

## PEPKOR HOLDINGS LIMITED

REGISTRATION NUMBER 2017/221869/06

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

## HUMAN RIGHTS POLICY

### 1. PURPOSE AND SCOPE

This Human Rights Policy (*"the Policy"*) is a guide that reflects Pepkor's approach and standards in relation to Human Rights and shows the importance Pepkor attributes to respect for Human Rights. All employees, directors and officers of Pepkor shall comply with this Policy. As a Pepkor Group company, Pepkor also expects and takes necessary steps to ensure that all its Business Partners – to the extent applicable – comply with and/or act in line with this Policy.

### 2. DEFINITIONS

*"Business Partners"* include suppliers, distributors, authorised service providers, representatives, independent contractors and consultants.

*"Group Companies"* means the entities of which Pepkor holds directly or indirectly more than 50% of share capital.

*"Human Rights"* are rights inherent to all human beings, regardless of gender, race, colour, religion, language, age, nationality, difference of thought, national or social origin, and wealth. This includes the right to an equal, free and dignified life, among other Human Rights.

*"ILO"* means The International Labour Organisation.

*"ILO Declaration on Fundamental Principles and Rights at Work"* is an ILO declaration adopted that commits all member states whether or not they have ratified the relevant Conventions, to respect, and promote the following four categories of principles and rights in good faith:

- Freedom of association and effective recognition of collective bargaining
- Elimination of all forms of forced or compulsory labour
- Abolition of child labour
- Elimination of discrimination in employment and occupation

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“Pepkor” means Pepkor Holdings Limited, companies which are controlled directly or indirectly, jointly or individually by Pepkor Holdings Limited and the joint venture companies listed in its latest consolidated financial report.

“OECD” means The Organisation for Economic Co-operation and Development.

“OECD Guidelines for Multinational Enterprises” aims to develop a state-sponsored corporate responsibility behaviour that will maintain the balance between competitors in the international market, and thus, increase the contribution of multinational companies to sustainable development.

“UN” means the United Nations.

“UN Global Compact” is a global pact initiated by the United Nations, to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of Human Rights, labour, the environment and anti-corruption.

“UN Guiding Principles on Business and Human Rights” is a set of guidelines for states and companies to prevent, address and remedy Human Rights abuses committed in business operations.

“Universal Declaration of Human Rights” (UDHR) is a milestone document in the history of Human Rights, drafted by representatives with different legal and cultural backgrounds from all regions of the world, proclaimed by the United Nations General Assembly in Paris on 10 December 1948 as a common standard of achievements for all peoples and all nations. It sets out, for the first time, fundamental Human Rights to be universally protected.

“Women’s Empowerment Principles” (WEPs) is a set of principles offering guidance to businesses on how to promote gender equality and women’s empowerment in the workplace, marketplace and community. Established by UN Global Compact and UN Women, the WEPs are informed by international labour and Human Rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women’s empowerment.

“Worst Forms of Child Labour Convention (Convention No. 182)” means the Convention concerning the prohibition and immediate action for the elimination of the worst forms of child labour.

### **3. GENERAL PRINCIPLES**

Pepkor uses the Universal Declaration of Human Rights (UDHR) as its guide and maintains a respectful understanding of Human Rights for its stakeholders in countries where it operates. Employees are one of the key stakeholders for Pepkor, therefore it aims at creating and maintaining a positive and professional working environment. Pepkor acts in compliance with the global ethical principles in subjects such as recruitment, promotion, career development, wage, fringe benefits, and diversity and respects its employees’ rights to form and join organisations of their own choosing. Forced labour and child labour and all forms of discrimination and harassment are expressly prohibited.

Pepkor primarily takes into consideration the below-mentioned international standards and principles regarding Human Rights:

- ILO Declaration on Fundamental Principles and Rights at Work (1998)
- OECD Guidelines for Multinational Enterprises (2011)
- UN Global Compact (2000)
- UN Guiding Principles on Business and Human Rights (2011)

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- Women’s Empowerment Principles (2011)
- Worst Forms of Child Labour Convention (Convention No. 182), (1999)

#### **4. COMMITMENTS**

Pepkor respects the rights of its employees, directors, officers, shareholders, Business Partners, customers, and all other individuals affected by its operations, products or services by fulfilling the principles of the Universal Declaration of Human Rights (UDHR) and the ILO Declaration on Fundamental Principles and Rights at Work.

Pepkor undertakes to treat all employees in an honest and fair manner, and to provide a safe and healthy working environment that respects human dignity while avoiding discrimination.

