



**WE GROW
WHAT MATTERS**

**SUSTAINABLE
BUSINESS
REPORT
2024**

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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 2024 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 (as required by the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV")).

The information reported covers the sustainability performance of RCL FOODS and Rainbow for the 12 months from July 2023 to June 2024, and includes the July and August 2023 performance of Vector Logistics, which was disposed of effective 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 (JSE), 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.

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 BBBEE and Catalyst Solutions 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



Click on this link to access related information on the RCL FOODS website at www.rclfoods.com



Click on this link to access the page in the [Abridged Integrated Annual Report](#) with more details



Click on this link to access the page in the [Annual Financial Statements](#) with more details



Click on this link to access the [Corporate Governance Report](#) with more details



Click for more information

The narrative content of our Sustainable Business Report is structured according to the three Pillars and 10 Focus Areas of our 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.



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

01

EXECUTIVE SUMMARY

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MESSAGE FROM OUR CEO

PAUL CRUICKSHANK
Chief Executive Officer



We operate in a time of increasing complexity, interconnectedness and change, both locally and globally. For us as a food business in South Africa, our dynamic context – currently characterised by constrained demand, unreliable infrastructure, low economic growth, rapid digital transformation, skills challenges and extreme weather – provides us with both challenges and opportunities as we seek to Grow What Matters. We believe that embedding sustainability into the way we do business is a critical success factor in managing this complexity, by helping us reduce our risk and increase our resilience and responsiveness to change. This is not just best practice but has been borne out by our own experience to date.

This is aligned to the theme our leadership has been driving in the business this year of being “agents of positive change”. Being an agent of positive change is not about being a superhero trying to fix every problem; it’s about consistently showing up, controlling what you can control in line with your purpose and values, and working together to make a difference that matters. At RCL FOODS, what matters to us is serving people’s needs; responsibly creating opportunities for employment, belonging and growth; and doing MORE to strengthen communities and the environment. This is at the heart of our Purpose – “We Grow What Matters” – and has guided us during our 2024 financial year as we have taken steps towards setting ourselves up for a sustainable future.

We have been on a journey to create a sustainable business for some time. In 2016 we published our first Sustainability Strategy and have made some noteworthy progress since then in nourishing people, enriching communities and sustaining resources. The significant change in our business over the last few years, coupled with our shifting operating context, prompted us to undertake a refresh of our Sustainability Strategy in 2022. We based this on a rigorous analysis of material issues which enabled us to identify the areas where we should be concentrating our efforts. With this understanding, in our 2023 fiscal year, we developed our comprehensive new Sustainability Strategy and framework.

MESSAGE FROM OUR CEO CONTINUED

While we are still in the early stages of this next chapter of our journey, we are firmly committed to developing a clear path, continuously adopting best practices and a progressive approach, recognising that Sustainability is both an outcome and a process. To support this, we have integrated our Sustainability Strategy with our Business Strategy and ensured that sustainability principles are central to our Purpose and aligned with our overall vision and goals. We have also ensured that sustainability is integrated into various departments and driven by cross-functional teams who are best placed to operationalise the various elements of the strategy. A guiding principle is to ensure that every step we take remains credible and authentic.

EMBEDDING OUR SUSTAINABILITY STRATEGY IN 2024

We began this fiscal year with a set of 10 Sustainability focus areas, each with their own long-term ambitions and enabling actions, supported by defined in-year actions. Executing on the latter and beginning to embed the refreshed strategy has been a learning process that has involved relooking *what* we do and *how* we do it. A good understanding of where we are today is essential for achieving our ambitions for tomorrow. As we delved into each enabling action in our strategy, it affirmed the importance of reliable baselines, and we focused on the delivery of reliable energy, water and waste data to facilitate new baselines for credible target setting. We also focused on expanding the environmental, social and governance (ESG)

metrics we record and report on, with the aim of improving our data transparency and using data for improved decision-making.

As can be expected, operationalising our strategy has also involved an element of prioritisation in response to the most urgent issues facing our business. In 2024 there has been a decline in consumer demand amidst rising living costs, as well as increasing water and energy costs/shortages and food insecurity. While pursuing our overarching strategy, our main focus during the year has therefore been on energy, water and affordable nutrition. We conducted energy and water vulnerability studies at our key sites and are in the process of planning and implementing energy and water

resilience initiatives to address the current heightened risk. Additionally, we have begun engaging with stakeholders to develop a roadmap for supporting food security and affordable nutrition.

Our expectation has always been that this is going to be a journey and not a quick win. Mapping our landscape and understanding what credible action looks like has involved extensive collaboration with peers; liaison with internal stakeholders and experts; and benchmarking to learn how other companies like ours have approached their journey. In mountaineering terms, we have more or less reached basecamp level, having made good progress in scoping the climb ahead and ensuring that we are aiming

in the right direction with an appropriate degree of stretch.

The executive summary that follows provides highlights of our performance in our three Sustainability pillars - People, Product and Practices - and these are further unpacked in the narrative chapters that follow.

I invite you to engage with this report as a reflection of a journey-in-progress, and to join us in a conversation on how we can Grow What Matters, together. By collaborating to create a more sustainable future, we can all be agents of positive change.



OUR IMPACT IN 2024: EXECUTIVE SUMMARY



PEOPLE PRODUCT PRACTICES



PEOPLE



Rolled out our Purpose and integrated our Purpose and Values in all our people practices

Developed **bespoke Diversity & Inclusivity (D&I) plans per business unit and function**, based on our D&I framework

Diversity targets exceeded at E-band (executive) level and **inclusivity initiatives** extended **deeper** into the business

First-ever Executive Mentoring Programme completed to ensure an internal pipeline of future executives, with an emphasis on diversity

Lost-Time Injury Rate (LTIR) decreased to 1.26* (2023: 1.75) amidst strong **SHERQ focus**

Invested a further R19,9 million to **refurbish our Sugar small-scale grower irrigation** infrastructure damaged by the 2023 Nkomazi floods (2023: R25 million)

Good progress in **mapping our key community and local government stakeholders** at several of our operations and in **formalising how engagement will be managed**, in line with our new community engagement model

Worked on a **baseline for localisation** and started processes to drive **deeper localisation in procurement and employment** where feasible

7,1 million meals provided through the DO MORE FOUNDATION to ease hunger

All RCL FOODS communities now supported by DO MORE FOUNDATION programmes

The DO MORE FOUNDATION's **Eat Love Play Talk** programme was presented at **6 of our business sites** for the first time – **empowering our employees** as parents

Over R1,4 million invested in **Star Schools** project in Nkomazi, giving promising high school learners a jump start

* Injuries per 200 000 person hours worked.

OUR IMPACT IN 2024: EXECUTIVE SUMMARY CONTINUED

PRODUCT



Maintained all our existing **food safety and ISO accreditations**

45% decline in RCL FOODS consumer **complaints**

As a precautionary measure, we have **reassessed our protocols for safe disposal of expired and condemned stock**

RCL FOODS **donated 46 tonnes of short-dated stock** to charity organisations, assisting in **easing hunger while avoiding food waste**

321 tonnes of DO MORE Porridge distributed by the DO MORE FOUNDATION to 1 262 ECD centres, providing 27 160 children with a daily meal

Continued to support our value-tier offerings, **Yum Yum Peanut Spread** and **Nola Mayo Street Style**, to assist cash-strapped consumers

Leveraged our **multi-tiered pet portfolio** to offer shoppers value for money at all levels

Commenced work on **how we can better support food security and affordable nutrition**

Fry's launched its Everyday Range to bring more value to their consumers

PRACTICES



6 new low-emissions electric forklifts at **Randfontein Groceries** plant as part of a project to transition away from liquid petroleum gas (LPG) forklifts

To build soil health, we now lease a portion of our fallow fields to vegetable farmers each year

Delivered **baseline data for Energy, Water and Waste** in order to set reliable efficiency targets

17% more biogas produced by **Rainbow's Waste-to-Value** plants

84% of our total waste was converted into **energy, composted, recycled, reused or reworked**. Our waste-to-landfill increased due to an increase in mud waste in Sugar arising from improved retention dam management

Undertook a **major project to ensure reliable data** for Energy, Water and Waste

29% electricity self-sufficient thanks to co-generation, solar, W2V and hydro power

3% lower greenhouse gas (GHG) emissions

Gained an understanding of the requirements of a **Climate Risk Analysis** as one of our next steps

Started work on a **Responsible Sourcing Strategy**

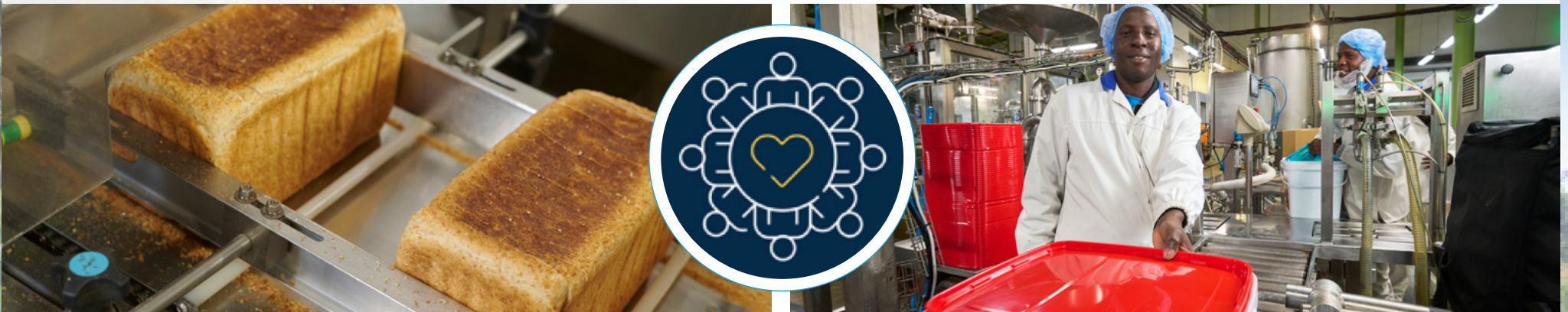
B-BBEE level 4 rating maintained at latest audit (September 2023)

Bagasse drying equipment upgraded, saving on GHG emissions, energy and costs

OUR BUSINESS IN 2024

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.

What matters to us is not just the food we create, but the impact we have on our people, communities, environment and nation.



IN 2024 WE PRODUCED:



85 million
jars of mayonnaise



26 million
jars of peanut butter



75 000 tonnes
of pet food



107 million
pies



43 million litres
of beverages



350 000 tonnes
of flour



282 million
units of bread, buns and rolls



30 million
units of Speciality products



574 503 tonnes
of sugar



356 000 tonnes
of chicken products



1,25 million tonnes
of animal feed

OUR BUSINESS IN 2024 CONTINUED

Since 2020 we have been on a journey to build a sustainable value-added business. Following our strategic portfolio review in 2021, we separated the Vector Logistics and Rainbow businesses internally from RCL FOODS to prepare them for independent operation. Vector Logistics was disposed of on 28 August 2023 and Rainbow was unbundled from RCL FOODS and listed separately on the Johannesburg Stock Exchange (JSE) effective 1 July 2024. Our business during the 2024 financial year was structured as follows:

RCL FOODS

R26,0
billion
REVENUE

9 691
employees

BUSINESS UNITS



Groceries (Grocery, Beverages)



Baking (Bread, Buns & Rolls, Milling, Pies, Speciality)



Sugar (Sugar, Molatek Animal Feed)



RAINBOW

R14,5
billion
REVENUE

6 629
employees

BUSINESS UNITS



Rainbow

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



**SUPPORTED BY OUR CENTRAL
FUNCTIONS AND BUSINESS SERVICES PLATFORM**

RCL FOODS OVERVIEW

OUR PURPOSE

RCL FOODS is a business that has always believed in making a meaningful impact through collaboration. Last year we distilled our Purpose into four words: **WE GROW WHAT MATTERS**. What's behind these words is what's most important to us as a business: growing people, brands, stronger communities, livelihoods and sustainable practices.

We believe that small, seemingly insignificant actions, when taken together, can make a meaningful impact for people, communities and our country.

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

RCL FOODS OVERVIEW

OUR WAY

How we deliver on our business strategy, vision and purpose is encapsulated in our unique culture, Our Way. We strive for an inclusive, high-performance culture grounded in our values, with Uncompromising Integrity at its heart

OUR VALUES IN ACTION



MORE INCLUSIVE

Celebrate and build diversity. Respect all people. Value other views. Encourage authenticity.



MORE CURIOUS

Ask questions and keep learning, especially from failure. See and do things differently. Try new things and innovate.



MORE ACCOUNTABLE

Be transparent. Take responsibility for your actions. Be true to your word and hold others to theirs. Embrace feedback and fix mistakes.



MORE AGILE

Keep it simple. Know when to go fast and when to go slow. Adapt and keep moving forward.



MORE COLLABORATIVE

Work together to solve problems and achieve goals. Share ideas and effort. Be generous with knowledge.



MORE SUSTAINABLE

Play your part. Plan ahead. Make a positive impact. Be future-fit. Leave a legacy.



RCL FOODS OVERVIEW

OUR BUSINESS STRATEGY

What we do to deliver on our Purpose and Vision is captured in our Business Strategy. This consists of three pillars – People First, Right Growth and Future Fit – and the strategic enablers that support them. Our commitment to long-term sustainability is integrated across our Business Strategy.

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

RCL FOODS OVERVIEW

OUR SUSTAINABILITY STRATEGY

Our Sustainability Strategy – which is embedded in our Business Strategy – is about **DELIVERING WELLBEING** by taking credible action and doing our part to deliver consumer goods that support the wellbeing of employees, consumers, communities and the planet. It is supported by three Pillars and ten Focus Areas, each with defined ambitions for 2050. These ambitions are advanced through a set of Enabling Actions in each Focus Area, which are key to 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
AND BRAND



NUTRITIOUS
AND
AFFORDABLE
FOOD



CLIMATE
ACTION



RESPONSIBLE
SOURCING



PROTECTING
NATURE



WASTE FREE



RESPONSIBLE
WATER



ACCOUNTABILITY

RCL FOODS OVERVIEW

OUR APPROACH TO SUSTAINABILITY

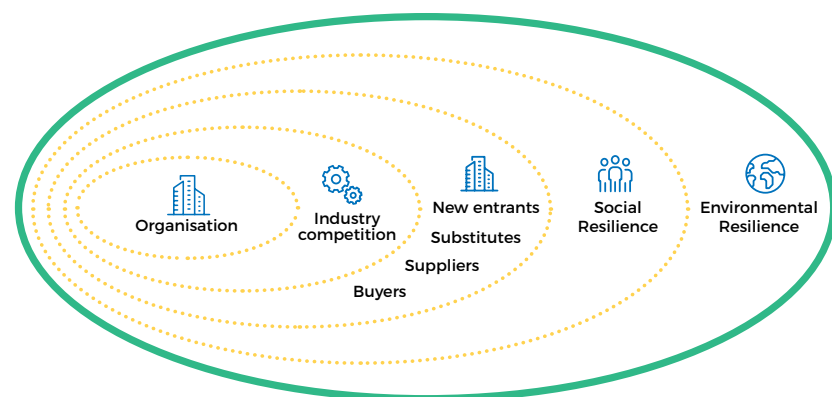
Our approach to sustainability is guided by our *Purpose: We Grow What Matters*. It's about making an impact that matters – one that is positive and enduring, collaborative in nature and unlocks opportunities to see and do things differently. This approach is underpinned by six key principles: a systems-view 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 (refer to figure below), 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.

WE OPERATE IN A COMPLEX SET OF NESTED SYSTEMS



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:

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:

We foster transparency through open communication, increased non-financial disclosures and higher levels of clarity and accuracy.

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

Part of the work to embed the Sustainability Strategy across RCL FOODS involves 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 sustainability reporting standards include those of the Global Reporting Initiative (GRI), the Johannesburg Stock Exchange (JSE) and the Sustainability Accounting Standards Board (SASB), as referenced on page 1.

OUR GOVERNANCE OF SUSTAINABILITY

Board oversight of our sustainability agenda, risks and performance is carried out through the Social & 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. We have an RCL FOODS Governance Committee that meets quarterly, ahead of the Board's 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.

02

OUR IMPACT UNPACKED

- 15 PEOPLE
- 53 PRODUCT
- 58 PRACTICES

PEOPLE

The People pillar of our Sustainability Strategy is grounded in the belief that everyone has the right to dignity and wellbeing. For this reason we prioritise inclusivity and work together with employees, communities and our value chain partners to make lives better.

OUR 2050 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

RELATED SDGs



See Our SDG contribution on page 100



PEOPLE

OUR EMPLOYEES: OVERVIEW

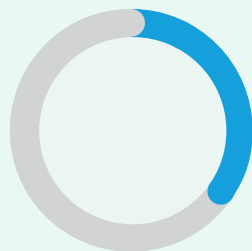


OUR EMPLOYEE PROFILE

(As at 30 June 2024, including Rainbow and excluding Vector Logistics.)

TOTAL EMPLOYEE HEADCOUNT

PERMANENT



16 320 ● 2024
21 829 ● 2023

FIXED TERM

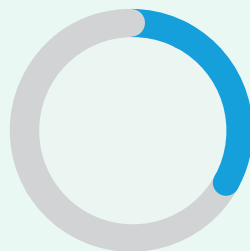
>90 days



306 ● 2024
569 ● 2023

TEMPORARY

<90 days



134 ● 2024
271 ● 2023

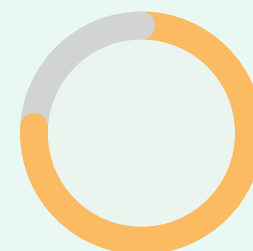
Our permanent and fixed-term employee headcount decreased by 5 509 and 263 during the period, mainly due to Vector Logistics' exit from the Group in August 2023. Vector Logistics had 5 634 employees (permanent, fixed term and temporary) at the end of June 2023.

We are committed to increasing the representation of historically disadvantaged South Africans ("employment equity") in our business, and to creating an inclusive culture where every individual is celebrated and valued.

