

SOCIAL AND ETHICS COMMITTEE

The social and ethics committee operates in accordance with the requirements of the Companies Act and the King Codes, 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 Pick n Pay's 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
- Humane and 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 part of 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 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.

Independent non-executive director Alex Mathole has been appointed to the committee with effect from the commencement of the 2018 financial period.

MEMBERS	ATTENDANCE	OBJECTIVES AND ACTIVITIES 2017
Suzanne Ackerman-Berman (Chairman)	4/4	<ul style="list-style-type: none"> • Approved the external BBBEE verification agency • Obtained an extension of the level BBBEE contributor status of level 4 pending re-assessment in light of statutory amendments to the BBBEE codes • Actively assessed contributor status, strategy and plans to maintain contributor status at a compliant level in light of statutory amendments to the BBBEE codes (subsequently received a compliant level 8 status certificate based on the amended BBBEE codes)
Lorato Phalatse	4/4	<ul style="list-style-type: none"> • Continued to review relevant policies and issues across all operating divisions, including diversity in marketing, humane treatment of animals, the payment of SASSA grants, garnishee orders, sugar and salt levels in food and beverages, training of security staff, the use of plastics and security of water resources • Regularly reviewed consumer complaints, which were also monitored by senior management, in line with the Consumer Protection Act • Reviewed the activities of the Ackerman Pick n Pay Foundation and its development of sustainable small businesses