

Remgro's approach to reporting

The 2021 Integrated Annual Report provides a holistic view of Remgro's business model, how the Company is managed and also how it manages its investments. In this regard our main focus is to provide a complete analysis of our business to satisfy the information needs of key stakeholders that use the Integrated Annual Report.

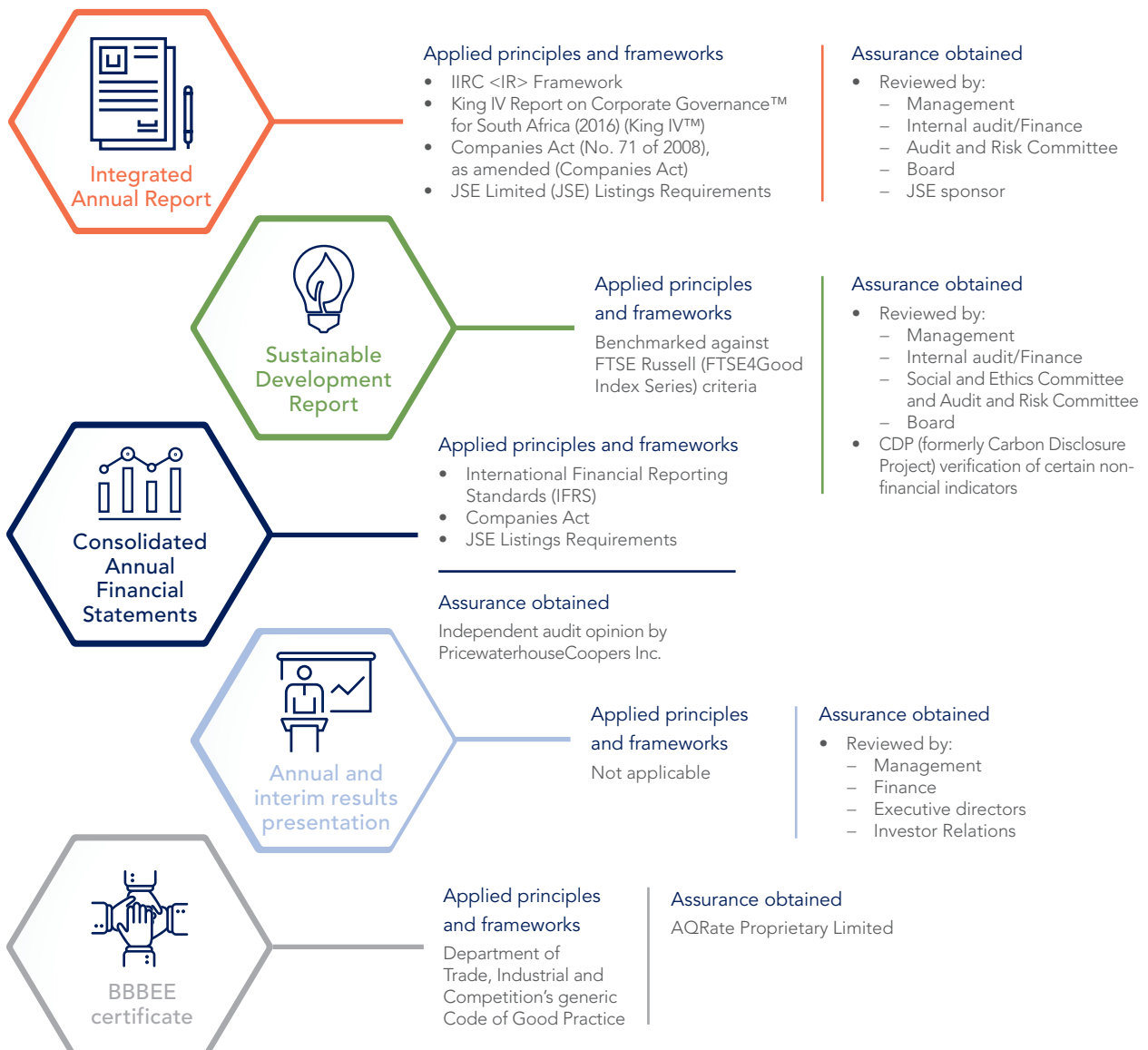
The information presented thus aims to provide our stakeholders with a good understanding of the financial, social, environmental and economic impacts of the Group to enable them to evaluate the ability of Remgro to create sustainable value for our stakeholders.