OUR GROUP DIVERSITY PROFILE

TOTAL RCL FOODS

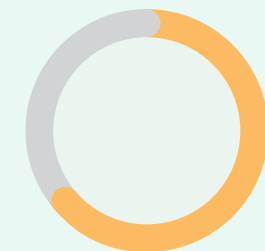
Gender



64% ● Male
36% ● Female (up 3 percentage points (ppts))

MANAGEMENT***

Gender



76% ● Male
24% ● Female (up 5 ppts)

TOTAL RCL FOODS
BY ACI*

94% (down 1 ppt)

MANAGEMENT
BY ACI

38% (unchanged)

TOTAL RCL FOODS
BY EE**

96% (down 1 ppt)

MANAGEMENT
BY EE

52% (up 4 ppts)

* 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)

PEOPLE



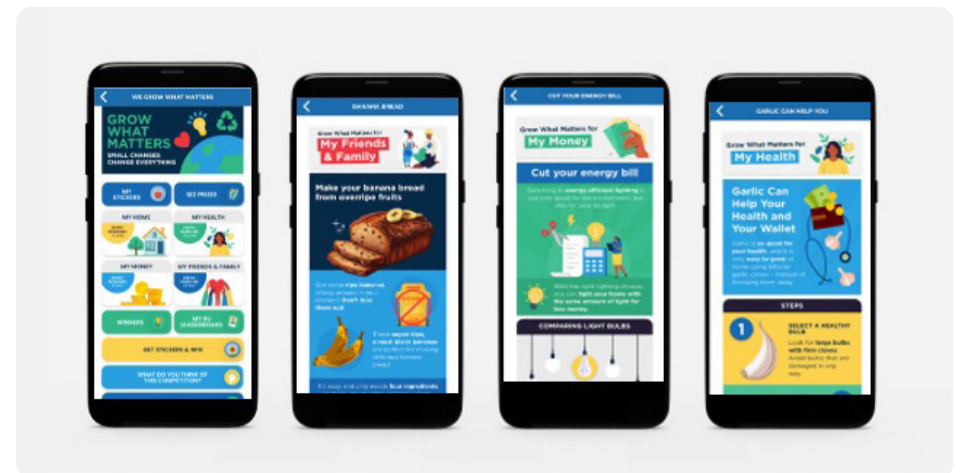
POSITIVE IMPACTS IN 2024

- Our **Purpose rollout was exceptionally well received** – people are excited and inspired to Grow What Matters, together.
- We have **integrated our Purpose and Values** in all our people practices, from recruitment and onboarding to performance management and leadership development.
- We continued to increase our **employment equity representation at management level** and have **accelerated our efforts to create an inclusive culture**.
- We were once again recognised as a **Top Employer** by the Top Employer Institute – our **fifth consecutive award**.
- Our **excellence and innovation in graduate employment** was acknowledged at the biannual South African Graduate Employers' Association (SAGEA) Awards in November 2023. We achieved **Silver Awards** in two categories: **Best Digital Campaign (up to 20 graduates)** and **Best Integrated Campaign (up to 20 graduates)**.
- Our **Sugar team won first place** in the "Best Project Targeting Youth" category at the **AgriSETA Excellence Awards** in November 2023.
- We **maintained our Level 4 B-BBEE contributor status** (*Appendix 2*) during our assessment in September 2023.
- We **invested in training and development for 8 827 employees** at a cost of **R54,6 million**.
- Over the last four years, an average of 98% of new hires have been employment equity candidates
- We **maintained a strong focus on employee health, safety and wellness**, supported by our Safety Culture campaigns and our YouMatter Employee Wellness Programme.
- Our **Lost Time Injury Frequency Rate (LT FIR) decreased** from 1.75 (per 200 000 person hours worked) to **1.26**.
- We leveraged various initiatives to drive employee engagement around Purpose and Values. **A key highlight was our Grow What Matters Campaign which was launched on our largest communication platform within the business – the Let's Talk app which reaches over 12 100 employees.** The campaign was intended to embed our purpose into people's everyday lives by showing them how small steps can lead to meaningful change that matters. RCL FOODS showed employees in an easy to read, illustrative way how to practically apply this in the following areas – My Home, My Health, My Money and My Friends & Family – and gave them an opportunity to win weekly prizes per site. **The 8-week campaign in April and May 2024 yielded a noticeable improvement in registrations and activity across all sites.** This was the most impactful campaign ever run on the Let's Talk app and within the business and helped bring our Purpose to life.



KEY CHALLENGES AND OUR RESPONSE

- In a context of heightened political and socioeconomic pressure, coupled with shifts in the union landscape, we experienced **labour disruptions** at a number of sites during the year. We continue to uphold our approach of addressing the needs of employees while limiting inflationary impacts on the consumer. We are also increasing our efforts to drive engagement at a factory level.
- **Restructuring in our Groceries (Beverages) and Baking (Bread, Buns & Rolls and Milling)** business units unfortunately culminated in a Section 189 process which impacted 212 employees.



PEOPLE



CASE STUDY

A MISSION
THAT
MATTERS TO
TEBOGO

Tebogo Matlakala is our Safety, Health, Environment, Risk and Quality (SHERQ) Manager for our Pies operating unit in Krugersdorp. Among other things, she is responsible for implementation of the Total Integrated Management System (TIMS) at the site, leading its Risk Management System, overseeing SHERQ audits, ensuring SHERQ standards compliance, and making sure that any incidents are investigated and responded to.

Focused and passionate about her work, Tebogo has been recognised for her leadership skills and attended our Foundational Leadership programme at Gordon Institute of Business Science (GIBS) in 2022. She is on a mission to make an even greater impact in her career going forward, whether in the SHERQ sphere or in operations where her RCL FOODS journey began.

Rewind to 2005 when Tebogo joined the business – not as a safety and quality expert but as a general worker at the Rustenburg Chicken processing plant. Tebogo had already put herself through secretarial college by that time, having worked in a jewellery shop, a fuel station and a salon to finance her post-school education. When she started working on the KFC nine-piece production line at Rainbow, she became fascinated by the quality field. She put herself through a Poultry Meat Inspection diploma in 2006 and was promoted to quality controller the following year. Eager to better herself further, she completed a Quality Management System certificate with UNISA in 2011 and became a SHEQ administrator

shortly afterward, just as SHEQ was being integrated into the Rainbow business. Tebogo's dedication and excellence led to her being promoted to SHEQ systems coordinator at the Rustenburg plant in 2015.

Her big break came in 2016 when she put up her hand to act as Regional SHERQ Manager – a nine-month stint that exposed her to the whole chicken supply chain and brought her close to the people in it. While it proved her leadership capacity and showed her what she could do – even with two small children at home – she unfortunately could not be appointed to the role permanently as she had no formal SHERQ qualification. Undeclared, Tebogo “went back to school” in 2017, while continuing in her full-time SHEQ systems coordinator role.

Three years later Tebogo finished her Logistics, Materials and Supply Chain Management diploma – and in 2021 another opportunity came around. This time it involved a move to the Pies operating unit in Krugersdorp as Senior Risk Control Officer, and in 2022 she was promoted to her current role as SHERQ manager. She loves the integration of operations, health and safety, quality and environmental health in her

field, and is passionate about SHERQ being a way of life for everyone, not just a compliance exercise. “What we do at work is the way we should live,” she says.

Tebogo is grateful to the many people of RCL FOODS who inspired and continue to inspire and encourage her to go after her dreams and become her best self.

She singles out SHERQ Director Najib Salim who has been a longstanding mentor to her and helped her to believe in herself. Her journey hasn't been easy, but she's prepared to work hard to give her children a better life. Says Tebogo: “I respect people who study, have a family and create a balance between their personal life and career. At some point I almost gave up. But family and work were very supportive. I had to do it for my two little babies.”

Tebogo Matlakala is living proof that we are masters of our own destiny. Her success has come from recognising and taking every opportunity for growth, even if it means sacrifice. And she is determined to make an even greater impact going forward, led by her favourite value: Uncompromising Integrity.

PEOPLE



OUR APPROACH AS AN EMPLOYER

Our employees are our most important resource: it is through their skill, commitment and teamwork that we Grow What Matters, together. Our ambition as an employer is to foster wellbeing and belonging through an inclusive workplace that attracts, respects and invests in people.



BUILDING A HIGH-PERFORMANCE, DIVERSE AND INCLUSIVE CULTURE

Delivering on our Purpose and Vision starts with building a high-performance, diverse and inclusive culture (part of the “People First” pillar of our business strategy) – a culture where people are both empowered and held accountable, and every employee feels a sense of safety and belonging. To achieve this, we focus on:

- embedding our Purpose, Values and Strategy across the business;
- driving diversity and inclusivity;
- growing effective and authentic leadership;
- developing people and teams;
- driving collaborative employee relations and engagement; and
- protecting and promoting our employees' health, safety and wellness.

These priorities, which are echoed in our Sustainability Strategy, are reported under the following headings in this section:

- Diversity and inclusion
- Labour practices and remuneration
- Investing in our people
- Employee and contractor wellbeing.

FOUNDATIONS OF OUR EMPLOYMENT PRACTICES

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, and which is signed annually by all staff members;
- The RCL FOODS Recruitment Policy;
- Our Employment Equity Policy and targets;
- Our Diversity & Inclusivity Framework;
- 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 and contractors 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; and
- 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 the prohibition of bribery and corruption and child and forced labour.

PEOPLE



DIVERSITY AND INCLUSIVITY

At RCL FOODS, diversity and inclusion are a key part of our Purpose. We believe in the transformative impact of embracing diverse perspectives and creating an inclusive culture for all employees – where every voice is heard, every person is valued and respected, and has a sense of belonging.

OUR APPROACH TO DIVERSITY AND INCLUSIVITY

Our approach to diversity and inclusivity has two parts:

- **Driving diversity:** We embrace diversity (including diversity of gender, ethnicity, disability and religion) and are actively working to grow it. Key initiatives are described in the pages that follow.

- **Creating an inclusive culture:** We believe that by valuing all people and supporting their inclusion, we can contribute to a more equitable, prosperous, and harmonious society where everyone is empowered to thrive. We are cultivating an inclusive environment by:
 - » creating opportunities for open, honest dialogue that leads to impactful personal and team transformation;
 - » supporting the business through capability building and development;
 - » leveraging diversity to see and do things differently; and
 - » driving engagement across all levels of the business.

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

PEOPLE

DIVERSITY AND INCLUSIVITY CONTINUED



ADVANCING DIVERSITY AT MANAGEMENT LEVEL

While our total employee demographics are broadly representative of the South African population, we are committed to increasing diversity at management level. Numerous initiatives are in place to support our emerging ACI and women leaders ([see Investing in our people](#)) and we have targets to ensure we progressively increase our leadership diversity.

Our current five-year Employment Equity targets (below) were submitted to the Department of Labour in January 2021. Below we provide an update on our progress against these targets as at June 2024.

PROGRESS AGAINST OUR PUBLISHED 2025 EMPLOYMENT EQUITY TARGETS

GRADE	Management headcount at June 2024	Actual EE% at June 2024	EE% Target 2025	Actual ACI% at June 2024	ACI% Target 2025	Actual Female % at June 2024	Female % Target 2025
F Top management	9	33%	40%	22%	30%	11%	25%
E Senior management/ executives	22	55%	50%	41%	40%	32%	30%
D-Upper: Professional qualified and experienced specialists and mid-management	143	50%	55%	31%	40%	31%	35%
D-Lower: Professional qualified and experienced specialists and mid-management	365	71%	70%	53%	55%	41%	45%

Key highlights of our **performance versus the 2023 financial year** include:

- a **7 percentage point (ppt) increase** in our **female representation at E Band** (executive) level (2023: 25% female representation);
- a **5 ppt and 4 ppt increase** respectively in our **ACI representation** at the D-Upper and D-Lower Band (2023: 26% and 49% respectively);
- we **achieved our EE, ACI and Female targets at E Band** and our EE target at D-Lower Band; and
- closing the gap to our other targets remains a key focus.

PEOPLE

DIVERSITY AND INCLUSIVITY CONTINUED



WOMEN IN MANAGEMENT

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 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 a new group of 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.

Since 2022 we have been 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 three years.



DIVERSITY AND INCLUSIVITY HIGHLIGHTS IN 2024

- We have made **deliberate progress in the key areas of improvement identified in our recent D&I research study**.
 - » Based on our D&I framework, we have now **developed bespoke D&I plans per business unit and function**, each with specific actions and associated KPIs.
 - » We further rolled out our **Unconscious Bias training** to reduce bias and discrimination in the recruitment process.
 - » We **reviewed our recruitment processes** to include diverse panels for better decision-making and more inclusive hiring.
 - » We accredited **42 new D&I Conversation Circle facilitators** to help us take our Conversation Circles even deeper into the business and drive inclusion at factory level. To date we have run 527 of these (77 in the last year alone), to create a safe psychological environment for employees to engage in courageous conversations on various topics related to inclusion and wellbeing, including mental health.
 - » We introduced **Affinity Circles** focusing on Pride, Neurodiversity, Men's Health and other issues. Delivered as part of our YouMatter Employee Wellness Programme, the Affinity Circles play a key role in the **Mental Health** aspect of our Diversity & Inclusivity Strategy. They drive inclusion by creating safe spaces for open dialogue; driving awareness of diverse experiences and challenges; advocating for inclusive policies and providing support through capability building to drive cultural change.

- » We launched a **Women Empowerment Series**, a site-specific six-month journey through which women speakers address their peers on key daily challenges. Together they explore ways to resolve them and discover techniques for transforming their personal and professional lives. This is a key initiative to drive **Gender Equality** as part of our Diversity & Inclusivity Strategy.
- » We ran our first ever **Executive Mentoring Programme** (see case study on the next page) – a focused mentoring initiative to ensure an internal pipeline of future E-Band leaders, with an emphasis on diversity.
- **We have placed an intense focus on improving racial and gender diversity at our most senior levels.** While we have made good progress at E Band level, we continue to focus on D-Upper EE and ACI females.
- **We achieved first place in the Mainstreaming Gender and Disability Category at the 2023 Gender Mainstreaming Awards.** The award went to Iris Naidoo from the DO MORE FOUNDATION for the #DoMorePlay project – an innovative and inclusive programme that **empowers disabled youth, particularly young women, who often face multiple challenges and barriers to employment and skill development**. Through sustainable production of wooden toys, the project not only supports environmental responsibility but fosters early childhood development, thereby touching multiple aspects of societal well-being.



PEOPLE



CASE STUDY

DEVELOPING FUTURE-FIT
DIRECTORS THROUGH
MENTORSHIP

A business can only be resilient and ‘future fit’ if its leaders are – which is why we are intentional about growing a pipeline of leaders with the necessary awareness and capabilities to keep our business moving forward in a complex, dynamic environment.

This is especially vital at the highest leadership level, where we have just completed our first-ever **Executive Mentorship Programme** for high-potential D-upper managers earmarked to transition to E-Band Director roles in the short to medium term – with an emphasis on African, Coloured, Indian and female talent.

Delivered in collaboration with the Centre for Coaching at UCT’s Graduate School of Business (GSB), the 18-month programme consists of bi-monthly external coaching sessions and monthly mentorship sessions by 14 of RCL FOODS’ own directors. After the first round of the programme, which ended in April 2024, mentees praised it as a “profound” opportunity to engage with and learn from passionate and experienced directors, and to discover their personal purpose and passion. Fourteen mentees have already been promoted to director level themselves, and several are now mentoring others. The following testimonials shared at the graduation give a glimpse of the programme’s wide-ranging impact.



“This coaching and mentorship programme has been the most significant development intervention of my 20 year career so far. The programme impacted me in three main areas: understanding myself and removing many self-limiting beliefs; being disciplined and accountable; and transferring skills to my team. Thank you to RCL FOODS and the UCT Centre for Coaching and Leadership for this intervention which has had tremendous impact on my mindset, confidence, coaching and self-image.”

EDWIN UKAMA
(National Operations Executive:
Front End Food Partners)



“I work in a complex matrix system that feeds from community level up to Group level. I have seen growth in the team I lead, because one of the initiatives we implemented as part of this programme was to place accountability where it’s supposed to be. I stand in front of you proud of that achievement – because where decisions are supposed to be made, they are being made and people are being held accountable. We are under a lot of pressure but I see hope in the team, and we wouldn’t have had that hope had I as a leader not discovered myself. Through the coaching I also got to discover myself as a woman. It is easy for us to fall into the trap of wanting to behave like a man. There is nothing wrong with being comfortable in your own skin as a woman, emotions and all. It’s because of our emotions that we’re able to drive things passionately. For example, I am busy driving a project to find ways to support women in operations.”

STELLA MTHEMBU
(Managing Executive: Land Reform)



“This Executive Mentoring Programme came at a very opportune time for me. I took a left turn in my career path into general management about 16 months ago with a big task ahead of me: to transition and take the business on a new path to a future-fit state. One that required me to build a strong team, lead a team, and support and drive through others around me. The programme has transformed the way I work personally. It’s also helping me unlock opportunities to live out my personal purpose around people development, giving back to my industry, and hopefully giving back to the community.”

HILTON CAIRNS
(Managing Executive: Culinary)

PEOPLE



LABOUR PRACTICES AND REMUNERATION

We strive to implement best management practices in all our operations in order to create a productive, harmonious, safe workplace with equitable and fair working conditions. This includes supporting our employees' freedom of association and collective bargaining; striving for regular, open communication; and making every effort to ensure fair compensation. Salary reviews and employment benefits are determined through a process of engagement in which employees have 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 the Company, provided that such entities are legally mandated to operate within the food industry.

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 have been updated and entrenched since 2023 to respect trade union organisations and union membership.

Recognition agreements regulate the relations between RCL FOODS and the trade unions, and make provisions for the collective bargaining process.

All factory level employees, or 66% of our workforce, are part of site-based bargaining units through which the recognised trade unions negotiate salaries and conditions of employment. The decline in bargaining unit membership in 2024 was due to the exit of Vector, as over 80% of Vector employees were bargaining unit members. While 44% of bargaining unit staff are not union members, **all bargaining unit staff are eligible for whatever is negotiated** by the Company and the union in terms of salaries and conditions of employment. We also have national and site-based employee representative forums to ensure proper communication and engagement with our social partners in these unions.

According to the recognition agreements, a **consultation period of at least 60 days** must be given to employees and their representatives before any significant operational changes are implemented that could substantially affect them.

We have signed **multi-year wage agreements with unions across most of our business units**, which helps to minimise employee industrial action.

PEOPLE



LABOUR PRACTICES AND REMUNERATION CONTINUED

EMPLOYEE COMPENSATION

As a major employer in South Africa, we support the livelihoods of thousands of people. Our intention is to maintain employment as far as possible, especially during tough economic times. We make every effort to balance our responsibility to employees with the need for financial stability and sustainable food provision.

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**.
- A performance incentive scheme is in place for managers.
- We contribute to either a **Provident Fund** or a **Pension Fund** for all permanently-employed employees, to ensure they are provided for in retirement and in the event of disability or death. Contributions vary according to the structure of the individual's salary package and the member contributions selected by the employee.
- All employees have access to a **pension fund-backed home loan**.
- **Free drafting of wills and estate planning** is available 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.