Pepkor may also apply additional standards considering vulnerable and disadvantaged groups who are more open to the negative Human Rights impacts and require particular attention. Pepkor considers the specific circumstances of groups whose rights are further elaborated by United Nations instruments: indigenous peoples; women; ethnic, religious and linguistic minorities; children; persons with disabilities; and migrant workers and their families, as indicated in the UN Guiding Principles on Business and Human Rights.

##### **Diversity and Equal Recruitment Opportunities**

Pepkor strives to employ individuals from different cultures, career experiences and backgrounds. Decision-making processes in recruitment depend on job requirements and personal qualifications regardless of race, religion, nationality, gender, age, civil status and disability in line with the local regulations of the countries where it operates.

##### **Non-Discrimination**

Zero-tolerance towards discrimination is a key principle in the entire employment process, including promotion, assignment and training. Pepkor expects all its employees to demonstrate the same sensibility in their behaviour towards each other.

All kinds of discrimination and disrespect founded on race, sex (including pregnancy), colour, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender definition, family situation, sensitive medical conditions, trade union membership or activities and political opinion are unacceptable.

##### **Zero Tolerance to Child/Forced Labour**

Pepkor strongly opposes child labour, which could cause children physical and psychological harm, and could interfere with their right to education. In addition, Pepkor opposes all forms of forced labour, which is defined as work that is performed involuntarily and under the menace of any penalty.

Pursuant to Conventions and Recommendations of the ILO, the Universal Declaration of Human Rights, and the UN Global Compact, Pepkor has a zero-tolerance policy towards slavery and human trafficking and expects all its Business Partners to act accordingly.

##### **Freedom of Organisation and Collective Agreement**

Pepkor respects employees' right and freedom of choice to join a trade union, and to collectively bargain without feeling any fear of retaliation. Pepkor is committed to a constructive dialogue with the freely chosen representatives of its employees, represented by a legally recognised labour union.

##### **Health and Safety**

The protection of health and safety of the employees, and other persons which are, for any reason, present in a work area, is one of the top concerns of Pepkor. Pepkor provides a safe and healthy working environment. Pepkor takes necessary security measures in workplaces in a manner that respects the dignity, privacy, and reputation of each person. Pepkor complies with all relevant regulations and implements all required security

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measures for all its working areas. In the case of finding out any unsafe conditions or unsafe behaviours in the working areas, Pepkor takes necessary actions immediately to ensure the health, safety, and security of its customers and employees.

### **No Harassment and Violence**

A key aspect to safeguarding the personal dignity of employees is to ensure that harassment or violence does not occur, or if it occurs, it is sanctioned adequately. Pepkor is committed to providing a workplace free of violence, harassment, and other insecure or disturbing conditions. As such, Pepkor does not tolerate any form of physical, verbal, sexual or psychological harassment, bullying, abuse, or threats.

### **Working Hours and Compensation**

Pepkor complies with the legal working hours in line with the local regulations of the countries where it operates. It is crucial that employees have regular breaks, vacations, and establish an efficient work-life balance.

The wage determination process is established in a competitive manner according to the relevant sectors and the local labour market and in accordance with the terms of collective bargaining agreements, if applicable. All compensations, including social benefits, are paid in accordance with the applicable laws and regulations.

Employees may request further information from the officer or department in charge of compliance regarding the laws and regulations that regulate working conditions in their own countries, if they wish so.

### **Personal Development**

Pepkor provides its employees with opportunities to develop their talent and potential, and to build their skills. Regarding human capital as a valuable resource, Pepkor puts effort into the employees' comprehensive personal development by supporting them with internal and external training.

### **Data Privacy**

In order to protect the personal information of its employees, Pepkor maintains high level data privacy standards. Data privacy standards are implemented in accordance with related legislations.

Pepkor expects the employees to comply with data privacy laws in each of the countries it operates.

### **Political Activities**

Pepkor respects its employees' legal and voluntary political participations. Employees may make personal donations to a political party or a political candidate or engage in political activities outside working hours. It is, however, strictly forbidden to use company funds or other resources for such donations or any other political activity.

## **5. AUTHORITY AND RESPONSIBILITIES**

All employees and directors of Pepkor are responsible for complying with this Policy and implementing and supporting the relevant Pepkor procedures and controls in accordance with the requirements in this Policy. Pepkor also expects and takes necessary steps to ensure that all its Business Partners, to the extent applicable, complies with and/or acts in line with this Policy.

If there is a discrepancy between the local regulations applicable in the countries where Pepkor operates and this Policy, subject to such practice not being a violation of the relevant local laws and regulations, the stricter of the two supersedes.

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If you become aware of any action you believe to be inconsistent with this Policy, the applicable law, or Pepkor Global Code of Conduct, you should report this incident via the below-mentioned email address:

Masood Allie

Company Secretary

[companysec@pepkor.co.za](mailto:companysec@pepkor.co.za)

021 929 4800

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