



RCL FOODS LIMITED

**SUSTAINABLE BUSINESS
REPORT 2023**



**WE GROW
WHAT MATTERS**



ABOUT THIS REPORT

SCOPE AND BOUNDARY

This report aims to provide an overview of RCL FOODS' Sustainability Strategy and progress to date. It forms part of our 2023 suite of reports which includes our Abridged Integrated Annual Report, our Annual Financial Statements, our Corporate Governance Report, our Remuneration Report and the King IV Application Register.

The information reported covers the sustainability performance of RCL FOODS, its Rainbow Chicken business and Vector Logistics for the 12 months from July 2022 to June 2023. The sale of Vector Logistics was finalised on 28 August 2023.

The target audience for this report is all stakeholders with an interest in the activities of RCL FOODS, with particular emphasis on shareholders, investors, customers, consumers, employees and suppliers.

REPORTING APPROACH

Our Sustainable Business Report has been compiled with reference to the recommendations of King IV, the Global Reporting Initiative (GRI) Standards, the Sustainability Reporting Index (SRI) of the JSE Limited, and the Sustainable Industry Classification System® (SICS®) of the Sustainability Accounting Standards Board (SASB). These have been used for guidance only, with the reporting predominantly focusing on issues that are specifically material to RCL FOODS' business and stakeholder base.

As announced in our CEO's message in the 2022 Sustainable Business Report, RCL FOODS has refreshed its Sustainability Strategy, which is reflected in the updated structure and content of the current report. For more information on the new strategy please refer to [page 10](#). All material issues and metrics continue to be reported in the narrative and tabulated sections of the report.

ENSURING ACCURACY AND CREDIBILITY OF OUR RESULTS

We have implemented a number of management systems as a platform for managing our business' economic, social and environmental practices as indicated in the pages that follow. Our Broad-Based Black Economic Empowerment (B-BBEE) and Carbon Disclosure scores have been externally verified by GLP B-BBEE and Karen van der Wath (Carbon and Energy Management Consultant) respectively. The Board has relied on internal assurance providers with regard to the balance of the content in the Abridged Integrated Annual Report and Sustainable Business Report.

We value feedback and welcome any questions or comments regarding this Report. These can be emailed to the Company Secretary, Lauren Kelso, at lauren.kelso@rclfoods.com

NAVIGATING THE REPORT

The narrative content of our Sustainable Business Report is structured according to the **three Pillars and 10 focus areas of our new Sustainability Strategy**. Each Pillar is introduced with an overview and is followed by more detail on our management approach and progress in the related focus areas. Links are provided to related other sections of the report and supporting material.

USABILITY FEATURES



This icon signifies that related information is available online at www.rclfoods.com



Directs readers to the page in the Sustainable Business Report with more details



Directs readers to the page in the Abridged Integrated Annual Report with more details

Note: All tonnages referred to in this Report are metric tons (1 000kg).

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EXECUTIVE SUMMARY

Our Sustainability Strategy has been built into our Business Strategy to ensure alignment, focus and pragmatic ways to live our Purpose.

MESSAGE FROM OUR CEO

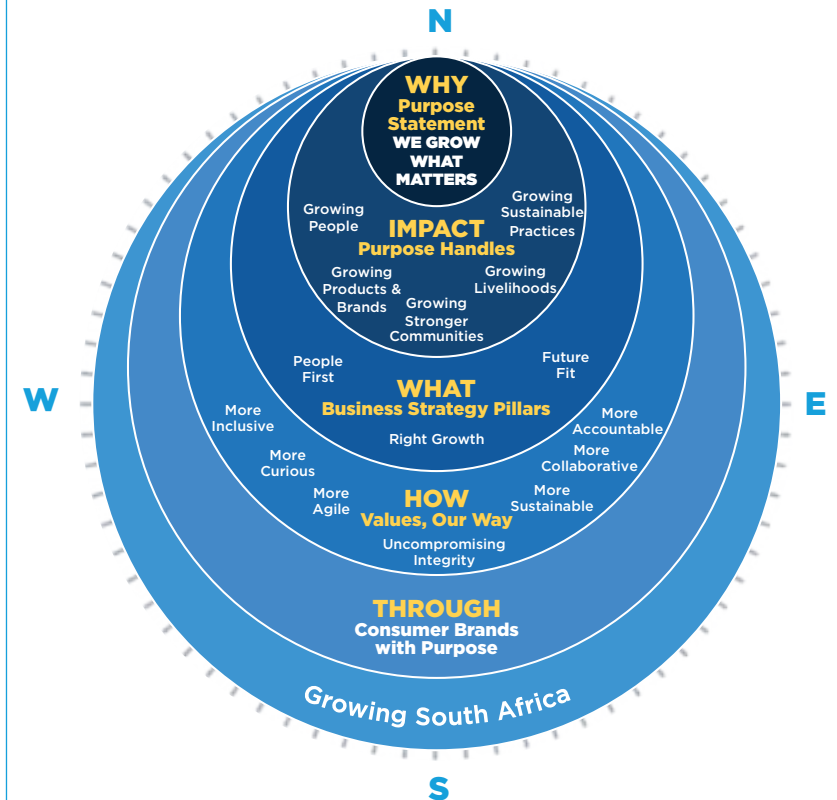
PAUL CRUICKSHANK
Chief Executive Officer

Good quality of life, or wellbeing, is something we all want for ourselves and our children. But achieving and sustaining wellbeing for everybody depends on protecting the natural environment that supports us; creating a just, equitable and inclusive society; and embracing practices that support long-term economic value creation for all.

As the RCL FOODS Value-Added Business, we want to create value for all our stakeholders and we have spent the past year engaging with them and reflecting deeply on how to go about this. The result was the launch of our newly articulated Purpose, Vision, Business Strategy and set of Values, which are summarised in our Purpose Impact Model alongside.



OUR PURPOSE IMPACT MODEL OUR PURPOSE IS OUR NORTH STAR



We want to make a positive impact. One that matters. That's why our Purpose has been defined as **WE GROW WHAT MATTERS**.

We believe that real impact starts with creating opportunities for employment, belonging and growth for our people. Through them we build brands and products that matter, we grow stronger communities and livelihoods, and we operate sustainably... so that we make a positive difference in our country and world.

Our Purpose is our North Star, and our Vision provides the view on where we are going: **to be a purpose-led business that delivers value for all and that creates the fuel to fund enduring positive impact.** The keys to this growth and impact lie in our Strategy (our What), supported by our Values (our How).

MESSAGE FROM OUR CEO CONTINUED

Sustainable practices are key to achieving our Purpose and Vision, which is why sustainability is embedded in every part of our Purpose Impact Model. Sustainability is more than being “green”; it is the practice of operating our business in a way that aims to meet the economic, social and environmental needs of the present without compromising the ability of future generations to meet their own needs.

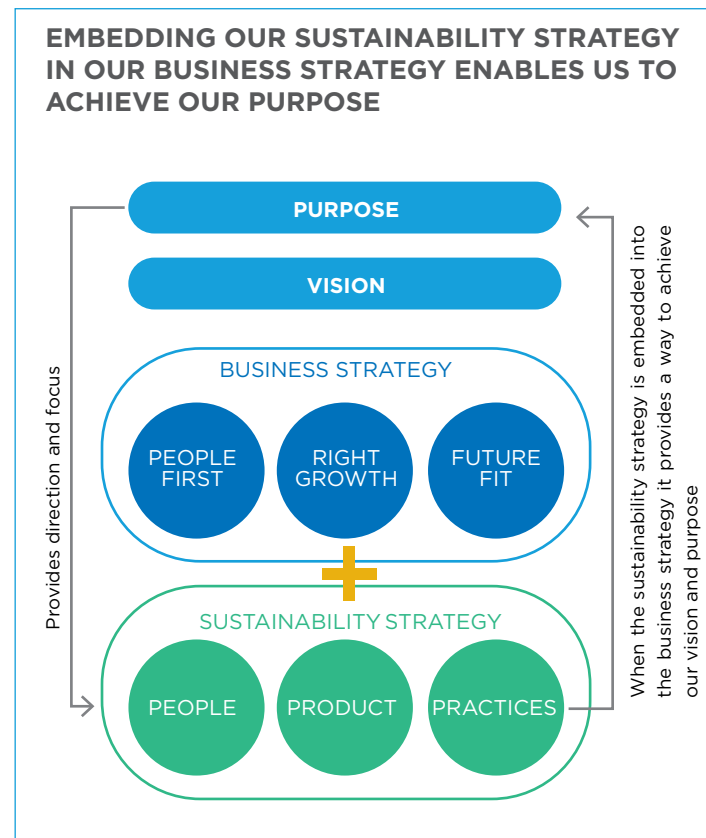
INTRODUCING OUR 2023 SUSTAINABILITY STRATEGY: A CRITICAL ENABLER FOR FUTURE FITNESS

RCL FOODS developed its first Sustainability Strategy in 2016, focusing on Nourishing People, Enriching Communities and Sustaining Resources. Given the changes that have taken place in our business and our dynamic operating context, we initiated a revision and subsequent refresh of our Sustainability Strategy in the second half of the 2022 financial year.

Our new Sustainability Strategy for the RCL FOODS Value-Added Business is the product of intensive engagement and collaboration with multiple stakeholders. Drawing on their diverse perspectives, we identified what environmental, social and governance issues are most material to our business and aligned these with the Sustainable Development Goals. The 2023 Sustainability Strategy, which is built on systems thinking, is: **to take credible action and do our part to deliver consumer goods that support the wellbeing of employees, consumers, communities and the planet.** This strategy is supported by three pillars, ten focus areas and a set of enabling actions which are described on [page 10](#).

SUSTAINABILITY BUILT IN, NOT BOLTED ON

We revised our Sustainability Strategy and defined our Purpose in parallel because they are equally critical in our economic, social and environmental sustainability: our Purpose and Vision provide our direction, while our Sustainability Strategy underpins delivery of our business strategy, and hence our Purpose. **Our Sustainability Strategy has been built into our Business Strategy to ensure alignment, focus and pragmatic ways to live our Purpose.** We believe that when we each live our Purpose where we are, together we can make an impact that ripples outward from our business into our communities and nation.



HIGHLIGHTS OF OUR SUSTAINABLE IMPACT IN 2023

Our achievements in the sustainability space in 2023 are the result of solid momentum built up under our previous strategy, and provide a springboard for our future work under our new one.

While the new strategy has only recently been launched, we have chosen to use it to structure our 2023 reporting – both as a way of exposing readers to our new focus areas and ambitions, and to highlight the work that is already being done. We look forward to building out new elements of our strategy in future reporting. For highlights of the impact we have made in 2023, please refer to [page 13](#).

ACCOUNTABILITY AND TRANSPARENCY

Uncompromising integrity is our central value as a business, and we are committed to doing the right thing as a responsible corporate citizen.

This includes holding ourselves to account for our sustainability performance and progress in our sustainability disclosures. As part of this, we have broadened our reporting to include greater reference to key sustainability metrics relevant to our stakeholders, voluntary standard setters, and international best practice. For more information please consult our Accountability: Transparency and Credible Disclosures section on [page 61](#).

When it comes to framing our medium-term sustainability goals and targets, our focus is to ensure that our public sustainability commitments are credible. In the coming financial year our emphasis will be on laying a foundation for well-informed 2030 goals, interim targets and the strategies to get there.

In closing, I would like to thank and commend all our stakeholders who have played a role in delivering the impact we feature in this report. As our Sustainability Strategy gains traction in the coming year, I look forward to sharing even more collaborative wins as **We Grow What Matters**, together.

OUR BUSINESS OVERVIEW

RCL FOODS is one of South Africa's leading food manufacturers, producing a broad basket of branded and private label food products in multiple categories, from household staples to value-added and speciality offerings.

Vector Logistics was disposed of in August 2023 and is therefore excluded from our profile of continuing operations below.

WE OPERATE THROUGH:

NEARLY

16 500
employees

ACROSS OUR VALUE-ADDED
AND RAINBOW BUSINESSES

IN

200
operations

PRODUCING

30
much-loved
BRANDS

WITH OUR

DO
MORE
FOUNDATION

PRODUCING:



90 million
jars of mayonnaise



25 million
jars of peanut butter



27 million
bags of pet food



120 million
pies



44 million litres
of beverages



350 000 tons
of flour



254 million
units of bread, buns and rolls



30 million
units of Speciality products



791 000 tons
of sugar sold externally



328 000 tons
of chicken products



1,3 million tons
of animal feed

Since 2020 we have been on a strategic journey focused on building a sustainable value-added business. In 2021, we separated the Rainbow business internally from the RCL FOODS Value-Added Business to prepare it for growth. It is currently operating as a largely independent entity within the Group. Our current business structure is as follows:

RCL FOODS VALUE-ADDED BUSINESS

R24,5 billion
revenue

9 963
employees

BUSINESS UNITS

Groceries (Grocery, Beverages)



Baking (Baking, Milling, Pies, Speciality)



Sugar (Sugar, Molatek Animal Feed)

RAINBOW

R13,5 billion
revenue

6 487
employees

BUSINESS UNIT

Rainbow (Chicken, Epol and Driehoek
Animal Feed, Matzonox Waste-to-Value)

SUPPORTED BY OUR CENTRAL FUNCTIONS AND BUSINESS SERVICES PLATFORM



OUR PURPOSE

How can we make a positive impact that matters? This is the question we asked ourselves in the process of framing our Purpose in 2023.

The world is changing faster than ever before, demonstrating that we are all interconnected and interdependent: business, society and the environment. This helps us see the role we play in multiple systems that depend on and impact each other. It moves our perspective from just creating value for our shareholders to creating value for all our stakeholders. And with that perspective, we are able to take deliberate steps to make a positive impact for people, communities and the environment.

At RCL FOODS, our Purpose is why we exist. It is our North Star that sets the path for us to follow. It's the catalyst for everything we do – every product and innovation we create, every engagement we have, every challenge we tackle – and it guides every decision we make.

Our vision is to deliver value for all and create the fuel to fund enduring positive impact. How we strive for this lies in our long-standing conviction that small, seemingly insignificant actions when taken together, can make a meaningful impact – which we call that little more. Coupled with this, we believe in the power of collaboration to solve challenges and unlock opportunities. This is what's behind the four words that encapsulate our Purpose

WE GROW WHAT MATTERS

We are a deeply rooted South African business and we believe our country will thrive when we collectively grow what matters.

That's why as RCL FOODS, we strive to serve peoples' needs; responsibly create opportunities for employment, belonging and growth; and do MORE to strengthen communities and the environment. Our purpose is anchored in a culture of empowerment and accountability, with uncompromising integrity at its heart.

We believe in seeing and doing things differently to inspire collective actions that grow into waves of meaningful change. Because we want to make an impact. One that matters.

With each of us doing that little MORE, together WE GROW WHAT MATTERS.

WE

Because **together** we are powerful

GROW

Because we are **active agents of change**, growing what we know matters to our people, communities and country

WHAT MATTERS

People, Brands & Products that nurture people and the planet; **Sustainable practices; Livelihoods** and **Stronger Communities**

OUR VISION

A purpose led business that delivers value for all and that creates the fuel to fund enduring positive impact

OUR BUSINESS STRATEGY

Guided by our Purpose and Vision, our Business Strategy focuses on three pillars – People, Growth and Future Fit – and the strategic enablers that support them.

PEOPLE FIRST

We embrace the power of diversity and aim to create an inclusive workplace that attracts, values, respects and invests in people so that all our employees thrive. We will also drive a culture of performance that prioritises action, solutions, simplicity and results, underpinned by accountability, collaboration and effective governance at all levels. Beyond our business, we will strive to ensure dignity and decent work throughout the value chain, while also collaborating with communities to strengthen their resilience through meaningful relationships and investment



RIGHT GROWTH

By growing our business and improving its returns, we aim to generate the fuel to fund enduring positive impact for all our stakeholders. We will drive growth through strong brands; strategic partnerships and acquisitions; and faster, more relevant innovation that is good for our consumers and the planet. Through this we aim to support the delivery of food security and affordable nutrition



FUTURE FIT

We aim to create a future-fit business by delivering cost efficiencies and reinvesting in the business to create a productive and resilient asset base. Alongside this, we will take credible action to address climate change and nature loss by targeting net zero carbon emissions, nature-positive operations and a circular economy

OUR STRATEGIC ENABLERS

Champion diversity and build an inclusive, high-performance culture

Strengthen community resilience through collaboration and investment

Invest in strategic capabilities to drive competitive advantage

Leverage dynamic platform through partnerships and acquisitions

Grow organically through strong brands

Scale up and enter new emerging channels and markets

Leverage consumer insight and partner with strategic customers

Deliver cost efficiencies and invest to become “best in class”

Build a “net positive” business to secure our economic, social and environmental future

OUR SUSTAINABILITY STRATEGY

Our revised Sustainability Strategy is key to achieving our Business Strategy and is embedded within it – helping us to Grow What Matters, together. Our Sustainability Strategy is to **“take credible action and do our part to deliver consumer goods that support the wellbeing of employees, consumers, communities, and the planet”**. This is supported by three Pillars (**People, Product and Practices**) and **ten Focus Areas**, each of which have defined ambitions for 2040, as shown below. These ambitions are advanced through a set of Enabling Actions in each Focus Area, which are key to delivering on our ambitions and living our Purpose.

PEOPLE

DIGNITY AND WELLBEING

Everyone has the right to dignity and wellbeing – we prioritise inclusivity and work together with employees, customers, communities, and our value chain partners to make lives better.

PRODUCT

PRODUCT AND BRAND INTEGRITY

We support lives well lived by offering responsibly produced and responsibly sourced consumer goods that support food security and help make healthy and sustainable living a reality.

PRACTICES

RESPONSIBLE OPERATIONS

We take credible action to support a timely transition to a net-zero and waste free economy and protect and restore nature while being transparent about our efforts and our progress along the way.



OUR FOCUS AREAS



EMPLOYEES



COMMUNITIES



PORTFOLIO &
BRAND



NUTRITIOUS
AND AFFORDABLE
FOOD



CLIMATE
ACTION



RESPONSIBLE
SOURCING



PROTECTING
NATURE



WASTE FREE



RESPONSIBLE
WATER



ACCOUNTABILITY

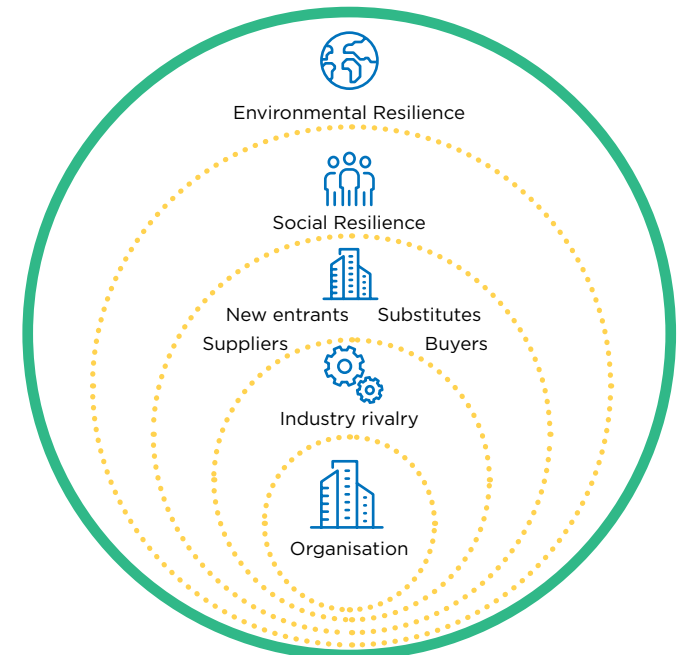
OUR APPROACH TO SUSTAINABILITY

Our approach to sustainability is guided by our Purpose: **We Grow What Matters**. It's about making an impact that matters (page 8) – one that is positive and enduring, collaborative in nature and unlocks opportunities to see and do things differently. This approach is underpinned by **six key principles: a systems-view perspective; the creation of value for all stakeholders; embedding sustainability in our core business; stretching ambitions supported by credible goals; and collaboration and transparency**. The incorporation of these principles into our Business Strategy and our Culture enables us to play our part in driving necessary change and ensuring our future-fitness as a business. Below we unpack these principles in more detail.

KEY PRINCIPLES OF OUR APPROACH TO SUSTAINABILITY

- **A systems view:** We recognise that RCL FOODS exists within a complex operating context made up of several interrelated systems, each impacting on and impacted by the other – in other words, a systems view. This means that we are part of a system where the health of our business is directly related to the health and resilience of the systems in which it operates – environmental, social and economic. This requires that we operate in ways that strive to serve peoples' needs and strengthen communities and the environment.
- **Value for all:** In line with this systems approach, we aim to create value for all – not just for shareholders, but for all stakeholders and the systems that they are part of. In so doing, we seek to make a positive impact on the systems we depend on, which contributes to our Purpose. In this context, growing our business and improving its returns is key, because this creates the fuel to fund enduring positive impact, in line with our Vision.
- **Embedding sustainability:** To achieve this, sustainability considerations are being deeply embedded in our core business. This will support our journey toward driving sustainability more widely and deeply in our culture, business decisions, processes and governance.
- **Credible action:** A critical component of our approach to sustainability involves taking credible action. While we set bold long-term ambitions to ensure that we stretch ourselves, we set short term goals with credible targets to ensure that we achieve meaningful change in what we commit to do. This involves the co-creation of goals and ambitions with our functional teams who are aware of the resources and actions it will take to reach them, and have the capabilities to drive them.
- **Collaboration:** We believe that key mechanisms for achieving this meaningful change involve engaging multiple stakeholders to nurture collaboration and understanding how each of our roles can collectively make a meaningful difference.
- **Transparency:** Fostering transparency through open communication, increased non-financial disclosures and higher levels of clarity and accuracy.

