

SOCIAL AND ETHICS Committee Report

The Social and Ethics Committee (the committee) assists the Board in overseeing and reporting on Remgro’s ethics, responsible corporate citizenship, sustainable development, legal compliance and stakeholder relationships. In doing so, the committee works closely with the Strategic ESG Committee, which oversees linkages between its own remit and those of other Board Committees, including this committee, which reports separately (see below). This report by the committee is prepared in accordance with the requirements of the Companies Act (No. 71 of 2008), as amended (Companies Act), and the King IV Report on Corporate Governance for South Africa (2016) (King IV), and describes, *inter alia*, how the committee has discharged its statutory duties in terms of the Companies Act and its additional duties assigned to it by the Board in respect of the financial year ended 30 June 2023.

Committee members and attendance at meetings

The committee comprises five suitably skilled and experienced members appointed by the Board, the majority of whom are, as recommended in King IV, neither involved in the day-to-day management of Remgro’s business nor been involved at any time during the previous three financial years. The members of the committee for the year under review are set out in the table below. The Chairman of the committee is Mr Murphy Morobe, an independent non-executive director. In terms of the committee’s charter, at least two meetings should be held during each financial year.

Composition of the committee

Committee member ⁽¹⁾	Number of meetings held	Number of meetings attended
M Morobe (Chairman)	3	3
S E N De Bruyn	3	3
N P Mageza	3	3
P R Louw	3	3
P J Uys	3	3

⁽¹⁾ Abridged curriculum vitae of all the directors of the Company are set out on pages 90 to 93 of the Integrated Annual Report, while the qualifications of Messrs P R Louw and P J Uys (who are members of the Management Board and also prescribed officers in terms of the Companies Act) are presented on page 95.

Role and responsibilities

The committee’s role and responsibilities are governed by a formal charter as approved by the Board. The charter is subject to an annual review by the Board.

The main objectives of the committee are to assist the Board in monitoring the Group’s performance in respect of ethics, responsible corporate citizenship, sustainable development, compliance and stakeholder relationships. This is done by, *inter alia*, monitoring many of the key sustainable development practices of the Group as set out below, thereby assisting the Board in achieving its objectives of doing business ethically and sustainably.

Remgro’s main wholly owned operating subsidiaries are Wispeco Holdings Proprietary Limited (Wispeco) and Siqalo Foods Proprietary Limited (Siqalo Foods). Both Wispeco and Siqalo Foods have established their own social and ethics committees which operate independently from this committee. Remgro’s representatives on the boards of Wispeco and Siqalo Foods also have standing invitations to attend the meetings of those committees, *ex officio*. The minutes of these companies’ meetings, as well as those of the social and ethics committees of Distell Group Holdings Limited (Distell) and RCL Foods Limited (RCL Foods) were included in the agenda of the committee as a standing item. During the year under review, the aforementioned companies also submitted reports (where applicable) of their respective social and ethics committees’ activities to this committee.

On 26 April 2023, the Heineken International B.V. Southern African business, including an interest in Namibia Breweries Limited, combined with the bulk of the Distell business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business) in Heineken Beverages Holdings Limited (Heineken Beverages). Remgro received a 15.5% interest in Heineken Beverages and has subsequently increased its interest to 18.8%. Distell simultaneously unbundled its subsidiary, Capevin Holdings Proprietary Limited (Capevin), which held Distell’s remaining assets, including its Scotch whisky business, and Remgro received an economic interest of 31.4% (a voting interest of 55.9%) in Capevin. As a result of this transaction, Distell will no longer submit reports to this committee, but Capevin, which is now a subsidiary of Remgro, will provide similar reports to this committee in due course.

Furthermore, during the year under review, Mediclinic Group Limited and Community Investment Ventures Holdings Proprietary Limited made presentations to the committee and reported specifically on the social and ethics governance activities of their respective businesses.

The committee is satisfied that it has fulfilled all its duties in accordance with its annual programme, as further detailed below.



Policy review

The committee is responsible for developing and reviewing the Group's policies with regard to the commitment, governance and reporting of the Group's key social and ethical performance and for making recommendations to management and/or the Board in this regard. During the year under review, the committee reviewed its charter, as well as the Company's Code of Ethics, Gifts Policy, Social Media Policy, HIV/Aids Policy and Safety, Health and Environmental Management Policy.

Monitoring of sustainable development practices

Remgro's overall Environmental, Social and Governance (ESG) performance is now overseen and monitored at Board level and by the Strategic ESG Committee. The implementation of an ESG Charter and governance structures provide strategic direction and oversight in support of Remgro's commitment and that of its investee companies in relation to ESG. The Board and Strategic ESG Committee monitor Remgro's ESG performance and stewardship through policies, frameworks, standards and guidelines. These include those of the Social and Ethics Committee.

The Strategic ESG Committee is also responsible for the integration of ESG policies into the business operations, the Charters of other Board Committees, as well as Remgro's future development and strategy.

In the execution of its duties, the committee has reviewed many of the key sustainable development practices of the Group, specifically relating to:

- responsible investment policy and framework
- ethics and compliance;
- corporate social investment;
- stakeholder relations;
- broad-based black economic empowerment;
- health and public safety;
- labour relations and working conditions;
- training and skills development;
- management of the Group's environmental impacts; and
- human rights and anti-child labour principles.

The committee's oversight role also includes the monitoring of any relevant legislation, other legal requirements or prevailing codes of best practice, specifically with regard to matters relating to social and economic development, good corporate citizenship, employment equity, the environment, health and public safety, consumer relationships, as well as labour and employment and overall ESG matters.

The ESG and Sustainability Report provides a full understanding of Remgro's efforts to contribute to measurable and positive

social and environmental impact, whilst fostering financial returns to achieve its ambitions to maximise value creation for all its stakeholders, while doing business sustainably. For the first time this year, Remgro will publish disclosures aligned to the Task Force on Climate-Related Disclosures (TCFD) framework recommendations on the Company's website at www.remgro.com.

The committee further monitors Remgro's participation and results achieved in external surveys in respect of any ESG and sustainability aspect pertaining to the Group. In this regard the committee noted the external recognition and achievements by the Group, as reported on page 68 of the Integrated Annual Report.

Public reporting and assurance

The committee, together with the Audit and Risk Committee, is responsible for reviewing and recommending for approval the annual sustainability content included in the Integrated Annual Report and published on the Company's website at www.remgro.com. The committee is also involved in determining and making recommendations on the need for external assurance of the Group's public reporting on key elements of its sustainable development performance. To this extent, the committee has reviewed the content of the Abridged ESG and Sustainability Report included in the Integrated Annual Report and the detailed ESG and Sustainability Report published on the Company's website at www.remgro.com, and recommended it for approval by the Board.

The committee is also required to report through one of its members to the Company's shareholders on the matters within its mandate at the Company's Annual General Meeting to be held on 4 December 2023. In the notice of the Annual General Meeting included in the Integrated Annual Report on page 170, shareholders are referred to this report by the committee, read with the detailed ESG and Sustainability Report published on the Company's website at www.remgro.com. Any specific questions to the committee may be sent to the Company Secretary prior to the meeting. Committee members will be attending the Annual General Meeting to deal with any questions.



Murphy Morobe

Chairman of the Social and Ethics Committee

Stellenbosch
20 September 2023