OUR CURRENT EMPLOYEE REMUNERATION PROFILE

Our lowest-paid workers all earn **at least the minimum wage**.

In 2024, the **average annual remuneration** for employees was R215 652. The **median remuneration was R100 698**.

The **ratio of the total guaranteed annual compensation of the top 5% of employees to the bottom 5%** of employees in 2024 was **1:22**.

 For more information please refer to our *Remuneration Report*, available at www.rclfoods.com/financial-results-and-reports-2024/.

PARENTAL AND FAMILY RESPONSIBILITY LEAVE

We understand that our employees play an important role in their families and we strive to support them in this as far as possible. For instance, when employees (men and women) take **parental leave**, we now **pay out their annual leave on a full-year basis**, instead of pro-rating it according to the number of months worked in the year.

In 2024, a total of **42 767 days of family-related leave** were taken. Of these, 27 838 were for maternity leave and 823 were for paternity leave.

DISCIPLINARY AND GRIEVANCE POLICIES AND PROCEDURES

As part of ensuring equitable and fair working conditions, we have **clear disciplinary and grievance policies and procedures in place**. These are communicated to all employees through the induction process, training and 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 of any kind within our business or supply chain. In line with the Basic Conditions of Employment Act, our **Recruitment Policy prohibits the hiring of individuals below the age of 18 years**. All appointments are monitored by our internal structures and audits, with a particular focus on child labour. We are strengthening the use of adequate and verifiable mechanisms for age verification in recruitment procedures. This is further supported by access controls at all our sites which require positive identification, including the individual's identity number.

The **prohibition of child and forced labour, along with other unethical business practices, is part of our supply chain agreements which all contain our Code of Ethical Business Practices**. Should we become aware of legal non-compliance by a supplier, we advise the supplier to take appropriate actions within a reasonable time frame to rectify, remediate or mitigate the consequences of the non-compliance. If these are not addressed, we disclose the matter to an appropriate authority where required by law or regulation, or where considered necessary in the public interest.

PEOPLE



LABOUR PRACTICES AND REMUNERATION CONTINUED



LABOUR PRACTICES AND REMUNERATION CALLOUTS IN 2024

- Where a trade union has complied with the provisions of the Labour Relations Act in terms of obtaining organisational rights, we have acknowledged them and extended recognition agreements to regulate the relationship between them and the Company and the rights applicable. During 2024, **we extended recognition agreements to new trade unions in four operating units.**
- We **timeously commenced wage negotiations across all sites which were due for salary increases.** Unfortunately, parties deadlocked at Tzaneen Bakery and a small percentage of employees embarked on **industrial action** for a two-week period in February 2024. Unionised employees at the Chicken Feed Mill in Worcester also embarked on a strike over wages for four weeks in March 2024.
- **Restructuring in our Beverages, Baking and Milling** operating units regrettably culminated in a Section 189 process, impacting **212 employees.**

- **Rainbow's relocation of its Midrand breeder farms** to rural Zuurplaat, to reduce Avian Influenza transmission risk, unfortunately resulted in a Section 189 consultation process for 17 employees. The Company has sought to minimise people impact as far as reasonably possible.
- **70 tipoffs were received**, via our Tipoffs Anonymous hotline and other sources, regarding **inappropriate conduct** such as fraud/theft, breach of company policy or unfair treatment. Of these, 17 were found to be valid after investigation and appropriate remedial action was taken.



Free call 0800 003 224

PEOPLE



INVESTING IN OUR PEOPLE

We invest in our people's learning and development in order to support employee growth, to build and retain a pipeline of talent, and to develop the capabilities we need to support delivery of our Purpose and long-term business strategy.

OUR APPROACH TO LEARNING AND DEVELOPMENT

We facilitate ongoing learning and development through our RCL FOODS Corporate College, the **LEARN MORE COLLEGE** ([Appendix 3](#)). The college delivers a variety of focused, fit-for-purpose initiatives to grow current and future leaders, support career development, develop professional skills, cultivate high-performing teams, build core capabilities through development programmes and feeder schemes, and support our broader talent management initiatives. Programmes are run both in-house and externally, in person and online. We encourage our people to complete an Individual Development Plan so that we can support them with their specific developmental needs.

Leadership development is a key focus at all levels of the business, with ACI and female leadership development being a priority. We have two **transitional leadership development programmes** in place to develop high-potential leaders and grow our leadership talent pipeline: the **Emerging Leaders Development Programme** and the new **Executive Mentorship Programme**. Our **professional skills academies** offer career path-aligned learning paths and enable them to progress towards higher levels of leadership and responsibility.

We have two key programmes focused on **growing leadership skills at a manufacturing level**: the **Supervisory Fundamentals Programme** and **Basadi Bereka** (Women at Work).



LEARNING AND DEVELOPMENT HIGHLIGHTS IN 2024

- We **invested R54,6 million in training 8 827 employees** (2023: R56,3 million in training 9 088 employees), of which 90% were African, Coloured or Indian (ACI) and 38% were female.
- Our **Purpose and refreshed Values have been integrated** into all our learning and development programmes and materials, including Onboarding, to ensure a strong culture alignment across the organisation.
- We broke new ground with the completion of our first-ever **Executive Mentorship Programme** for newly-appointed E-band executives and high-potential D-upper leaders – a programme which had a “profound impact” on its first 14 participants.
- Our **Emerging Leaders Development Programme** entered its fifth year. Delivered in partnership with Nelson Mandela University, this year-long programme for newly-appointed managers and earmarked future managers has empowered 59 junior and middle managers with valuable business leadership skills to date.
- We completed our **first five-year Miller Trainee Programme**, an NQF level 5 programme aimed at addressing the skills shortage in the milling industry. It was conducted through the South African Grain Milling Academy (SAGMA) and practical exposure was provided within our own milling facilities. Four newly-qualified millers have now joined our ranks and will be key in maintaining the consistent quality our products are known for.

[See case study on page 29.](#)

PEOPLE



INVESTING IN OUR PEOPLE CONTINUED

- Our **Siyabhaka Baking Academy** also completed its fifth year, with 21 graduates receiving their NQF level 2 and 3 qualifications in December 2023. Launched in 2019, the Siyabhaka Academy was created to **help bridge the significant skill gap within the baking industry**. The highly specialised syllabus equips school leavers with a balance of technical knowledge, practical hands-on skills and in-bakery experience in order to enhance their employability within the industry. We then work with our customers to secure job placements for the graduates, or they join our own Baking business unit. To date, **64 learners have benefited from the Academy**.
- We continued to invest in skills development, with **589 people currently registered on learnerships and apprenticeships**, a 28% decrease due to the exit of Vector Logistics. Learnerships are being carried out in all areas of the business and are assisting in upskilling employees, as well as supporting unemployed learners to enhance their employability.



OUR TALENT FEEDER SCHEMES (including Vector Logistics in July and August 2023)

	2022 financial year			2023 financial year			2024 financial year		
	Total	Total ACI	% ACI	Total	Total ACI	% ACI	Total	Total ACI	% ACI
Apprenticeships*	91	90	99%	76	75	99%	77	77	100%
Learnerships*	598	589	90%	752	718	95%	512	477	93%
Bursaries	16	16	100%	12	12	100%	12	12	100%
Company Assisted Studies (CAS)	144	126	88%	156	141	90%	131	114	87%
Graduate Placements	19	19	100%	20	20	100%	10	10	100%
Management Trainees (including Engineers-in-Training)	11	9	82%	46	39	85%	40	37	93%
Internships	85	85	100%	105	105	100%	99	99	100%

* Accredited by the South African Qualifications Authority (SAQA).

PEOPLE



CASE STUDY

RCL FOODS HELPS ISRAEL CHANGE HIS NARRATIVE

Israel Ngobeni, our Technical Manager at Komati Mill, started out life like many other youngsters in rural Nkomazi. With limited resources and few options to break out of the poverty cycle, he only started school at the age of 12. Yet he caught up quickly, and in Grade 10 he scored his first big opportunity: to join a Star Schools programme sponsored by RCL FOODS.

When he exited the programme with his matric certificate three years later, the Company offered him a bursary to study Mechanical Engineering. When he qualified, we were thrilled to welcome him as an Engineer-in-Training in our Sugar business.

Today, after gaining valuable experience at both our Komati and Malalane mills, as well as consulting externally for the sugar industry, Israel occupies a valuable leadership role back at the Komati Mill where his journey first began. In 2023 he attended the prestigious RCL FOODS/Gibs Senior Leadership Programme, and he recently signed up for a Master's in Business Leadership.

“RCL FOODS’ support helped kickstart my career and life. Without that I’d be telling a totally different story. They gave me this opportunity and I’m grateful for that,” says Israel.

What Israel loves most about the business is that it cares about its employees and its surrounding communities: “RCL FOODS makes a huge difference within the communities wherein it operates. Working here gives me an opportunity to plough back into the community that raised me”.



PEOPLE



EMPLOYEE AND CONTRACTOR WELLBEING

As a manufacturing and processing business, there are inherent risks in our activities that can affect the health and safety of our people and contractors. Some common inherent risks across our operations include “slip, trip and fall” incidents, noise exposure and injuries related to the handling of equipment and machinery. We acknowledge that it is our duty to manage these and other risks appropriately in order to ensure safe, healthy working conditions that support physical and mental wellbeing.



OUR APPROACH TO EMPLOYEE HEALTH, SAFETY AND WELLBEING

We strive to promote and protect our employees' wellbeing through strict adherence to health and safety protocols and provision of a range of occupational and personal support initiatives. We are placing a strong focus on the development of a strong Safety, Health, Environment, Risk and Quality (SHERQ) culture across the organisation, in line with our SHERQ Framework. Key SHERQ activities include:

- Communicating life-saving behaviours to all employees and keeping them informed on how to protect themselves and each other in the workplace.
- Quarterly SHERQ Culture Walks by our site leadership teams, where they engage with employees to obtain a view of their SHERQ understanding, perceptions and patterns of behaviour. The outcome of these walks are analysed and key takeouts are reported at different employee forums on site.
- Annual SHERQ Maturity Assessment Reviews and Inter-site Audits, which inform action plans for improvement at Group and business unit level.

The key elements of our Occupational Health and Safety (OHS) system are described next.

PEOPLE



EMPLOYEE AND CONTRACTOR WELLBEING CONTINUED

OUR OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

An occupational health and safety (OHS) management system has been implemented at our sites, which is aligned to the ISO 45001 standard (for the Groceries and Baking business units) and NOSA system (for the Sugar business unit). Our OHS system aligns with the Occupational Health and Safety (OHS) Act 85 of 1993 and other applicable legislative requirements. The scope of the system includes all workers, activities, services and facilities that RCL FOODS has control over. The system is audited as part of our internal audit programme, and external audits are conducted regularly in our operations as part of their ISO/NOSA certification.

1. WORKER PARTICIPATION, CONSULTATION AND COMMUNICATION

Our employees are key stakeholders in our OHS management system. They nominate Safety Representatives at each site, and the appointed Safety Representatives formally represent their health and safety interests at site Safety Committee meetings, which take place at least every three months. During these meetings, Safety Representatives can raise queries or suggestions which are minuted and addressed. In addition to this, we also drive worker consultation and participation by means of suggestion programmes, involvement in risk assessments, toolbox talks, SHERQ culture leadership walks, appointment of incident investigators, and involvement in the development and review of OHS policies and procedures where applicable.

2. EMPLOYEE INVOLVEMENT IN OHS MANAGEMENT SYSTEM

Our employees are involved in both the implementation and evaluation of our occupational health and safety system at site. Their appointed employee Safety Representatives conduct monthly inspections to identify and report potential hazards. Every worker is encouraged to report any unsafe or unhealthy conditions or acts to their line manager or another manager, their safety representatives or the SHERQ Department. They cannot be victimised for doing so in terms of Section 26 of the OHS Act, which is shared with them at their induction. They are also encouraged to make use of the “Hayibo” anonymous tip-off programme. 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. Formal training includes general safety inductions, safety representative training, and training on topics such as first aid, incident investigation, fire fighting, chemicals, stacking, forklift driving, confined spaces and legal liability. There is also an emphasis on informal safety engagements via 5-minute safety talks, safety meetings and worker forums.

4. PROMOTION OF WORKER HEALTH AND WELLBEING

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, monitoring and referrals where necessary. 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 level employees with basic medical cover. Our free YouMatter Employee Wellness Programme, which was introduced after the COVID-19 pandemic, is playing an important role in helping employees to monitor and protect their physical and mental health.

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 safety representatives.

6. MITIGATING WORK-RELATED INJURIES

Employees are trained in task-specific Standard Operating Procedures (SOPs) which include areas/activities that could be hazardous. Pre-start checks and risk assessments are conducted to evaluate work situations that could cause injury and ill health, and employees are empowered to stop unsafe machinery immediately.

PEOPLE

EMPLOYEE AND CONTRACTOR WELLBEING CONTINUED



Work-related injuries at RCL FOODS arise mainly from slips, trips and falls; being struck by moving machinery; and cuts, abrasions 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.

7. MITIGATING WORK-RELATED ILL HEALTH

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 employees' 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. Our occupational health and safety risk assessments are not once-off activities; they provide a foundation for ongoing improvement in the safety system.

8. CONTRACTOR MANAGEMENT

In order to manage the increased risk to our sites when contractors are working at them, we have developed and implemented comprehensive policies and procedures to manage the risk. Our policies and procedures are guided by relevant regulations such as the OHS Act, environmental legislation and ISO/NOSA standards. Each RCL FOODS operation has a formal contractor management process in place. This ensures that contractors understand and operate in accordance with our Safety, Health and Environment (SHE) requirements from contract initiation to completion. This includes:

- SHE criteria for the selection and approval of contractors;
- A signed S37.2 Agreement between RCL FOODS and the contractor, defining our SHE requirements and related roles and responsibilities;
- A process to periodically evaluate contractors based on their performance

against defined SHE criteria, their alignment with our SHE requirements and the site's compliance obligations;

- Site SHE induction;
- Declaration of Goods;
- On-site supervision (covering sub-contractors if these are appointed; and
- Applicable work permits (e.g., Hot Work, Working at Heights, Confined Space, Hazardous Substance, etc.).

Responsibility for the oversight and management of contractors is also defined and assigned to appropriate individuals such as site Risk Controllers and Supervisors.



YOU MATTER

Our RCL FOODS Employee Wellness Programme, YouMatter, provides **confidential professional counselling on stress, trauma, change, relationships, finance, substance abuse, HIV/Aids and legal advice**. It reflects our holistic approach to employee wellness which includes Body (physical wellbeing), Mind (mental health) and Life (family, finance and legal).

In addition to the professional counselling offered by the YouMatter programme, we have introduced:

- an **online portal** providing wellness assessments, an "ask the professional" function and a wellness tracker;
- various **webinars, personal challenges and articles** on health-related issues; and
- a series of **initiatives during our Wellness Month, focusing specifically on mental health**, the most commonly reported issue in the YouMatter programme. These included keynote speaker sessions focusing on resilience and understanding your power, a self-care series on eating, sleeping and exercise, and sessions on connection with self and others.

Besides serving as a much-needed mental health triage for many employees who have been struggling, it is a great opportunity to build a more open and supportive culture, Our Way.

PEOPLE



EMPLOYEE AND CONTRACTOR WELLBEING CONTINUED

EMPLOYEE HEALTH, SAFETY AND WELLBEING
CALLOUTS IN 2024

- RCL FOODS staff members are **engaging more and more with the YouMatter programme**, with an average of 7% of employees using the programme in the last year.
- In order to obtain regular feedback from all employees, **annual SHERQ Culture surveys have been introduced** as part of our SHERQ culture. These surveys inform site-specific action plans and are reported to our SHERQ Centre of Excellence.
- **SHERQ Champions nominations were implemented** to drive the culture by rewarding staff based on specific SHERQ criteria.
- We held our **first SHERQ Conference** as an extension of various workshops carried out internally. At the conference, industry experts provided guidance and advice to cross-functional teams who impact the progress of SHERQ, in order to facilitate continuous improvement. We held our **first-ever SHERQ Excellence Awards** to recognise the progress of sites and individuals in this space.
- Sadly, we **lost one of our van assistants** in a head-on collision in October 2023 caused by a third party. We extend our sincere condolences to his family.
- Our **Lost-Time Injury Rate (LTIR) decreased to 1.26** injuries per 200 000 person hours worked (2023: 1.75).
- Our **Recordable Injury Rate (RIR)**, defined as injuries resulting in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness, **decreased to 2.7** (2023: 3.14). Recordable injuries were mainly caused by motor vehicle-related incidents, hijackings/robberies during delivery, and slip and fall incidents. **Actions undertaken to eliminate these hazards and minimise risks included driver training initiatives, seatbelt awareness, the implementation of some cashless routes, and increased training and awareness.**
- To eliminate work-related hazards and minimise risks, we **focused strongly on continuous training and awareness initiatives** (as part of Safety – A Way of Life), signage, PPE provision, Planned Job Observation, toolbox talks, incident reduction plans, internal audits and SHE Representative inspections, and preventative maintenance programmes.



PEOPLE



CASE STUDY

PUTTING THE SPOTLIGHT ON STAYING SAFE IN A CHANGING ENVIRONMENT

Under the banner of “Safety – A Way of Life”, we have been hard at work to create a strong safety culture at every level and site in the organisation. April has been designated as our Group-wide Safety Month, and each year a month-long awareness campaign is run to drive active engagement with the ‘why’ and ‘how’ of safety at work.

In 2024, Safety Month culminated in the Group-wide commemoration of World Day for Safety and Health at Work on 28th April. This year’s international theme – “Ensuring safety and health at work in a changing environment” – highlighted RCL FOODS’ initiatives to keep our people safe during extreme conditions linked to climate change in the workplace, including excessive high temperature, air pollution and extreme weather. The campaign was driven through internal awareness communication to employees, messages from our leadership, site posters and social media posts. Each site also held safety awareness programmes and fun competitions to reinforce safety practices in the workplace. This is all part of ensuring the sustainability of our people, our business and the communities that depend on us.



PEOPLE

OUR COMMUNITIES: OVERVIEW

Over and above our role as a food producer, we recognise that we have the opportunity and responsibility to make a positive difference in the communities around our operations. By investing in them, we strengthen our workforce and unlock opportunities for local economic growth and social development. Our ambition is therefore 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.