WE OPERATE IN A COMPLEX SET OF NESTED SYSTEMS



OUR APPROACH TO SUSTAINABILITY CONTINUED

OUR APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DISCLOSURES

Part of the work to embed the Sustainability Strategy across the Value-Added Business will involve following selected ESG standards to support our management and disclosures. This is both because it is a mechanism to help shape business behaviour towards more sustainable practices and it provides transparency on a range of material issues for stakeholders. The selected standards include those of the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and the Johannesburg Stock Exchange's Sustainability Disclosure Guidance (JSE). While these have always guided our sustainability reporting, these have been integrated to a larger degree in the current Sustainable Business Report.

OUR GOVERNANCE OF SUSTAINABILITY

Board oversight of our sustainability agenda, risks and performance is carried out through the Social and Ethics Committee and Risk Committee, via regular reporting and the use of key performance indicators. Management oversight is provided by the RCL FOODS Executive team and the Group Sustainability Team, who are responsible for developing strategies, policies and processes for embedding sustainability in the business. They also convene a Food Governance Committee which meets quarterly, ahead of the Board Social & Ethics Committee and Risk Committee meetings. Implementation of the Sustainability Strategy takes place via a matrix structure of functions and operations, aiming to localise strategies and operationalise sustainability plans and procedures.



OUR IMPACT IN 2023

PEOPLE PRODUCT PRACTICES

R25 million
relief fund provided for
repair of small-scale
grower infrastructure

5,7 million
meals of DO MORE
Porridge provided to
help vulnerable young
children learn and grow

30%
less plastic in our
new lighter, stronger
pallet wrap

PEOPLE



Management diversity improved by 4%

Second Diversity and Inclusivity research study shows progress made and work to be done

Support for women's advancement recognised in Gender Mainstreaming Awards

Skills development boosted with over 800 learnerships and apprenticeships

YouMatter Employee Wellness Programme making an impact

Sporting events boost Nkomazi community

Social development programmes extended from four to eight communities near our operations

PRODUCT



Affordable options provided to consumers through Yum Yum and Nola value innovations

Value tier introduced in Optimizor dog food brand to provide an affordable option in the pet shop/co-op channel

Specialised Diets range launched in Bobtail to provide affordable products for special needs

We continue to focus on improving affordability of plant-based products

Consumer complaints continue to decline

Maintained all food safety accreditations

PRACTICES



26% more electricity co-generated from bagasse at our Sugar mills

Biomass used to displace non-renewable energy in two new projects

Energy resilience planning ramped up across business

Solar electricity generation increased by 8%

20% less raw water used in our Sugar agricultural operations

Technical challenges with Rustenburg Waste-to-Value plant ramp-up

Lighting audits carried out to establish electricity reduction opportunities



15 PEOPLE
40 PRODUCT
44 PRACTICES

OUR IMPACT UNPACKED



PEOPLE

Everyone has the right to dignity and wellbeing – we prioritise inclusivity and work together with employees, customers, communities, and our value chain partners to make lives better.

OUR 2040 FOCUS AREA AMBITIONS



EMPLOYEES

We foster wellbeing and belonging through an inclusive workplace that attracts, respects and invests in people



COMMUNITIES

We collaborate proactively with communities to build local opportunities and strengthen resilience through meaningful relationships and investments, so that communities end up better off because of our presence



OUR EMPLOYEES: OVERVIEW

OUR EMPLOYEE PROFILE IN 2023

(INCLUDING VECTOR LOGISTICS)

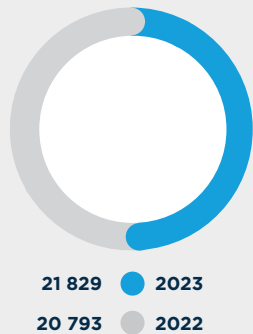
Our **permanent employees increased by 1 036** during the period, mainly due to our acquisition of Sunshine Bakery Holdings Proprietary Limited.

There was a 3 percentage point increase in the number of employee terminations across the business due to an increase in resignations in Vector Logistics, a higher number of dismissals in the Baking business unit, and retrenchments in the Sugar business unit related to the discontinuation of banana operations in one of our Sugar joint ventures.

Increasing the representation of historically disadvantaged South Africans in our business, commonly referred to as “employment equity”, is a priority for us. It is a crucial element in creating an intellectually and culturally diverse environment where different viewpoints help create a culture of innovation, inclusion and engagement. This will keep us competitive and drive organisational and personal success.

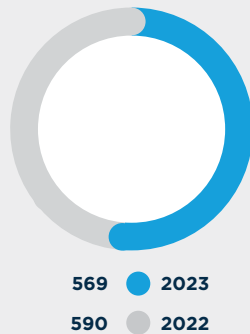
Total employee headcount

PERMANENT



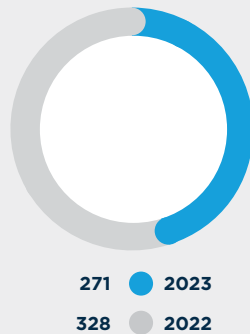
FIXED TERM

>90 days



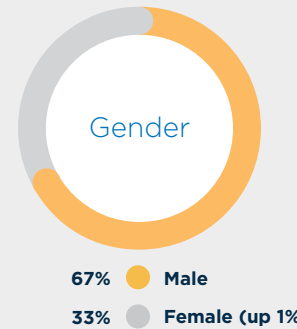
TEMPORARY

<90 days

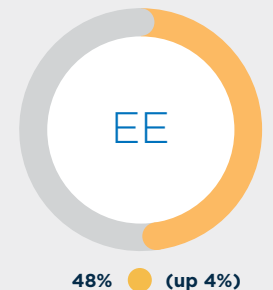
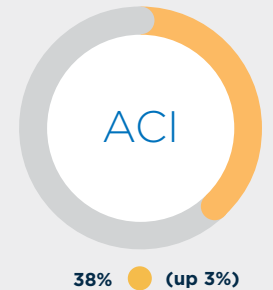
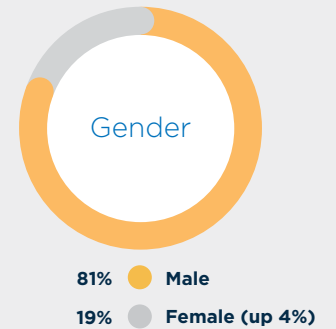


Our group diversity profile

TOTAL RCL FOODS



MANAGEMENT***



* ACI: African, Coloured and Indian

** EE: Employment Equity (ACI, females and people living with disabilities)

*** Management defined as D, E and F band (Paterson grading)



OUR EMPLOYEES: OVERVIEW CONTINUED

POSITIVE IMPACTS IN 2023

- We articulated and launched **Our Purpose: We Grow What Matters**
- We **embedded Our Purpose** in our strategy, **culture and performance management** to ensure maximum impact in growing what matters
- We increased our **employment equity representation at management level by 4%** and took our **Diversity & Inclusivity Circle Conversations** deeper into the business to build inclusivity
- We **conducted our second D&I research study** with over 15 000 participants from the business
- We were certified a **Top Employer** for the fourth year by the Top Employer Institute
- We **invested R56,3 million in training and development** – up from R48 million in 2022
- We improved our **B-BBEE contribution level from 5 to 4** (Appendix 2) in August 2022
- We continued to drive **employee health, safety and wellness** through our YouMatter Employee Wellness Programme and our Safety Culture campaigns
- We continued to drive **employee engagement** through the **Let's Talk employee mobile app**, which now has over **12 700 users**. Our monthly online leadership engagements and quarterly business-wide **Let's Talk Live** webinars led by the CEO remained an effective mechanism for information sharing and connection

KEY CHALLENGES AND OUR RESPONSE

- We experienced an **increase in industrial action** that coincided with several multi-year wage agreements coming to an end. We acknowledge the pressure our employees face as consumers and are committed to addressing their needs in a responsible manner, while seeking to limit inflationary impacts on consumers
- Given the disappointing **failure of the Employee Share Ownership Scheme (ESOP)**, we are continuing to investigate options for value transfer to employees
- There is a **need for technical development** in our operations and we have made progress in implementing reskilling, upskilling and multi-skilling projects. An example of this has been a significant increase in the number of learnerships rolled out in the Groceries and Baking business units and in Group Services
- Although on a downward trend, **safety incidents** in our operations remain a concern and we have placed an emphasis on further communicating and strengthening our safety culture
- Our Rainbow operations were impacted **by power and water interruptions**, particularly in the Northern Region, which resulted in the need for **additional shifts to be worked over weekends** to compensate for lost time. This, together with the addition of a weekend shift at the Pies facility, contributed to a higher number of contract workers employed in the business in 2023



CASE STUDY

Because of RCL FOODS my life is better

- Gabriel Mokgalabone's story

Gabriel Mokgalabone is a passionate young Research & Development Assistant at our Pet Food plant in Randfontein. Driven by a desire to prove himself and make an impact, in a single year he went from being a general worker to an intern and now a permanent member of the RCL FOODS team. Before that, life was anything but secure for Gabriel and his family.

With a BSc degree in Biochemistry and Physiology, Gabriel spent five years unemployed before deciding he would walk 14 km to RCL FOODS' Randfontein Grocery plant every day until a work opportunity arose. When it did, 10 months later, it was a casual job on the Yum Yum Peanut Butter production line, followed by a similar one in the Pet Food plant. One of his duties was to take raw material samples to the on-site laboratory for testing, and that is where he decided he wanted to work, no matter what it took. RCL FOODS had no vacancies available at the time, but he could volunteer to gain experience. Seizing the chance to prove himself, he spent 10 months working his normal nine-hour casual shift in the Pet Food plant and then volunteering for another two in the laboratory. He also completed a food safety system certificate in 2022.

Recognising Gabriel's extraordinary commitment, RCL FOODS offered him a one-year internship in Animal Health and he rose to the challenge, taking the initiative to create 18 Standard Operating Procedures from scratch. Seven months into the contract, he was promoted to R&D Assistant and is thriving in his new role. He feels the sacrifices he made to get where he is are well worth the opportunity he now has to support his family and make a meaningful difference at RCL FOODS. Perhaps most significantly, he feels recognised and valued as an important part of the R&D team.





OUR APPROACH AS AN EMPLOYER

Our employees are our greatest resource – it is through their skill, commitment and teamwork that we are able to Grow What Matters, together. For this reason our ambition is to foster wellbeing and belonging through an inclusive workplace that attracts, respects and invests in people.



Key to delivering on our Purpose and Vision is the creation of an **inclusive, high-performance culture** – part of the “People First” pillar of our business strategy – where every employee feels a sense of safety and belonging, and people are both empowered and held accountable. In order to do this, we focus on:

- building a diverse and inclusive organisation with a unique and compelling culture, “Our Way”
- growing effective and authentic leadership
- developing people and teams
- driving collaborative employee relations and engagement
- protecting and promoting our employees’ health, safety and wellness.

These priorities are echoed in our sustainability strategy which identifies four key enablers for positive impact for employees:

- Inclusion
- Fair labour practices and remuneration
- Investing in people
- Employee and contractor wellbeing.

Our approach to these and key highlights are explored in the pages that follow.

THE PRINCIPLES AND PRACTICES THAT GUIDE OUR APPROACH AS AN EMPLOYER

In order to responsibly create opportunities for employment, belonging and growth for our people, our employment practices are guided by:

- Our Values in Action, with Uncompromising Integrity at their heart
- Our performance management framework
- The RCL FOODS Code of Ethics, which includes anti-bribery and corruption
- The RCL FOODS Recruitment Policy
- Our Employment Equity Policy and targets
- Our collective bargaining agreements
- Our disciplinary and grievance policy and procedures
- Compliance with labour legislation and standards – particularly the Labour Relations Act, the Basic Conditions of Employment Act and the Occupational Health and Safety Act
- Our anonymous Hayibo tipoffs hotline which provides an avenue for employees to report ethical breaches, unfair discrimination and inappropriate conduct. Incidents of discrimination or harassment are taken seriously and are managed appropriately through relevant management structures
- Our Code of Ethical Business Practices which is included in every supplier contract and requires suppliers (including temporary labour suppliers) to abide by all legislation regulating the relationship between employer and employee, including bribery and corruption and child and forced labour.



INCLUSION

We believe that by valuing all people and supporting their inclusion, we can contribute to a more equitable, prosperous, and harmonious society.

OUR APPROACH TO DIVERSITY AND INCLUSIVITY

We aim to create a diverse, inclusive and high-performance environment where all employees and stakeholders believe they can excel. Creating a diverse and inclusive culture is about celebrating differences and inclusivity is about leveraging them, which leads to growth for all. Based on this, **our approach to diversity and inclusivity has two parts:**

- **Driving diversity:** We celebrate diversity (gender, ethnicity, disability, religion) and are actively working to grow it through a range of initiatives, some of which are described in the pages that follow.
- **Creating an inclusive culture:** We are working to create an inclusive environment by creating opportunities for open and honest dialogue that leads to impactful personal and team transformation; supporting the business through capability building and development; leveraging diversity to challenge the status quo; and driving engagement across all levels of the business so that our direction is clearly understood and all have the chance to use their voice.

OUR D&I STRATEGY

THE WHY

CHAMPION DIVERSITY AND BUILD AN INCLUSIVE, HIGH-PERFORMANCE CULTURE

DIVERSITY is about differences and INCLUSIVITY is about leveraging them, which leads to growth for all

THE WHAT



- Employment Equity and B-BBEE
- Drive Gender Equality
- Female/ACI Talent Development and Leadership Development
- Investing in young women (Basadi Bereka and Pipeline Development)
- Women Empowerment (30% Club)
- Disability Campaign
- Youth Employment and Development Initiatives



- Inclusivity Circle Conversations
- Equipping Leaders to lead more inclusively
- Rollout of YouMatter Employee Wellness Programme (including mental wellness)
- Team Effectiveness Interventions

THE HOW

LISTEN, HEAR
AND ACT

BUILD MINDSET, SKILLS
AND CAPABILITIES

SENIOR LEADERSHIP
COMMITMENT

CLEAR, SMART
COMMUNICATIONS

SET GOALS, MEASURE
AND REPORT

CREATE ACCOUNTABILITY
FOR RESULTS



INCLUSION CONTINUED

ADVANCING DIVERSITY AT MANAGEMENT LEVEL

We are committed to increasing diversity at management level through a range of initiatives to support our emerging ACI and women leaders ([page 22](#)).

We have targets in place to ensure we progressively increase our leadership diversity, and we are making progress against these. In 2023 we **increased our ACI and female component at management level by 4%**.

Our current 5-year Employment Equity targets (below) were submitted to the Department of Labour in January 2021.

RCL foods management diversity targets to 2025

	Grade	2025 % EE Target	2025 % ACI Target	2025 % Female Target	2025 % ACI Female Target
Top management	F	40%	30%	25%	20%
Senior management	E	50%	40%	30%	25%
Professional qualified and experienced specialists and mid-management	DU	55%	40%	35%	30%
Professional qualified and experienced specialists and mid-management	DL	70%	55%	45%	40%
Professional qualified and experienced specialists and mid-management	D	65%	50%		

In 2022 we became **signatories of the 30% Club**, a global campaign group of business chairpersons and CEOs taking action to increase female representation on boards and senior management teams to at least 30%. We are also a proud sponsor of the **Gender Mainstreaming Awards** and have hosted the Regional Gender Mainstreaming Awards event for the last two years.



INCLUSION CONTINUED

DIVERSITY AND INCLUSIVITY JOURNEY HIGHLIGHTS

- Our efforts to empower women were recognised at the **Gender Mainstreaming Awards** in September 2022 where we achieved the following:
 - » Winner: **Economic Empowerment Award** (listed companies)
 - » Category Winner: **Economic Empowerment Award** (listed and non-listed companies)
 - » Third place: **Empowerment of Women in the Community Award** (listed companies)
 - » Fourth place: **Women Empowerment in the Workplace** (listed companies)
- We **completed our second D&I research study** to gauge our people's perceptions of our progress and identify current challenges and opportunities to improve employees' sense of belonging. It gave us a **clear picture of what has progressed since the inception of our journey in 2019, and what still needs focus.**
- Based on our D&I research feedback, we **created bespoke D&I Roadmaps for each of the Business Units and Functions** and produced our **first series of capability building workshops** aimed at personal, leadership and team development.
- We **continued to roll out our D&I Circle Conversation methodology** across the business, creating a safe psychological environment where our employees can engage with each other in courageous conversations. A total of 444 conversations have been facilitated across the business so far.
- We have made good progress against our 2025 EE and ACI targets, doubling our female representation at Director level** (E and F band) and meeting our EE and ACI targets at D-lower level. However, our EE and ACI representation at E Band level dropped by 18% and 16% respectively, following promotions to Director level.
- We **designed and piloted an Unconscious Bias programme** to help our talent acquisition officers to build skills to reduce the likelihood of unconscious bias in their work and recruitment practices.
- To bring visibility and awareness to **key D&I initiatives and statistics**, we have developed a **D&I dashboard** on the RCL FOODS intranet.

Research participation in our second D&I study

One-on-one interviews and small group discussions (qualitative)	113	PARTICIPANTS
	53%	FEMALE
	54%	NATIONAL OFFICE
	46%	SITE
<hr/>		
Survey through Let's Talk (quantitative)	1 547	PARTICIPANTS
	87%	FROM A-C BAND
	17%	OF TOTAL HEAD COUNT



CASE STUDY



Our mainstreaming agend(er)

Gender transformation in the workplace is not just a constitutional imperative, it's a business one too. Numerous studies have shown that companies with a higher representation of women in senior management positions outperform those with proportionately fewer women at the top.

At RCL FOODS we recognise that we have a role to play in increasing the inclusion of women in our business, especially at management level. Our efforts to do so have already yielded improvements over the last few years – and we remain committed to helping address the challenges women experience in the workplace, such as

a lack of confidence to express their opinions, gender discrimination in various forms, and a sense of needing to work harder to prove themselves.

Our aim is to create a respectful, psychologically safe and inclusive culture for all our women employees through facilitating open and honest engagement, mentorship support and robust talent development programmes.

Key feeder schemes for female talent are our Women in Engineering management trainee programme in the Sugar business unit, our Women in Agric programme in Chicken agriculture and our Basadi Bereka programme in the Groceries and Chicken businesses. Each year new apprentices, learners and management trainees are added into our talent pipeline and we intentionally ensure that female representation in these groups is prioritised.

We track, report on and celebrate the success of the women who have been absorbed or promoted based on these programmes. In parallel, we prioritise female inclusion in our bespoke portfolio of leadership and management development interventions.

All these initiatives were brought together under the banner of the **“I WAS HERE” Women Empowerment Project** which we submitted for adjudication in the latest Gender Mainstreaming Awards. Our aim is to ensure that “we are agile enough to deploy, develop and support our female talent to meet our business needs as well as to provide stretching experiences to develop and grow our female talent in accelerating their personal and professional growth”.

We were proud to receive a bronze award for the “I WAS HERE” Women Empowerment Project at the awards.



LABOUR PRACTICES AND REMUNERATION

In order to create a work environment that is conducive to productivity, participation and organisational stability, we actively drive best management practices in all our operations. This includes equitable and fair working conditions through supporting our employees' freedom of association and collective bargaining; regular, open communication; and efforts to ensure our people are fairly compensated. We ensure that salary reviews and benefits of employment are determined through a process of fair engagement in which workers get a genuine and fair opportunity to represent their interests.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

All employees have the right to join or form trade unions or any other organisations or structures of their own choosing, without prior authorisation from RCL FOODS. They also have the right to bargain collectively and we provide employees and their representatives with all relevant information to enable them to engage meaningfully in negotiations. Recognition agreements regulate the relations between RCL FOODS and the trade unions, as well as making provision for the collective bargaining process. In terms of these agreements, a minimum of a 60-day consultation period must be given to employees and their representatives prior to implementing any significant operational changes that could substantially affect them.

- **The various bargaining units in our business currently represent 72% of our workforce**, and the recognised trade unions negotiate salaries and conditions of employment through them as per established recognition agreements. Currently 41% of bargaining unit staff are not union members. To ensure proper communication and engagement with our social partners in these unions, we also have national and site-based employee representative forums.
- **We adopt an open attitude towards the activities of recognised trade unions**, which are accorded organisational rights in terms of the Labour Relations Act 66 of 1995. We allow and facilitate trade union access to the workplace to organise workers and do not discriminate against any person because of his or her trade union membership. **Non-discriminatory policies and procedures were updated and entrenched in 2023** to respect trade union organisations and union membership.
- We have signed **multi-year wage agreements with unions across most of our business units**, helping to keep employee industrial action to a minimum. That said, we did experience industrial actions during the year, largely related to multi-year wage agreements coming to an end in our Groceries and Baking business units.





LABOUR PRACTICES AND REMUNERATION CONTINUED

EMPLOYEE COMPENSATION

We play a key role in sustaining livelihoods in South Africa and we support thousands of people through the employment we provide. Maintaining employment is a key imperative for us, and in tough economic times this entails carefully balancing our responsibilities to employees with our obligation to ensure sustainable food provision to consumers. At the same time we acknowledge the need to reward our people fairly for the work they do. We are beginning a journey to explore emerging approaches to addressing wage inequities, and develop a fair compensation framework.

