

Social and Ethics Committee report

The Committee reviewed its transformation and sustainability initiatives in the context of our broader socio-economic realities, and a backdrop where COVID-19 continues to impact our business and employees.



Mandate

The purpose of the Social and Ethics Committee is to assist the Board in discharging its oversight responsibilities regarding how the Group does business according to its values, ethical standards and social responsibility. As per the Companies Act, the Committee's duties include oversight over social and economic development, good corporate citizenship, the environment, health and public safety, consumer relationships, and labour and employment.

Members	Invitees	Relevant skills profile of members
Chairman - CH Boule* 2/3 - A Maditse* 1/3 Members - DP Hele - N Halamandaris - AK Maditse	- Group HR Executive - Group Executive: Business Development - Group Risk Executive - Group Transformation Manager - Company Secretary	Committee members are highly skilled in governance, law and sustainability reporting.

* Chris Boule stepped down as the Chairman of the Social and Ethics Committee in October 2021 and was replaced by Alex Maditse.

Oversight areas

The Committee, together with the Social and Ethics Working Group (made up of the executives of the Group), have adopted best practice for this committee as recommended by the IoDSA. It encapsulates King IV, the Companies Act, the 10 Principles of the UN Global Compact and legislation related to the economy (including fraud and corruption), workplace matters, environment and society (including stakeholder relations).

Governing and managing ethics

We have the following measures in place to ensure that we adequately govern and manage ethics within the Group:

- Published policies related to ethics published on the Group intranet.
- Whistle-blowing Policy is in place together with channels to report unethical activity.

- Regular internal communications campaigns on topics related to values and ethics.
- Training for managers and executives.

Focus areas for 2022

The Committee and/or the Social and Ethics Working Group worked on the following matters:

General

- Reviewed and approved the Committee Charter and annual Committee workplan.
- Reviewed and accepted management's feedback (based on relevant legislation and best practice) regarding the Group's activities relating to:
 - Social and economic development.
 - Good corporate governance.
 - ESG matters.
 - Consumer relationships.
 - Labour and employment.
- Reviewed and recommended the non-financial disclosures contained in the IAR to the Board for approval.
- Approved the Group's CSI activities and provided the Board with updates on existing CSI projects and progress achieved and made recommendations regarding new proposed projects.
- Noted the Risk Management Plan for 2022.

Compliance (refer to page 119 for more information)

- Reviewed progress made to ensure POPIA compliance across the Group.
- Monitored the implementation of a software tool to support compliance with AARTO and the implications of this tool for disciplinary processes for drivers employed by Famous Brands.
- Monitored the Group's preparations for the Extended Producer Responsibility legislation.
- Reviewed and approved the new Competition Law Compliance Policy.

Transformation and labour (refer to page 78 for more information)

- Reviewed and reported to the Board on the Group's employment equity performance relative to the Group's Employment Equity Plan, which was set out in the annual Employee Equity Report submitted to the Department of Labour.
- Reviewed and considered the employment equity targets as agreed with the Department of Labour, in the context of broader diversity objectives for the Group. This included the approach for recruiting people with disabilities and the process to help existing employees identify and report their disabilities.
- Reviewed and reported to the Board on the Group's detailed BBBEE strategy, targets and budget, and progress made aligned to the scorecard.
- Noted the formation of a new Enterprise Development and Supplier Development Committee, established to provide oversight into enterprise development and supplier development projects.
- Noted the ongoing impact of COVID-19 on the BBBEE strategy and performance against approved targets.
- Noted the Group's move to the Food and Beverage SETA.
- Noted the progress made with wage negotiations and relationships with the various trade unions.

Ethical conduct (refer to page 117 for more information)

- Noted the report on the Group's Code of Ethics and policies regarding gifts, conflict of interest, fraud and whistle-blowing.
- Monitored the progress of ethics training across the Group.
- Whistle-blowing cases monitored and investigated.
- Noted the Conflict of Interest Declaration Policy exercise, the results of the annual employee survey (Voice your View) and the equal work for equal pay analysis completed in 2021.
- Received feedback on health and public safety.

SOCIAL AND ETHICS COMMITTEE REPORT continued

Sustainability disclosures (refer to page 66 for more information)

- Approved the targets for the seven UN SDGs identified as relevant for the Group.

Environmental impact (refer to page 74 for more information)

- Reviewed and considered the IoDSA King IV Guidance Paper on the responsibilities of governing bodies in responding to climate change.
- Evaluated management plans and their progress. These projects related to:
 - Measures to monitor and improve our water and electricity consumption and the reporting of this data.
 - More environmentally friendly packaging options.
 - An initiative to reduce food waste.

Health and safety

- Monitored our health and safety procedures against globally accepted best practice.
- Monitored enhanced food safety measures across the business through the new food safety effectiveness system.
- Monitored management's adherence to COVID-19 protocols across the operation and reports on COVID-19 statistics across the Group.
- Considered a mandated vaccination policy but decided not to mandate vaccinations.
- Reviewed safety reports related to injuries and fatalities and agreed on extended management reports to include near-miss incidents.

Focus areas for 2023

The key focus areas for the Committee for 2023 are:

- Wage negotiations with unions.
- Monitor POPIA compliance and increase POPIA awareness among employees as well as a POPIA and data protection legislation gap analysis and remedial actions in foreign territories where the Group operates.
- Making policy documents more accessible to employees.
- Monitor the implementation of the Competition Law Compliance Policy and improve competition law awareness.
- Recommending and approving CSI projects for 2023.
- Review performance against approved UN SDG targets.

- Maintaining our Level 4 BBEEE status, investigating new enterprise and supplier development projects and improving the detail of internal transformation reporting.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year. I will be present at the AGM to answer any questions regarding the statutory obligations of the Committee.



Alex Maditse

Chairman: Social and Ethics Committee

23 June 2022