of this Code, translated in the local language, at each of its facilities in a place readily visible and accessible to factory workers.

Expected Ethical Sourcing Standards

Respect for the Environment

The Company will support suppliers who conduct their business using progressive environmental practices and take active steps to preserve and protect the well-being of the environment, including complying with all applicable laws and regulations in respect to protecting the environment and maintaining procedures for notifying local authorities in the event of an environmental accident resulting from supplier's operations. Suppliers should assess significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility. They will see to implement adequate measures to prevent or minimize adverse effects on the community, natural resources and the overall environment.