We invest in our communities through a combination of **economic development** and **social development** initiatives. These are introduced below, together with our community engagement approach and an overview of our community impact and challenges in 2024. In two sections following this one, we unpack our [economic development](#) and [social development](#) initiatives in more detail.

OUR APPROACH TO COMMUNITY ENGAGEMENT

We recognise that a positive relationship with our communities is key in retaining our social licence to operate. Our strategy is to proactively develop open, collaborative relationships with the communities near to or impacted by our operations. To this end we will 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.

As the main employer in several communities, we often face the brunt of communities' frustration for a lack of service delivery by failing municipalities. This tends to be more prevalent in our rural operations (Nkomazi Sugar, Molteno Groceries and rural bakeries in the Northern Region) where desperate communities are increasingly insisting that private companies must step in where government is failing. There is also an increasingly opportunistic/criminal element in some communities which has resulted in demands to become vendors or get contracts from our operations.

In line with our community engagement strategy, we have begun proactively engaging with local communities around a number of our sites to understand their concerns, identify opportunities to build better relationships, and manage contentious issues respectfully and constructively.

The complex social and economic environment at community level also makes it vital that we partner with other credible non-profit organisations (NPOs) and non-governmental organisations (NGOs) and local government to make a systemic or broader impact.



PEOPLE

OUR COMMUNITIES CONTINUED

IN 2024:

- A key focus during the year has been to lay the foundation for more proactive engagement with communities to enable us to better understand each other's needs and collaborate for sustainable solutions.
- We have made good progress in **mapping our key community and local government stakeholders** at several of our operations and in **formalising how engagement will be managed**. We have made the most progress in our Sugar business unit, where proactive stakeholder engagement is gaining momentum and providing mutual benefit. Regular meetings are now being held with local governance structures in Nkomazi – the Local Economic Forum (led by local government) and the South African National Civic Organisation (SANCO) – which are providing a platform for general community economic and social issues to be communicated. This is over and above the existing processes we have in place (monthly grower leadership meetings, *ad hoc* meetings and annual general meetings) for grower communities to communicate their concerns and challenges. **Arising from this ongoing work, the Sugar business unit experienced no community protest action during its last off-crop cycle and during the rebuilding of the Komati raw sugar warehouse.**
- In our **Baking and Groceries business units**, we have **mapped our local community and local government stakeholders according to areas of greatest risk to our operations** (such as municipal infrastructure, electricity security and crime) and **opportunities for positive social impact** (such as Early Childhood Development (ECD) and other corporate social investment projects we support). Relationship owners have been defined at our Pretoria West and Randfontein sites and we are currently refining our engagement approach there. This process will be expanded to rural bakeries in the coming year.



PEOPLE



OUR COMMUNITIES CONTINUED

COMMUNITY ECONOMIC DEVELOPMENT

(SUGAR GROWER PARTNERSHIPS; LOCAL PROCUREMENT AND RECRUITMENT)

We have a powerful and **well-established economic development model in our Sugar agricultural business**, whereby 35% of our total cane supply comes from community partnerships with land reform beneficiaries and small-scale growers. This is the result of a journey which started in 2006, with the aim of transforming our Sugar supply chain by increasing local community participation and ownership.

RCL FOODS partners with Nkomazi communities through its three large-scale **Community-based Joint Ventures (CBJVs)**  and its partnerships with 1 200 **Small-Scale Growers (SSGs)** . The latter include **Akwandze Agricultural Finance (Akwandze)**  and its subsidiary, **TSGRO** . We also lease farmland directly from communities and land reform beneficiaries. Government land reform programmes contributed to over 70% of our Nkomazi cane supply coming from black-owned land in 2024 via small-scale growers (SSGs), government land reform beneficiaries and community-based joint ventures (CBJVs).

These community partnerships have given rise to **numerous spinoff economic benefits** for grower communities in deep rural areas, including:

- **lease income** for land reform communities' high-potential agricultural land
- **income from cane sales** by small-scale growers
- **direct job creation** during the growing, harvesting and off-crop period
- **indirect job creation** via **Small, Medium and Micro Enterprise (SMME)** opportunities, including SMME training on business skills, facilitated by the Small Enterprise Development Agency (SEDA)
- **access to development finance and farming services** via Akwandze and TSGRO and
- **educational opportunities** such as bursaries.

Another growing focus our economic development work across the business is in the area of **local procurement and recruitment**. While localisation has not been an explicit part of our procurement and hiring criteria to date, it has benefits for empowering local communities and shortening supply chains, thereby enhancing our sustainability. We are focusing on putting the right policies in place to guide more localised procurement and recruitment practices going forward, while safeguarding our business.

The 2024 impact of our economic development initiatives (community partnerships and local procurement and recruitment) is profiled in the section titled **ECONOMIC DEVELOPMENT: Localising economic opportunities**, which follows this overview.

COMMUNITY SOCIAL DEVELOPMENT

(DO MORE FOUNDATION SUPPORT; DIRECT COMMUNITY INITIATIVES)

Our **community social development initiatives** address key community needs identified through stakeholder engagement. These initiatives are mainly carried out by our **DO MORE FOUNDATION**, a non-profit organisation we founded in 2017, whose main focus is early childhood development. However, in Nkomazi and Pongola, **RCL FOODS also directly supports a number of programmes addressing identified community needs**, such as:

- **Supporting community sporting events** – including **title sponsorship** of the **Selati Cup** and the **Selati Marathon**
- **Education sponsorship** including support of government teacher circuits, Technical and Vocational Education and Training (TVET) colleges, the Star Schools programme for promising Grade 10 to 12 learners, and the provision of bursaries and learnerships
- **Supporting local community organisations near our sites** with product donations (such as bread and maize meal) and infrastructure upgrades
- **Career expo support**, initiated by local community formations
- **Support of traditional leaders' annual cultural celebrations** in recognition of the value placed on local customs by the communities.

Our key social development initiatives are profiled in the section titled **SOCIAL DEVELOPMENT: Building stronger communities through social investment**.

PEOPLE

OUR COMMUNITIES CONTINUED



POSITIVE COMMUNITY IMPACTS IN 2024

- **Economic development highlights:**

- » **We invested a further R19,9 million** in the **rehabilitation of small-scale grower (SSG) infrastructure** which was damaged or destroyed during the Nkomazi floods in February 2023. The 2024 investment focused on **rebuilding or renovating SSG infrastructure to ensure growers are flood-resilient** in the future. It includes the construction of five new bunker pump stations. Please read the case study on page 40 for more detail.
- » **We have been automating key pump stations on our Community-Based Joint Venture (CBJV) farms** to enable irrigation systems to self-start after load shedding, thus minimising lost irrigation time.
- » **Through Akwandze** (the agricultural bank we jointly own with our small-scale sugar cane growers in Nkomazi, Mpumalanga) **we facilitated the establishment of 214 hectares of new irrigated fields, assisting communities to grow their business enterprises and positively impacting on household incomes** and livelihoods. Read more on page 44.

- **Social development highlights:**

- » Through our **Star Schools programme in Nkomazi** , we provided **extra-curricular education support** to 120 Grade 10, 11 and 12 learners in Mathematics, Science and English. Our Selati Star schools project has been running for over 17 years, with **over R1,4 million invested** in the programme in 2024.
- » The **number of communities** benefiting from the **DO MORE FOUNDATION's fortified sorghum-based DO MORE Porridge increased from 23 to 30**. This means **27 617 children at 1 262 ECD centres** are now receiving vital daily nutritional support. Read more on page 50.
- » The **DO MORE FOUNDATION** received a **Standard Bank South Africa KZN Top Business Award** in the **Partnerships** category in July 2024. This was in recognition of the collaborative way in which the DO MORE FOUNDATION engages all its partners nationally and was judged on one of the Foundation's communities, Hammarsdale.
- » We have signed a **memorandum of agreement with Ehlanzeni TVET College** to provide their learners with workplace exposure during school holidays and absorb promising candidates into our apprenticeship programme and HR/office administration learnership programmes. The collaboration aims to unlock job opportunities for under-resourced communities, thereby empowering graduates and driving community growth.

KEY CHALLENGES AND OUR RESPONSE

- While there were no incidents of community disruption in Nkomazi, we had **two instances of community and political party disruptions** in the Northern Region, related to matters such as dismissals and retrenchments, as well as pressure to employ local suppliers. This is an extremely sensitive matter and process, and we are navigating this process with care to ensure that we **protect our governance processes and keep our employees safe** while giving opportunities for legitimate companies to become part of our supply chain.
- A key learning is that we need **better and more frequent communication** that reaches our community stakeholders to increase their awareness of the work that we are doing to build community resilience. This will be a focus for us going forward and we are **developing a community communication framework** that will underpin how we communicate to have the best impact.
- **Sustained high food prices and unemployment** are increasingly affecting families: the poor are getting poorer and more are falling into poverty. The support provided through our **DO MORE FOUNDATION, together with direct RCL FOODS product donations**, enabled **7 120 031 meals to be provided in 2024 to alleviate hunger**.
- Through the DO MORE FOUNDATION, we also **donated 225 tons of pet food** to help feed vulnerable and abandoned dogs and cats.



PEOPLE



CASE STUDY

GROWING WHAT MATTERS FOR SMALL-SCALE GROWERS AND RCL FOODS

Small-scale growers (SSGs) are the lifeblood of deep rural communities around our Sugar operations, providing household income, food security and opportunities for job creation and skills transfer. The challenges that come with small-scale farming include access to markets, finance, agricultural inputs and technical know-how. 1 200 SSGs in Nkomazi, many of whose farms were established through government funding in the 1970s and 1980s, have been a key part of our supply chain for nearly 40 years. But cane, like any asset, has a limited lifespan and requires replanting approximately every 10 years. This was the case for many SSGs in our Nkomazi region in 2013, when yields declined to an all-time low of 350 000 tonnes of cane.

It was at this point that RCL FOODS (then TSB Sugar) created two joint venture services companies with the Nkomazi growers as equal partners:  TSGRO to provide agricultural services and  Akwardze Agricultural Finance (Akwardze) to help SSGs invest in their crop through the provision of loans (with the crop as security) and retention savings.

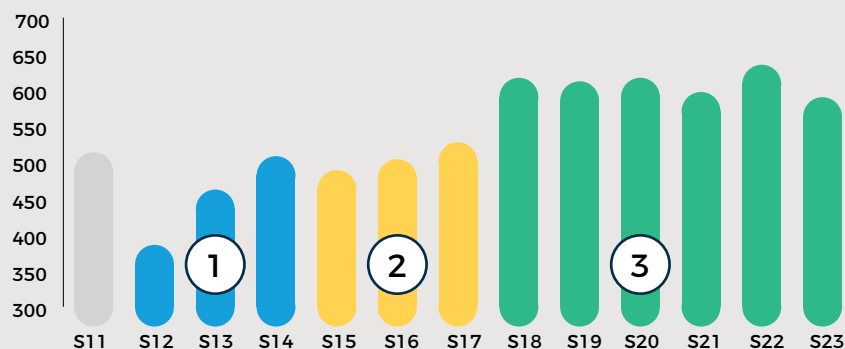
AKWANDZE AND TSGRO'S IMPACT ON SSG YIELDS

Over the last 10 years, both TSGRO and Akwardze have made a significant difference to the people of Nkomazi. Annual cane supply has grown by 250 000 tonnes, yielding approximately R240 million additional revenue for growers.

Notably, Akwardze has mobilised funding from sources like the Land Bank, The Jobs Fund and Rand Merchant Bank, leveraging the strength of RCL FOODS' own balance sheet as security in certain instances, to provide life-changing finance to small growers and land reform beneficiaries.

TSGRO, in turn, has provided water security through the provision of a bulk water supply scheme to field's edge, as well as agricultural support through technical and extension services. Most importantly for growers affected by the 2023 floods, TSGRO (now a subsidiary of Akwardze) has been entrusted with administering a total of nearly R45 million in funding from RCL FOODS for the rehabilitation of damaged grower irrigation infrastructure: a project that is ensuring the continued sustainability of our vitally important grower community.

TONNES OF SSG SUGAR CANE ('000)



S11-S23 above refers to the cane season in the years 2011-2023

- 1 ~R40 million recapitalisation grant funding secured to turn around failed SSG projects
- 2 Bulk Water Supply (BWS) Scheme implemented, leading to a major improvement in reliability of irrigation systems. Crops increased despite drought
- 3 Implemented R160 million Jobs Fund project

PEOPLE



CASE STUDY CONTINUED

Below are snapshots of some of the projects and individuals associated with growing what matters in our sugar communities.

AFTER THE FLOOD ... A R44,9 MILLION INVESTMENT IN A MORE SECURE FUTURE

When floods swept through the Nkomazi region in February 2023, the majority of our SSG pump stations which extract water from the river to the field's edge were damaged. Growers were despondent: how would they irrigate their fields and produce a crop? To help them resume irrigation as quickly as possible – and continue being able to irrigate in future – RCL FOODS approved a R25 million grant in the 2023 financial year, followed by a further R19,9 million in the 2024 financial year, to fix the damaged bulk water supply. The funding was administered through Akwandze and TSGRO and emergency repairs were done first, before implementing a significant refurbishment and flood resilience project in consultation with the growers themselves.

STEPS TO INCREASE FLOOD RESILIENCE FOR NKOMAZI SSGs

- As part of the rebuilding process, assessments were done to identify the most vulnerable and critical pump stations.
- These pump stations were rebuilt as bunker pump stations which have been designed to cope with water levels a further 0,5m above the recent flood level.
- The internal design of the infrastructure was also upgraded. There has also been a consolidation of 10 pump stations to further reduce the risk.

In addition to the infrastructure design changes, an improved warning system has been implemented to reduce the reaction time to secure assets in vulnerable areas.

“Through these 50/50 JVs, the communities have a seat at the table to ensure that where we invest is where they want the investment to go, so it’s not a one-sided process,” says Andrew Westermeyer, Finance Director: Sugar. The growers agreed to the short-term emergency repairs in 2023 and were fully involved in the design and implementation of the long-term solutions put in place over the last financial year. They also had access to an R8 million fertiliser loan facility at 2% interest to support post-flood crop recovery.



Spoons 7 and Spoons 8 (two bulk water supply projects serving a combined 990 hectares under cane) were a priority intervention as they were severely impacted by the 2023 floods and sand mining in the area. Four bunker pump stations have been built to floodproof the pump stations and mitigate the effects of sand mining. This will ensure a sustainable water supply to all projects. “These pump stations, especially the bunkers, not only present hope for farming success for the current farmers but financial security for their children and social stability in these communities, and they further cement our relationships with the community,” says Zonke Mabuza, TSGRO’s Project Development Manager.

PEOPLE



CASE STUDY CONTINUED

LET'S GROW WHAT MATTERS! MEET SOME OF OUR SMALL-SCALE GROWERS - AND THE PASSIONATE PEOPLE WALKING THE PATH TO SUSTAINABILITY WITH THEM



Zama Ntuli, our Grower Support Officer at Akwandze Agricultural Finance, is dedicated to her job which entails monitoring the fields constantly and engaging with growers. "We support growers whose only security is the cane. Our role is to ensure that the cane quality is adequate so that there will be a good crop in the coming season. This is where we interact with our growers – we advise them on best management practices and make sure we maintain a great relationship. SSGs view RCL FOODS as their lead partner in growing their businesses."



Mr G Nkalanga is 97 years old and is currently one of our oldest Akwandze clients. Supported by his son and daughter in running the farm, Mr Nkalanga has for the past three seasons produced more than 100 tonnes of cane per hectare – a good yield for a small grower. On the strength of the farm's good performance, he was awarded a loan of R900 000 last year to expand his business by acquiring and rehabilitating an additional 7,5 hectares that were producing less than 55 tonnes per hectare at the time. We salute you and your family, Mr Nkalanga.



George Sambo, of Nyubela and Son, has a 56-hectare cane farm which started out as a collaboration between him and his brother. After challenges arose with the farm, George was able to re-establish production through a R577 000 grant from The Jobs Fund Blended Finance Project and a R300 000 loan, both administered by Akwandze. With the proceeds from his rehabilitated farm, he has since expanded his farm by an additional 14 hectares. Although the farm was damaged during the floods, RCL FOODS' relief funding resulted in his irrigation infrastructure being upgraded, which has significantly improved water availability and pressure in his fields.



Nontobeko Zulu, a Development Officer at TSGRO, advises small-scale cane growers on field operations such as planting, application of fertiliser and weed control. She also does loans and budgets for the growers in the projects that she works on. What matters to her is "equipping her growers with farming knowledge and skills to be sustainable, building relationships with the RCL FOODS communities, and increasing production which will improve livelihoods".



Phaphamani Women's Club was formed in 1987 when 52 women went to the tribal authority for help as their children were malnourished. They were allocated 45 hectares of communal land where they grew vegetables and slowly transitioned to irrigated sugar cane. By 2023 their cane yields were less than 50 tonnes per hectare and they desperately needed to replant. A R450 000 grant from The Jobs Fund Blended Finance Project and a R1 million Akwandze loan assisted them to replant 17 hectares of cane, establish another 21 hectares and upgrade their irrigation infrastructure. Thanks to this funding and efficient project spending, the growers have more productive land which will increase their annual dividends, improve their livelihoods and create jobs. They have already been able to hire 4 permanent workers and up to 20 for field work, uplifting the community and increasing food security.

PEOPLE



ECONOMIC DEVELOPMENT

LOCALISING ECONOMIC OPPORTUNITIES

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), build social cohesion and stability, expand ownership of the value chain and drive systemic change to break the cycle of poverty. Our main vehicles for doing this have historically been our community partnerships in the Sugar business unit and the social development work we do in local communities through the DO MORE FOUNDATION. In the last year we have extended our efforts to include a greater focus on local procurement and recruitment.

SUGAR GROWER PARTNERSHIPS

Our sugar growing communities play a key role in our Sugar supply chain, and we are committed to their long-term sustainability. Through partnerships we not only enable the direct provision of jobs and income, but we help improve their agricultural practices, skills and competitiveness in the market. Communication is key to successful implementation of community projects. The below initiatives required significant communication efforts with grower and leadership structures during 2024.

Together, these community economic partnerships contributed to RCL FOODS once again scoring full marks for the Enterprise Development and Supplier Development elements of the B-BBEE scorecard in its most recent audit (September 2023).

OUR 2024 SUGAR ECONOMIC DEVELOPMENT IMPACT

LARGE SCALE COMMUNITY-BASED JOINT VENTURES (CBJVs)

HIGHLIGHTS

During the 2024 financial year we continued to implement our **optimised farming operations strategy** in the CBJVs. This entails applying agronomic cane principles such as replanting ageing fields, upgrading to more water-efficient irrigation systems and aligning operational costs to the industry benchmark to drive efficiencies and respond as far as possible to external factors like load-shedding and climate change.