OUR REMUNERATION APPROACH AT A GLANCE

- All employees (whether part of the bargaining unit or not) earn a **basic salary plus benefits**. For employees in the Bargaining Unit, these benefits include subsidised transport and zero-interest loans.
- To ensure our people are provided for in retirement and in the event of disability or death, we contribute to either a **Provident Fund or a Pension Fund** for all permanently-employed Bargaining Unit and non-Bargaining Unit employees. Contributions to both funds vary based on the structure of the individual's salary package and the member contributions selected by the employee.
- Employees have access to a **pension fund-backed home loan**.
- **Drafting of wills and estate planning** is offered to all employees through a service provider.
- The terms and conditions of non-Bargaining Unit employees are determined by RCL FOODS and contained in the letters of appointment. Such conditions are further regulated by the Basic Conditions of Employment Act 75 of 1997.

PARENTAL AND FAMILY RESPONSIBILITY LEAVE

We support the individual needs of our employees as parents and family members. In 2023, a total of 54 416 days of family-related leave were taken, of which 35 767 were for maternity leave and 11 67 were for paternity leave.

In order to better support our employees (women and men) when they take parental leave, we now pay out their annual bonus on a full-year basis, rather than pro-rated according to the number of months worked in the year. We believe this is important in signalling that we value and support our people at a critical stage of their personal and professional lives.

DISCIPLINARY AND GRIEVANCE POLICIES AND PROCEDURES

To ensure equitable and fair working conditions, **we have clear disciplinary and grievance policies and procedures which we communicate to all our employees through the induction process**, through training and through ongoing communication of our standard policies and procedures via the RCL FOODS intranet and other channels.



PREVENTION OF CHILD AND FORCED LABOUR

We do not support child or forced labour in any form. We enforce our Recruitment Policy which prohibits the hiring of individuals below the age of 18 years as stipulated in the Basic Conditions of Employment Act. Our internal structures and audits monitor appointments, with a particular focus on child labour, and we are strengthening the use of adequate and verifiable mechanisms for age verification in recruitment procedures.

Our proscription of child and forced labour and other unethical business practices extends to our supply chain agreements, which all contain our Code of Ethical Business Practices.

Should we become aware of a legal non-compliance issue with suppliers, we advise them to take appropriate actions within a reasonable time frame to rectify, remediate or mitigate the consequences of the lapse. Should they fail to address these, we disclose the non-compliance to an appropriate authority where required by law or regulation or where considered necessary in the public interest.



INVESTING IN PEOPLE

By investing in our people's learning and development, we aim to build and retain a pipeline of talent and develop the capabilities we need to support delivery of our Purpose and long-term business goals.

OUR APPROACH TO LEARNING AND DEVELOPMENT

We facilitate ongoing learning and development through focused, fit-for-purpose initiatives delivered through our RCL FOODS Corporate College, the LEARN MORE COLLEGE ([Appendix 3](#)). These initiatives aim to grow current and future leaders, support individual career development, develop professional skills and high-performing teams, build core capabilities through development programmes and feeder schemes, and support our broader talent management initiatives. Our programmes are offered both in house and externally, face to face and virtually via various e-learning and collaborative platforms. At RCL FOODS we recognise that everyone has different developmental needs, so we encourage our people to complete an Individual Development Plan.

We place a strong focus on leadership development at all levels of the organisation, with careful attention to developing ACI and female leadership capabilities. Transitional leadership development programmes are a key focus to help high-potential talent to advance their careers. These include our **Emerging Leaders Programme** (for individuals who are newly appointed into managerial positions or individuals earmarked for future managerial positions), and our new **Executive Mentorship Programme** (profiled alongside). Within our professional skills academies, our career-path-aligned learning paths also support talent to gain the competencies and skills necessary to progress to higher levels of leadership and responsibility. Two key programmes focused on growing leadership skills at a manufacturing level are our **Supervisory Fundamentals Programme** and our **Basadi Bereka** (Women at Work) initiative ([page 23](#)).

LEARNING AND DEVELOPMENT HIGHLIGHTS

- **R56,3 million was invested in training 9 088 employees**, of which 88% were ACI and 39% were female.
- To strengthen our organisation's leadership bench strength, we recently launched an **Executive Mentorship Programme for newly-appointed E-band executives and high-potential D-upper leaders**. Positioned within our Leadership Development Academy as a transitional or accelerated development programme, the 18-month initiative consists of bi-monthly external coaching sessions facilitated by the UCT Graduate School of Business and monthly internal mentoring sessions delivered by our own directors. The 14 mentees currently on the programme have rated both the coaching and mentoring sessions above 80%, with 5 being promoted to director level themselves since the start of the programme.

- We invested further in skills development, with **828 currently registered on learnerships and apprenticeships** across our business – a **20% increase** from the prior year. What's more, 96 participants are People Living With Disabilities that we are able to help empower for future success. These learnerships are being carried out in all areas of the business in diverse qualifications ranging from Food Manufacturing Management to Business Administration, Sales & Marketing, Project Management and Supply Chain. Not only are they assisting in upskilling employees, but they are also supporting unemployed learners to earn a stipend while gaining skills to enhance their employability.
- As part of our journey to grow digital mindsets and skills across the business, we have **developed over 100 "citizen analysts" through peer-led training**. Our citizen analysts are so named because they don't have "analyst" in their job title, yet they are learning to use digital tools to generate valuable insights from the data they interact with in their daily work – thus boosting our insights in multiple areas.

Our talent feeder schemes (including Vector Logistics)

Talent feeder schemes	F21			F22			F23		
	Total	Total ACI	% ACI	Total	Total ACI	% ACI	Total	Total ACI	% ACI
Apprenticeships*	79	79	100	91	90	99	76	75	99
Learnerships*	189	188	99	598	589	90	752	718	95
Bursaries	9	8	89	16	16	100	12	12	100
Company Assisted Studies (CAS)	132	109	83	144	126	88	156	141	90
Graduate Placements	7	7	100	19	19	100	20	20	100
Management Trainees (including Engineers-in-Training)	68	58	85	11	9	82	46	39	85
Internships	44	44	100	85	85	100	105	105	100

* Accredited by the South African Qualifications Authority (SAQA)



EMPLOYEE AND CONTRACTOR WELLBEING

As a manufacturer and processor, our business carries inherent risks that can affect the health and safety of our people and our contractors. We acknowledge that it is our duty to provide safe and healthy working conditions that support physical and mental wellbeing.



OUR APPROACH TO EMPLOYEE HEALTH, SAFETY AND WELLBEING

We strive to promote and protect the wellbeing of our employees through strict adherence to health and safety protocols and provision of a range of occupational and personal support initiatives. Annual wellness assessments are carried out by trained occupational nurses who also provide advice and referrals where necessary. Some of our on-site clinics offer limited primary healthcare services to our employees, and we have made a low-cost medical aid option available to assist our factory-based manufacturing teams with basic medical cover. With employees facing increased financial and relational stress post the COVID-19 pandemic, our YouMatter employee wellness programme is playing an important role in helping employees to develop resilience.



INITIATIVES TO PROMOTE EMPLOYEE WELLBEING

- We continue to see **increased usage of the free YouMatter programme**, particularly in the area of mental health. The programme is making a positive impact on improving employee resilience. **It assisted with 72% more individual cases in 2023.**
- We are trialling an initiative at our Randfontein Grocery site which provides employees with **access to money they have already earned before payday**. With debt on the rise in South Africa, we hope to **provide a safer alternative for emergency fund access**, combined with debt and financial counselling through our YouMatter programme.
- To strengthen safety in the workplace, we **implemented a business-wide safety campaign called Safety – A Way of Life.**
- We invested in additional safety measures at our Sugar mills, including **physical guarding, rails, signage, PPE, and training and awareness interventions.**

EMPLOYEE AND CONTRACTOR WELLBEING CONTINUED

OUR OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

We have an occupational health and safety management system in place at all our sites which aligns with the Occupational Health and Safety Act 85 of 1993, as well as the ISO 1400 and ISO 45001 standards. All workers, activities and locations are covered by this. Below we outline the basic elements of our occupational health and safety approach at RCL FOODS.

1. WORKER PARTICIPATION, CONSULTATION AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

Our employees are key stakeholders in the occupational health and safety management system, and we consult with them through our regular safety committee meetings, management toolbox talks and shift meetings. This includes consulting our people prior to finalising new policies related to workplace health and safety.

2. EMPLOYEE INVOLVEMENT

Another key element of our occupational health and safety system is the involvement of our employees in its implementation and evaluation on site. Safety representatives are nominated by employees to serve on its safety committee, and conduct monthly inspections to identify and report potential hazards. Every worker is encouraged to report any unsafe or unhealthy conditions to their line manager or another manager, and are made aware that they cannot be victimised for doing so in terms of Section 26 of the OHS Act, which is shared with them at their induction. Should an unsafe situation be reported, there is a competent person or team available to evaluate the potential risks.

3. OCCUPATIONAL HEALTH AND SAFETY TRAINING

We provide comprehensive training and education on occupational health and safety risk assessment methodologies, principles, and best practices to enable us to proactively identify and manage risks. This includes both formal training in legal liability, safety rep training, first aid training, chemical training and general safety inductions, as well as informal engagements via 5-minute safety talks, safety meetings and worker forums. A highlight of the period was the **delivery of a NQF level 4-accredited Train the Trainer learning programme to 62 RCL FOODS SHEQ employees**, which developed their practical skills in planning and delivering effective training sessions in their teams.

4. PROMOTION OF WORKER HEALTH

We aim to support our employees' wellbeing to the greatest extent possible. Annual wellness assessments are carried out by trained occupational nurses who also provide advice and referrals where necessary. Some of our on-site clinics offer limited primary healthcare services to our employees, and we have made a low-cost medical aid option available to assist our shopfloor employees with basic medical cover. Our YouMatter employee wellness programme provides RCL FOODS employees and their families with a range of wellness support services.

5. OCCUPATIONAL HEALTH SERVICES

RCL FOODS has more than 50 occupational clinic arrangements in place, with clinics focusing primarily on occupational health services. Our onsite and mobile clinics conduct annual health risk assessments for our employees, identify work-related illness, assist with referrals and recommendations, and offer primary healthcare services at the larger sites. Workers are encouraged to make use of the occupational health services through management toolbox talks, onsite notices and their safety reps.

6. MITIGATING WORK-RELATED INJURIES AND ILL HEALTH

Work-related injuries arise mainly from slips, trips and falls; being struck by moving machinery; and cuts and lacerations. Motor vehicle incidents also occur from time to time in transporting goods. In order to reduce the risk of safety incidents, we conduct regular Hazard Identification Risk Assessments (HIRA) at our sites in line with the ISO 45001 standard. We then either remove the identified hazard or mitigate the risk through personal protective equipment (PPE) and engineering/administrative controls, supported by clear communication. Where an incident occurs at a site, its root cause is established by a nominated investigation officer and recommendations for corrective action are implemented as far as possible.

In 2023 two of our employees lost their lives while at work, one in a motor vehicle accident and one in a hijacking. Our condolences go to the families of these employees, both of whom worked in the Baking business unit. To strengthen our defences against safety incidents of all types, we have rolled out a company-wide safety campaign, Safety – A Way of Life, which ties in with our values – especially MORE Accountability.

We also monitor work-related hazards that pose a threat to our employees' health, such as low temperatures, dust and fumes, noise and repetitive activities. We take preventative action to minimise exposure to these through the provision of appropriate PPE and training on safe ways of working. Noise-induced Hearing Loss (NIHL), respiratory issues and Work-related Upper Limb Disorders (WRULDs) are the most common work-related health issues experienced. The incidence of these is monitored via occupational health assessments, staff consultation, occupational hygiene surveys and HIRAs. Occupational health and safety risk assessments are not once-off activities. They provide a foundation for ongoing improvement in the safety system.



OUR COMMUNITIES: OVERVIEW

Beyond the provision of food, we have an opportunity and a responsibility to contribute to the economic and social wellbeing of the communities around our operations. Investing in our communities strengthens our workforce, unlocks opportunities for local economic growth and enables us to make a positive difference that matters. For this reason **our ambition is to collaborate proactively with communities to build local opportunities and strengthen resilience through meaningful relationships and investments** – so that communities end up better off because of our presence.



OUR APPROACH TO COMMUNITY ENGAGEMENT

The communities around our operations are a key stakeholder in our business, and we recognise that a positive relationship with them is a key lever to retain our social licence to operate. Our approach is to proactively engage with communities, especially those that are near to or impacted by our operations. We work with credible community partners who help us identify and jointly resolve key issues, as well as leverage opportunities to broaden participation in our value chains. In our Sugar agriculture operations, where we have economic partnerships with our small-scale grower communities, we have established processes in place for grower communities to communicate any concerns and challenges. These include attendance at monthly grower leadership meetings where concerns are discussed; ad-hoc meetings when requested by growers; and annual general meetings held by growers.

We have **developed a fresh community engagement model** at Group level and have started to categorise and segment our key community stakeholders. The plan also entails formalising a proactive engagement approach that articulates the ownership of the relationship, how the engagement should be managed as well as the modes and frequency of the engagement.

COMMUNITY ECONOMIC AND SOCIAL DEVELOPMENT INITIATIVES

Our existing community economic development work is mainly focused in the Sugar agriculture space, where we partner with land reform beneficiaries and small-scale growers who deliver a combined 35% of our total cane supply. There are a number of spinoff economic benefits for the community, including educational opportunities.

Our community social development initiatives are mainly carried out by the DO MORE FOUNDATION, the non-profit organisation we founded in 2017, with a focus on supporting early childhood development through multi-stakeholder initiatives. We also sponsor two much-loved community sporting initiatives in the Sugar business unit, namely the Selati Cup and Selati Marathon.

These economic and social initiatives are discussed as part of our localisation approach in the next section.



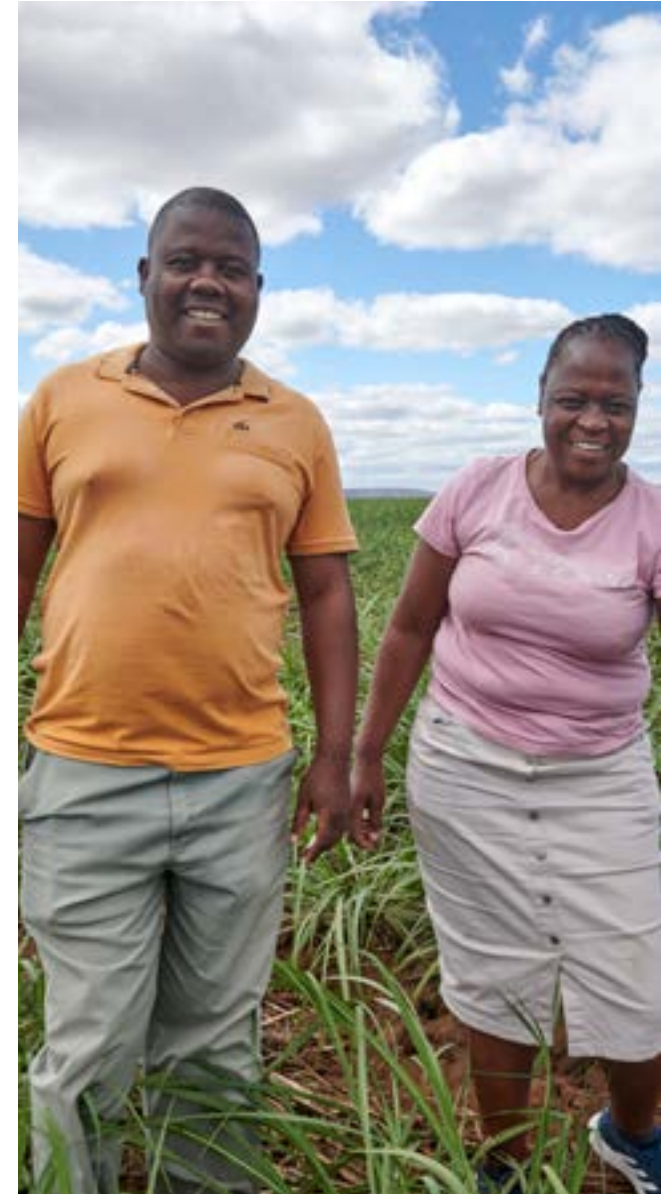
OUR COMMUNITIES OVERVIEW CONTINUED

POSITIVE IMPACTS IN 2023

- We **facilitated the establishment of 299 hectares of new irrigated fields** during the 2023 financial year through Akwandze Agricultural Finance, the agricultural bank we jointly own with our small-scale sugar cane growers in Nkomazi, Mpumalanga. This is **assisting communities to grow their business enterprises and positively impacting on household incomes**.
- We provided **R25 million in flood relief to small-scale growers** whose irrigation infrastructure was damaged by severe flooding in Nkomazi in February 2023.
- Through the **DO MORE FOUNDATION we helped provide emergency supplies to communities affected by flooding** in Nkomazi and KwaZulu-Natal floods in February and June 2023 respectively. In Nkomazi, more than 54 tons of food relief were provided to 2 600 families, while in KwaZulu-Natal we distributed 336 000 meals worth of maize meal and chicken products.
- **Eight of our communities** now benefit from community development programmes run by the DO MORE FOUNDATION – up from four in 2022. This means another 8 249 children are receiving vital nutritional support and other services.
- Through our **Star Schools programme in Nkomazi and Pongola**, we provided extra-curricular education support to learners from Grade 10 to 12 in Mathematics, Science and English.

KEY CHALLENGES AND OUR RESPONSE

- The **floods in Nkomazi** caused significant damage to our roads and irrigation infrastructure, as well as that of our small-scale growers. We prioritised repairs to small-scale growers' irrigation infrastructure to enable them to save their crop and generate an income at the end of the season.
- The **rise in food prices and unemployment** have significantly impacted on many families who are falling below the food poverty line. The support provided through our **DO MORE FOUNDATION, together with our direct donations of safe near-to-expiry-date food** through FoodForward SA, Meals on Wheels and SA Harvest, has been more critical than ever in 2023.
- We acknowledge that the proximity of our operations may affect local communities and we do our best to **mitigate any negative impacts** we may have.



CASE STUDY

Start small, dream big: Thobani's journey to build generational wealth as a small-scale grower

Thobani Lubisi has been passionate about farming since he was a young boy helping his father on their 9.6 hectare small-scale grower plot at Ngololo, near Driekoppies in Nkomazi.

The farm supported Thobani and his nine siblings to finish school, and most gained tertiary qualifications – with Thobani himself graduating with a physiotherapy degree in 2003. His next few years were spent establishing himself as a physiotherapist, yet he never lost his love for the soil – nor his dream of returning to it. In 2007 he inherited a 2.4 hectare portion of the family farm from his father, and in 2009 he started farming full-time as a small-scale grower. He has since grown this farm to 30 hectares, while also starting up a Brahman breeding venture nearby. He continues to work as a physiotherapist in Nelspruit but travels “home” regularly to Ngololo.

In 2022 Thobani was able to lease a disused 75 hectare commercial farm, which expanded his sugar farming enterprise to over 100 hectares. Through a R1,6 million loan from Akwandze Agricultural Finance (Akwandze) and an irrigation grant from The Jobs Fund, he has replaced the farm's irrigation infrastructure and planted 51 hectares of cane – with the last 20 hectares soon to be completed. He is assisted on a day-to-day basis by a young intern he is training as part of the SA Canegrowers' Association's internship programme.

Thobani is deeply invested in the long-term sustainability of small-scale cane growers. He serves on SA Canegrowers' Malane Mill Cane Committee, and is a board member of both Akwandze and TSGRO. He credits his continued operation as a small-scale grower to the support provided by Akwandze and TSGRO (profiled on the next page). His leased farm was one of those damaged by the floods in February 2023, and with TSGRO's Bulk Water Service assistance his irrigation infrastructure was quickly reinstated. Moreover, without Akwandze providing access to funding and managing their retention savings, he believes most small-scale growers wouldn't be able to operate. “Akwandze is an integral and important part of what we are doing,” he says.

Through farming, Thobani aims to build a legacy for his three children and to “put bread on the table for vulnerable community members” through employment opportunities like cane cutting and fertilising. Thobani's story is a living example of how **We Grow What Matters** by investing in our communities and local supply chain.





LOCALISATION

By supporting local enterprises, local talent development and social/educational development initiatives in the communities where we operate, we aim to alleviate unemployment, support Broad-Based Black Economic Empowerment (B-BBEE), expand ownership of the value chain and drive systemic change to break the cycle of poverty. Our main vehicles for doing this are our community partnerships in the Sugar business unit and the work we do with local communities through our DO MORE FOUNDATION.



INCREASING CANE SUPPLY AND ECONOMIC PARTICIPATION THROUGH OUR SUGAR COMMUNITY PARTNERSHIPS

Over the last 17 years our sugar supply chain has steadily transformed to increase local community participation and ownership. Government land reform programmes have contributed to **70% of our Nkomazi cane supply coming from black-owned land in 2023**, via small-scale growers (SSGs), government land reform beneficiaries and community-based joint ventures (CBJVs). **RCL FOODS partners with Nkomazi communities through its three large-scale CBJVs and its partnerships with Nkomazi SSGs:**

- **Large-scale CBJVs:** Between 2007 and 2012 we sold the majority of our Nkomazi agricultural operations in settlement of land claims in the region. After establishing partnership agreements with the claimant communities, three CBJVs were established, which lease back the agricultural land assets at market rates from these communities. The communities benefit from lease income from their high-potential agricultural assets, as well as study and enterprise development opportunities through RCL FOODS and the CBJV companies. RCL FOODS in turn benefits from a sustainable cane supply to our Malalane and Komati mills. Community-owned land operated by the CBJVs is managed in accordance with the lease agreements and community members' customary rights are protected.

