

SOCIAL, ETHICS, TRANSFORMATION AND SUSTAINABILITY COMMITTEE REPORT

This Committee was established in March 2012 in compliance with the requirements of the Companies Act (71 of 2008) and operates in terms of a formal mandate, which contains detailed provisions relating to the terms of reference, duties, composition, role and responsibilities of the Committee.



Composition

The committee is comprised of the following Directors:

- Mr K Getz - (Chairman) Non-executive Director
- Mrs RM Motanyane - Independent non-executive Director
- Mr SI Bird - Chief Executive Officer

In addition to the members, all Board members are permanent invitees to the meetings with the invitation regularly being taken up by several Directors, including the Chairman.

The following senior executives are permanent attendees at the meeting:

- Mrs VT Botha-Richards - Head of Corporate Services and Sustainability
- Mr S Glendinning - Head of Group People
- Mrs S Moodley - Head of Governance and Assurance
- Mrs HE Grosvenor - Company Secretary

Role

The Committee is responsible for assisting the Board with the monitoring and reporting of social, ethical, transformational and sustainability practices that are consistent with good corporate citizenship, as well as assisting the Group in discharging its business responsibilities in relation thereto.

Statutorily, the Committee is responsible for monitoring the Group's activities, as per the Companies Act, with regard to matters relating to:

- Social and economic development
- Good corporate citizenship
- Environment, health and public safety
- Consumer relationships
- Labour and employment practices.

The Committee has the responsibility to draw matters within its mandate to the attention of the Board and to shareholders of the Company. The Committee Mandate can be viewed on the Group's website:

www.mrpricegroup.com

Annual report of the committee

The Committee met 4 times during the year as required by its mandate. Meetings are convened and conducted in terms of a detailed agenda, accompanied by supporting documents, including minutes of supporting management sub-committees and reports from the permanent attendees, which serve as a material tool for the Committee to monitor its responsibilities. The Committee actively engages with management during these meetings.

During the year under review, the key matters considered by the Committee (and reported to the Board) included:

- Oversight of the Group's Business Code of Conduct and Supplier Code of Conduct.
- Monitoring and assessing the Group's transformational progress

(including consideration of the Employment Equity Act, the Broad-Based Black Economic Empowerment Act and the supporting Codes of Good Practice). The Committee is supported in its monitoring of equity practices by the Employment Equity and Skills Development Committee and the People Service Division Board.

- Monitoring and assessing the Group's compliance with applicable legislation and Codes of Good Practice, including anti-corruption legislation, in conjunction with the Audit and Compliance Committee.
- Monitoring the Group's environmental and social sustainability strategy and the execution thereof, including the social investment initiatives undertaken by MRP Foundation. The details of the programmes undertaken can be located on the website www.mrpfoundation.org
- Monitoring of matters relating to its statutory obligation and good corporate governance.

An evaluation of the Committee and the performance of its members was included in the comprehensive board review process undertaken during the year. The Committee is satisfied with the leadership offered by its Chairman, the performance of its members and believes it is appropriately monitoring all relevant issues, in terms of its statutory mandate and the additional responsibilities delegated to it by the Board. Refer to the Building Sustainability Through Shared Value Report on page 41 for more details around transformation and sustainability.

As Chairman of the Social, Ethics, Transformation and Sustainability Committee, Mr K Getz will be available at the Annual General Meeting to answer any questions relating to the statutory obligations of the Committee.



Monitoring and assessing the Group's compliance with applicable legislation and Codes of Good Practice, including anti-corruption legislation, in conjunction with the Audit and Compliance Committee.