802 617 tonnes of sugarcane (18% of total production and 24% of Nkomazi production) were delivered to our mills from 9 161 hectares of irrigated land (2023: 958 370 tonnes from about 10 000 hectares).

569 people were directly employed.

Over R55 million in lease payments were received by land claim beneficiary communities (a 8% increase from 2023 due to improved yields and a higher recoverable value (RV) price).

Nine bursaries were awarded for Agriculture and Finance studies.

Contracts worth R121 million were allocated to **18 beneficiary-owned companies** providing operational support.

Community development projects totalling R300 000 were implemented by the CBJVs.

PEOPLE

NKOMAZI SMALL-SCALE GROWERS (SSGs)

HIGHLIGHTS

556 000 tonnes of sugar cane (16% of Nkomazi production) were delivered to our Malalane and Komati mills by SSGs.

84 000 tonnes of cane (2% of Pongola production) were delivered to our Pongola mill by SSGs.

Nkomazi SSGs received **approximately R550 million in revenue** from cane sales (2023: R431 million).

SSGs delivered a combined 13% of total cane production.

DIRECT LEASES

RCL FOODS also leases farmland directly from communities and land reform beneficiaries.

These groups received **lease payments of R6,6 million** for our three farms – Vorem, Uitsig and Impala. The farms, covering a total of 1 270 hectares, delivered a combined **92 444 tonnes of cane** to our mills.

In addition to earning lease income, **42 community members benefited from employment opportunities and participation in services contracts** such as supply of equipment and cane harvesting.

PEOPLE



AKWANDZE AGRICULTURAL FINANCE



HIGHLIGHTS



SSGs reinvested nearly **R242 million** into their own operations through retention savings and new loans administered by Akwandze.

AKWANDZE AGRICULTURAL FINANCE

Akwandze Agricultural Finance provides the SSGs with access to credit at reduced interest rates, using their crop as security. Since its establishment in 2006, it has managed to leverage a number of different funds to support land reform and small-scale farmers. It currently has a current loan book of R115 million which underpins the production of two million tonnes 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. In 2024, it acquired TSGRO to better align the provision of funding and the support services to ensure the viability of the crop.

Fund 6 projects in treasury. This project and has resulted in the planting of an. This has impacted 000 tonnes of cane. 0 million in revenue unities.

TSGRO



HIGHLIGHTS



TSGRO

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. In 2024 TSGRO was sold to Akwandze to better align the provision of funding and support services to ensure the viability of the crop, which serves as the income to repay the funding.

100 SSGs and 7 cooperatives with 456 members

ed the bulk water supply service. The TSGRO bulk team has assisted in maintaining approximately hectares of bulk water infrastructure, which pped to improve the reliability of key irrigation ructure and assisted growers' productivity.

venues quoted refer to the last cane season, which ended in December 2023.

Note: Since the cane season

PEOPLE



LOCAL PROCUREMENT AND RECRUITMENT

The security of our supply chain is a key priority for us at RCL FOODS, and we have robust processes to ensure our procurement practices deliver value and minimise risk to the business. Localisation has benefits for empowering local communities and shortening supply chains, thereby enhancing our sustainability. We recognise that more could be done to strategically deepen localisation of goods, services and labour. To this end, we are **focusing on putting the right policies in place to guide more localised procurement and recruitment practices** going forward, while safeguarding our business.

As part of our procurement process, suppliers go through a robust selection process which vets them from a technical competency and commercial perspective. Where local suppliers do not meet these criteria, we communicate this to them in a constructive manner and where practical, **support them through enterprise and supplier development initiatives to close their capacity gaps.**

We now aim to fill roles with local talent where possible, and roles are advertised to give explicit preference to local communities. We acknowledge that **this is not easy or indeed practical to achieve in all cases, especially more senior roles, depending on the local availability of skills.** Where necessary, we will opt to hire resources from other geographies.

LOCAL PROCUREMENT AND RECRUITMENT HIGHLIGHTS IN 2024

- **We narrowed our definition of “local” in procurement practices** to promote suppliers operating in our local communities where we are located. However we also maintain our relationship with strategic national suppliers and promote strategic partnerships.
- **We implemented a balanced score card approach** during the year to ensure we balance B-BBEE, risk, sustainability and compliance when selecting suppliers to ensure we secure supply in a responsible manner. Refer to [Responsible Sourcing](#) section for further information.
- Through engagement with our business units and sourcing team, **we have started a process to empower more local businesses through our procurement process.** During 2024 we supported 2 832 local suppliers directly through our procurement process, while a further 1 422 local suppliers (including small-scale growers) were part of our sugar cane supply chain.
- **We have also augmented our recruitment process to drive deeper localisation.**
- **We entered our first ever wheat production partnership with small-scale farmers** in the Western Cape, via the ForFarmers initiative. Please see our case study under [Responsible Sourcing](#).



PEOPLE

SOCIAL DEVELOPMENT BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT

The communities around our operations are a microcosm of the challenges faced by under-served communities across the country. Each faces high rates of poverty, unemployment and hunger; inadequate availability of services; and social challenges such as poor education, substance abuse, crime and violence. As a major employer in most of our communities, we are focusing on driving sustainable change in them through collaborative, community-based initiatives – while also supporting national nutritional and Early Childhood Development (ECD) programmes. At both levels, the majority of our social development efforts are led and coordinated by the DO MORE FOUNDATION.

A SNAPSHOT OF THE PROBLEM

- As household budgets come under increasing pressure due to the rising cost of living and high levels of unemployment, **hunger and malnutrition are on the rise**. According to the Pietermaritzburg Economic Justice & Dignity group (PMBEJD), approximately 13,8 million South Africans live below the food poverty line of R760 per person per month. Anyone living below this line will be malnourished and their health and survival may be at risk.
- **Children are the most affected by household hunger**, leading to a rising incidence of **stunting** (low height for age), **wasting** (low weight for age) **and underweight which affects their physical and cognitive development, their future health and future earning ability**. The 2022 Thrive by Five survey found that the vast majority of young children in South Africa are not thriving: only 35% are on track for school and the rest will struggle at school, with many of them significantly disadvantaged by physical and cognitive stunting. This places an added burden on families, communities and our country.
- **South Africa has one of the highest unemployment and youth unemployment rates globally** – total unemployment was 33.5% and youth unemployment (young people aged 15 to 34 who are not in education, employment or training) was 44.2% in the second quarter of 2024, according to Stats SA.
- According to South African Child Gauge 2021/2022, only 30% of South Africa's poorest children have access to basic sanitation compared to the national average of 78.4%.



PEOPLE



BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT CONTINUED

HOW ARE WE RESPONDING AS A BUSINESS?

- Our business units take an active role in **promoting youth upskilling and employment** through:
 - » youth-focused initiatives such as our Sugar and Baking learnerships; and
 - » supporting youth enterprise development via our Sugar community partnerships.
- Through our **DO MORE FOUNDATION** (see below), we are helping to **alleviate hunger and improve prospects for young children, their caregivers and the youth**. This includes:
 - » supporting the DO MORE FOUNDATION's operations through the payment of the team's salaries and running expenses, as well as product donations;
 - » producing DO MORE Porridge at cost for the Foundation; and
 - » supporting the Foundation's backbone role (refer to the section below).
- We **donate short-dated stock** to communities in need through our partnerships with FoodForward SA, Meals on Wheels and SA Harvest.



PEOPLE



BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT CONTINUED

DOING MORE OF WHAT MATTERS
THROUGH THE DO MORE FOUNDATION

We founded the DO MORE FOUNDATION in 2017 to “do more” to help make a bigger, more sustainable impact in our communities than we were making through our existing corporate social investment projects. In the seven years since then, the DO MORE FOUNDATION has become a well-known and respected organisation that is partnering with a wide range of public, private and non-governmental organisation (NGO) stakeholders to drive systemic change in under-served communities near our operations – as well as on a national level.

The mission of the DO MORE FOUNDATION is to create better tomorrows for the young children of South Africa through partnerships. Young children are the future of South Africa, and by supporting the wellbeing of the most vulnerable ones, whole communities can be changed for the better.

DRIVING MULTILATERAL CHANGE

The Foundation's efforts to create better tomorrows for young children are based on a three-way *theory of change*, with partnerships at its heart. This encompasses:

- **SCALING DEEP** by acting as a catalyst for multi-stakeholder, deep-dive early childhood development (ECD) initiatives in communities;
- **SCALING OUT** through national programmes focusing on early learning, parent support and food resourcing; and
- **SCALING UP** through advocacy for young children.

THE “EVERYONE GETS TO PLAY” COLLECTIVE IMPACT MODEL

The DO MORE FOUNDATION's community development work is based on its “*Everyone Gets to PLAY*” impact model, introduced in 2023. This model was born out of learnings from the Foundation's Leave No Young Child Behind (LNYCB) initiative in Nkomazi, underpinned by its role as a “backbone organisation”, and guided by input from its ECD, business and government partners. **This scalable model has been replicated across many RCL FOODS communities to ensure sustainable development with young children as the key focus. Each community-based initiative is a collaboration between the DO MORE FOUNDATION, its implementation partners, government departments, NGOs and corporate sponsors – enabling the Foundation to do far more than it could alone.**

In the next few pages we unpack the key highlights of the Foundation's achievements in 2024 according to its three-way theory of change.



PEOPLE

BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT CONTINUED

DRIVING SUSTAINABLE CHANGE IN 2024

'SCALING DEEP'

The “Everyone Gets to PLAY” collective impact model underpins the DO MORE FOUNDATION's deep-dive community initiatives, which focus on providing a comprehensive “basket” of ECD services tailored to each community's specific needs. These services include 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. Not all community initiatives supported by the DO MORE FOUNDATION are deep-dive initiatives providing a full basket of services; some are nutrition based only. The total number of communities supported by the Foundation is 33.

IN 2024:

- The Foundation **increased its deep-dive community initiatives from eight to nine communities** near our operations. These now include Nkomazi and Bushbuckridge in Mpumalanga; Rustenburg in the North West Province; Randfontein and Boksburg in Gauteng; Hammarsdale and Pongola in KwaZulu-Natal; Molteno in the Eastern Cape; and Worcester in the Western Cape. These programmes provide feeding as well as other services such as parent support, enterprise development, early learning and #DoMorePlay.
- As an example of the Everyone Gets to PLAY model in action, **a Day Mother project was implemented in five areas of Rustenburg in the North West** – a province where 52% of young children do not attend any ECD programme at all. Because of the lack of access to dedicated ECD centres and playgroups, parents/caregivers leave their young children in the care of day mothers while they are at work. Delivered in partnership with other foundations, the Day Mother programme trains day mothers in **health and safety, nutrition, and early learning**. This not only improves the care they provide young children, but **empowers these women with skills to establish a sustainable source of income**. Currently 18 women are enrolled in the programme, supporting 110 children in the five communities.
- **Through partnerships with other corporate sponsors, the Foundation has been making an impact on community livelihoods through its Township Economy Programme, its Clothes4Purpose clothing selling project, sewing and computer literacy training, and its #DoMorePlay wooden toy-making initiative.** The latter enables differently-abled young people to earn a living by crafting wooden toys from timber offcuts, **empowered 66 young people in 2024** and resulted in nearly **47 000 wooden toys** to be provided to ECD centres, enabling over **18 000 children** to learn through play. The #DoMorePlay programme was also the **overall winner in the Disability category at the 2023 Gender Mainstreaming Awards Africa**.



PEOPLE



BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT CONTINUED

'SCALING OUT'

The Foundation's **national Young Child programmes are directed at improving childhood nutrition, early learning and parent/caregiver support**. Crucial to this is the **DO MORE Porridge** that we produce for the Foundation, which is delivered monthly to ECD centres countrywide – including parents/caregivers participating in the **Eat Love Play Talk (ELPT) programme**. ELPT is a community-based initiative that packages public health messaging in an interactive and fun way to empower parents/caregivers to make healthier nutrition choices for young children and families by making small changes. This group work intervention model has a light touch design that encourages playful ways for parents to interact with their children and relay what they have learned. It also includes various activities and conversations on building loving relationships, playful learning and language development.

IN 2024:

- The Foundation took a massive step in its scaling out, increasing from 23 to 33 the number of **communities benefiting from DO MORE Porridge**.
- The equivalent of **6,4 million meals of DO MORE Porridge** were distributed countrywide.
- **Between the DO MORE Porridge and RCL FOODS product donations, a total of 7,1 million meals were donated to support vulnerable children and communities.**
- The **impact of the seven-session Eat Love Play Talk programme expanded significantly** as it was scaled to:
 - » **six RCL FOODS business sites** , empowering our employees as parents;
 - » an additional **42 ECD centres in six provinces**, connecting with 1 274 parents and caregivers; and
 - » **remote and under-served areas** through the training of 349 nutrition leaders and a group of 'First Thousand Days' implementers, in partnership with the Seriti Institute and Siyakholwa Development Foundation respectively.
- **Sunbake Pretoria** assisted with the **distribution of 600 boxes of Duplo** to ECD centres.

'SCALING UP'

The DO MORE FOUNDATION plays a key advocacy role in championing the rights and well-being of young children. It does so through its **annual campaigns (Mandela Day, World Food Day and the Babonise! campaign)** which have galvanised communities and stakeholders alike, including RCL FOODS employees. It is also a member of the steering committee of the **Real Reform for ECD (RR4ECD) initiative** and is driving ECD inclusion in Integrated Development Plans. The Foundation also **contributes to awareness and thought leadership on an ongoing basis**, through press releases and articles on its social media pages and website, as well as presentations at various conferences.

IN 2024:

- As part of RR4ECD's advocacy campaign, the DO MORE FOUNDATION's, National Programmes Lead, **Dr Jessica Ronaasen co-authored a research report exploring what constitutes adequate nutrition** in the context of health.
- The Foundation delivered a presentation at the **Department of Basic Education's national workshop on Implementation of the 2030 Strategy for ECD programmes**.
- On **World Food Day on 16 October 2023**, the DO MORE FOUNDATION enlisted RCL FOODS employee volunteers to make a tangible difference by assisting to **plant veggie gardens, make warm chicken meals, install JoJo tanks and provide agricultural training at 50 ECD centres – benefiting over 6 500 young children in seven provinces**. At RCL FOODS' National Office alone, volunteers prepared nutritious meals for 10 ECD centres reaching 1 000 young children in the Chesterville Durban area with food sponsored by Sunshine Bakery, Rama and Rainbow. This was one of 23 events taking place across South Africa. Between RCL FOODS employees and corporate sponsors, a total of 500 volunteers joined the campaign across the country, making a significant impact.
- Throughout July 2023, the DO MORE FOUNDATION celebrated **Mandela Day 2023 with the 'Built to Play' campaign** by bringing together **800 RCL FOODS employee volunteers** from 20 sites. They created toys from upcycled household waste materials that reached **12 750 young children in 255 ECD centres in six provinces**. Each play pack included items that encourage play-based learning for young children to develop vital foundational skills, while also cleverly and sustainably reusing materials that would otherwise be landfilled.

PEOPLE



BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT CONTINUED

BUILDING COMMUNITIES THROUGH SPORT

In addition to developing local talent and encouraging physical activity, community sporting events provide economic opportunities and contribute to social cohesion – all of which are key to healthy and resilient communities. RCL FOODS is the long-time sponsor of the Selati Cup and Selati Marathon, two much-loved fixtures on the Nkomazi sporting calendar which bring people from all walks of life together. These two milestone annual events draw support from multiple partners as well as from local and provincial government.

BABONISE! (SHOW THEM)

The annual Selati Cup is one of the Nkomazi community's most popular events, providing an opportunity for football-loving supporters to cheer for their favourite teams, local traders to sell their wares and youngsters to have their dreams ignited by the 'beautiful game' as men and women battle it out for the Men's and Women's Cup titles. **Since 2023, the Men's Cup has also been leveraged to drive a hard-hitting campaign around positive male role models.**

What gave rise to the need for such a campaign was the problem of **absent fathers** in South Africa – particularly men who do not live with their children, and who are also economically and psychosocially "absent" from their lives. The absence of a father figure affects children's wellbeing on many levels and may increase their risk of mental illness, teenage pregnancy, poor scholastic performance and violence (either as a victim or a perpetrator). Yet the insight that nearly 80% of children in South Africa

share a household with an adult man (*State of South Africa's Fathers* report, 2021), means that there is an opportunity for men to make a positive impact on children's lives even if they are not their biological fathers.

To encourage men's positive involvement in the lives of children, the DO MORE FOUNDATION partnered with the Selati Cup to launch the "*Babonise!*" (Show Them!) campaign in 2023. **This year the *Babonise!* campaign made an even stronger impact through the support of two other NGOs – Heartlines and Sikunye – and follow-up support that went beyond the signing of a pledge.**

The main message of the *Babonise!* campaign is that all male figures in a household and community should play a part in supporting their children, nieces and nephews, especially in the critical early years, from conception to age five. Male participants and spectators were once again invited to **sign the *Babonise!* pledge in which they committed to be exemplary caregivers, role models, and playmates for young children.** Spectators were also encouraged to connect with their local *Babonise!* ambassador to learn about the resources

available for "social fathers" in the area. This follow-up support, advertised through pamphlets at the Cup events, includes **local fatherhood groups in Nkomazi, free online play resources and children's books, access to WhatsApp helplines, and resource broadcast groups**, among others. **Nkomazi FM also ran a campaign in May 2024** during which listeners could engage with experts and community members on fatherhood, children, and families.

"Men have a vital role to play in the care of young children as well as supporting women caregivers. By shining a light on men's crucial role and empowering them, the *Babonise!* Campaign is challenging gender norms and at the same time supporting women caregivers, who are often affected by gender-based violence."

Warren Farrer
CEO: DO MORE FOUNDATION



PEOPLE



BUILDING STRONGER COMMUNITIES THROUGH SOCIAL INVESTMENT CONTINUED

CHANGING THE WORLD,
ONE MARATHON AT A TIME

We all know Nelson Mandela believed that “education is the most powerful weapon you can use to change the world” – but did you know he believed the same about sport? At the inaugural Laureus World Sports Awards in 2000, he said, **“Sport has the power to change the world. It has the power to inspire. It has the power to unite people in a way that little else does.”**

The annual Selati Marathon is one such sporting event that, year after year, unites the community of Malalane and the entire Lowveld region in a healthy, fun and festive way. Its aim is not only to provide a high-quality road running event, but also to involve other organisations in the community to create an event enjoyed and supported by all. In this respect the 2024 Marathon did not disappoint.