- **Nkomazi SSGs:** Nearly 1 200 SSGs occupy the communal areas of Nkomazi, where they cultivate around 9 500 hectares of irrigated cane on farms averaging around 8 hectares each. Together, they provide approximately 17% of cane supplied to our Nkomazi mills. To ensure the long-term sustainability of their farming enterprises, we have partnered with SSGs in two 50/50 joint venture services companies – Akwandze Agricultural Finance (Akwandze) and TSGRO – which provide them with affordable financial and farming services.
- **Akwandze Agricultural Finance** provides the SSGs with access to unsecured credit at reduced interest rates. Since its establishment in 2006, it has managed to leverage a number of different funds to support land reform and small-scale farmers, resulting in a current loan book of R410 million which underpins the production of two million tons of cane (approximately 14% of the industry's cane volume). To date Akwandze has invested over R3 billion into SSGs and B-BBEE joint venture companies in the form of loans and retention savings.
- **TSGRO** was formed in 2014 to assist growers to maximise their production and returns through the provision of agronomy services and a bulk water supply service (BWS), a user-pay service that assists growers in maintaining their key irrigation infrastructure. By ensuring reliable bulk water delivery to field's edge, **BWS has played a critical role in stabilising SSG irrigation and sustaining production.** TSGRO also sets up **enterprise development** opportunities for SSGs to become contractors.



LOCALISATION CONTINUED

Regular meetings take place with community stakeholders and government on the socio-economic impact of our partnerships with communities.

SECURING REGIONAL SMALL-SCALE GROWER PRODUCTION AFTER THE FLOODS

RCL FOODS provided R25 million in flood relief funding after the devastating floods in February 2023 damaged SSG irrigation infrastructure in the Nkomazi region. TSGRO and Akwandze were jointly appointed to implement flood relief efforts, with the focus being to restore growers' irrigation as quickly as possible to minimise the impact on their businesses. Specialist engineers were also appointed to assist with rebuilding critical bulk water infrastructure destroyed by the floods. By the end of the financial year, 90% of affected growers were irrigating again. This was a significant investment in the future of Nkomazi small-scale growers who are a valuable part of our supply chain and the economy in the region.



GROWING WHAT MATTERS IN 2023 – FOR SUGAR COMMUNITIES AND RCL FOODS

Our sugar grower communities play a key role in our sugar supply chain, and we are committed to their sustainability. Through our interconnected business models we enable them to improve their agricultural practices, increase their competitiveness and enhance their skills and livelihoods.

DELIVERED THROUGH OUR CBJVs:

- **958 370 tons of sugarcane (18% of total production and 25% of Nkomazi production) delivered to our mills** from over 10 100 hectares of irrigated land (2022: 735 000 tons from 7 600 hectares)
- **R51,3 million in lease payments** received by land claim beneficiary communities (a 29% increase from 2022 due to higher RV pricing in the last season)
- **181 people** directly employed
- **Contracts worth R134 million** allocated to **23 beneficiary-owned companies** providing operational support, delivery against service level agreements and general contract compliance
- **Nine bursaries awarded** for Agriculture, Engineering and Finance studies
- **Community development projects totalling R300 000** implemented by the CBJVs

DELIVERED THROUGH OUR SSGs:

- **610 000 tons of sugar cane (16% of Nkomazi production) delivered** to our mills – with last season's yield being the highest in 11 years
- **100 000 tons of cane (2% of Pongola production)** delivered by SSGs to our Pongola mill
- Nkomazi SSGs received **approximately R431 million in revenue** from cane sales (up from R326 million in 2022)

DELIVERED THROUGH AKWANDZE:

- **Nearly R245 million reinvested by SSGs** into their own operations through retention savings and new loans
- **R29,7 million in loans provided to** over 180 SSGs
- **Establishment of 299 hectares of new irrigated fields** facilitated, enabling communities to grow their farming enterprises and earning potential

DELIVERED THROUGH TSGRO:

- **Free extension services provided to all 1 200 SSGs**, including sugarcane agronomy, better management practices, and planning tools for management and budgeting
- **630 SSGs and seven cooperatives with 456 members accessed the bulk water supply service.** The TSGRO bulk water team has assisted in maintaining approximately 4 500 hectares of bulk water infrastructure, thereby improving the reliability of key irrigation infrastructure and assisting growers to improve their businesses
- **35 SSGs** utilised TSGRO's complete farm management service

Note: The cane season runs from March to December each year, which means that a financial year straddles two seasons. Tonnages and revenues quoted therefore refer to the last financial year ending June 2023.

On the basis of these partnerships RCL FOODS once again scored full marks for the Enterprise Development and Supplier Development elements of the B-BBEE scorecard in its latest audit.

THE DO MORE FOUNDATION: GROWING STRONGER COMMUNITIES BY GROWING YOUNG CHILDREN

Through the DO MORE FOUNDATION, we are working to alleviate hunger and improve prospects for young children, their caregivers and the youth.



The communities around our operations are some of the most vulnerable in the country due to high rates of poverty, unemployment and hunger; inadequate availability of services; and social challenges such as poor education, substance abuse, crime and violence. To help make a bigger and more sustainable impact than we were already making through our existing corporate social investment projects in the Hammarsdale and Nkomazi communities, we launched the DO MORE FOUNDATION in 2017 to 'do more' as an independently-run not-for-profit organisation. Since then it has grown into a highly respected organisation that is supported by a wide range of public, private and non-governmental organisation (NGO) stakeholders on the basis of its impactful multi-stakeholder programmes which are delivering real value to the communities it serves.

A significant highlight in the last year was the launch of the DO MORE FOUNDATION'S "Everyone Gets to PLAY" collective impact model ([Appendix 4](#)) that has developed over the last few years, based on the effectiveness of its multi-stakeholder initiatives in Nkomazi, Hammarsdale, Worcester and Pongola.

This widely endorsed, scalable model - which aims to provide a complete basket of services to young children to enable them to thrive - was extended from four to eight of our communities during the 2023 financial year.



THE DO MORE FOUNDATION: GROWING STRONGER COMMUNITIES BY GROWING YOUNG CHILDREN CONTINUED

WHAT ARE THE PROBLEMS WE ARE ADDRESSING?

- **An increasing number of households are food insecure and malnutrition is on the rise, particularly among young children.**

According to the Pietermaritzburg Economic Justice & Dignity group (PMBEJD), approximately 13,8 million South Africans live below the food poverty line of R663 per person per month. Given the rising cost of food, many families, including those with young children, are going hungry. This has contributed to a rising incidence of stunting, wasting and underweight which affects children's physical and cognitive development.

- **The majority of young children are not thriving, which impacts on their health, educational and economic prospects – and our future as a country**

The 2022 Thrive by Five survey found that only 72% of 4- to 5-year-olds attend some kind of Early Learning Programme. Of those, **51% will struggle when they start school, and 16% will be at a significant disadvantage due to physical and cognitive stunting.** Research shows that stunting is a proxy for poor health and economic productivity in adulthood, which places an added burden on families and communities – and stunts our growth as a country.

- **South Africa has one of the highest unemployment and youth unemployment rates globally.** Total unemployment was **32.6%** and **youth unemployment was 46.5%** in the second quarter of 2023, according to Stats SA's Quarterly Labour Force Survey.

HOW ARE WE RESPONDING AS A BUSINESS?

- **As a large food company we have a responsibility and opportunity to contribute to improved nutrition for our most vulnerable citizens – young children.**

We do so through the provision of sorghum-based DO MORE Porridge which supports over 32 000 children on a daily basis. We also donate near-expiry-date foodstuffs to communities in need through our partnerships with FoodForward SA, Meals on Wheels and SA Harvest.

- **We take an active role in promoting youth upskilling and employment** through:
 - » youth-focused initiatives run by our **business units** (such as our Sugar and Baking learnerships and our Management Trainee Programme);
 - » supporting youth enterprise development via **our Sugar community partnerships**; and
 - » **the DO MORE FOUNDATION's township economy work** in its community-specific programmes.





DRIVING POSITIVE IMPACT THROUGH THE DO MORE FOUNDATION IN 2023

COMMUNITY-BASED PROGRAMMES BASED ON THE “EVERYONE GETS TO PLAY” MODEL

The DO MORE FOUNDATION’s integrated ECD model, **“Everyone Gets to PLAY”**, focuses on **providing an integrated basket of services**. This includes nutrition, early learning, maternal and child health, child protection, infrastructure support, parent/caregiver support, programmes focusing on the first 1 000 days – and also enterprise development projects that generate sustainable income for households with young children and create job opportunities in the local community.

The DO MORE FOUNDATION has come to formally identify itself as a “Backbone Support Organisation” within a collective impact framework. It believes in the importance of working in collaborative partnerships with key public, private and NGO stakeholders to meet the needs of young children as set out in South Africa’s National Integrated Early Childhood Development (NIECD) Policy, and it operates to support this Policy. The Foundation catalyses connections and resources with partners to provide resources, technical input and linkages and/or new collaborations for greater impact – a multiplier effect.



IMPACT IN 2023:

- **Four more RCL FOODS communities have been included in the DO MORE FOUNDATION’s ‘deep dive’ community programmes**, in partnership with our Baking, Groceries and Chicken operations. This means that Hammarsdale, Nkomazi, Worcester, Pongola, Rustenburg, Molteno, Randfontein and Bushbuckridge are all benefiting from an improved – or soon to be improved – basket of services.
- **90 small, medium and micro-enterprises (SMMEs) in Hammarsdale, Worcester and Rustenburg** were supported through the Foundation’s collaborative township economy programme, its new Clothes4Purpose clothing selling project (part of its Repurpose for Purpose initiative) and its empowering #DoMorePlay wooden toy-making initiative. **12 500 children are benefiting from beautiful #DoMorePlay Toy Kits made by 46 young people with disabilities who have been upskilled with woodwork and carpentry training.**



DRIVING POSITIVE IMPACT THROUGH THE DO MORE FOUNDATION IN 2023 CONTINUED

NATIONAL YOUNG CHILD PROGRAMMES

With the aim of “creating better tomorrows for young children through partnerships”, the Foundation has launched various national Young Child programmes directed at improving nutrition, early learning and providing parent/caregiver support. We produce the Foundation’s DO MORE Porridge ([page 41](#)) which forms part of its **national nutrition programme**. This porridge is delivered to ECD centres across the country. For many children, DO MORE Porridge is often the only meal they receive for the day, and with it they are better able to grow and learn.

We also support the DO MORE FOUNDATION’s **Eat Love Play Talk programme**, a community-based initiative that packages public health messaging in an interactive and playful way to empower caregivers and parents to make small changes and healthier nutrition choices for their young children and families.

We contribute indirectly to its **Repurpose for Purpose** and **#DoMorePlay** programmes which turn “waste” business inventory into learning resources that are distributed to ECD centres nationwide, and whose circular economy benefits contribute to our Waste free ambition.



IMPACT IN 2023:

- **285 029 tons of DO MORE Porridge** were distributed countrywide in the 2023 financial year – the equivalent of **5,7 million meals**.
- Including DO MORE Porridge, a total of **12 071 028 meals** were donated through the DO MORE FOUNDATION to support vulnerable children and communities.
- The **Eat Love Play Talk programme continues to be rolled out** to caregivers as part of our community-based programmes. The initiative is helping them make the healthiest nutrition choices possible for their young children within the constraints of their context, while giving them a better understanding of what they can do to set their young children up for success.





GIVING COMMUNITIES A SPORTING CHANCE

Besides developing local talent and encouraging healthy activity, community sporting events provide economic opportunities and contribute to social cohesion. For many years RCL FOODS has sponsored the Selati Cup and Selati Marathon, two much-loved fixtures on the Nkomazi sporting calendar which bring people from all walks of life together.

BABONISE! THE SELATI CUP 2023 AND THE DO MORE FOUNDATION ENCOURAGE POSITIVE MALE ROLE MODELS

The involvement of a father figure in a child's life has a profound impact on their overall wellbeing – including their school performance, emotional regulation, and social competence. When a child does not have a father figure from conception, they run the risk of mental illness, teenage pregnancy, becoming victims or perpetrators of violence, and poor academic outcomes. To encourage men's positive involvement in the lives of children, the DO MORE FOUNDATION partnered with the Selati Cup soccer tournament to launch the "BaBonise!" (Show Them!) campaign in 2023.

This campaign addresses an ongoing issue of absent fathers in South Africa – specifically, men who do not live with their children and who are also economically and psychologically absent from them. Yet 78% of children in South Africa share a household with an adult man, according to the 2021 State of South Africa's Fathers report. This means that these men have an opportunity to make a positive impact on children's lives whether or not they are their biological fathers.

With this in mind the DO MORE FOUNDATION seized the opportunity to encourage the thousands of men who are players and spectators at the Selati Cup to be ambassadors of change – inspiring other men in and beyond their community to help children thrive.

As a part of the campaign, all Selati Cup 2023 players and supporters were invited to pledge to play their part in building strong foundations for the next generation in their community, by helping all children to have a positive and active male role model; to feel safe and protected; and to have plenty of opportunities to learn through play. Over the course of the Selati Cup more than 15 500 fans were exposed to the campaign through in-stadium activations and a further 15 000 were reached through social media channels.



GIVING COMMUNITIES A SPORTING CHANCE CONTINUED

SELATI MARATHON 2023 MAKES AN IMPACT FROM “START” TO “FINISH”

For 33 years the Selati Marathon – or the Selati 2 in 1 Road Race as it's now known – has been growing in size and prestige, becoming a premier event in Mpumalanga's race calendar. Compared to just 80 participants in 1989, over 2 600 runners crossed the finish line for this year's 21 km, 10 km and 5 km Fun Run events on 14 May 2023.

The aim of the organisers is not only to provide a high-quality road running event, but also to involve other organisations in the community to create a fun activity to be enjoyed and appreciated by all. Our Sugar business unit (with Selati as the title sponsor) has always been actively involved in the race, which also enjoys great support from the other businesses and organisations in the community, not to mention the runners themselves. As always, this year's runners received goodie bags full of RCL FOODS products – Selati Sugar, Safari Braaipap, Supreme Flour, Sunbake fruit buns – and 4 lucky draw winners 'rolled' away with a coveted red wheelbarrow filled with our products.



PRODUCT

We support lives well lived by offering responsibly produced and responsibly sourced consumer goods that support food security and help make healthy and sustainable living a reality.

OUR 2040 FOCUS AREA AMBITIONS



NUTRITIOUS AND AFFORDABLE FOOD

We support food security by providing nutritious and affordable food for people and their pets and through supporting food systems innovation



PORTFOLIO & BRAND

We help make healthy and sustainable living the norm by offering responsibly produced consumer goods that are good for people and the planet



RELATED SDGs

2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



See
Our SDG contribution
on [page 73](#)

PRODUCT

NUTRITIOUS AND AFFORDABLE FOOD



The United Nations estimates that globally, more than 780 million people worldwide experience hunger, almost a third of all food produced is lost or wasted, nearly three billion people cannot afford healthy diets, and over 1 billion are obese.

ADDRESSING FOOD SYSTEM SUSTAINABILITY

In South Africa, this situation is no different – and it is exacerbated by limited investment in food systems that can produce adequate amounts of nutritious and affordable food across the social spectrum. What's more, unsustainable food production, packaging and consumption are responsible for a third of all greenhouse gas (GHG) emissions linked to climate change, 70% of global fresh water consumption, a tsunami of plastic waste, and alarming declines in biodiversity – the effects of which are already threatening food security.

Providing adequate amounts of safe, nutritious, affordable food is a key part of our responsibility as a business. We have an opportunity to reinforce our relevance and social licence to operate by finding ways to nourish people well for less, while also reducing our environmental impact. In the section below we touch on affordable food provision, and in the next we discuss our approach to product safety and quality.

MEETING THE NEEDS OF CASH-STRAPPED CONSUMERS

VALUE-FOR-MONEY PRODUCTS

Studies by our own Consumer Marketing Insights department show that value for money has become top priority not just for the lowest Living Standards Measure (LSM) groups, but across the LSM spectrum. In this context, research and development in value innovation is a key priority for our business.

OUR IMPACT IN 2023:

- In order to ease the burden on consumers we introduced **economy products in our Yum Yum Peanut Butter and Nola Mayonnaise ranges in the 2022 financial year**, which we made available on a pilot basis in the wholesale sales channel. Following their positive reception by consumers, **in 2023 we ramped up distribution into the retail channel to make the products available to more consumers. During the year we also extended our Yum Yum brand into the instant porridge category to provide a cost-effective alternative** in the market. We continue to explore options for other “value” innovations to help cash-strapped shoppers.
- In tough economic times, there is less money available to spend on pet food, resulting in shoppers downgrading to cheaper brands or feeding pets table scraps. We have **continued to focus on leveraging our multi-tiered pet food portfolio to offer shoppers value-for-money at all levels**. Examples of this include:
 - » the introduction of a **Specialised Diets range in our Bobtail supermarket brand**, which enables shoppers to provide their pets with more targeted nutritional support at an economical price point
 - » adding a **value tier** to our premium **Optimisor dog food range** (which is sold in pet food shops and co-cops) to meet the needs of economy-conscious shoppers. We also introduced a super-premium tier to cater for shoppers looking for added value such as joint support and fresh meat
 - » our campaign to **encourage shoppers to switch to our locally-produced, high quality brands which are cheaper than imported ones**.

ALLEVIATING ACUTE HUNGER WITH DO MORE PORRIDGE

According to the 2020 Child Gauge, nearly one in three South African children are currently living below the food poverty line, which means there is not enough household income to meet their basic nutritional needs. Research by the Pietermaritzburg Economic Justice Group shows that in December 2022 the average cost to feed a child a basic nutritious diet per month was R843,47 – far more than the current R500 child support grant. To help make a sustainable difference to South Africa's most vulnerable young children, **we provide DO MORE Porridge to the DO MORE FOUNDATION at cost**. The sorghum-based porridge was reformulated in 2022 in consultation with public health experts to enable it to meet the nutritional needs of young children between three and five years old.

OUR IMPACT IN 2023:

- **32 000 vulnerable young children benefit from a daily meal of DO MORE Porridge at ECD centres across the country**, enabling them to grow and learn better.
- **DO MORE FOUNDATION partners continue to invest behind provision of this porridge to severely at-risk areas** – a recent example being the provision of 2,2 tons of DO MORE Porridge over six months as part of an initiative to combat child malnutrition in Pongola.

PORTFOLIO AND BRAND

A critical component of responsible consumer goods production is product safety and quality, an area in which we have well-established systems and a solid track record. Another important priority is improved product sustainability. We are currently in the preliminary stages of understanding the landscape and how we can play a role – including through our plant-based joint venture, LIVEKINDLY Collective Africa.

OUR APPROACH TO PRODUCT SAFETY AND QUALITY

All RCL FOODS manufacturing sites have robust food safety systems and policies in place. Our food safety and quality management system complies with all relevant regulations governing general hygiene requirements for food premises, the transport of food and related matters, pre-requisite requirements for food safety, as well as customer requirements. All food production sites are either FSSC 22000 or ISO 22000 certified, with the exception of our newly acquired Sunshine Bakery sites whose food safety compliance is verified by the Food Safety Agency (FSA).

KEY FEATURES OF OUR FOOD SAFETY AND QUALITY MANAGEMENT APPROACH

- Food safety risks are identified using the Hazard Analysis Critical Control Point (HACCP) methodology and managed through the implementation of pre-requisite programmes relevant to the scope of certifications.
- Cleaning and hygiene procedures are entrenched in business processes.
- Procedures are in place to prevent product cross-contamination.
- There is regular pathogen testing of products and processing environments.
- We have well-established product withdrawal and recall procedures, which are adhered to.
- Investment is made in new technology and equipment to further enhance our food safety management.
- We have a strong food safety culture supported by ongoing awareness initiatives and training.
- Customer and consumer complaints are responsibly managed by our Group Complaints Department in conjunction with our operations teams. The review of consumer complaints is carried out by all sites at monthly meetings and other periodic review sessions. Targets set are aligned to customer specific requirements or standard company specific requirements based on international guidelines.
- Regular audits are performed by the Group Safety, Health, Environment and Quality (SHEQ) function, the internal audit department, independent risk consultants, customers and independent standards authorities.



PORTFOLIO AND BRAND CONTINUED

OUR IMPACT IN 2023:

- We **maintained all our existing Food Safety accreditations** in both the RCL FOODS Value-Added Business and Rainbow.
- **Rainbow had a 100% pass rate** for all **customer, government, legal and export audits**. Our **Value-Added Business had a 97% pass rate**, with one customer audit requiring follow-up action which has since been resolved.
- **Excellent food safety and quality audit results continue to have a positive impact on the business by:**
 - » providing confidence to our customers
 - » improving employee engagement, based on demonstrated commitment to actively managing food risks and promoting product safety
 - » facilitating internal benchmarking and management through consistent application of standards across multiple sites
 - » promoting the review and continual improvement of our food safety management system.
- **Consumer complaints reduced once more in the RCL FOODS Value-Added Business**, dropping 69% overall and coming in below our internal benchmarks. The majority of complaints continue to relate to packaging; however packaging complaints have reduced significantly, driving the overall decline in consumer complaints.
- **We dealt promptly and effectively with a Customer recall in our Rainbow business.** Swift implementation of our withdrawal protocol and procedures for corrective action meant that there was no impact on consumer health or product supply. We also picked up two cases of animal feed contamination in the Rainbow business and immediately recalled the product. Corrective action was taken to prevent a recurrence.
- There was one incident of non-compliance with product labelling regulations in Rainbow due to an incorrect font size.

OUR INVESTMENT IN PLANT-BASED FOODS

As part of our ambition to make sustainable living the norm, we believe that plant-based protein can provide an environmentally sustainable, low-cholesterol, tasty alternative to meat. We are committed to growing the market through our partnership with LIVEKINDLY Collective Africa and its much-loved Fry's brand in particular.

By addressing affordability issues as a key priority, we intend to make plant-based options a widely accessible and acceptable protein source that can help address malnutrition in all its forms, while providing consumers with enhanced choice. This remains an area of **ongoing focus**.



