

PEPKOR

Holdings Limited



Board race diversity policy



POLICY AND PROCEDURES

Document Title : Pepkor Board Race Diversity Policy

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Applicable To : All Pepkor divisions/businesses and employees

Version 2018, Issue 1

PEPKOR HOLDINGS LIMITED

REGISTRATION NUMBER 2017/221869/06

(*"The Company" or "Pepkor"*)

BOARD RACE DIVERSITY POLICY

1. Purpose

The purpose of this Policy is to set out the approach of Pepkor to achieve race diversity on the Board of directors (*"the Board"*) in accordance with the JSE Listings Requirements (item 3.84(j)).

The Company commits to evolve and place the necessary importance on race diversity at board level.

In terms of the JSE Listings Requirements an Issuer's Board or its Nomination Committee (*"the Committee"*) must:

- 1.1. have a policy on the promotion of race diversity; and
- 1.2. report to shareholders in its integrated report on how the Board has considered and applied the policy in the nomination and appointment of directors.

2. Policy Statement

Against the above background, the following Board Race Diversity Policy (*"the Policy"*) is adopted as a policy of the Company:

- 2.1. The Company supports the principles and aims of appropriate race diversity at Board level.
- 2.2. Voluntary targets have been set as per the Pepkor Board Gender and Race Diversity Implementation Framework and the approach to race diversity adopted by the Board shall be as follows:
 - 2.2.1. Should a vacancy on the Board arise, or should there be a requirement for an additional Board appointment, consideration will be given to attain and maintain a level of race diversity within the Board that is considered appropriate at the time, having due regard to the skills, expertise, experience and background required to fill any such Board position(s), the availability of suitable candidates, the development potential of candidates and to any additional requirements that may be necessary to ensure a mix of skills, and experience on the Board and its committees that will best serve the interests of the Company and its stakeholders.
 - 2.2.2. Application of the Policy in effecting new or replacement appointments to the Board will be subject to the approval/ratification of the shareholders of the Company to such appointments at annual general meetings of the Company.
- 2.3. The Nomination Committee is mandated to assist the Board in managing the Policy.
- 2.4. The Nomination Committee shall:
 - 2.4.1. review the state of the Board's racial representation on an ongoing basis and ensure that the Policy is appropriately applied; and
 - 2.4.2. should a vacancy on the Board arise and, in the opinion of the committee, a suitable candidate is available to fill the position whose appointment improves racial diversity, make recommendations to the Board regarding the appointment.

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- 2.5. In order to comply with the JSE Listings Requirements, the Company shall annually report to shareholders in its integrated report on how the Board has considered and applied the Policy in the nomination and appointment of directors to the Board.
- 2.6. The Policy shall apply equally to any appointment of executive, non-executive and/or alternate directors to the Board.
- 2.7. The Committee shall review the state of the Board's race representation on an ongoing basis and ensure that the Policy is appropriately applied.
- 2.8. This policy should be applied with due regard to other policies, if any, which may be relevant to promote Board diversity.
- 2.9. The Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy.

Signed on behalf of the board:

Chairman:

Date:

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