On 11 May 2024 a total of 3 126 runners hit the road for the 21km, 10km and 5km events, and the strength and unity of the community came to the fore. Selati, together with other RCL FOODS brands like Yum Yum and Five Star, were joined by multiple companies, schools and community organisations to deliver a truly impactful event.

Runners expressed appreciation for the free, high-quality race shirt and traditional Selati goody bag they received as part of their entry. The affordable entry fees were praised for making the race accessible for runners to participate in the current economic climate.



PRODUCT

The Product pillar of our Sustainability Strategy focuses on supporting lives well lived by offering responsibly produced and sourced consumer goods – goods that contribute to food security and help make healthy and sustainable living a reality.

OUR 2050 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 AND 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



 See Our SDG contribution on page 100



PRODUCT

RESPONSIBLE FOOD PROVISION

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.

FOOD SYSTEM SUSTAINABILITY

From both a human and environmental health perspective, the world's current food system is widely acknowledged as being unsustainable. According to the United Nations' Food and Agriculture Organisation, the hidden costs to health, society, and the environment embedded in the current food system are currently \$12,7 trillion – roughly 10% of global GDP – of which the majority are related to diet-related health impacts. Worldwide over 780 million people experience hunger; nearly three billion people cannot afford healthy diets; over one billion are obese; and almost a third of all food produced is lost or wasted. In South Africa, the situation is no different – and is exacerbated by limited investment in food systems that can produce adequate amounts of nutritious and affordable food for all.

Another unintended consequence of the current food system is the ecological impacts of unsustainable food production, packaging and consumption. Together they are responsible for a third of all greenhouse gas (GHG) emissions linked to climate change, 70% of global fresh water consumption, a growing plastic waste problem, and declining biodiversity – all of which threaten food security.

FOOD SECURITY AND AFFORDABLE NUTRITION

South Africa's food security landscape is characterised by both abundance and scarcity. Despite our well-developed agricultural sector and relatively robust food distribution network, 17.5% of South African households are severely food insecure¹ due to high levels of poverty. In this context, 'tummy fill' to combat hunger is the main priority for many households, often at the expense of nutritional value. As a result, a study has shown that only 7% of adults meet the World Health Organization's recommendations for daily fruit and vegetable intake, and only 19% meet fibre recommendations.

Food security is a comprehensive concept that includes ensuring that food is available, accessible, stable and well utilised by the body, while affordable nutrition specifically addresses the need for nutritious food to be within financial reach for individuals and families, especially low-income. For a responsible food manufacturer in South Africa, focusing on both food security and affordable nutrition as a comprehensive approach is crucial – as both concepts are interconnected and essential for overall health and well-being and social equity.

¹ Simelane, T. Mutanga, S.S. Hongoro, C. Parker, W. Mjimba, V. Zuma, K. Kajombo, R. Ngidi, M. Masamha, B. Mokhele, T. Managa, R. Ngungu, M. Sinyolo, S. Tshililo, F. Ubisi, N. Skhosana, Ndinda, C. Sithole, M. Muthige, M. Lunga, W. Tshitangano, F. Dukhi, N.F. Sewpaul, R. Mkhongi, A. Marinda, E., 2023. National Food and Nutrition Security Survey: National Report. HSRC: Pretoria



PRODUCT

RESPONSIBLE FOOD PROVISION CONTINUED

OUR APPROACH TO FOOD SAFETY AND QUALITY

Product safety and quality are of paramount importance to us as a responsible manufacturer, and we hold ourselves to a high standard, supported by well-established systems and a solid track record.

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, and specific customer requirements. All our food production sites are either FSSC 22000 or ISO 22000-certified for food safety management, with the exception of our recently acquired Sunshine Bakery sites which are certified by the Food Safety Agency (FSA).

Our track record of excellent food safety and quality audit results has a number of positive impacts on our business. Beside providing confidence to our customers and in turn their consumers, they contribute to employee engagement by showing our commitment to actively managing food risks and promoting product safety. They also facilitate internal benchmarking and management through the consistent application of standards across our various multiple sites, and promote the review and continual improvement of our food safety management system.

FEATURES OF FOOD SAFETY AND QUALITY MANAGEMENT AT RCL FOODS

- We have a strong food safety culture supported by ongoing awareness initiatives and training.
- All our processes and facilities comply to relevant regulations which include adherence to control mitigation requirements. These control measures form part of our monitoring and verification programmes and are an integral part of our SHERQ leading and lagging indicator scoring model.
- Food safety risks are identified using the Hazard Analysis Critical Control Point (HACCP) methodology and are 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.
- Products and processing environments are regularly tested for any pathogens (organisms that can cause illness).
- Product withdrawal and recall procedures are well established and adhered to.
- We invest in new technology and equipment to further enhance our food safety management.
- Consumer complaints are responsibly managed by our Group Complaints Department in conjunction with our operational teams. The review of consumer complaints is carried out by all sites at monthly meetings and other periodic review sessions.
- 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.



PRODUCT

RESPONSIBLE FOOD PROVISION CONTINUED

OUR CONTRIBUTION TO THE PROVISION OF NUTRITIOUS AND AFFORDABLE FOOD, AS WELL AS SAFE AND SUSTAINABLE PRODUCTS

Supporting the delivery of food security and affordable nutrition is already a key part of what we do and is part of the intent of our business strategy.

Through our broad, multi-tiered product portfolio, the scale of our operations, and our high-quality and safety standards, we play a significant role in the physical and economic accessibility of food in South Africa.

We also support social access for vulnerable communities via the [DO MORE FOUNDATION](#), and our sorghum-based DO MORE Porridge has been fortified in response to ECD stakeholder consultation. For many of these 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.

At the same time, we have been working to minimise the environmental impact of our operations (refer to [Practices](#)) and to maintain transparency on our strategic progress through regular reporting on food security and nutritional improvements, community initiatives and environmental initiatives.

Having played an authentic role in food security and affordable nutrition for some time already, we are now reflecting more deeply on how we can enhance our support.

OUR CONTRIBUTION IN 2024

FOOD SECURITY AND SAFE, HIGH-QUALITY FOOD

In 2024 our focus has been to understand how we can better support food security while continuing to deliver safe, high-quality food. Highlights include:

- **We initiated a collaborative process involving both internal and external stakeholders to build our understanding of what food security and affordable nutrition mean in the context of South Africa and our own business.** This will continue into the next financial year.
- We **maintained all our existing food safety and ISO accreditations** in both RCL FOODS and Rainbow.
- **Rainbow had a 100% pass rate** for all **customer, government and export audits**. RCL FOODS had a **95% pass rate for its customer and government audits**, with one audit requiring follow-up action on traceability documentation which has since been resolved.
- In February 2024, the **national recall on peanut butter produced by House of Natural Butters**, due to high levels of Aflatoxins, led to the requirement for all manufacturers to verify their results and take the necessary corrective actions. An internal assessment confirmed **our Aflatoxin results were within acceptable levels** and we have had no further enquiries from the Department.
- **In the RCL FOODS business, consumer complaints continued to decline**, dropping a further 45% overall to 780 and coming in well below our internal benchmark of 0.0025% of sales. The majority of complaints related to quality, followed by packaging and foreign objects. Corrective action was taken for all valid complaints. **In the Rainbow business**, there were 79 valid consumer complaints (2023: 28). The majority of which were related to Food Safety, Quality and Specification and corrective action was taken.

- The risk of expired stock being sold or reworked has been highlighted in recent media reports. As a precautionary measure, we have **reassessed our protocols for safe disposal of expired and condemned stock**. Where customers are relied on to dispose of such stock, we have reviewed contractual obligations accordingly.

EARLY CHILDHOOD NUTRITION

In 2024 we also continued to make an impact on early childhood nutrition through our support of the DO MORE FOUNDATION:

- **321 tons of DO MORE Porridge** were distributed via 1 262 ECD centres countrywide, providing a daily meal for **27 160 young children**. We have been producing DO MORE Porridge at cost for the DO MORE FOUNDATION since its inception, having reformulated it in 2022 to meet the specific nutritional needs of young children between three and five years old.
- In line with the DO MORE FOUNDATION'S **advocacy role** for early childhood learning and nutrition (including through its role in the Real Reform for ECD (RR4ECD) initiative), the **Foundation established the concept of ECD Centres as Hubs of Nutrition** in two of our communities: Molteno and Hammarsdale. Direct training was provided to 30 ECD practitioners and 20 cooks on the National Department of Health's ECD Guidelines Training Manual and Toolkit, aligned to the 2021 National Nutrition Guidelines for ECD. Fifty ECD centres in these communities also received equipment for ongoing growth monitoring. **Nutritional status assessments** were conducted among a **sample of young children in Molteno** and **direct referrals were made** to local clinics for support services where necessary.
- The DO MORE FOUNDATION's community development work includes **educating parents** and caregivers on appropriate nutritional choices within the limits of their context. [The Eat Love Play Talk programme](#) was scaled to reach significantly more caregivers and parents in 2024, with **nutrition and health messaging** as its core focus..



PRODUCT

RESPONSIBLE FOOD PROVISION CONTINUED

TACKLING CONSUMER AFFORDABILITY THROUGH VALUE-FOR-MONEY OFFERINGS

With the rising cost of living, value for money has become a top priority across the Living Standards Measure (LSM) spectrum, not just for the lowest LSM groups. In this context, research and development in value innovation is a key priority for our business.

IN 2024:

- We continued to support our value-tier offerings, **Yum Yum Peanut Spread** and **Nola Mayo Street Style**, which offer a quality product at an affordable price-point for cost-conscious consumers. We continue to explore options for other “value” innovations to help cash-strapped shoppers.
- Given the pressure on consumer wallets across the board, we are **focusing on leveraging our multi-tiered pet food portfolio to offer shoppers value-for-money at all levels**. Examples of this include:
 - » Our recently introduced **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.
 - » Our newly-tiered **Optimizor dog food range which offers an economy, premium and super-premium tier** (Optimizor Special Diet Joint Support and Weight Management) at competitive prices.
 - » We have also focused on **educating consumers on the benefit of switching to locally-made, quality pet food brands** which offer great value for money and in some cases include the added benefit of free pet insurance.
- **Fry's has been working behind the scenes to find ways to bring more value to their consumers.** Fry's new **Everyday Value Range** – which includes its Original Hotdogs, Braai Sausages and Chunky Strips as well as a new Soya Mince offering – has been carefully selected to offer greater affordability throughout the year. Packaging the products in bags rather than boxes has been a key way of bringing down the cost to the consumer.



OUR INVESTMENT IN PLANT-BASED FOODS

Plant-based protein is growing in popularity as an environmentally sustainable, low-cholesterol, tasty alternative to meat. Eager to be a part of shaping a more sustainable global food system, we invested in the plant-based protein category in 2020 through a minority shareholding in the international LIVEKINDLY Collective. In 2021 we jointly established LIVEKINDLY Collective Africa to grow the plant-based market in South and sub-Saharan Africa, with the well-known Fry's Family Foods as its flagship brand.

With the price of plant-based protein being a key hurdle in growing the local market and providing enhanced choice, affordability remains a key focus area. This has been a key driver of the launch of the Fry's Everyday Value Range. Included in the range is a **new Soya Mince offering** which is produced with the same technology as the Fry's Pea Mince uses, so it is wonderfully similar in taste and texture. Sold at an affordable price point, it offers an **easy swap for beef mince for flexitarian consumers who want an affordable mince-based meal without meat**. It is also non-GM, naturally cholesterol free and higher in fibre than a beef equivalent.

PRACTICES

The Practices pillar of our Sustainability Strategy focuses on taking 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 progress.

OUR 2050 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



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 100.



PRACTICES

OUR ENVIRONMENTAL PRACTICES IMPACT: OVERVIEW

The nature, scale and geographic diversity of our business mean that our activities interact with, and impact on, the environment in many different ways. We are on a journey to reduce our negative impacts and support nature by reducing, reusing, recycling, repurposing or protecting the natural resources within our value chain. In this way we aim to “take less” from the environment and create more value for all our stakeholders. Our current focus is on reducing our use of non-renewable energy and fresh water, while minimising waste.

OUR ENERGY, WATER AND WASTE INTENSITY* IN 2024

Carbon emissions – Scope 1 & 2	tonnes CO ₂ e per PHW	0.029 (2023: 0.024)
Electricity intensity: Non-renewable electricity consumed – excludes Nelspruit solar	kWh per PHW	13.47 (2023: 11.50)
Renewable energy consumption intensity	kJ per PHW	241 010.3 (2023: 225 445.17)
Total energy consumption intensity	kJ per PHW	450 015.03 (2023: 399 539.3)
Fresh water used – all sources	kℓ per PHW	3.91 (2023: 2.51)
Waste produced	tonnes per PHW	0.048 (2023: 0.043)

* Intensity is an efficiency measure showing Energy, Water and Waste in relation to Person Hours Worked (PHW). Intensity is a more accurate indicator of our environmental impact than absolute consumption/production numbers since the latter can vary according to production output.

In 2024, most of our intensities increased as a result of Vector Logistics' exit from the business, which reduced our PHW by 18% without an equivalent reduction in Energy, Water and Waste (since Vector's resource usage has always been smaller than that of Rainbow and RCL FOODS, except for diesel).

POSITIVE IMPACTS IN 2024:

- Our **Scope 1 & 2 carbon footprint was 3% lighter**.
- **Diesel use was 28% lower**.
- We have begun **more intensively investigating energy efficiency opportunities** in the business to reduce our use of electricity and fossil fuels. Energy-saving initiatives were implemented during the year at our Randfontein Groceries plant, Komati Sugar Mill and Malalane Animal Feed Plant, with others in the pipeline.
- **Rainbow has increased its renewable energy generation by 17%** due to improved output at its Waste-to-Value (W2V) plant in Rustenburg.

KEY CHALLENGES AND OUR RESPONSE

- With load-shedding having seriously impacted our business during the 2023 financial year, and water supply risk growing around our key production areas, our **focus in 2024 has been on the development of energy and water resilience plans**.
- The need for prudent cash management was a key factor in the prioritisation of projects and remains so. In this context we responded by focusing on the projects with the biggest cost/benefit impact, and have a number of other projects that have been approved for the coming financial year.

PRACTICES

OUR ENVIRONMENTAL MANAGEMENT

We strive to use natural resources effectively and limit the negative impacts of our operations. 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.

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 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.

In 2024, Rainbow suspended the ammonia removal process at its Rustenburg Waste-to-Value plant pending the outcome of an appeal against an unsuccessful Air Emissions License application. It has since been granted a Provisional Air Emissions License valid for one year. Conditions include normal Odour Management Plans (OMP) and reporting requirements that will be managed and maintained by the operational team. On this basis the ammonia removal process has now resumed, generating ammonium sulphate, a valuable organic fertiliser.

ENVIRONMENTAL COMPLIANCE

We take any environmental complaints and non-compliance issues seriously and strive to remediate issues timeously and effectively.

At RCL FOODS there were no environmental non-compliance notices or fines issued during the year. One noise complaint was received from a neighbour of the Randfontein Groceries factory in September 2023. An evaluation was done and the high-risk noise sources were identified. Remedial actions were undertaken, including installation of a silencer and sound proofing.

Rainbow received 10 non-compliance notices for the period, of which most were related to effluent discharge exceeding local standards at its Rustenburg processing plant, resulting in fines of R1,7 million. Mitigation projects are under way to address this, and results are improving. Rainbow also received a compliance notice for illegal clearing of indigenous vegetation at its Worcester broiler farms, which was done to establish fire- and biosecurity breaks around the farms. The business is engaging stakeholders on a responsible way forward and a Section 24(G) application has been submitted in retrospect.



PRACTICES

CLIMATE ACTION

BUSINESS-AS-USUAL IS NOT AN OPTION

Evidence abounds that the earth's climate is changing, leading to significant disruption in the present and threatening the future wellbeing of society and business. Average global temperatures have already risen by more than 1.2 degrees Celsius since preindustrial times², resulting in higher sea levels, ocean acidification, biodiversity loss, weather events that are both more extreme and unpredictable, and an increasing number of climate-related social crises. According to the International Panel on Climate Change (IPCC), global average temperatures need to be kept within 1.5 degrees of warming versus pre-industrial times³ to ensure our wellbeing, which means that global emissions must be halved by 2030 and reach net zero by 2050⁴.

For RCL FOODS, responsible and credible climate action requires us to:

- engage in proactive climate scenario-informed decision-making (understand climate behaviour and identify relevant climate-related risks and opportunities);
- measure and reduce our direct and indirect greenhouse gas (GHG) emissions;
- take active steps to support climate adaptation and risk preparedness (such as by building resilience into our infrastructure, supply chains, and natural and social capital; having disaster contingency plans in place; building spare capacity into our systems; having flexible alternative strategies; and supporting regional and national adaptation plans); and
- transition to renewable energy (adopt and encourage renewable energy options).

While we have made a start in certain areas, much more remains to be done. **In 2024 our focus was on identifying gaps in our understanding and practice in order to develop a practical and integrated response.** For instance, we undertook the work required to **understand the requirements of climate risk analysis** in line with the Taskforce for Climate Related Financial Disclosures (TCFD) which is key to being able to manage our own energy transition and report on it in the future. We have also investigated, and are working towards being able to introduce, **Science-Based Targets** for key metrics in time.

Understanding our baselines relative to where we want and can reasonably expect to be, is key in this process. Our recent **data verification exercise confirmed our GHG emissions** for 2023 – our new **baseline year** for goal-setting and performance monitoring purposes.

² <https://public.wmo.int/en/media/press-release/2020-was-one-of-three-warmest-years-record>

³ <https://www.ipcc.ch/sr15/>

⁴ <https://www.ipcc.ch/sr15/chapter/spm/>

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

METHODOLOGY

We quantify our GHG emissions or carbon footprint in accordance with The GHG Protocol Corporate Accounting and Reporting Standard and we consolidate our emissions under the "operational control" approach. Our Scope 1 emissions result from the burning of fuels at our operations. Our Scope 2 emissions result from the use of purchased electricity by the same operations. Emission factors are sourced from the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines and the South African Department of Forestry, Fisheries and Environment's (DFFE) Methodological Guidelines for Quantification of GHG Emissions. The emission factor for purchased electricity is aligned with that reported by Eskom, the South African national electricity utility.

In terms of the GHG Protocol, 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. Scope 3 emissions are currently excluded from our reporting.