PRACTICES

We take credible action to support a timely transition to a net-zero and waste free economy and protect and restore nature while being transparent about our efforts and our progress along the way.

OUR 2040 FOCUS AREA AMBITIONS



CLIMATE ACTION

We are committed to doing our part to support a timely and just transition to a net-zero economy



RESPONSIBLE SOURCING

We are committed to responsible sourcing and will pursue transparent, traceable, and ethical supply chains, starting with our priority ingredients



PROTECTING NATURE

We recognise the vital role of nature and the urgent need to protect and restore it, that's why we are committing to support healthy ecosystems and soil health in our operations



WASTE FREE

We support the shift to an economy where food, process residuals, and packaging never become waste



RESPONSIBLE WATER

We are committed to being responsible stewards of water by seeking new ways to reuse, reduce, and "create" water in our operations and by collaborating with other users to protect water quality and water availability in the catchments where we operate



ACCOUNTABILITY

We know that collaboration is vital to our sustainability journey, which is why we are committed to being transparent about our progress and performance and sharing our lessons learned along the way



RELATED SDGs



See Our SDG contribution on page 73

OUR ENVIRONMENTAL PRACTICES IMPACT: OVERVIEW

As a large food business with operations extending from primary agriculture to product distribution, we have an extensive environmental footprint. In order to reduce our negative impacts on the environment while meeting the needs of all our stakeholders, we strive to reduce our use of non-renewable energy and fresh water, while minimising the waste we send to landfills.

By reusing, recycling or repurposing natural resources within our value chain, we aim to take less from the environment and create more value for our stakeholders – ultimately transitioning to a net-zero economy. In this way we strive to deliver on our ambition to take credible action to support a timely transition to a net-zero and waste free economy – and to protect and restore nature while being transparent about our efforts and our progress along the way.

OUR ENERGY, WATER AND WASTE INTENSITY IN 2023*

		2023	2022
Greenhouse gases – Scope 1 & 2	(tons CO ₂ e per PHW)	0.025	0.025
Electricity intensity: Non-renewable electricity consumed	(kWh per PHW)	11.41	11.73
Renewable energy usage intensity	(kWh per PHW)	4.16	3.27
Fresh water used – all sources	(litres per PHW)	2.51	3.12
Waste	(tons per PHW)	0.019	0.018

* Consumption/production of key resources per person hour worked (PHW). This is a more accurate indicator of our environmental impact than absolute numbers since the latter can vary according to production output.

POSITIVE IMPACTS IN 2023

- We have begun **more intensively investigating energy efficiency opportunities** in the business to reduce our use of electricity and fossil fuels. A number of **energy-saving initiatives were implemented** during the year, with others in the pipeline.
- We initiated two projects using **biomass to displace non-renewable energy** in our Sugar and Rainbow operations.
- In September 2022 the DO MORE FOUNDATION conducted a **climate impact assessment** ([Appendix 5](#)) as part of the Independent Philanthropy Association of South Africa's (IPASA) Climate Change Case Study Initiative. The results showed that it is **making an indirect impact on strengthening communities' climate change resilience** and highlighted further opportunities to DO MORE.

KEY CHALLENGES AND OUR RESPONSE

- Due to severe **load-shedding**, the Group had to implement **emergency diesel-powered generator capacity** to secure its operations in the short term. Increased emissions from higher diesel consumption, together with the total Group cost of R166 million for generator and diesel use, require us to carefully consider how we invest further in energy resilience projects.
- **Our W2V plant in Rustenburg continued to experience challenges**, which required additional engineering solutions to be implemented and delayed ramp-up to full capacity.



CASE STUDY

Reducing emissions in our Sugar business unit

Proving that economic and environmental sustainability are not mutually exclusive, recent efficiency projects in our Sugar business unit are saving both carbon emissions and cash. They also prove that many small interventions, when taken together, can make a significant impact.

- **2 535 tons less coal** were consumed by introducing 4 361 tonnes of **waste macadamia nut shells** as an alternative energy source in our Sugar mill boilers – avoiding 6 307 tonnes of greenhouse gases and keeping waste biomass in the circular economy.
- **A backhauling project through one of our customers is resulting in 124 fewer trucks on the road.** After their delivery vehicle has delivered goods to their Malalane stores, our sugar is loaded on the truck and taken back to their distribution centre, saving us from sending a separate vehicle. This saves costs and reduces our annual road travel by 35 000 kilometres – a **35,7 ton carbon saving**.
- **Sorting and reusing good pallets** is saving **39 tons of carbon emissions** annually. Instead of sending all pallets back to the manufacturer after use, we have put resources in place to identify pallets that are in good condition and retain them for reuse on site. By sending back only those that can't be reused, we removed the carbon equivalent of 160 cars from the road.
- **Using rail transport** for sugar transport between Johannesburg and Cape Town had a **60% lower carbon footprint** than road transport.



We strive to use natural resources effectively and limit the negative impacts of our operations and those of our suppliers. Our Group Environmental Policy promotes shared responsibility and accountability amongst our stakeholders, including employees and suppliers. This policy applies across all operations and functions linked to our business, including situations where employees and contractors work off-site. The environmental policy is available to RCL FOODS employees on our intranet.

ENVIRONMENTAL IMPACT ASSESSMENTS

When considering potential facility upgrades or new investments, we carry out Environmental Impact Assessments (EIAs) where required by the Department of Agriculture, Land Reform and Rural Development (DALRRD) and the Department of Forestry, Fisheries and the Environment (DFFE). These enable us to carefully consider the proposed investments' impact on the local environment by including comments and input from affected parties and other interested stakeholders. The construction of such projects is conducted according to an Environmental Management Plan which assists in minimising negative environmental impacts.

OUR APPROACH TO ENVIRONMENTAL AIR QUALITY

We have an established protocol in place for managing environmental air quality across our business. This ensures that the environment is safeguarded by providing reasonable measures to protect and enhance air quality and prevent air pollution and ecological degradation. Given the impact of vehicle emissions on the environment, we maintain and replace all vehicles on a regular basis to minimise both emissions and fuel wastage.

During the year we had one air quality issue related to dust from the gravel road at our Randfontein site, resulting in a contravention notice being issued. This has been mitigated by paving the road.





CLIMATE ACTION

There is widespread evidence that our climate is changing. Average global temperatures have already increased more than 1.2 degrees Celsius since preindustrial times¹, resulting in rising sea levels, biodiversity loss, ocean acidification, extreme and unpredictable weather events, and a growing number of climate-related social crises. These compounding impacts and the related losses threaten the success of businesses and the wellbeing of society. To ensure our future wellbeing, global average temperatures must stay below 1.5 degrees of warming², and to avoid the worst climate impacts, global emissions must be halved by 2030 and reach net zero by 2050, if not earlier³. In addition, all scenarios include a need to address the emissions that have already been released into the atmosphere.

For us as a business, responsible and credible climate action requires us to:

- engage in proactive climate scenario-informed decision-making (understanding the behaviour of the climate system and identifying relevant climate-related risks and opportunities in our business)
- measure and reduce our direct and indirect greenhouse gas (GHG) emissions
- take active steps to support climate adaptation and risk preparedness (including resilient infrastructure, supply chains, natural and social capital; disaster contingency plans; building spare capacity into systems; flexible alternative strategies; and supporting regional and national adaptation plans)
- transition to renewable energy (adopting and encouraging renewable energy options).

We have made a start in some of these areas but much more remains to be done. We are currently identifying where gaps lie and how best to close them while managing the impacts on our business.

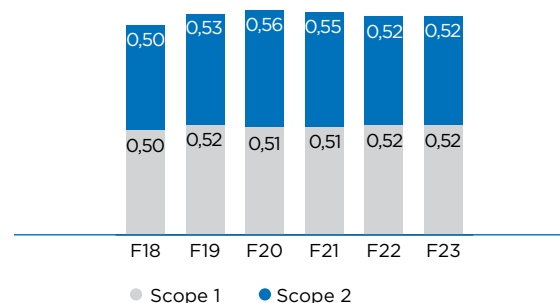
OUR GREENHOUSE GAS (GHG) FOOTPRINT ('CARBON FOOTPRINT')

We report on our carbon footprint using the standard international methodology for GHG corporate accounting and reporting, namely the World Business Council for Sustainable Development/World Resources Institute GHG Protocol for Corporate Accounting Standards.

Our 2022 Carbon Disclosure Review was externally verified in September 2022 by Carbon & Energy Management Consultant Karen van der Wath. This was our seventh carbon footprint review since our baseline assessment in 2015. Our 2023 carbon footprint will be verified in September 2023 and reported in the 2024 financial year.

OUR VERIFIED 2022 CARBON FOOTPRINT

Carbon footprint by scope of CO₂e (billion tons)



The GHG Protocol requires businesses to report on both direct emissions (Scope 1) and indirect emissions resulting from purchased electricity (Scope 2). All other indirect emissions (Scope 3) that occur in the value chain of the reporting company, including both upstream and downstream emissions, can be reported on a voluntary basis and are currently excluded from our reporting.

Our Group 2022 CO₂e (carbon dioxide equivalent) for **Scope 1 and 2 emissions was 1 043 052 tonnes**, a decline of 1.2% against the prior year.

- Our **Scope 1** GHG emissions (direct emissions from fuel consumed in our operations) were **517 596 tonnes CO₂e**.
- Our location-based **Scope 2** emissions (indirect emissions from use of purchased electricity) were **525 456 tonnes CO₂e**.

CARBON DISCLOSURE PROJECT (CDP) – CLIMATE CHANGE, WATER SECURITY AND FORESTS

The CDP runs an annual survey of the world's leading businesses in terms of their management of climate change impacts, water security and forests. Survey submissions are based on the previous year's climate performance. Our CDP scores for 2022 were as follows:

- We were in the Awareness band (C/C-) for our disclosures for both **Climate Change** and **Forests** – showing awareness of how environmental issues intersect with our business, and how our operations affect people and ecosystems.
- We were in the Management band (B/B-) for our disclosure on **Water Security**, given our efforts to manage our water impacts.

¹ <https://public.wmo.int/en/media/press-release/2020-was-one-of-three-warmest-years-record>

² <https://www.ipcc.ch/sr15/>

³ <https://www.ipcc.ch/sr15/chapter/spm>

PRACTICES

RESPONSIBLE ENERGY

Ensuring reliable access to energy is vital to our business. We also recognise the need to participate in the renewable energy transition. By proactively managing our energy consumption through measuring, tracking, and improving operational efficiencies, we can bring down our overall energy consumption and cost. Investments in renewable energy can help to reduce our dependence on the grid, improve our energy self-sufficiency, and provide energy security for our operations. In 2024 we plan to undertake energy management assessments at several of our operations as we develop our energy roadmap towards energy transition.

RENEWABLE ENERGY GENERATION

Electricity is a critical input in our value chain. Power interruptions caused by load-shedding and infrastructural failures pose a risk to our employees, our equipment and our productivity, which can have a negative impact on the supply and affordability of food. To reduce our dependence on non-renewable energy sources, we are working to reduce our purchased electricity and increase our renewable energy generation.

We carried out renewable energy generation in 2023 through:

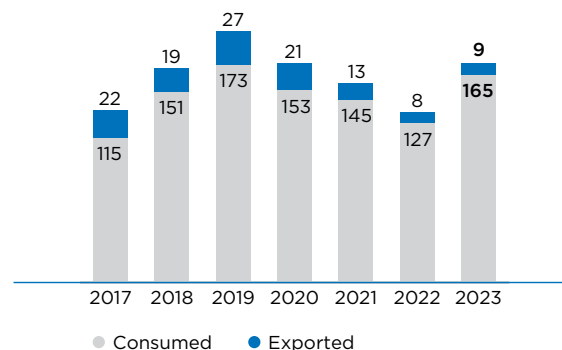
- **Co-generation** at our Sugar mills
- **Waste-to-Value** at Rainbow's Worcester and Rustenburg processing operations
- **Rooftop Solar Photovoltaic** (PV) at our National Office in Durban, our Nelspruit Bakery and Vector Logistics' Peninsula hub
- A small **hydro power station** on the Crocodile River which provided 1 254 MWh of electricity during the period.

CO-GENERATION

Bagasse, an organic by-product of sugar production, is used to create renewable electricity and heat at all our sugar mills through a process known as co-generation. This electricity and heat powers our sugar manufacturing process and a portion of the electricity generated at Malalane is also sold externally. Our Sugar business unit is currently working with Eskom to accelerate grid code compliance at the Pongola and Komati mills to enable them also to export power.

- **174 GWh of electricity was co-generated** in 2023, an increase of 36% from the previous year due to higher cane yields.
- Of this, **8.9 GWh of electricity was sold externally** via an energy trading platform.

Co-generation electricity consumed and exported (GWh)



WASTE-TO-VALUE (W2V)

Rainbow's two W2V plants use a biological anaerobic digestion process to turn post-processing waste from its Worcester and Rustenburg chicken plants into biogas and heat energy - while also yielding clean water that is used for non-food contact purposes on site.

- 9.16 GWh of renewable energy (biogas) was produced between the two plants, a decrease of 40% due to production challenges.
- 32 021 kl of clean water were produced for reuse on site.

SOLAR

- **Rooftop solar power increased by 8.2%** from 1 370 208 kWh to 1 492 443 kWh.
- **A solar capex roadmap is being developed in the Sugar business unit** to enable centre pivot irrigation to continue during load shedding. The geographic area to be covered is large, requiring several solar installations with battery backup and the appropriate security measures, making this a highly capital-intensive exercise requiring the development of an appropriate funding solution.

Sugar co-generation, W2V, solar and hydro projects provided us with a total of 176.9 GWh of renewable energy - 27% of our total electricity consumption

Total electricity consumption including renewables (GWh)

	2022	2023
Purchased (Eskom)	494	484.80
Co-generation	127	165.00
W2V	15.35	9.16
Solar	1.37	1.49
Hydro	1.05	1.25
Total	631.80	661.70

PRACTICES



RESPONSIBLE ENERGY CONTINUED

OUR 2023 ENERGY PERFORMANCE

Since our energy usage is directly linked to our agricultural, manufacturing and distribution output and may therefore vary, our main focus is on increasing the efficiency of our energy consumption across our operations. This involves measuring and managing our energy usage and implementing reduction, displacement and optimisation initiatives where feasible.

Our Central Engineering Team has conducted in-depth energy studies at our Randfontein Grocery and Pretoria Beverages sites to identify prioritised opportunities, recommend energy roadmaps and develop the more complex opportunities into projects for execution.

In the Sugar business unit, a number of energy saving initiatives are in progress to strengthen the resilience of its agricultural operations against load-shedding. These include optimising irrigation scheduling, expediting the automation of manual irrigation systems and continuing to replace water-inefficient irrigation systems (which are also less effective, making the crop more vulnerable to a lack of water).

LIGHTING EFFICIENCY AUDITS

Energy-efficient lighting not only reduces energy consumption but lowers maintenance costs and improves lighting levels in our production facilities.

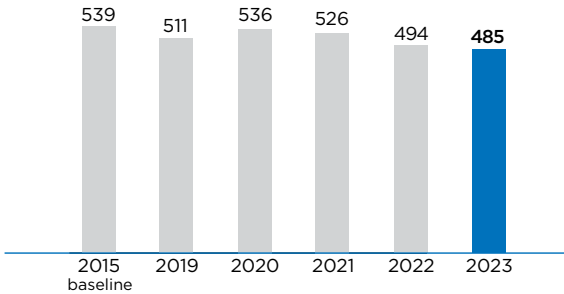
In 2023 we implemented lighting audits at six RCL FOODS sites: Sunbake Rustenburg and Benoni, Speciality Centurion, our Beverages plant, our flour mill and oil plant in Pretoria, and our Pieman's factory in Krugersdorp. With a return on investment of between 300% and 600% per site, it highlighted some quick wins in the energy space. A stepped phase-in of new efficient lighting is planned.

ELECTRICITY

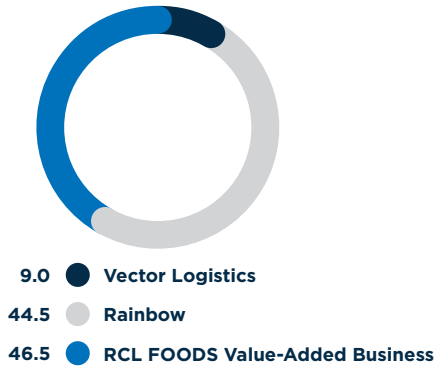
In 2023 our **total purchased (Eskom) electricity** use was **2.3% lower**, driven mainly by load-shedding.

- The **RCL FOODS Value-Added Business used 5.8% less electricity**, mainly due to the impact of load-shedding
- **Rainbow used 0.1% less electricity**
- Vector Logistics used 5.9% more electricity mainly due to the expansion of the Thekwini and Coega facilities.

Group purchased electricity consumption (GWh)



Business purchased electricity consumption (GWh)



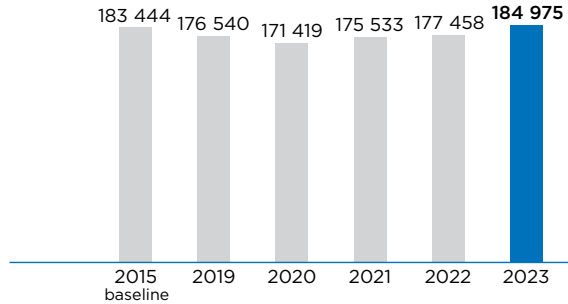
COAL

We use coal for steam production and heating purposes at our grocery and beverage manufacturing facilities; our flour, sugar and animal feed mills; and our poultry farms.

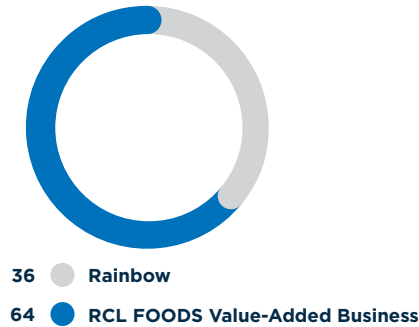
In 2023 Group coal consumption increased by 4.2%.

- **The RCL FOODS Value-Added Business' coal consumption decreased by 2.1%** due to efficient boiler management.
- Rainbow's consumption increased by 16.3% mainly due to increased production and a colder winter.

Group coal consumption (tons)



Business coal consumption (tons)





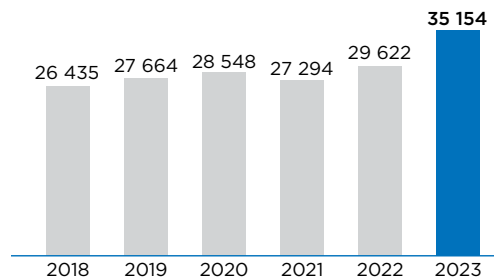
RESPONSIBLE ENERGY CONTINUED

DIESEL

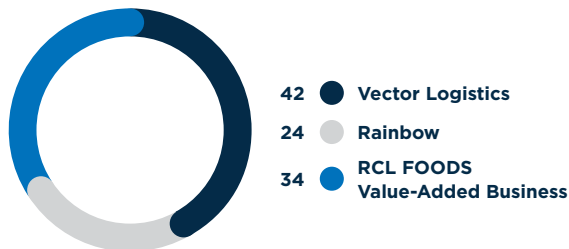
In 2023 Group diesel consumption increased by 19%, driven by increased stationary diesel usage as a result of generator usage during load-shedding.

- The RCL FOODS Value-Added Business' diesel consumption decreased by 14.1%. Although generator usage increased due to load shedding, this was more than offset by a decrease in transport diesel utilisation as a result of a route optimisation initiative in the Value-Added Business.
- Rainbow increased its diesel usage by 54%, driven by higher transport and a significant increase in generator diesel usage at its farms.
- Vector Logistics increased its diesel usage by 34% mainly due to an increase in distribution trips.

Group diesel consumption (kℓ)



Business diesel consumption (kℓ)



CASE STUDY

Using biomass to displace fossil fuel-based energy



Biomass is any organic material that has stored sunlight in the form of chemical energy – including plants and organic wastes. Biomass is a sustainable alternative to fossil fuels like coal because it can be easily replenished. And when the biomass would have become waste material anyway, it's a double win – as the two cases below show.

In the Lowveld, where macadamia plantations flourish, the shells of these nuts present a readily available renewable fuel source with a far lower emissions factor than coal. During the 2023 financial year we started to use macadamia shells to displace coal in our Nkomazi Sugar mill boilers. This means that value is derived from the waste biomass and we reduce our coal usage too. Using 4 361 tons of shells displaced approximately 2 535 tons of coal in 2023, avoiding 6 307 tons of greenhouse gas production.

In the Western Cape, Rainbow has been using biomass for some time to displace coal in the heating units at some of its poultry farms. This biomass consists of alien vegetation which is being removed from the Breede River Valley as part of a municipal water conservation project. It is estimated that for every hectare of alien vegetation rehabilitated to Western Cape fynbos, an additional 2,5 million litres of water per annum is released back into the catchment system.

During the 2023 financial year Rainbow replaced its electricity-powered heating system at its Worcester hatchery with a biomass-powered heating system. Since electrical energy represents 69% of the total electricity used at the hatchery – and the hatchery accounts for 20% of electricity use in Rainbow's Western Cape agricultural operations – this project is a significant step in increasing Rainbow's renewable energy component. It will also drive cost benefits for the region, with payback expected in just over 18 months.