In order to ensure that we address all the material issues that matter to us, our shareholders and other stakeholders, we also report on matters such as:

- Our business model;
- Our most significant business risks and opportunities, as identified through our integrated risk management process; and
- Governance processes.

Reporting suite

Remgro's reporting suite information is set out below, detailing the assurances obtained and frameworks applied to each report.



Remgro is an investment holding company and accordingly all references to “the Group” in this context denote the Company and its subsidiaries.

The King IV Report on Corporate Governance for South Africa (King IV), which was published on 1 November 2016, contains a set of principles that are fundamental to good governance, as well as related leading recommended practices. The JSE Limited has incorporated certain of King IV’s recommended practices in the JSE Listings Requirements, with the effect that some of King IV’s recommended practices are in fact mandatory in respect of companies listed on the JSE (such as Remgro). The Board is satisfied that the Company has applied the principles contained in King IV during the year under review. The Corporate Governance Report on page 70 explains how Remgro has applied the principles enumerated in King IV with reference to Remgro’s own practices.



Reporting boundary

1 Integrated reporting boundary

Includes the financial and non-financial boundaries as explained below. Furthermore, material matters as they relate to stakeholder concerns, risks and opportunities and governance matters, are included in the disclosures of this report.



2 Financial boundary

Remgro is an investment holding company and accordingly all financial data in the summarised financial statements includes associates and joint ventures on an equity accounted basis and subsidiaries on a consolidated basis.

The intrinsic net asset value of the Group includes valuations of all investments, incorporating subsidiaries and associates and joint ventures, either at listed market value or, in the case of unlisted investments, at *IFRS 13: Fair Value Measurement* valuation.

Refer to page 29.

3 Non-financial information boundary

Data relating to the social and environmental performance of subsidiaries, associates and joint ventures, over which Remgro does not exercise operational control, are not covered in detail in this report.

Except where otherwise indicated, all disclosures relating to social and environmental performance thus only relate to Remgro’s activities at its head office in Stellenbosch.

Scope and boundaries of our report

Remgro is an investment holding company and accordingly all references to "the Group" in this context denote the Company and its subsidiaries. Disclosure is therefore limited to those entities where the Group exercises control over the financial and operating policies of such entities, save where those entities disclose the relevant information in their own publicised annual reports.

Remgro has four main operating subsidiaries, i.e. RCL Foods Limited (RCL Foods), Distell Group Holdings Limited (Distell), Siqalo Foods Proprietary Limited (Siqalo Foods) and Wispeco Holdings Proprietary Limited (Wispeco). As RCL Foods and Distell are listed on the JSE, detailed information regarding their financial, sustainability and social performance is available on their websites at www.rclfoods.com and www.distell.co.za respectively.

Siqalo Foods and Wispeco are unlisted wholly owned subsidiaries which are operated and managed on a decentralised basis as independent entities with autonomous boards of directors. Based on the above, as well as the fact that Siqalo Foods and Wispeco represent only 7.3% and 1.2% of Remgro's intrinsic net asset value, respectively, only summarised "non-financial" disclosure relating to social and environmental performance will be provided for Siqalo Foods and Wispeco. This is in line with Remgro's reporting on the financial performance of its investee companies.

Following on the philosophy outlined above, Remgro manages all investee companies on the same decentralised basis, irrespective of whether they are subsidiaries, associates or joint ventures. Therefore data relating to the social and environmental

performance of subsidiaries, associates and joint ventures, over which Remgro does not exercise operational control, are not covered in detail in this report. However, information is provided in instances where material sustainable development issues are at stake.

Significant events during and after the end of the reporting period

The Covid-19 pandemic and various levels of lockdown have affected and will continue to affect every investee company. Management teams' focus remains on protecting the sustainability of their businesses through operational resilience, responding and adapting to the disruptive environment and liquidity risk management.

No significant events occurred during the reporting period or after the end of the reporting period, which may have a material impact on the size, structure or ownership of the Group. Refer to the report of the Chief Executive Officer on page 29 for a brief summary of the most significant investment activities during the year under review.



Board approval statement

The Board, supported by the Audit and Risk Committee, acknowledges its responsibility to ensure the integrity and completeness of the report. The Board applied its collective mind to the preparation and presentation of the report. We believe that the report has been prepared in accordance with the <IR> Framework and it provides a balanced and appropriate representation of the Company.

The Board approved the 2021 Integrated Annual Report on 21 September 2021.