It must be noted that some of our operations are subject to regulation requiring them to report on their GHG emissions each year. They are also subject to the South African Carbon Tax, which requires them to pay a tax on their GHG emissions. The carbon tax rate increases each year and will continue to increase at rates greater than inflation. As such, our continued efforts to reduce our carbon footprint not only result in reduced operating costs and a more sustainable environment, but also in a reduced carbon tax liability.



PRACTICES

CLIMATE ACTION CONTINUED



OUR SCOPE 1 AND 2 EMISSIONS IN 2024

In the 2024 financial year our **Scope 1 and 2 emissions were 1 000 725 tCO₂e⁵**. Our Scope 1 emissions constituted 53% of our carbon footprint, with Scope 2 emissions constituting the remaining 47%.

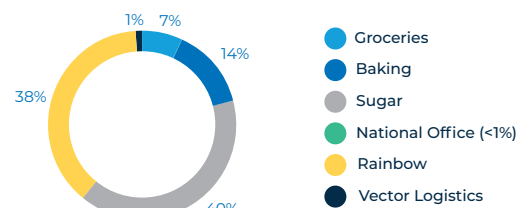
- The **Sugar business unit was the biggest contributor to our Scope 1 and 2 emissions**. Although our sugar mills primarily use bagasse (a by-product from sugar cane processing and a renewable fuel) to generate electricity and steam, it also uses coal for this. The use of bagasse reduces our coal consumption and associated GHG emissions.
- Rainbow was the second largest contributor to our carbon footprint**. It uses electricity to power equipment in chicken houses, chicken processing plants and animal feed production operations. It also uses coal to generate heat needed in the chicken houses and steam needed in the chicken processing plants.
- Our **Scope 1 and 2 emissions decreased by 3%**, from 1 035 716 tCO₂e⁶ to 1 000 725 tCO₂e. Both our Scope 1 and 2 emissions declined as a result of decreases in production for some of our operations, the disposal of Vector Logistics in August 2023, the implementation of emission reduction initiatives by our operations and increased production of electricity from biogas at Rainbow's Rustenburg processing plant. The lower grid emission factor for the current reporting year also contributed to the decrease in our Scope 2 emissions.

⁵ The CO₂ emission factor for our biogenic fuels such as bagasse has been assumed to be zero as these fuels are renewable as per the United Nations Framework Convention on Climate Change's (UNFCCC) definition of renewable fuels.

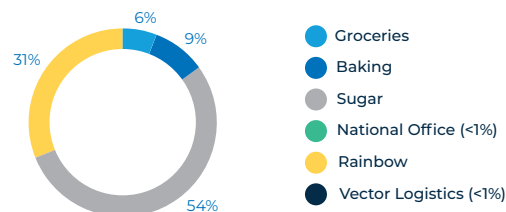
⁶ The Scope 1 and 2 emissions for the prior financial year have been restated as we continue to improve the accuracy of our data and refine our carbon footprint calculation methodology.

⁷ Vector's fuel consumption is only included for two months of the 2024 financial year.

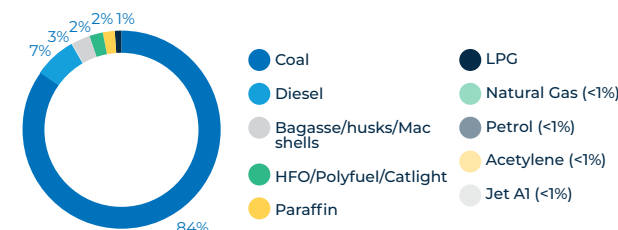
BREAKDOWN OF SCOPE 1 AND 2 EMISSIONS BY DIVISION



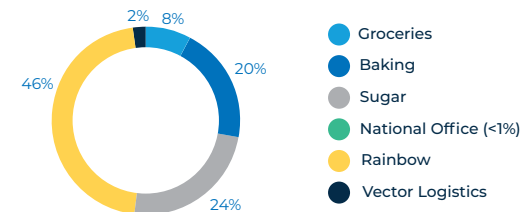
BREAKDOWN OF SCOPE 1 EMISSIONS BY DIVISION



BREAKDOWN OF SCOPE 1 EMISSIONS BY FUEL



BREAKDOWN OF SCOPE 2 EMISSIONS BY DIVISION



SCOPE 1 EMISSIONS BREAKDOWN

Our **Scope 1 emissions were 526 316 tCO₂e**, a **decrease of 0.3%** from the prior year. The Sugar business unit and Rainbow were responsible for the majority of Scope 1 emissions as a result of their coal usage.

The **combustion of coal is the primary contributor to our Scope 1 emissions**, followed by diesel and then bagasse. Bagasse is renewable, so although it releases CO₂ emissions when burnt, this is offset by CO₂ emissions absorbed when new sugar cane is grown in its place. As such, it has a zero CO₂ emission factor. It does, however, produce small amounts of other GHGs which contribute to our Scope 1 emissions. Its contribution is much less than coal which, being a fossil fuel, has a much longer carbon cycle, with a high CO₂ emission factor. Using bagasse in place of coal reduces GHG emissions.

Diesel consumption decreased during the 2024 financial year. This was predominantly due to the **disposal of Vector Logistics** in August 2023⁷, leading to lower transport diesel use. Some reductions were also realised through our continued implementation of emission reduction initiatives, profiled below.

PRACTICES

CLIMATE ACTION CONTINUED



SCOPE 2 EMISSIONS BREAKDOWN

Our **Scope 2 emissions were 474 482 tCO₂e**, a **decrease of 7%** from the prior year.

Rainbow was responsible for the majority of our Scope 2 emissions as a result of the electricity they consume in their processing plants. This is followed by our Sugar business unit, where electricity is used by both our agricultural and mill operations.

The reduction in Scope 2 emissions was primarily due to:

- the **disposal of Vector Logistics**, which uses a significant amount of electricity to run its refrigeration plants;
- **reduced purchased electricity use at Rainbow** due to an increase in electricity generated from biogas at the Rustenburg W2V plant, which resulted in less electricity having to be purchased from the national grid. The closure of one of the breeder farms in the Northern Region due to the Avian Influenza (AI) outbreak also contributed to the reduction;
- a **reduction in purchased electricity consumed in the Baking business unit** due to lower production volumes;
- the **reduction in purchased electricity consumed by Groceries Randfontein** due to increased loadshedding at the site;
- **Eskom reporting a lower grid emission factor** for this year; and
- the **implementation of emission reduction** initiatives, profiled below.

EMISSION REDUCTION INITIATIVES

We are focused on reducing our GHG emissions. For us this means **improving our energy efficiency** as well as **maximising the generation of energy from renewable sources**. This year, our operations have implemented a number of emission reduction projects, some of which are highlighted below:

KOMATI SUGAR MILL ECONOMISERS

The installation of economisers in the mill's boiler systems is a strategic initiative aimed at enhancing boiler efficiency and reducing coal consumption. This project is being executed in two phases, beginning with the installation of the top bank economiser which was done during the 2024 off-crop season. This will be followed by the installation of the bottom bank in the 2025 off-crop season. This phased approach ensures minimal disruption to the operation, whilst progressively improving its boiler performance.

The expected benefits of this phased installation are significant. The top bank economiser which has been installed will improve heat exchange efficiency, leading to reduced fuel requirements. This will lower our Scope 1 emissions and also yield cost savings from reduced coal consumption. The subsequent installation of the bottom bank economiser will further these benefits, creating a synergistic effect that enhances boiler performance and longevity. This project aligns with our commitment to sustainable operations, cost reduction, and environmental stewardship, offering substantial long-term benefits for our operations and the environment.

MALALANE ANIMAL FEED PLANT

Bagasse, the fibrous residue left after the extraction of juice from sugarcane, is a valuable by-product used primarily as a raw material in our Molatek animal feed. The recent upgrade of our bagasse drying equipment represents a significant enhancement in our operational efficiency and sustainability efforts.

The benefits of the upgraded bagasse drying equipment are multifaceted. Operational efficiency is significantly improved, as the boilers now require less of energy to dry the bagasse, leading to cost savings. Additionally, the enhanced drying process reduces wear and tear on the boiler system, thereby extending its lifespan and reducing maintenance costs.

From an environmental perspective, the more efficient combustion process results in lower emissions of greenhouse gases and other pollutants, contributing to cleaner air and a healthier environment.

PONGOLA SUGAR MILL

In order to export electricity to the national grid, an electricity generator has to comply with South Africa's Grid Code which details the technical requirements for connecting to and using the National Electricity Transmission System. Our generators are already Grid Code compliant at our Malalane Mill, which exports approximately 8GWh of electricity annually. To enable our Pongola sugar mill to do the same, we are currently upgrading the controls of its power generators to ensure that its infrastructure complies with the Grid Code. Achieving Grid Code compliance will not only position the mill to generate additional income by supplying excess power to the grid in future, but the improved control systems will assist in enhancing the reliability and efficiency of the mill's power generation infrastructure. This will result in more stable and efficient energy production, contributing to overall operational efficiency and sustainability. This project exemplifies the mill's commitment to sustainable practices and innovative solutions that optimise energy use and contribute to long-term financial stability.

PRACTICES

CLIMATE ACTION CONTINUED

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 latest CDP scores (2023) 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 Awareness band (C) for our disclosure on **Water Security**, recognising our efforts to manage our water impacts.



PRACTICES

CASE STUDY

RANDFONTEIN GROCERIES FORKLIFTS GO ELECTRIC

Our Randfontein Groceries operation has embarked on a strategic initiative to replace its fleet of liquid petroleum gas (LPG) forklifts with electric models. Six electric forklifts are now in use at the site.

Electric forklifts are more energy-efficient than their LPG counterparts as they convert about 85% of their energy into useful work, compared to around 30% for LPG models. This means electric forklifts require less energy to perform the same tasks, resulting in lower overall energy consumption.

Maintenance costs are also lower for electric forklifts, as they have fewer moving parts and do not require oil changes, fuel filters or engine tune-ups. Over time, these reduced maintenance and fuel costs contribute to significant savings.

Finally, electric forklifts produce zero emissions at the point of use, contributing to a cleaner and healthier work environment. This switch aligns with Randfontein Groceries' commitment to sustainability and reducing their carbon footprint.

In a nutshell, switching to electric forklifts is a strategic move for Randfontein Groceries that promises significant energy and cost savings, improved environmental performance, and enhanced operational efficiency.

Randfontein Groceries also continues to progress with its Energy Resilience Plan which was developed in February 2023.



PRACTICES

RESPONSIBLE ENERGY

Reliable access to energy is vital for our business operations, and ranks among our top business risks from a supply and pricing perspective. 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 provide energy security for our operations and reduce our carbon footprint, we are currently focused on driving internal energy efficiency initiatives. By proactively managing our energy consumption through measuring, tracking and improving operational efficiencies, we strive to reduce our overall energy consumption and cost.

RENEWABLE ENERGY

Although our carbon footprint closely reflects our energy consumption, we do make use of renewable energy sources, which assist in reducing emissions:

- **Our sugar mills generate their own electricity and steam from bagasse**, which is the part of the sugar cane that remains after crushing. Bagasse is considered renewable as it is a waste from the sugar milling process. In addition, as it is combusted, sugar cane is growing in our fields, absorbing carbon dioxide. Macadamia nut shells are also used to displace coal.
- **Rainbow's chicken processing facilities in Rustenburg and Worcester generate electricity from biogas** that is produced in its **Waste-to-Value (W2V) plants**. The plants turn post-processing wastewater into biogas and heat energy using a biological process called anaerobic digestion. Clean water is also produced, which is used for non-food-contact purposes on site. This 'renewable' electricity displaces coal-based electricity from the national grid, resulting in a number of positive environmental impacts such as reduced GHG emissions and air pollutants.

- **We also make use of Rooftop Solar Photovoltaic (PV) energy** at our National Office and Nelspruit Bakery.
- **We have a small hydro power station** on the Crocodile River.

OUR RENEWABLE ENERGY PERFORMANCE IN 2024

- **186.6 GWh of electricity was generated by our sugar mills in their co-generation plants** in 2024, a 12% decrease due to lower processing output. **Of this, 178.4 GWh was consumed internally and 8.2 GWh of electricity was sold externally** via an energy trading platform.
- **8GWh of biogas was produced** at Rainbow's W2V plants, an increase of 17% due to improved generation in Rustenburg.
- **Rooftop solar PV decreased by 41%** from 1.5 GWh to 0.89 GWh. This is due to the sale of Vector in August 2023 which reduced the electricity from solar at the Vector Peninsula site. Rooftop solar PV includes our own solar systems (currently only at our National Office) and the solar electricity we purchase through a power purchase agreement at our Nelspruit Baking site.
- **Hydro power** provided our Sugar business with **1.93 GWh** of electricity (2023: 1.40 GWh).



PRACTICES

RESPONSIBLE ENERGY CONTINUED



A solar modelling tool has been developed to assist with assessing the feasibility of contracting for capital-free, “Take or Pay” solar installations (where the user pays for unused power generated by the installed system). In order to ensure that a system of the correct size is installed, the model considers the various electrical load profiles of the site (normal operating conditions, weekends and other holiday periods), and applies the power derived from solar to calculate the optimum number of panels to be installed to maximise the benefit. The tool has been used for solar planning at our Beverages facility and Vector Logistics.

RENEWABLE ENERGY CERTIFICATES

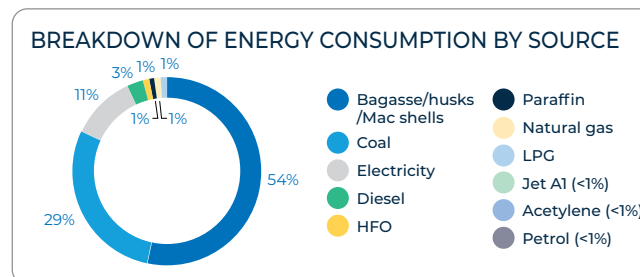
The electricity we generate from bagasse at our sugar mills is converted into Renewable Energy Certificates (RECs) which we then sell to third parties. In addition, biogas at Rainbow's Rustenburg and Worcester chicken processing sites is converted into renewable energy certificates and sold to a third party. We have reported the electricity generated from bagasse and biogas as renewable, but we acknowledge that the renewable attributes belong to third parties. As such, for reporting purposes, we have reflected them separately in the ESG table on page 95 under “renewable energy attributes”.

54% of our total energy consumption was renewable.

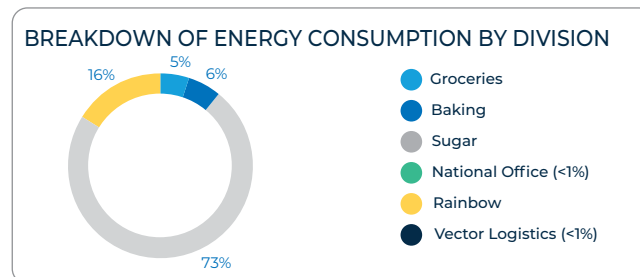
Co-generation, W2V, Solar PV and hydro provided us with a total of 189 GWh of energy in 2024, and 29% of our total electricity consumption.

OUR ENERGY CONSUMPTION IN 2024

Our total energy consumption, inclusive of electricity, was 15 786 terraJoules (TJ). Biomass (bagasse, sunflower husks and Macadamia nut shells) was the largest source of our energy consumption, followed by coal and then electricity, as shown below.



The Sugar business unit was the major contributor to our total energy consumption, followed by Rainbow.



Of our total energy consumption (direct and indirect), 54% was renewable due to the energy contribution provided by biomass. We are focused on maximising the production of electricity from renewable sources like bagasse, husks, biogas and solar.

ELECTRICITY

In 2024 our total purchased (Eskom) electricity use was 4% lower, driven mainly by the exit of Vector Logistics from the business.

Rainbow used 1.5% less purchased electricity due to the impact of the AI in the Northern Region, as well as increased electricity self-generation from biogas at the Rustenburg W2V plant (which resulted in less electricity having to be purchased from the national grid).

TOTAL ELECTRICITY CONSUMPTION – PURCHASED AND RENEWABLE (GWh)

	2024	2023
Purchased (Eskom)	467	489*
Co-generation (excluding exports) W2V	178	203*
Solar (including Nelspruit)	8	7*
Hydro	0.89	1.5
Hydro	1.93	1.4*
Total	655.8	701.9

* Restated

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 Rainbow's poultry farms.

In 2024 Group coal consumption increased by 4% due to a poor sugar cane season, meaning the sugar mills had less bagasse and had to burn more coal.

DIESEL

Group diesel consumption decreased by 28%, mainly due to the exit of Vector Logistics from the business, coupled with lower stationary diesel use as a result of lower load-shedding.

PRACTICES



RESPONSIBLE ENERGY CONTINUED

ENERGY MANAGEMENT

IN 2024:

- With operational resilience considerations featuring in our top 10 business priorities, we have **undertaken assessments to identify our most vulnerable sites from an energy (electricity and fuel) and water perspective**. On the basis of these we identified prioritised opportunities and are developing roadmaps to transition towards energy and water resilience.
- To complement the focus on business continuity from a water and energy perspective, we established reliable energy and water baselines. By combining the outcome of the Department of Forestry, Fisheries and the Environment (DFFE) audit with improved business processes for sustainability reporting, **accurate data for a full calendar year was set as a baseline** for target setting.
- Off this baseline, **proposed short-term efficiency targets were developed** by applying a “bottom up” approach, combined with a “top-down” stretch. By setting **short-term efficiency targets**, the business aims to become **as energy efficient as possible** using current technology and known solutions so that the **future changes necessary** to transition to a low-carbon operation will be **as small as possible**.
- **A list of initiatives to drive internal efficiency improvements was drawn up based on engagements across the business**. These initiatives have been ranked in terms of certainty and impact, with the most attractive projects prioritised for the 2025 financial year.