RESPONSIBLE ENERGY CONTINUED

CASE STUDY

Energy resilience initiatives at our grocery and beverages plants

DEVELOPMENT OF THE RANDFONTEIN ENERGY RESILIENCE PLAN

Following a comprehensive energy study at our Randfontein Grocery plant in May 2022, and in response to the onset of extensive load shedding in late 2022, we developed the Randfontein Energy Resilience Plan in February 2023. This is part of a multi-pronged strategy to reduce our dependence on Eskom power. Implementation is currently focused on ensuring short-term continuity through the hire of temporary diesel generators. Proposed next steps include solar PV and a biomass powered co-generation project.

BEVERAGES CONDENSATE RECOVERY PROJECT

A portion of the steam generated by our Beverages plant, and used for process heating, was previously discharged to the factory drain in the form of hot water. Rather than letting it go to waste, we introduced technology to recover this hot water and return it to the boiler to be converted back into steam and reused. The project was completed in July 2023 and is expected to deliver the following annual benefits:

- 8 761 kℓ of water saved
- 155 tons of coal saved
- 358 tons of CO₂e saved (based on the Carbon Tax Act 2019 methodology for emissions from fuels)





RESPONSIBLE SOURCING

Globally, food supply chains are under increasing scrutiny due to their impacts on the natural environment and the wellbeing of workers. In addition, consumers and customers are demanding greater transparency with respect to ingredients and responsible supply chain practices. We acknowledge the need to proactively address sustainability-related and operational risk by working with suppliers that have responsible social and environmental practices and operate with integrity. We are committed to responsible sourcing and aim to pursue transparent, traceable, and ethical supply chains, starting with our priority ingredients.

OUR SOURCING APPROACH

RCL FOODS currently has 13 607 active vendors across the Group, and we target to contract manage 85% of the value we spend. These suppliers supply us with over 340 sourcing categories across our business and are key to our value chain. Our procurement and sourcing teams fulfil and maintain business operations, manage business demands and mitigate supplier challenges. We aim to build a sustainable business by putting our people first, securing our supply base, developing our suppliers, and ensuring our business decisions are fit for purpose.

Our category management approach allows us to deal with “best in class” suppliers who use the latest technology, operate ethically and have a responsible environmental footprint. Category management allows us to better understand our supplier markets, identify potential risks and help design strategies to mitigate business risk. We evaluate supplier risk through various stages, from vendor take-on to contract inception to annual supplier review meetings, and we ensure mitigation controls are in place to eliminate and/or reduce risk to our organisation. Where a quality non-conformance is detected, this is recorded and managed by the relevant Quality Assurance teams. If necessary, they will advise the Sourcing team to raise the issue in the supplier review meeting.

We strive to create value for our suppliers by promoting enterprise development through the responsible purchase of goods and services from B-BBEE credited suppliers.

SUPPLIER ETHICS

The business has a formal supplier ethics policy that specifies the high-level requirements that our suppliers need to adhere to. These include, but are not limited to, laws, regulations and policies relating to:

- Social and labour practices
- Environment
- Food safety and quality
- RCL FOODS Code of Ethics and related policies
- Anti-bribery laws
- Competition law
- Information and privacy laws (e.g. POPIA)
- Extended Producer Responsibility (EPR).

We also assess our suppliers’ B-BBEE credentials at vendor take-on, and require them to submit their valid B-BBEE certificate/affidavit to our master data team. Our Group and segmental B-BBEE levels and requirements are reviewed and audited on an annual basis. **RCL FOODS is currently a level 4 B-BBEE supplier.** A 20% weighting for B-BBEE is one of the criteria for all Sourcing-contracted suppliers.

INGREDIENT TRACEABILITY

The origins of the food ingredients we purchase are recorded on our quality questionnaires which are completed when vendors are taken on. Our quality teams maintain this information in the form of an approved supplier list at site level. For sourced commodities (maize, wheat and soya) we are able to tell what silo the product came from.

The information on the quality questionnaires received from our suppliers is reviewed and screened by our relevant Operating Unit Quality Assurance (QA) site representatives. Where ingredients suppliers or materials are flagged as critical and/or high-risk items, these vendors are added onto our QA audit plan, and annual supplier audit reviews are performed by our QA teams for these suppliers and/or materials. Further to this, the QA teams perform an on-going evaluation of supplier performance, and where non-conformances are noted, these are reported back to the sourcing team to address in their supplier review meetings. Where non-conformances are high risk, these suppliers will be audited annually. Low to moderate classified ingredients suppliers/materials will be audited over a 2/3 year rotational basis.



PROTECTING NATURE

As a land-dependant business, we understand the importance of protecting and restoring nature. We are committed to supporting healthy ecosystems and soil health in our operations to ensure the sustainable production of adequate amounts of high quality food.

OUR CURRENT SOIL AND PEST MANAGEMENT APPROACH IN SUGAR

RCL FOODS is responsible for managing 13 000 hectares (25%) of the total cane area supplying our mills. For the last few years we have been practising green (no burn) harvesting in some of our fields, where the sugar cane leaves are left to create a layer of mulch on the ground, and this has benefited soil health by preventing the destruction of beneficial organisms and retaining moisture in the soil. We also follow a “precision farming” approach which aims to optimise productivity and efficiency by applying the right amount of water and fertiliser in the right place, reducing over-application.

Our pest control follows the approach recommended by the South African Sugar Research Institute (SASRI), which advocates Integrated Pest Management (IPM). IPM involves a combination of pest control techniques to discourage the development of pest populations and to keep pesticide usage at levels that are economically justified and environmentally responsible. This includes the inclusion of cover crops, water sources and other biological features to attract and sustain beneficial insect predators and promote on-farm biodiversity. We are also careful to scout fields before applying chemicals to ensure that pesticides are only applied where infestation levels exceed their control by natural predators. The selection of cane varieties with improved resistance levels is also a factor when it comes to cane replanting.

When pesticide application is necessary, we follow the recommendations of SASRI to select and apply the appropriate chemicals. All products applied are registered for use on sugarcane and dosages are in accordance with the product label. Pests which are treated for include Eldana stalk borer, Sesamia shoot borer, Thrips, Trash worm, nematodes (roundworms) and the recently appeared Yellow Sugarcane Aphid (YSA). Only nematodes and YSA inflict serious damage on the crop.

We have an agronomist that oversees the pest control programme, who is responsible for chemical selection, checking on chemical compliance, monitoring the pest infestation levels, and providing ongoing support to the farm managers and section leaders. External training is also provided by the local SASRI biosecurity officer as well as specialist training from the chemical suppliers themselves.

ORANGE RUST - AN EMERGING RISK

Orange Rust is a sugarcane disease that was identified for the first time in South Africa in February 2022. It primarily occurs in the wet summer months and affects young cane. While the disease cannot be treated, it can be prevented through the application of fungicide. With the fungus appearing on RCL FOODS-controlled farms, we have put strong mitigation plans in place, including training of farm staff by SASRI and our Agronomist; rust monitoring and scouting; and fungicide application to young cane near infected areas.



WASTE FREE

“Zero Waste means designing and managing products and processes to systematically avoid and eliminate the volume and toxicity of waste and materials, conserve and recover all resources, and not burn or bury them. Implementing Zero Waste will eliminate all discharges to land, water or air that are a threat to planetary, human, animal or plant health.” *Zero Waste International Alliance*

OUR APPROACH TO WASTE MANAGEMENT

Population growth, urbanisation and changing consumption patterns mean that the world is generating increasing amounts of waste. Unmanaged or poorly managed waste has disastrous effects on people and the environment – contaminating oceans and soil, exacerbating economic costs, and reducing the productivity, cleanliness, liveability, and overall resilience of communities. In 2018 approximately 75% of solid waste in South Africa was disposed of to landfill sites⁴, while much of the rest was either not collected or was disposed of illegally. Besides the impact on environmental and human health, this represents loss of economic value in terms of recycling and job creation opportunities.

At RCL FOODS we strive to manage all waste generated by our activities in the most environmentally-responsible way possible. Applying the waste management hierarchy, we analyse all types of waste material generated to assess options for possible prevention, reduction, reuse, recycling or recovery options. Waste that cannot be channelled back into the circular economy is disposed of at licensed waste disposal facilities.

Our waste is handled by registered external service providers whose personnel sort the waste into different waste streams at our sites prior to collection. They supply us with detailed

monthly waste reports which are integrated into our waste management dashboard to provide visibility of our total monthly waste information. Our procurement teams conduct site visits at least annually to verify their compliance with contractual obligations and protocols.

As a business we aim to achieve zero waste to landfill in our own operations, and also to ensure that, where food quality and safety are not compromised, our packaging is fully recyclable and is actually recycled after use. The latter is part of our commitment to full compliance with the now mandated Extended Producer Responsibility (EPR) Regulations, 2020, according to which the financial and physical responsibility for a product at the end of its life cycle (post consumption) lies with the “producer” of that product.

OUR 2023 WASTE PERFORMANCE

- 92% of our total waste was used as energy, converted into fertiliser or reused.
- 1% of our waste was recycled.
- 7% of our waste was landfilled.
- We continued to **optimise waste contracts and align them** across sites.
- We are making **progress with delivering on our Plastics Packaging Roadmap** as part of our **Sustainable Packaging Strategy** (page 57).



Our waste management approach and focus areas



PRE-RCL FOODS

UPSTREAM WASTE:
Raw material packaging



RCL FOODS WASTE

OUR SUPPLY CHAIN WASTE:
Site-based waste



POST RCL FOODS

DOWNSTREAM CONSUMER/CUSTOMER:
Product and packaging

MEASURE | MANAGE | ELIMINATE

⁴ Operation Phakisa Chemicals and Waste Economy Overview and Aspirations: South Africa country report presentation, 2019



WASTE FREE CONTINUED

ADDRESSING FOOD LOSS AND WASTE

Each year, a third of all food produced ends up being discarded by retailers and consumers, or is lost in the supply chain – especially during harvesting and transportation. This not only wastes money and creates unnecessary greenhouse gas emissions, but it represents a lost opportunity for food that is still safe to eat to be diverted to food-insecure communities to ease hunger. A desire to reduce food loss and waste motivates us to innovate across our operations and unlock initiatives that will prevent nutritious food from going to landfill, and also aligns with our commitment to improve the operational costs and efficiencies necessary to maintain food affordability for South African consumers.

We have already made steady progress in this respect over the last few years, diverting food waste to various other uses such as:

- Various composting initiatives that produce nutrient-rich compost from our organic manufacturing waste
- Biodiesel initiatives that convert used oil into “green” fuel
- Biogas “waste-to-value” generation using anaerobic digestion processes, which also produce fertiliser as a by-product.

OUR IMPACT IN 2023:

- We donated 2 234 cases of nearing-sell-by-date food to FoodForward SA, Meals on Wheels, SA Harvest and others, which distributed them to charities and communities across South Africa to alleviate hunger.
- We extended the shelf life of our mageu products, which reduces the likelihood of food waste caused by spoilage and improves cost efficiencies in the Beverages business unit.

ELIMINATING WASTE

Responsibly managing all our resources to minimise our residual waste not only keeps them in the circular economy, but it improves operational efficiencies and reduces costs. Both are crucial for enabling the sustained supply of affordable food for South African consumers.

OUR IMPACT IN 2023:

- We continued to drive the **separation of waste at source** in order to enable reusable/recyclable/compostable waste to be diverted to other value streams.
- Our **DO MORE FOUNDATION** continues to grow its **Repurpose for Purpose initiative** which focus on turning **waste business inventory** – such as cardboard and wood offcuts and plastic – into **educational materials and toys** to help young children learn.





WASTE FREE CONTINUED

RESPONSIBLE PACKAGING

OUR APPROACH TO PACKAGING

We depend on packaging to contain, protect, preserve, transport, differentiate and sell our products, as well as to communicate with and educate our customers. Yet packaging comprises a significant portion of our waste stream, and much of it is currently single-use packaging that cannot be readily recycled in municipal collection systems.

RCL FOODS acknowledges that all packaging that we produce – including plastic, paper and aluminium-based packaging – remains our responsibility till the very end of its life.

We acknowledge the important role we can play in protecting finite fossil fuel resources and in helping to responsibly manage packaging throughout its life cycle. For this reason, **we strive for best-purpose packaging that holistically balances food waste versus packaging waste, while still providing affordable food offerings to our consumers.**

OUR SUSTAINABLE PACKAGING STRATEGY

Our ambition is to reduce the negative impact of packaging waste on our environment through our Sustainable Packaging Strategy, which aims to ensure that our packaging remains within the circular economy and does not end up as waste in the environment.

Our Sustainable Packaging Strategy

ELIMINATE

...the packaging we don't need by:

- Identifying and developing alternatives to problematic packaging items
- Reducing unnecessary packaging weight where possible, while maintaining food safety as a priority

INNOVATE

...to ensure that the packaging we use:

- Is reusable or 100% recyclable
- 70% of the packaging is actually recycled

CIRCULATE

...to keep all the packaging items we use within the value chain and out of the environment by:

- Incorporating an average of 30% PCR (post-consumer recycled) content in all non-food contact packaging
- Increasing the value of packaging materials by designing for recycling to facilitate greater collection and recycling

EXTENDED PRODUCER RESPONSIBILITY

South Africa's new extended producer responsibility (EPR) regulations came into effect in November 2021. Producers (including brand owners like RCL FOODS) are responsible for the full cost of recovering all packaging materials placed onto the market. These costs are recovered through EPR fees that are charged per ton of each type of packaging material produced, with non-recyclable and hard-to-recycle materials attracting the highest fees. The objective is for these fees to go towards closing gaps that may have prevented industry from achieving the collection and recycling targets outlined in the EPR regulations for years 1, 2, 3, 4 and 5.

We are **working very closely with a number of Producer Responsibility Organisations (PROs)** – including Polycy, Fibre Circle and MetPac-SA – to ensure the effectiveness of their internal, active, **EPR schemes to increase collection and recycling** of all plastic, paper-based and aluminium-based packaging.





RESPONSIBLE WATER

We are committed to being responsible stewards of water by seeking new ways to reuse, reduce, and “create” water in our operations and by collaborating with other users to protect water quality and water availability in the catchments where we operate.

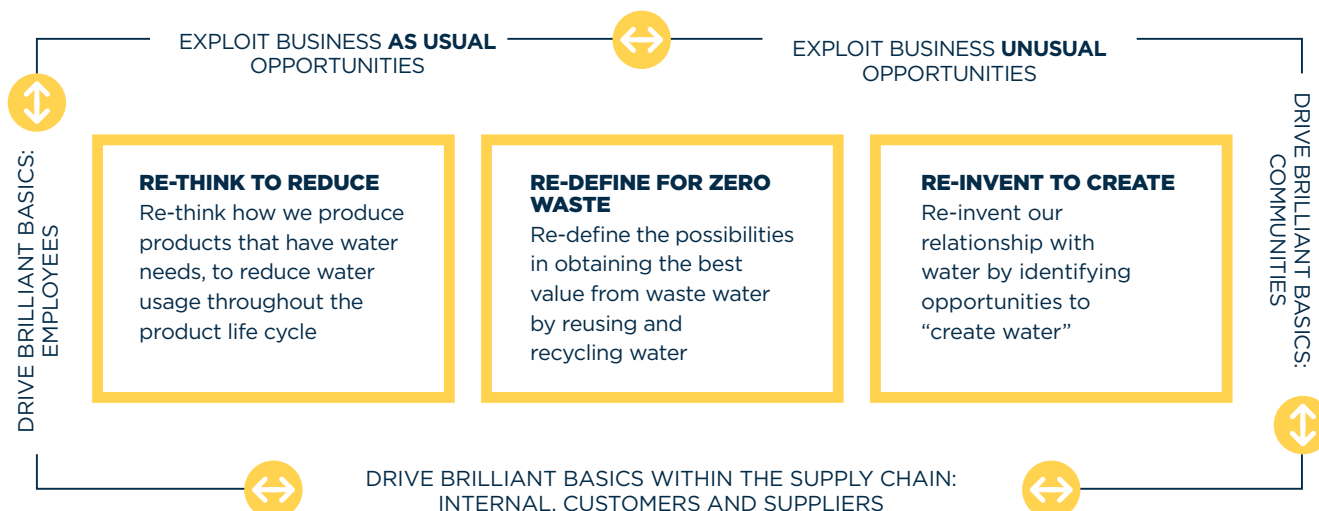
THE NEED FOR RESPONSIBLE WATER STEWARDSHIP

Water plays a critical role in producing the quality foods we sell, in maintaining the cleanliness of our facilities, and is a key input in our agricultural operations. Yet water scarcity is on the rise in South Africa, which is currently over exploiting its renewable⁵ water resources due to a combination of drought, growing demand and water loss arising from poor infrastructure. In South Africa, renewable internal water resources have declined from 1 042 kilolitres (kl) per capita in 1997 to 762 kl per capita in 2020. Meanwhile, South Africa's fresh water withdrawals in 2020 were 65% of its available fresh water resources – a steep increase from 41.11% in 1997⁶. Without a mindset change and significant investment, water demand in South Africa could exceed supply by 17% in 2030. In view of increasing water scarcity, we recognise the need to conserve water, reuse it where possible, and avoid the pollution of water sources.

OUR APPROACH TO WATER USE AND CONSERVATION

We recognise the balance between protecting product quality for the sake of the consumer, and conserving a natural resource that we share with the communities near our operations. A number of measures are in place to save, reuse or ‘re-create’ water in our operations, including rainwater harvesting, our Waste-to-Value plants that produce reusable water from post-processing waste water, and water recycling initiatives like our new condensate recovery project in our Beverages operating unit.

Our approach to reducing, reusing and re-creating water in our options



WATER RISK

All our business units are reliant on an uninterrupted supply of potable water for their operations. We have conducted external water risk assessments at our Randfontein Grocery and Pretoria Milling sites and are currently conducting internal water use audits at our Beverages, Pies and Centurion Speciality operations in order to formulate water risk mitigation plans. Notably, all of them have experienced water interruptions, with production in some cases impacted. Most have on-site water storage to mitigate this.

The **Rainbow** business is also affected by water supply issues, mainly due to the poor condition of municipal infrastructure. Burst pipes are particularly challenging at the Rustenburg processing facility and feed mill, where the business typically incurs the cost to repair the pipeline to ensure that its water supply is restored.

⁵ Internal renewable water resources are made up of the average annual flow of rivers and groundwater generated from precipitation.

⁶ UN Food and Agriculture Organisation/World Bank Data. Accessed on 7 August 2022 from <https://data.worldbank.org/indicator/ER.H2O.FWST.ZS?locations=ZA>



RESPONSIBLE WATER CONTINUED

WATER QUALITY

In order to ensure the safety of our products, all our food production sites test the quality of incoming municipal and borehole water and follow strict protocols for managing any deviations noted.

We also responsibly manage our wastewater discharge to municipal effluent lines by adhering to established testing and treatment protocols. To improve our effluent discharge quality at our Rainbow Rustenburg plant, which was below the required levels, we have initiated a number of additional water treatment and monitoring processes.

During May 2023 we installed a reverse osmosis (RO) plant at our Randfontein Grocery facility, which has so far treated nearly 7 000 litres of groundwater per day for use in non-potable applications.



OUR 2023 WATER CONSUMPTION

MUNICIPAL WATER

Our municipal water consumption in 2023 increased by 8.1%.

- RCL FOODS' municipal water consumption increased by 8.8%, although part of this was due to incorrect billing caused by a faulty water meter at the Randfontein Groceries plant. This was resolved post financial year-end. Actual municipal usage was increased in the Baking and Molatek Animal Feed business units due to higher production volumes.
- Rainbow's municipal water consumption increased by 7.6% driven by increased production and biosecurity practices at farms, hatcheries and processing facilities.
- Vector Logistics' municipal water consumption increased by 17.2% mainly due to the addition of further freezer capacity which requires water to run the condensers, as well as higher municipal water use at the Thekwini depot as a result of flood damage to the pipeline supplying dam water to the condenser units.

BOREHOLE WATER

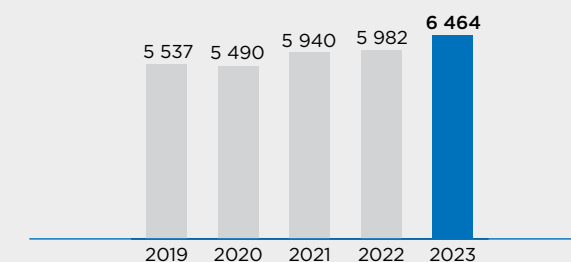
Our **groundwater consumption in 2023 decreased by 9.3%**, mainly driven by lower usage in Rainbow where many boreholes are not connected to backup generators and therefore did not operate during load-shedding.

RAW WATER

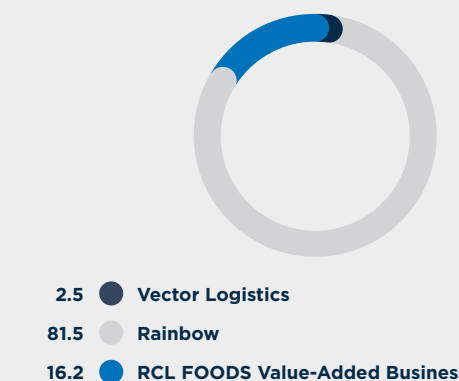
Raw water refers to water abstracted from rivers which is used to irrigate our sugar cane crops.

Our **raw water usage for 2023 was 20.2% lower** than the prior period due to better water management practices and good rains. **Our raw water use efficiency has been improving by an average of 4.7% per year since 2018.**

Group municipal water consumption (Mℓ)



Business municipal water consumption (Mℓ)



Our total fresh water use decreased by 19% in 2023, driven by lower raw water usage in Sugar agriculture.



