

# Social and ethics committee report

The social and ethics committee operates in accordance with the requirements of the Companies Act and King III, and is governed by a charter that is reviewed and approved annually by the Board.

The objectives of the committee are to ensure that high ethical standards are applied in all areas of the business, and to review and approve the policy, strategy and structure for managing the social issues in the Group in accordance with our long-standing principle of “doing good is good business”.

## Role of the committee

The committee oversees the monitoring, assessment and measurement of the Group’s activities in the following areas:

- Ethics and code of conduct compliance
- Environmental, social and governance issues, including human rights, corruption, employment equity and transformation
- Social and economic development
- Relevant stakeholder relations
- Empowerment and transformation
- Enterprise development
- Corporate social investment
- Ethical treatment of animals
- Local, ethical and sustainable procurement
- Integrity of food products and ingredients
- Relevant regulatory, statutory and legislative compliance.

The committee relies on management for the implementation of strategies and initiatives.

As a result of the Group’s commitment to conducting business in a sustainable manner, the Company remains on the Socially Responsible Index of the JSE.

## Composition of the committee, frequency of meetings, objectives and activities in the period under review

The committee is chaired by executive director, Suzanne Ackerman-Berman. Her roles as director of transformation, chairman of the Ackerman Pick n Pay Foundation and head of the Pick n Pay Small Business Incubator, as well as her philanthropic work, make Suzanne Ackerman-Berman uniquely qualified to chair the committee. Other committee members comprise independent non-executive director, Lorato Phalatse, members of the executive responsible for corporate affairs and human resources, the Company Secretary, senior management and technical experts on areas of mandate. All levels and areas of expertise across the Company are represented on the committee.

Members who are directors	Attendance	Objectives and activities 2016
Suzanne Ackerman-Berman (Chairman)	4/4	<ul style="list-style-type: none"> <li>■ Approved the external BBBEE verification agency</li> <li>■ Maintained the targeted level BBBEE contributor status of level 4</li> <li>■ Actively assessed contributor status, strategy and plans to maintain contributor status at a high level in light of statutory amendments to the BBBEE codes</li> <li>■ Reviewed plans and social responsibility structures in order to align with the revised BBBEE codes</li> <li>■ Continued to review relevant policies across all operating divisions</li> <li>■ Reviewed and monitored the Group’s policy on the humane treatment of animals</li> <li>■ Reviewed the employee whistle-blowing facility</li> <li>■ Reviewed the elements of reputational risk arising from marketing and from marketing to children</li> <li>■ Reviewed mechanisms to encourage ethical behaviour</li> <li>■ Regularly reviewed consumer complaints, which were also monitored by senior management, in line with the Consumer Protection Act</li> <li>■ Reviewed the activities of the Group in conjunction with the Ackerman Pick n Pay Foundation and its development of sustainable small businesses</li> </ul>
Lorato Phalatse	4/4	