



## POLICY AND PROCEDURES

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## PEPKOR HOLDINGS LIMITED

REGISTRATION NUMBER 2017/221869/06

## STAKEHOLDER ENGAGEMENT POLICY

### 1. Introduction and background

- 1.1. Pepkor acknowledges that stakeholder engagement is integral to an organisation's sustainability and that there is interdependence between effective stakeholder management and the reputation of the company. Engagement with our stakeholders will allow us to better understand their needs, concerns and expectations, enabling mutual trust and respect.
- 1.2. Stakeholders are regarded as those groups or individuals that can reasonably be expected to be significantly affected by the Company's business activities, outputs or outcomes, or whose actions can reasonably be expected to significantly affect the ability of the Company to create value over time.
- 1.3. The King IV Report on Corporate Governance for South Africa 2016 ("King IV"), advocates a stakeholder-inclusive approach, in which the governing body assumes responsibility for the governance of stakeholder relationships by setting the direction of how stakeholder relationships should be approached and conducted within the Company and takes into account the legitimate and reasonable needs, interests and expectations of stakeholders in the execution of its duties. This Stakeholder Engagement Policy has been compiled in adherence to King IV.
- 1.4. The Company is aware that principles for effective stakeholder engagement should not be compromised and are universally applicable within the Pepkor group to shape stakeholder engagement practices. Stakeholder engagement practices may however vary from one division to the next and can be tailored to fit the operating and stakeholder contexts – provided that the practices adhere to this overarching policy.

### 2. Principles applied

- 2.1. Pepkor's commitment to inclusive stakeholder engagement is based on the principles of:
  - Relevance:
    - Focusing on those issues of material concern to our stakeholders and to Pepkor and identifying how best to address them for mutual benefit.
  - Completeness:
    - Understanding the views, expectations and perceptions associated with these material concerns, and
  - Responsiveness:

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- Engaging with stakeholders on these issues and providing coherent feedback.
- Engaging with all stakeholders in a manner consistent with the Company's Code of Ethics.

2.2 This Stakeholder Engagement Policy is intended to bring alignment and improved coordination between different Pepkor role players' efforts to interact with stakeholders and impacts positively on stakeholders' overall assessment of the group.

### 3. Scope

- 3.1. This policy is applicable to all directors and employees of Pepkor and its subsidiaries.
- 3.2. The policy relates to all engagement with external stakeholders irrespective of the context and objective, or whether a stakeholder is regarded as material or not.

### 4. Stakeholder groups

4.1. The company defines the following broad stakeholder groups across the group and engages with them in the following ways:

#### 4.1.1. Employees

- Provide appropriate channels through which employees can voice their ideas and concerns. Relevant communication via email, forums, information sessions, conferences or newsletters will be used to communicate with employees on matters of interest to the employee and the company.
- Encourage employees to utilise training and development opportunities available to them.
- Promote employee participation in wellbeing programmes, as well as community-focused initiatives and volunteer programmes.
- Where appropriate and at the right operating business level, relevant engagement will take place with employee representatives.

#### 4.1.2. Customers

- Ensure that we meet the brand promise of each of the businesses in our dealings with customers.
- Engage with our customers to better understand their needs and challenges.
- Further enhance our service by remaining easily accessible and efficient to do business with.
- Monitor and manage customer satisfaction to the extent that it is practically possible.

#### 4.1.3. Communities and NGO's

- Act as responsible corporate citizens.
- Prioritise corporate social responsibility activities in order to align them with the company's purpose and the needs of the community in which it operates.
- Engagement with NGOs will take place in a manner that is in line with the company's strategy.

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- Acknowledge our impact on the physical environment and ensure that we are responsible in our efforts to minimise environmental impact.
- 4.1.4. Investors (shareholders and noteholders)
- Provide timely, transparent and accurate information to all shareholders that facilitates informed decisions. Information is disseminated through a range of communication channels, supplemented by the use of direct communication. Shareholders are to be treated fairly and equally.
  - Only the CEO, CFO, Investor Relations Executive and to a limited (and administrative) extent, the Company Secretary are authorised to interact directly with investors, investment analysts and journalists.
  - Whilst it is crucial that communications with shareholders and the investment community be open and transparent, a balance must be sought between providing information and safeguarding price sensitive information. In its interaction with the investment community, Management will adopt the guidance below provided by the JSE in this regard, which seeks to reduce the risk of Management inadvertently providing price sensitive information.
  - All relevant and material information to be available on the company's website.
- 4.1.5. Suppliers and contractors
- Engagement with key suppliers occurs within the ordinary course of business.
  - Suppliers will be encouraged to uphold ethical, social, quality, health and safety, human rights and environmental standards, which will be monitored by the businesses as far as practically possible.
- 4.1.6. Governments, Financial Institutions, regulators and industry bodies
- Build an understanding of Pepkor's businesses and our contribution to the areas and communities in which we operate.
  - Support and enable the efforts of industry bodies and associations to promote and protect our interests.
  - Maintain a co-operative and respectful relationship with banks, regulators, and participate positively in voluntary ombudsman fora.

## 5. Review and approval of policy

The policy was approved by the board on 18 February 2022 and will be reviewed by the Social and Ethics Committee at least every second year. All revisions shall be approved by the board.

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