RESPONSIBLE WATER CONTINUED

DROUGHT-PROOFING OUR SUGAR CANE AGRICULTURE

Drought-proofing our sugar cane operations remains a key priority for our business, given the devastating impact of the 2015-2018 drought and the expected return of drought conditions linked to the El Nino climate pattern. Over the last few years a combination of water-saving practices has been introduced to achieve a 30% improvement in water use efficiency by 2023, which has been achieved. These included:

- green harvesting – where instead of being burnt, leaves are left on the fields as mulch to preserve soil moisture
- a focus on precision farming – which encompasses the use of drones, satellite imagery and soil moisture probes to allow for better irrigation planning
- the conversion of inefficient overhead irrigation systems to sub-surface drip irrigation.

CONVERSION OF INEFFICIENT IRRIGATION SYSTEMS

Overhead irrigation systems drop water from above the soil surface, resulting in water loss through quicker evaporation, and require more water to adequately moisten the cane roots. Sub-surface drip irrigation delivers water close to the cane roots, minimising evaporation and maximising water use efficiency.

We have embarked on a programme to replace our most inefficient overhead systems with sub-surface drip irrigation where field topography allows it, with the aim of converting 80% of our fields to sub-surface drip irrigation by 2031. This will enable us to save over 3 000 megalitres (Mℓ) per year. We are currently a third of the way to our target.

Progress against our irrigation conversion programme in Sugar agriculture

Irrigation system	Water efficiency rating	2015 Financial year hectares	2023 Financial year hectares	2031 Financial year (target) hectares
Floppies	6	403	197	0
Draglines	5	2 002	738	93
Sprinklers	4	750	633	0
Pivots	3	5 914	5 688	2 250
Surface drip	2	2 150	2 076	235
Sub-surface drip	1	1 996	3 251	10 002
Total		13 215	12 583	12 580



ACCOUNTABILITY: TRANSPARENCY AND CREDIBLE DISCLOSURES

We recognise the importance of proactively holding ourselves to account for our social, economic and environmental impact. The structure and content of our Sustainable Business Report has been adjusted to align with the pillars of our new Sustainability Strategy – People, Product and Practices – and we have focused on including a greater range of reporting information to provide a more complete and transparent view of our impact. Below we list the standards from the Global Reporting Initiative (GRI), Johannesburg Stock Exchange Sustainability Disclosure Guidance (JSE) and Sustainability Accounting Standards Board (SASB) which have influenced our expanded reporting approach in 2023.

OUR SUSTAINABILITY DISCLOSURE GUIDANCE

Section	Disclosure
ABOUT THE REPORT Page 1 Also refer to: About the report section of our Abridged Integrated Annual Report	GRI 1 (Foundation 2021): Disclosure 2-2 to 2-5
Message from the CEO Page 4	GRI 2 (General Disclosures 2021): Disclosure 2-22
Business overview Page 6	SASB: FB-AG-000.A-D/FB-PF-000.A-B
Our Sustainability Strategy Page 10	GRI 2 (General Disclosures): Disclosure 2-22
Our approach to sustainability Page 11 Also refer to: <ul style="list-style-type: none"> • our Corporate Governance Report • the Corporate Governance section of our Abridged Integrated Annual Report 	JSE: Narrative Disclosures (Governance, Management, Strategy) GRI 2 (General Disclosures 2021): Disclosures 2-9 to 2-28 GRI 3 (Material Topics): Disclosures 3-1 to 3-3

ACCOUNTABILITY: TRANSPARENCY AND CREDIBLE DISCLOSURES CONTINUED

Section	Disclosure
OUR IMPACT UNPACKED PEOPLE Focus area: Employees Page 16 Report content: <i>Overview</i> <i>Our approach as an employer</i> <i>Labour section of Our ESG Data</i> Also refer to: Our Stakeholders section in our Abridged Integrated Annual Report	GRI 2 (General Disclosures): Disclosures 2-7 to 2-8 GRI 401 (Employment): Disclosure 401-1 to 401-3 GRI 402 (Labour/management relations): Disclosure 402-1 GRI 405 (Diversity and Equal Opportunity 2016): Disclosure 405-1 JSE: S1.5 SASB: 330, 310, 430, 440
<i>Inclusion</i> Page 20	GRI 406 (Non-discrimination 2016): Disclosure 406-1 GRI 405 (Diversity and Equal Opportunity 2016): Disclosure 405-1
<i>Labour practices and remuneration</i> Page 24	GRI 2 (General Disclosures): Disclosure 2-30 JSE: S1.4
<i>Investing in people</i> Page 26	GRI 404 (Training and Education 2016): Disclosure 404-1 to 404-3 JSE: S2.2
<i>Employee and contractor wellbeing</i> Page 27	GRI 403 (Occupational Health and Safety 2018): Disclosure 403-1 to 403-10 JSE: S3.1 SASB: FB-AG-320a.1
Focus area: Communities Page 29 Report content: <i>Overview (including our approach to community engagement)</i> <i>Localisation</i> Also refer to: Our Stakeholders section in our Abridged Integrated Annual Report	GRI 2 (General Disclosures 2021): Disclosure 2-29 GRI 413 (Local Communities 2016): Disclosure 413-1
OUR IMPACT UNPACKED PRODUCT Focus area: Portfolio & Brand Page 42 Report content: <i>Product safety and sustainability</i>	GRI 416 (Customer Health and Safety 2016): Disclosure 416-1 to 416-2 GRI 13 (Agriculture Aquaculture & Fishing Sectors 2022): 13.10.1 to 13.10.5 (food safety) and 13.9.1 (food security) JSE: S4.1b and 4.2 SASB: FB-AG-250a.1&3/FB-PF-250a.3-4 (food safety)



ACCOUNTABILITY: TRANSPARENCY AND CREDIBLE DISCLOSURES CONTINUED

Section	Disclosure
OUR IMPACT UNPACKED PRACTICES Focus area: Climate Action Page 48 Report content: <i>Our environmental Impact: Overview</i> <i>Our environmental management</i> <i>Climate action</i> <i>Responsible Energy</i>	GRI 305 (Emissions 2016): Disclosure 305-1, 305-2, 305-4, 305-5 SASB: 110 (FB-AG-110a.1&3) & 130 (FB-AG-130a.1/FB-PF-130a.1) JSE: E1.1a&c, 1.2 GRI 302 (Energy 2016): Disclosure 302-1, 302-3, 302-4, 302-5
Focus area: Responsible sourcing Page 53 Report content: <i>Sustainably sourced ingredients</i>	GRI 414 (Supplier Social Assessment 2016): Disclosure 414-1 to 414-2 JSE: E5.1
Focus area: Protecting nature Page 54 Report content: <i>Supporting biodiversity and soil health</i>	GRI 304 (Biodiversity 2016): Disclosure 304-2
Focus area: Waste Free Page 55 Report content: <i>Our approach to waste management</i> <i>Addressing food loss and waste</i> <i>Eliminating waste</i> <i>Responsible packaging</i>	GRI 306 (Waste 2020): Disclosure 306-1 to 306-5 JSE: E4.1 SASB: FB-PF-410a.1-2
Focus area: Responsible Water Page 58 Report content: <i>Water risk</i> <i>Water use</i> <i>Water quality</i>	GRI 303 (Water and Effluents 2018): Disclosure 303-2 to 303-5 JSE: E2.1, 4.4 SASB: FB-AG-140a.1/FB-PF-140a.1
Focus area: Accountability Report Content: <i>Our sustainability disclosure guidance</i>	GRI 1 (Foundation 2021)
OUR PERFORMANCE INDICATORS Our ESG Data	Qualitative disclosure related to numerous standards above



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FOR CONTINUING OPERATIONS

OUR PERFORMANCE INDICATORS



OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA

GOVERNANCE	Standard	Unit of Measure	2023*	2022	2021	2020
Number of Board Members	GRI 2-9	Number	12	12	13	14
Number of Board Members who are deemed Non-Executive	GRI 2-9	Number	10	10	11	12
Percentage of Board Members who are deemed Non-Executive	GRI 2-9	%	83	83	85	86
Number of Board Members who are deemed Executive	GRI 2-9	Number	2	2	2	2
Number of Board Members who are deemed Independent	GRI 2-9	Number	7	5	7	8
Percentage of Board Members who are deemed Independent	GRI 2-9	%	58.33	42	54	57
Number of Board Members who are Women	GRI 2-9 & 401-1, SASB 330	Number	2	2	3	3
Percentage of Board Members who are Women	GRI 2-9 & 401-1, SASB 330	%	17	17	23	21
Number of Board Members who are African, Coloured or Indian ("ACI")	GRI 2-9 & 401-1, SASB 330	Number	5	5	5	5
Percentage of Board Members who are deemed "ACI"	GRI 2-9 & 401-1, SASB 330	%	42	42	38	36
Number of Board Members deemed a Historically Disadvantaged South African (HDSA)**	GRI 2-9 & 401-1, SASB 330	Number	5	5	5	5
Percentage of Board Members who are deemed "HDSA"	GRI 2-9 & 401-1, SASB 330	%	42	42	38	36
Average Length of Executive Director Service (years)	GRI 2-9	Number	10	9	17	16
Average Length of Non-Executive Director Service (years)	GRI 2-9	Number	9	9	9	8
Average Length of Director (full Board) Service (years)	GRI 2-9	Number	9	9	10	9
Average Age of Directors (years)	GRI 404-1, SASB 330	Number	54	54	56	57
Percentage of Directors between 30 and 50 years of age	GRI 404-1, SASB 330	%	16.67	25.00	23.08	21.43
Percentage of Directors over 50 years of age	GRI 404-1, SASB 330	%	88.33	75.00	76.92	78.57
Overall Board and Committee Meeting attendance		%	99	95	97	94
Name of Financial Auditor			PwC	PwC	PwC	PwC
Auditor Remuneration: % of Non-audit Fees		%				
Length of Current Auditor's service (years)		Number	19	18	17	16
Independence of Board Chairman	GRI 2-9	Y/N	No	No	No	No
Publicly Available Policy on Board Conflicts of Interest & Politically Exposed Persons (PEPs)	GRI 2-15	Y/N/P	Partial	Partial	Partial	Partial
Public Disclosure on any/all Board Member Conflicts of Interest	GRI 2-15	Y/N	No	No	No	No
Public Disclosure on any/all Board Members Deemed a PEP		Y/N	No	No	No	No
Signed Publicly Available Climate-related Financial Disclosures, as per TCFD		Y/N	No	No	No	No
Publicly Available Human Rights Policy	GRI 2-23	Y/N	No	No	No	No
ESG Included into Service Level Agreements with Suppliers	GRI 308-1 & 412-3 & 414-1 & 414-2	Y/N	Yes	Yes	Yes	Yes
Formal Audit of Suppliers and Contractors for ESG Compliance (including human rights)	GRI 308-1 & 412-3 & 414-1 & 414-2	Y/N	No	No	No	No
Shareholders Vote (binding) on Executive Remuneration***	GRI 2-19 & 2-20	Y/N/P	Partial***	Partial***	Partial	Partial
Shareholders Vote (binding) on Sustainability-related Resolutions		Y/N	No	No	No	No
Public Disclosure of Voting Record on Sustainability-related Resolutions		Y/N	No	No	No	No
Executive Remuneration Linked to ESG		Y/N	No	No	No	No

* As at end June 2023 ** Historically Disadvantaged South African (HDSA): people who are African, Coloured, Indian or Women or People Living With a Disability

*** At the 2022 & 2023 AGM there was a non-binding vote on the Remuneration Policy and a non-binding vote on the Remuneration Implementation Report

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

LABOUR	Standard	Unit of Measure	2023	2022	2021	2020
Total Number of Employees – Permanent	GRI 2-7, JSE S1.5	Number	21 829	20 793	20 547	19 824
Total Number of Employees – Fixed term (>90 days, but not permanent)	GRI 2-7, JSE S1.5	Number	569	590	586	797
Total Number of Employees – Temporary (<90 days)	GRI 2-7, JSE S1.5	Number	271	328	171	202
Total Number of Non-Guaranteed Hours Employees	GRI 2-7, JSE S1.5	Number	0	0	0	0
Total Number of Full-Time Employees	GRI 2-7, JSE S1.5	Number	22 669	21 711	21 304	20 823
Total Number of Part-Time Employees	GRI 2-7, JSE S1.5	Number	0	0	0	0
Total Number of Employees – All	GRI 2-7, JSE S1.5	Number	22 669	21 711	21 304	20 823
Total Number of Non-Employees whose work is controlled by RCL FOODS (“Contractors”)	GRI 2-8, JSE S1.5	Number	5 457	4 888	4 773	3 848
Total Number of Employees and Contractors	GRI 2-7&2-8, JSE S1.5	Number	28 126	26 599	26 077	24 671
Total Number of Employees and Contractors Operating in South Africa	GRI 2-7&2-8, JSE S1.5	Number	28 033	26 506	25 993	24 594
Percentage of Employees and Contractors Operating in South Africa	GRI 2-7&2-8, JSE S1.5	%	99.7	99.7	99.7	99.7
Percentage of Employees who are “Permanent”	GRI 2-7	%	96	96	96	95
Percentage of Management (Top and Senior) Deemed “EE”*	GRI 405-1, SASB 330	%	48	44	33	33
Percentage of Management (Top and Senior) who are Women	GRI 405-1, SASB 330	%	19	14	8	8
Percentage of Management (Top and Senior) Deemed “ACI”**	GRI 405-1, SASB 330	%	38	35	26	25
Percentage of Employees who are Deemed “EE”	GRI 405-1, SASB 330	%	97	97	96	96
Percentage of Employees who are Women	GRI 405-1, SASB 330	%	33	32	32	32
Percentage of Employees who are “ACI”	GRI 405-1, SASB 330	%	95	94	94	94
Number of Employees who are Deemed “Disabled”	GRI 405-1, SASB 330	Number	157	149	149	162
Percentage of Employees who Belong to a Trade Union		%	43	45	46	50
Percentage of Total Employees Covered by Collective Bargaining Agreements	GRI 2-30	%	74			
Number of New Hires	GRI 401-1, JSE S2.3, SASB 310	Number	3 461	1 713	2 013	1 696
Number of New Hires who are Deemed “EE”	GRI 401-1, JSE S2.3, SASB 310	Number	3 398	1 663	1 973	1 661
Number of New Hires who are Women	GRI 401-1, JSE S2.3, SASB 310	Number	1 167	580	510	495
Number of New Hires who are Under 30 years old	GRI 401-1, JSE S2.3, SASB 310	Number	1 549	825	1 063	919
Number of New Hires who are 30 to 50 years old	GRI 401-1, JSE S2.3, SASB 310	Number	1 830	823	898	750
Number of New Hires who are over 50 years old:	GRI 401-1, JSE S2.3, SASB 310	Number	82	65	52	27
Number of Employee Terminations	GRI 401-1, JSE S2.3, SASB 310	Number	2 636	2 001	1 958	2 114
Employee Turnover (proportion of departures relative to total number of permanent employees at year end)	GRI 401-1, JSE S2.3, SASB 310	%	12.1	9.6	9.5	10.7

Note: Prior year comparisons have been omitted where newly introduced metrics do not match previously recorded data sets



OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

LABOUR CONTINUED	Standard	Unit of Measure	2023	2022	2021	2020
Total Number of Person Hours Worked (PHW)	GRI 403-9	Number	42 482 724	42 098 090	41 710 900	40 903 662
Total Number of Employees Trained, Including Internal and External Training Interventions		Number	9 088	9 367	9 251	9 821
Percentage of Employees Trained in South Africa		%	100	100	100	100
Average Number of Hours of Training per Employee	GRI 404-1	Number	64	63	25	31
Total Number of Employees on Learnerships		Number	752	598	189	247
Total Number of Employees on Apprenticeships		Number	76	91	79	96
Total Number of Internships		Number	105	85	44	39
Percentage of Learnership, Apprenticeship and Internship Candidates Deemed "ACI"***		%	96	99	99	99
Rand Value of Employee Training Spend		Rands	56 322 312	48 059 189	32 595 704	31 807 414
Percentage of Training Spend in South Africa		%	100	100	100	100
Total Number of Person Days Lost Due to Absenteeism		Number	54 026	43 148	40 074	37 498
Percentage of Total Person Days Lost Due to Absenteeism		%	1.0	0.8	0.8	0.7
Total Number of Person Days Lost Due to Industrial Action (i.e., strike action)		Number	17 322	6 647	203	0
Percentage of Total Person Days Lost Due to Industrial Action		%	0.326	0.126	0.004	0.000

* Employment Equity (EE) refers to Historically Disadvantaged South Africans (HDSA) – Women and people who are African, Indian or Coloured and People Living with Disabilities

** African, Coloured or Indian (ACI)

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

HEALTH & SAFETY	Standard	Unit of Measure	2023	2022	2021	2020
Number of Fatalities (i.e., injuries on duty leading to death, excluding the deaths of workers not occurring 'at work')	GRI 403-9	Number	2	1	0	1
Number of First Aid Cases (FACs, i.e., injuries on duty leading to minor treatments, such as a plaster or a pain tablet)	GRI 403-9	Number	1 788			
Number of Medical Treatment Cases (MTCs, i.e., injuries on duty leading to medical treatment, but no lost days)	GRI 403-9	Number	577			
Number of Lost Time Injuries (LTIs, i.e., injuries on duty leading to at least one lost day)	GRI 403-9	Number	371	437	371	325
Total Number of Recordable Injuries, including MTCs, LTIs and Fatalities	GRI 403-9	Number	668			
Fatal Injury Frequency Rate (FIFR, i.e., number of Fatalities per 200 000 person hours worked)	GRI 403-9	Rate	0.009	0.0048	0	0.003
Lost Time Injury Frequency Rate (LTIFR, i.e., Number of LTIs per 200 000 person hours worked)	GRI 403-9	Rate	1.75	2.08	1.14	1.08
Total Recordable Injury Frequency Rate (TRIFR)	GRI 403-9	Rate	3.14	5.73		
Does the company report a LTIFR and/or TRIFR target?	GRI 403-9	Y/N	No	No	No	No
Total Number of Near Misses (NM)	SASB: FB-AG-320	Number	972			
Near Miss Frequency Rate (NMFR, i.e., Number of NMs per 200 000 person hours worked)	SASB: FB-AG-320	Rate	4.58			
Number of Fatalities as a Result of Work-related Ill Health - Employees	GRI 403-10	Number	0			
Number of Cases of Work-related Ill Health - Employees	GRI 403-10	Number	135			
Number of Fatalities as a Result of Work-related Ill Health - Contractors	GRI 403-10	Number	0			
Number of Cases of Work-related Ill Health - Contractors	GRI 403-10	Number	2			
Number of operational health and safety audits conducted		Number	204	13	11	16
Number of food and safety audits conducted		Number	131	33	32	33
Number of recalls for food safety reasons	GRI 13-10	Number	3			
Volume of product recalled	GRI 13-10	Tons	132			
Total incidents of non-compliance with regulations and/or voluntary codes (product health and safety)	GRI 416-2	Number	0			
Total incidents of non-compliance with regulations and/or voluntary codes (product information and labelling)	GRI 417-2	Number	1			
Total incidents of non-compliance with regulations and/or voluntary codes (marketing communications)	GRI 417-3	Number	0			



OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

CORPORATE SOCIAL DEVELOPMENT/SOCIOECONOMIC DEVELOPMENT	Standard	Unit of Measure	2023	2022	2021	2020
Total Corporate Social Investment (CSI)/Socioeconomic Development (SED) expenditure*	GRI 2-29, GRI 413	Rand	10 869 547	13 361 390	8 479 088	9 000 000
CSI/SED Spend as a percentage of Total Revenue Generated*		%	0.03	0.04	0.03	0.03
CSI/SED Spend as a percentage of Net Profit after Tax (NPAT)*		%	2.1	1.4	0.9	(0.9)
Percentage of Total CSI/SED Spend in South Africa		%	100	100	100	100
CSI/SED Spend on Education (Star Schools Project)		Rand	1 017 414	1 242 317	671 000	
CSI/SED Spend on Skills Development, Including Adult Education and Training (AET)		Rand	620 000	128 000		
CSI/SED Spend on Basic Needs & Social Development, including nutrition/feeding programmes		Rand	8 469 568	11 991 073	7 808 088	
CSI/SED Spend on Infrastructure Development		Rand	200 000	14 271		
CSI/SED Spend on Arts, Sports and Culture		Rand	562 564			
Enterprise Development Spend	GRI 2-29, GRI 413	Rand	16 088 096	11 132 697	15 686 142	9 918 702
B-BBEE Procurement Spend		(R'000)	13 954 043	11 669 411	11 823 636	7 212 547

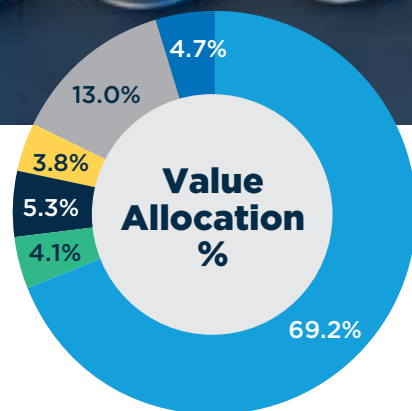
* Includes Vector Logistics

ENVIRONMENTAL	Standard	Unit of Measure	2023	2022	2021	2020
Energy						
Total non-renewable fuel consumed in organisation – Diesel	GRI 302-1	Kilolitres (kl)	35 154	29 622	27 294	28 548
Total non-renewable fuel consumed in organisation – Petrol	GRI 302-1	kl	76	86	66	56
Total non-renewable fuel consumed in organisation – Coal (tonnes)	GRI 302-1	tonnes	184 975	177 458	177 533	171 419
Total non-renewable fuel consumed in organisation – Natural Gas	GRI 302-1	Kg	94 515	122 449	118 009	133 573
Total non-renewable fuel consumed in organisation – CO ₂	GRI 302-1	Kg	1 075 178	1 724 251	1 411 027	1 555 713
Total renewable fuel consumed in organisation – Bagasse	GRI 302-1	GWh	165.4	129.4	147.9	156.4
Total Electricity Purchased in organisation – excluding self-generated from solar, wind or other sources	GRI 302-1	GWh	484.8	494	526	536
Total Self-Generated Energy Exported	GRI 302-1	GWh	8.9	8.0	12.6	21.7
Total Self-Generated Electricity Consumed – Co-generation	GRI 302-1	GWh	165	120	145	153
Total Self-Generated Electricity Consumed – Waste-to-value (W2V)	GRI 302-1	GWh	9.16	15.35	18.95	6.73
Total Self-Generated Electricity Consumed – Solar	GRI 302-1	GWh	1.49	1.37	1.45	0.34
Total Self-Generated Electricity Consumed – Hydro	GRI 302-1	GWh	1.25	1.05		
Total Self-Generated Electricity Consumed – all sources	GRI 302-1	GWh	176.9	137.8	165.4	160.1
Total Electricity consumed within organisation – Purchased + Self-Generated	GRI 302-1	GWh	661.7	631.8	691.4	696.1
Percentage of Electricity consumed in organisation that was Self-Generated	GRI 302-1	%	26.7	21.8	23.9	23.0
Electricity Efficiency: Purchased Electricity Consumed in Organisation per Person Hour Worked (kWh/PHW)	GRI 302-3	kWh	11.41	11.73	12.61	13.10

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

ENVIRONMENTAL CONTINUED	Standard	Unit of Measure	2023	2022	2021	2020
Carbon Footprint						
Total Greenhouse Gas (GHG) Emissions – Scope 1	GRI 305-1, JSE E1.1	tCO ₂ e	517 596	518 861	509 265	500 066
Total GHG Emissions – Scope 2	GRI 305-2, JSE E1.1	tCO ₂ e	525 456	526 981	547 122	557 724
Total GHG Emissions – Scope 1 and 2		tCO ₂ e	1 043 052	1 045 842	1 056 387	1 057 790
GHG emissions intensity for Scope 1 emissions	GRI 305-4, JSE E1.1	tCO ₂ e/PHW	0.012	0.012	0.012	0.012
GHG emissions intensity for Scope 2 emissions	GRI 305-4, JSE E1.1	tCO ₂ e/PHW	0.012	0.013	0.013	0.014
GHG Intensity for Scope 1 and 2 emissions	GRI 305-4, JSE E1.1	tCO ₂ e/PHW	0.025	0.025	0.025	0.026
Baseline year for GHG emission reductions	GRI 305-5	Year	2015	2015	2015	2015
Water						
Volume of Water Consumption – Municipal Water (i.e., purchased)	GRI 303-5, JSE E2.1	kℓ	6 464 657	5 982 511	5 940 000	5 490 000
Volume of Water Consumption – Borehole Water	GRI 303-5, JSE E2.1	kℓ	664 319	732 371	660 613	700 152
Volume of Water Consumption – Raw Water (i.e., river water and other sources)	GRI 303-5, JSE E2.1	kℓ	99 521 229	124 770 822	119 144 583	129 204 833
Total Volume of Water consumption – ALL	GRI 303-5, JSE E2.1	kℓ	106 650 205	131 485 704	125 745 196	135 394 985
Water Efficiency: Average Volume of Water (Litres) consumption per Person Hour Worked (ℓ/PHW)	JSE E2.1	ℓ	2 510	3 123	3 015	3 310
Total Volume of Water Discharged	GRI 303-4	kℓ	3 406 251	3 307 879	2 730 950	2 550 384
Does the company report a water consumption target against a prior baseline	GRI 303-1	Y/N	Yes	Yes	Yes	Partial
Baseline Year for Water Reduction Targets	GRI 303-1	Year	2 015	2 015	2 015	2 015
Does the company report a target for water consumption, or reduction, against a specific denominator (e.g. per PHW)	GRI 303-1	Y/N	Yes	Yes	Yes	Yes
Waste						
Total Weight of Non-Hazardous Waste Disposed of (e.g. Landfill)	GRI 306-5	Tons	206 174	216 462	218 546	187 122
Total Weight of Non-Hazardous Waste Diverted from Disposal (Converted to Energy or Fertiliser or Reused or Recycled)	GRI 306-4	Tons	752 510			
Total Weight of Non-Hazardous Waste Recycled		Tons	7 856	7 479	3 949	3 599
Percentage of Non-Hazardous Waste Recycled	GRI 306-4	%	1	1	0,5	0,5
Total Weight of Hazardous Waste (e.g. clinic waste, fluorescent tubes) sent to Registered Disposal Site	GRI 306-5	Tons	142	279	340	863
Total Weight of Waste Produced – Hazardous + Non-hazardous		Tons	821 375	752 159	834 471	999 619
Waste Intensity: Total Volume of Waste Produced per PHW	JSE E4.1	Tons	0.019	0.018	0.020	0.024
Total Volume of Waste from Poultry Farms		Tons	142 574	142 343	129 497	118 528
Total Volume of Waste from Sugarcane Farms		Tons	NA	NA	NA	NA
Percentage of Total Waste Diverted from Disposal	GRI 306-4	%	92.0	91.0	90.3	90.6
Compliance						
Total Number of Environmental Fines and/or Non-Compliances	GRI 2-27	Number	14			
Total Value of Environmental Fines and/or Non-Compliances		Rands	5 896 408	5 955 000	7 648 000	824 000
Total Number of Environmental Complaints	GRI 2-27	Number	4			

OUR VALUE-ADDED SUMMARY FOR CONTINUING OPERATIONS



REVENUE ('000)

R37 782 948

(2022: R32 200 777)

PAID TO
SUPPLIERS ('000)**R30 732 400**

(2022: R25 086 914)

DIVIDEND
RECEIVED ('000)**R40 876**

(2022: R66 392)

FINANCE
INCOME ('000)**+ R38 726**

(2022: R39 475)

TOTAL VALUE ADDED BY CONTINUING OPERATIONS ('000)

= R7 130 150

(2022: R7 219 730)

Allocated as follows (in R'000)

EMPLOYEES
Salaries, wages
and benefits**R4 936 100**

(2022: R4 743 366)

GOVERNMENT
Tax**R292 344**

(2022: R337 951)

Providers of capital

FUNDERS
Interest**R376 069**

(2022: R241 019)

SHAREHOLDERS
Dividend**R268 939**

(2022: R402 876)

Reinvested in the business

DEPRECIATION,
AMORTISATION AND
IMPAIRMENT**R924 725**

(2022: R798 853)

RETAINED (LOSS)/
EARNINGS**R331 973**

(2022: R695 665)



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APPENDICES

Appendix 1

OUR SUSTAINABLE DEVELOPMENT GOAL (SDG) CONTRIBUTION

Our Sustainability Strategy is aligned to the following Sustainable Development Goals, in particular the targets highlighted below.

PEOPLE



END POVERTY IN ALL ITS FORMS EVERYWHERE

- 1.1** Eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.90 a day.
- 1.4** By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.
- 1.5** Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.



END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION, AND PROMOTE SUSTAINABLE AGRICULTURE

- 2.1** By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
- 2.2** By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.
- 2.3** By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralist and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.
- 2.4** Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters, and that progressively improve land and soil quality.



ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

- 3.4** Reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being. This would include cardiovascular disease, cancer, diabetes or chronic respiratory disease and suicide.
- 3.9** By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.



ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL

- 4.2** Ensure that all girls and boys have access to quality early childhood development, care and pre primary education so that they are ready for primary education.
- 4.4** Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
- 4.5** Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

Appendix 1

OUR SUSTAINABLE DEVELOPMENT GOAL (SDG) CONTRIBUTION CONTINUED

PEOPLE



ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

- 5.1** End all forms of discrimination against all females everywhere.
- 5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

- 8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation.
- 8.5** Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- 8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.



BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

- 9.3** Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.



REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

- 10.2** Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
- 10.3** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.
- 10.4** Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS BY REGULATING EMISSIONS AND PROMOTING DEVELOPMENTS IN RENEWABLE ENERGY

- 13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
- 13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.



PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS

- 16.5** Substantially reduce corruption and bribery in all their forms.
- 16.6** Promote and enforce non-discriminatory laws and policies for sustainable development.



STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALISE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

- 17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

Appendix 1

OUR SUSTAINABLE DEVELOPMENT GOAL (SDG) CONTRIBUTION CONTINUED

PRODUCT



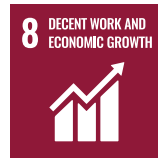
END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION, AND PROMOTE SUSTAINABLE AGRICULTURE

- 2.1** By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
- 2.2** By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.
- 2.3** By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralist and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.
- 2.4** Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters, and that progressively improve land and soil quality.



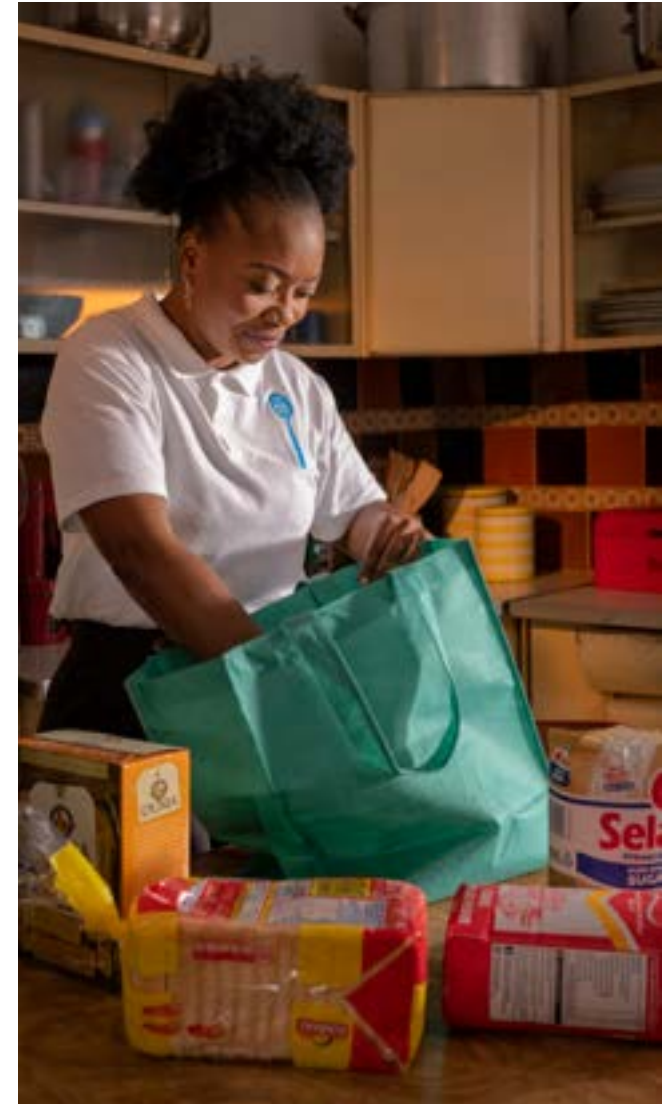
ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

- 3.4** Reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being. This would include cardiovascular disease, cancer, diabetes or chronic respiratory disease and suicide.



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

- 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.



Appendix 1

OUR SUSTAINABLE DEVELOPMENT GOAL (SDG) CONTRIBUTION CONTINUED

PRACTICES



ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

- 7.2** Increase substantially the share of renewable energy in the global energy mix.
- 7.3** By 2030, double the global rate of improvement in energy efficiency.



BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

- 9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.



MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT, AND SUSTAINABLE

- 11.6** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.



ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

- 12.2** Achieve the sustainable management and efficient use of natural resources.
- 12.3** By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.
- 12.4** Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.
- 12.5** Substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities.



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS BY REGULATING EMISSIONS AND PROMOTING DEVELOPMENTS IN RENEWABLE ENERGY

- 13.2** Integrate climate change measures into national policies, strategies and planning.



PROTECT, RESTORE AND PROMOTE SUSTAINABLE USE OF TERRESTRIAL ECOSYSTEMS, SUSTAINABLY MANAGE FORESTS, COMBAT DESERTIFICATION, AND HALT AND REVERSE LAND DEGRADATION AND HALT BIODIVERSITY LOSS

- 15.3** Combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.
- 15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
- 15.6** Mobilise and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.



PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS

- 16.5** Substantially reduce corruption and bribery in all their forms.
- 16.6** Develop effective, accountable and transparent institutions at all levels.

Appendix 2

OUR 2022 B-BBEE CONTRIBUTION

In September 2022 we completed our latest B-BBEE verification in terms of the Broad-Based Black Economic Empowerment Act. This was done by GLP B-BBEE in accordance with the new Agricultural Sector BEE Codes of Good Practice and focused on the 2022 financial year (1 July 2021 to 30 June 2022). The result was that the Group **Broad-Based Black Economic Empowerment (B-BBEE) score improved from level 5 to level 4.**

Our significant ongoing investments ensured we continued to achieve full scores in both Enterprise Development and Supplier Development. A significant area of improvement was our Socioeconomic Development score, while Preferential Procurement is an area requiring further focus.

2022 B-BBEE Scorecard: RCL Foods Limited

Elements	Available points	2021 Score	2022 Score	Difference versus 2021	
Ownership*	25	21.81	20.45	↓	1.36
Management Control	19	5.75	5.83	↑	0.08
Skills Development	20 + 5	8.11	9.86	↑	1.75
Procurement	25 + 2	14.87	13.91	↓	0.96
Supplier Development	10 + 1	10	10		
Enterprise Development	5 + 1	5	5		
Socio-economic Development	15	11.1	15	↑	3.9
Total	119 + 9	76.64	80.05	↑	3.41
B-BBEE Level		5	4		
Participation in YES Programme recognised		No	No		
B-BBEE Status Level		5	4		
Discounting applied		No	No		
Final B-BBEE Level		5	4		
B-BBEE Procurement Recognition level		80%	50%		
Black Ownership		21.49%	21.03%		
Black Women Ownership		10.96%	10.74%		
Empowering Supplier Status		Yes	Yes		

* Our Ownership score is largely determined by black ownership at the level of our majority shareholder, Remgro Limited.



Appendix 3

OUR LEARN MORE COLLEGE

Our LEARN MORE COLLEGE is growing fit-for-purpose talent through 7 key pillars:

- 1 Our Leadership Development Academy** develops our leaders today for the future, through world-class leadership development programmes and initiatives. We run these in conjunction with some of the best business schools and learning providers in South Africa. We offer our leadership development solutions across three key pillars (Mainstream Leadership Development, Transitional Leadership Development and Management Practices) and various social learning opportunities through our Communities of Learning initiative.
- 2 Our Professional Skills Academies** Learning function, in conjunction with various functional steering committees, look after a consistent delivery standard in building functional capabilities. Our **Automated Skills Dictionary** is our skills framework that underpins and describes the core competencies and functional skills required per business unit. Each role is mapped against a skills matrix at different levels of complexity.
- 3 Our team effectiveness solutions** utilise various methodologies which focus on increasing an employee's self-awareness, as well as building team cohesion and trust.
- 4 Our Onboarding Journey** is aligned to global best practice and comprises various steps and experiences to equip our new employees to become acquainted with their new work environment in an authentic and engaging way.
- 5 Operational development** takes place consistently across the various business units, ensuring that we are delivering relevant and fit-for-purpose skills. Our operational learning framework consists of qualifications, learnerships, skills programmes, apprenticeships and various learning events.
- 6 Diversity and Inclusivity Capability Building** focuses on developing diverse, capable and qualified D&I facilitators. Our intent is to grow a culture of inclusion, psychological safety and bravery at work, through our Circle Conversation methodology. Programme content design and development also form part of the overall capability building strategy.
- 7 Compliance Learning:** We have established a strong culture of compliance learning within RCL FOODS, with Ethics and Cyber Security training being two examples. In addition to the SHERQ learning programmes, we drive compliance courses and learning journeys that are designed to ensure that learners gain a deep understanding of the compliance frameworks within the company.

LEARNING AND DEVELOPMENT KEY INITIATIVES



LEADERSHIP &
DEVELOPMENT
ACADEMY



PROFESSIONAL
SKILLS
ACADEMIES



TEAM
EFFECTIVENESS



ONBOARDING



OPERATIONAL
DEVELOPMENT



DIVERSITY &
INCLUSIVITY BUILDING
CAPABILITIES



COMPLIANCE
LEARNING &
SUPPORT SHERQ

Appendix 4

IMPLEMENTING THE “EVERYONE GETS TO PLAY” COLLECTIVE IMPACT MODEL: THE DO MORE FOUNDATION’S REVISED THEORY OF CHANGE

The DO MORE FOUNDATION is committed to driving long-term systemic change in order to improve learning, health and social outcomes for young children and their families. Key to this is its “Everyone Gets to PLAY” collective impact model which it is progressively implementing in communities near RCL FOODS’ operations. This model focuses on implementing a comprehensive basket of quality services that meet a young child’s developmental rights and needs, as outlined in the National Integrated Early Childhood Development (NIECD) Policy. Its community development initiatives further support parents and caregivers through Enterprise Development projects that generate sustainable income for households with young children and create job opportunities in the local community.

THEORY OF CHANGE: SCALING DEEP, SCALING UP, SCALING OUT

Having established an effective and scalable working model, the DO MORE FOUNDATION has recently revised its Theory of Change (ToC) to reflect the multiple scaling pathways currently being implemented. Scaling deep, scaling up and scaling out reflect the deep community work, advocacy work and nation resourcing currently being implemented by the Foundation in order to deliver on its vision of “Creating better tomorrows for young children through partnerships”.

Key features of this iteration of the ToC:

- It organises the Foundation’s interventions into scaling categories, with young children at the centre
- It acknowledges that real children are positioned within families in real communities, which means that interventions and strategic plans are responsive to the context of specific communities and are realistic in their goals
- Recognising the interconnected nature of the Foundation’s work, each scaling category is not isolated, but connected and dependent on the work of another, while partnerships remain the central force that drive its impact



Appendix 4

**IMPLEMENTING THE “EVERYONE GETS TO PLAY” COLLECTIVE IMPACT MODEL:
THE DO MORE FOUNDATION’S REVISED THEORY OF CHANGE** CONTINUED

	INTERVENTIONS AND SHORT-TERM OUTCOMES	IMPACT	
SCALING DEEP CONVENING PARTNERS TO CATALYSE ECD IN COMMUNITIES	→ Through our Everyone Gets to Play collective impact model, communities are mobilised to identify ECD needs and are linked with implementation partners to activate a basket of ECD services so that the basic needs of young children can be met. Through our Enterprise Development initiative, community members are empowered to start and maintain their own businesses – earning a sustainable livelihood.	→ Young children and their families benefit from active and well-managed ECD services run through effective private and public partnerships.	BETTER TOMORROWS FOR YOUNG CHILDREN
SCALING UP ADVOCATING FOR THE YOUNG CHILD	→ By advocating and creating awareness for the importance of ECD, the early years are prioritised by all and recognised as a key area of investment.	→ Services for young children are well-resourced, better coordinated and prioritised by government, business and society.	
SCALING OUT NATIONAL EARLY LEARNING, PARENT SUPPORT AND FOOD RESOURCING	→ Through training, communications and the provision of resources via implementation partners, early learning programme quality is supported. Through the provision of food and nutrition initiatives via implementation partners, immediate hunger is overcome and child health is improved. Caregivers have increased access to free resources and communications which empower them to take an active role in their children’s early development and well-being.	→ Young children have access to high-quality early learning programmes. Young children experience reduced hunger and improved health. Young children live in stimulating environments with resources for learning and supportive, responsive parenting.	

Appendix 5

THE DO MORE FOUNDATION'S CLIMATE IMPACT STUDY

The DO MORE FOUNDATION acts as a backbone organisation and catalyst for the public, private and NPO sectors to come together to support young children and the communities in which they live. It supports projects directed at food security, youth development, economic development as well as specific early childhood development initiatives. As part of the *Independent Philanthropy Association of South Africa (IPASA) Climate Change response initiative*, the Foundation conducted an insightful exercise to better understand the intersection between climate change and the work they do. The study found that climate change adaptation is already indirectly integrated into the Foundation's work, making its impact even greater.

From a selection of eleven DO MORE FOUNDATION flagship projects, four existing actions were identified that contribute to building communities' resilience to climate change – and can be enhanced to climate-proof beneficiary communities. These are:

- **Subsistence farming:** Foundations often implement food gardens and small-scale farming initiatives as part of their food security programmes to safeguard access to food, increase affordability and promote a more diversified diet. Food gardens and subsistence farming can constitute a climate response by building community resilience to climate change, but they are also directly impacted by it (such as when droughts and floods or insect invasions reduce food garden productivity and crop yields). Integrating a climate lens to such activities – through the introduction of permaculture, composting, simple irrigation practices, etc. – can consequently climate-proof impacts and provide both a socio-economic and climate response to the above-mentioned challenges.
- **Water harvesting systems:** Programmes integrating water harvesting systems, water saving campaigns or water recycling processes help communities build resilience to climate change.
- **Upcycling practices:** Reducing, reusing, and upcycling strategies are integral pillars of the circular economy. Such practices are therefore an adaptation to the resource-constrained context but also support efforts to reduce waste, pollution and greenhouse gas emissions.
- **Nutrition programmes:** Climate change lessens the diversity of seeds available for farming, which in turns reduces diet diversity at community level, and lowers the nutrients necessary for child development. Building nutrition programmes and ecosystems once again helps to build community resilience.



BEHIND THE
POSITIVE IMPACT
IS A COMMITMENT
THAT MATTERS.



WE GROW
WHAT MATTERS