This approach to target setting is visually demonstrated in the figure below. **It shows that while the short-term efficiencies are being realised, Science-Based Targets will be investigated.**

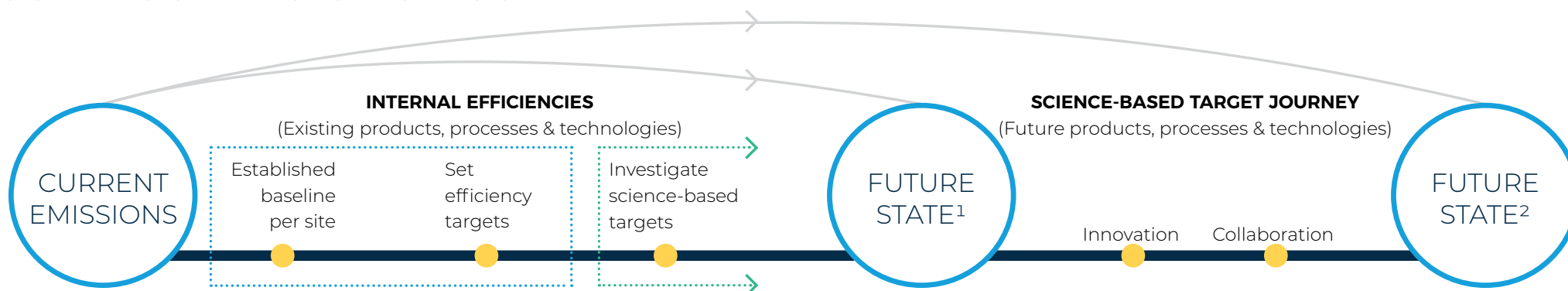
The **implementation of the initiatives has been strategically timed so that they are practical** from both a human resources and expenditure perspective. All initiatives were cross-referenced to the 2025 capital plan and those which were unbudgeted but highly beneficial have been highlighted for prioritisation.

To ensure stakeholder buy-in from both an internal and external perspective, the credibility of these targets is imperative. However, they also need to be ambitious enough to drive the mindset shift and resulting appropriate action which aligns with RCL FOODS’ goal to minimise emissions throughout the supply chain.

Funding mechanisms must be further investigated for initiatives which focus on energy and water efficiencies but do not offer favourable returns. This will be run in parallel with the initiative development.

A tracker is already in development which will be used to monitor the progress compared to the baseline and agreed-upon targets.

SHORT- AND LONG-TERM TARGET-SETTING APPROACH



PRACTICES

RESPONSIBLE ENERGY CONTINUED

CASE STUDY

BEVERAGES BOILER CONTROL AUTOMATION ENABLES IMPROVED EFFICIENCIES AND REDUCED CARBON FOOTPRINT

Steam is a key input in all our production facilities and we are continuously investing in the upkeep, upgrade and optimisation of our steam systems to ensure safe and reliable operation. We recently replaced our manual boiler control system at our Beverages plant in Pretoria West with a new automated boiler control system that will accurately measure and control the steam generation process at the plant.

The steam generator is an essential part of the steam distribution network, supplying steam for both the magueu cooking and pasteurisation process. The new system features a touch screen, internet-connected Human Machine Interface (HMI) panel that provides **live information on key operating parameters for safe and efficient boiler operation**. Other features include an **automated water-level control system** (ensuring replenishment of boiler water at the same rate as it is evaporated into steam) and an **automated blowdown valve** (which automatically regulates the volume of water discharged from the boiler during surface-blowdown, a process that removes impurities from the water, thereby maintaining water chemistry within acceptable limits and minimising water and energy losses).

Benefits of the automated boiler control system include:

- **Sustained steam supply** – by ensuring correct and consistent steam pressure at all times;
- **Optimised thermal efficiency** – by enabling maximum energy to be extracted from the boiler fuel;
- **Boiler preservation and safety** – by warning and protecting against hazardous conditions such as low water levels, over-firing of the boiler, etc;

- **Reduced carbon footprint** – by reducing fuel usage through optimal boiler operation; and
- **Improved information management** – by providing boiler performance reports that enable management to monitor and improve steam production efficiency.

The new system was commissioned at the end of the 2024 financial year and will help ensure reliable steam supply, safety and efficient boiler operation at our Beverages plant.



PRACTICES



RESPONSIBLE SOURCING

The impact of food supply chains on the natural environment and worker wellbeing is a growing area of concern globally for consumers, customers, regulators, and manufacturers. RCL FOODS is dedicated to proactively partnering with suppliers who uphold responsible social and environmental practices and operate with integrity. As a business, we are committed to responsible sourcing and will pursue transparent, traceable, and ethical supply chains.

OUR SOURCING APPROACH

Securing our supply base and developing our suppliers are two key ingredients in building a sustainable business. Our procurement and sourcing teams are responsible for fulfilling and maintaining business operations, managing business demands and mitigating supplier challenges to ensure the continued supply of goods and services from our suppliers. 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.

During the 2024 financial year we had 14 136 active vendors (suppliers) across the Group (including Rainbow and Vector), supplying us with over 340 sourcing categories. Our suppliers are key to our value chain and we aim to contract manage 85% of our procurement spend.

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 (environmental, social, compliance, financial and operational).

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.

IN 2024:

- We launched a **formal risk assessment questionnaire** which requires our procurement teams to assess the types of risk our business may be exposed to when entering into formal contract supply arrangements with our suppliers.
- We started work on a **Responsible Sourcing Strategy**.
- We **entered an agreement with a B-BBEE company, ForFarmers, for the cultivation of 1 100 hectares of wheat** by emerging growers in the Western Cape.



PRACTICES



RESPONSIBLE SOURCING CONTINUED

SUPPLIER ETHICS

We have 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); and
- B-BBEE.

All our packaging products are purchased from responsible, FSSC-approved suppliers.

B-BBEE PROCUREMENT

We strive to create value for our suppliers by promoting enterprise development through the responsible purchase of goods and services from B-BBEE compliant suppliers. A 20% weighting for B-BBEE is one of the criteria for all Sourcing-contracted suppliers.

We 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 annually.

In order to maintain or improve our B-BBEE component, we engage with suppliers to improve their B-BBEE score where feasible, such as through preferential procurement and black ownership in selected categories. This is an area in which the business is placing increased focus and resources.

IN 2024:

- Our **B-BBEE compliant procurement spend was R16,8 billion** (2023: R13,9 billion).
- We appointed a **dedicated director for B-BBEE**.
- At our latest B-BBEE audit (September 2023) RCL FOODS was once again ranked a **Level 4 B-BBEE contributor** and our **Sugar business remained at Level 2**.

INGREDIENT TRACEABILITY

Each ingredient supplier submits a quality questionnaire at the vendor take-on stage, and this includes information on the origins of the ingredients supplied. This information is reviewed and screened by our operating units' Quality Assurance (QA) site representatives, who then maintain it via an approved supplier list. For sourced commodities such as maize, wheat and soya, we are able to tell what silo the product came from.

Where an ingredients supplier or material is flagged as critical and/or high-risk, it is added onto our QA audit plan, and our QA teams conduct an annual supplier audit review for these suppliers and/or materials.

The QA teams also evaluate supplier performance on an ongoing basis. Where supplier non-conformances are noted, these are reported back to the sourcing team to address in their supplier review meetings. Should a non-conformance be deemed high risk, these suppliers will be audited annually. Low to moderate-risk ingredients suppliers/materials will be audited on a rotational basis every two to three years.



PRACTICES

RESPONSIBLE SOURCING CONTINUED

CASE STUDY

LOCAL IS LEKKER, EMERGENT IS EVEN BETTER

Small-scale farmers have long played a key role in our Sugar supply chain, and developing them aligns both with our values and our sustainability strategy. With international wheat prices rallying and the case for investment in local production growing stronger, we saw an opportunity to start supporting emerging local wheat farmers through a small offtake agreement with the local B-BBEE company, ForFarmers.

Some of the key challenges that affect emerging farmers in South Africa are an inability to source production credit (due to a lack of collateral), a lack of skills and knowledge, and a lack of farming equipment. ForFarmers addresses these challenges by providing farmers with:

- access to agricultural inputs such as seed, fertiliser and herbicide on credit;
- technical advice from planting until harvesting;
- assistance with mechanisation; and
- marketing their crop.

ForFarmers does this through partnerships with the private sector which provide upfront funding. **In RCL FOODS' case, we provided upfront funding towards input costs for wheat planted on about 1 100 hectares in the Western Cape.** Once the wheat is harvested and delivered in December 2024, we will purchase it from ForFarmers at the market price and offset the initial funding from the total amount due. ForFarmers provides us with regular updates of crop progress with modern technology like drone mapping, satellite imaging and soil moisture measurements.

For Francois Esterhuyse, Commercial Executive: Commodity Procurement at RCL FOODS, the benefits of the initiative are far reaching. *"We believe that land reform and development of farmers will be more successful when the private sector becomes involved. When they do, the multiplication factor for rural communities is significant. Through partnerships like this, people are setting up and developing businesses in these areas, which contributes to employment. ForFarmers itself has employed newly graduated agricultural students to help with the project, and they are bringing a new energy to the area. Neighbouring commercial farmers are often helping the emerging farmers out when they are experiencing difficulties, and this is contributing to the overall harmony in the area."*

While it's still early days, we are hopeful that this partnership is the start of more to come as we seek to grow resilient communities and ensure food security.



PRACTICES

PROTECTING NATURE

As a sector that is heavily reliant on the natural environment for raw materials, we understand the importance of protecting and restoring nature by sustaining biological diversity. We are committed to supporting healthy ecosystems and soil in our agricultural 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 ha (25%) of the total cane area supplying our mills. We aim to farm as efficiently as possible, optimising productivity by applying the right amount of water, fertiliser and pesticides in the right place at the right time, reducing under- and over-application.

For the last few years we have been practising “green harvesting” in some of our mechanically harvested fields, where the cane leaves are left to create a layer of mulch on the ground. While this has had some soil health benefits such as preserving beneficial organisms and retaining moisture, it has increased the incidence of soil compaction and the risk of Ratoon Stunting Disease and we are moving away from the practice. We are currently considering ways of improving soil health through, inter alia, break crops and cover crops.

CASE STUDY:**‘GREEN MANURE’ FOR HEALTHY SOIL
AND CROPS**

From a disease and soil health perspective, it is good practice to leave the soil fallow for six months after every 10 years of planting – however commercial pressures have shortened this period in recent years. In order to be able to extend our fallow period, we are in the process of developing a business case for the planting of break crops which replenish the soil between sugarcane plantings. In the interim, we have launched a pilot project to build soil health by leasing a portion of our fallow fields to vegetable farmers. Vegetables act as ‘green manure’ that both feeds the soil and increases the performance of the new cane. The farmers will operate from March to October every year, planting crops like tomatoes, butternut and pumpkin on a new fallow section annually.

Our pest control approach follows that recommended by the South African Sugar Research Institute (SASRI), which advocates an Integrated Pest Management (IPM) approach to suppressing insect pest levels. 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 approach comprises, inter alia:

- the inclusion of cover crops, water sources and other biological features that attract and sustain beneficial insect predators and promote on-farm biodiversity;
- scouting fields carefully before applying chemicals to ensure that pesticides are only applied where infestation levels are not controlled by natural predators; and
- selecting cane varieties with improved pest resistance levels when replanting.



PRACTICES



PROTECTING NATURE CONTINUED

When pesticide application is necessary, we follow the recommendations of SASRI to select and apply the appropriate chemicals. All chemicals 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.

Our agronomist oversees the pest control programme and 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 AND YELLOW APHIDS

Orange Rust, a sugarcane disease identified for the first time in South Africa in February 2022, affected RCL FOODS-controlled farms in the 2023 financial year and was mitigated through rust monitoring and scouting, and fungicide application to young cane near infected areas. As a result we have not had a resurgence on our farms in the 2024 financial year. We have, however, experienced a resurgence in Yellow Aphids during the year which were successfully contained and treated, with minimal impact on the crop.



PRACTICES

WASTE FREE

We acknowledge the important role we can play in protecting finite resources by keeping food, process residuals and packaging from becoming waste, and by minimising the waste we do produce. Responsibly managing our waste not only reduces our waste footprint but improves operational efficiencies and reduces costs – both crucial for enabling the sustained supply of affordable food for South African consumers.

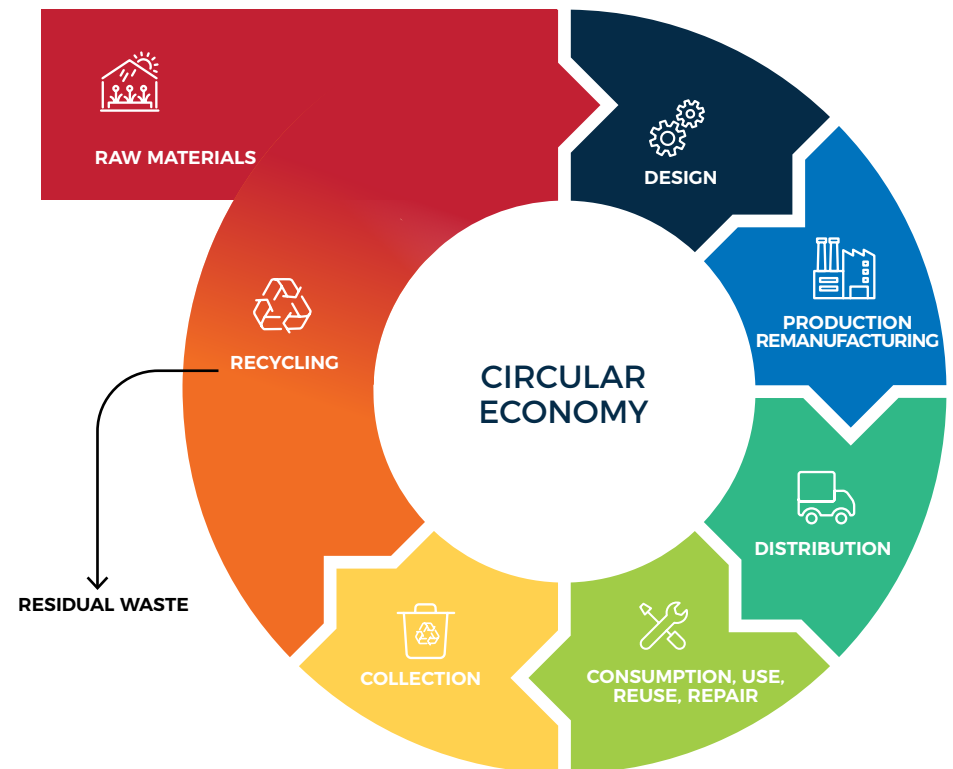
Worldwide, waste is growing at an exponential rate due to population growth, urbanisation and changing consumption patterns. The sheer volume and toxicity of this waste – much of which is poorly managed – negatively affects air, soil and water quality and threatens the health of people, plants and animals, which also creates an economic burden. In South Africa, 90% of waste is landfilled or disposed of illegally and only 10% is recycled or recovered for other uses⁸. Besides the impact on environmental and human health, this represents loss of economic value in terms of recycling and job creation opportunities.

OUR APPROACH TO WASTE MANAGEMENT

We have **adopted and aim to implement the principles of the circular economy which is aimed at eliminating waste and keeping resources in use**. Instead of a “take-make-dispose” model of production and consumption, the circular economy aims to keep products, materials, and resources in use for as long as possible through principles such as recycling and reusing.

We analyse our waste streams according to the waste management hierarchy of prevention, reduction, reuse, recycling or recovery. 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 yearly to verify their compliance with contractual obligations and protocols.



⁸ <https://infrastructurenews.co.za/2022/03/10/state-of-the-south-african-waste-industry/>

PRACTICES



WASTE FREE CONTINUED

In the reporting period, we continued to work towards improving the measurement and reporting of our waste. Improved measurement and reporting allows us to better understand and build the business case for the waste treatment and disposal options available to us. This has led to us investigating projects that divert waste from landfill wherever possible, while continuing to focus on ensuring effective waste management.

OUR 2024 WASTE FOOTPRINT

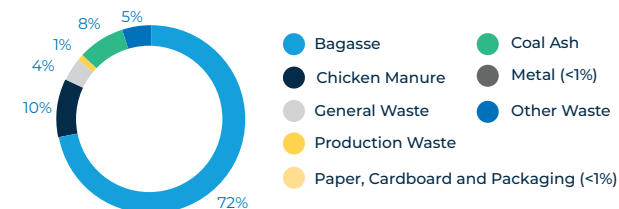
The **waste generation tonnages reported this year are significantly higher due to the inclusion of bagasse**, which we burn in place of coal to generate energy at our sugar mills. **Given the inclusion of bagasse in our 2024 tonnages, we have also restated the 2023 waste generation tonnages to allow for year-on-year comparison.** The inclusion of bagasse is evidence of our focus on improving the measurement and reporting of our waste.

WASTE GENERATION

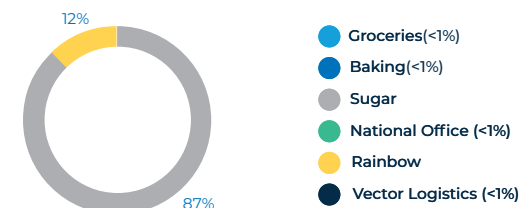
IN 2024:

- We generated **1 678 449 tonnes of waste**, of which 99.9% was non-hazardous. All hazardous waste is disposed of to registered disposal sites via specialist waste contractors.
- Bagasse (72%) and chicken manure (10%) constituted 82%** of the waste that we generated, resulting in the Sugar business unit and Rainbow being proportionally the biggest generators of waste.
- There was a **7% decrease in the total waste generated year-on-year**, from 1 805 620 tonnes to 1 678 449 tonnes. This decrease is predominantly due to decreases in bagasse (due to lower sugar cane volumes) and chicken manure (due to the impact of AI at Rainbow).

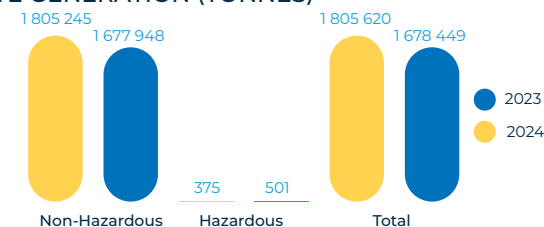
NON-HAZARDOUS WASTE BY TYPE



WASTE GENERATION BY DIVISION



WASTE GENERATION (TONNES)



PRACTICES

WASTE FREE CONTINUED



Using Macadamia Nut shells to displace coal in our sugar mills is one way we are supporting circular economy principles

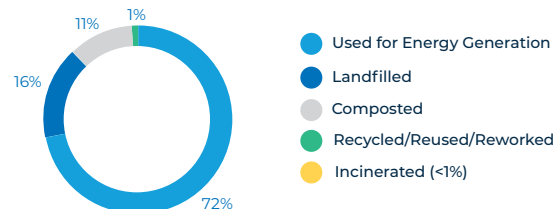


WASTE DISPOSAL

Bagasse is burnt to produce energy for our sugar mills and for the grid, enabling the displacement of coal-based electricity and steam. The **chicken manure generated by Rainbow's farms is removed by third parties and used as compost** to enrich the soil. Chicken manure is rich in nitrogen, phosphorus, and potassium which are essential nutrients for plant growth. Composting it ensures these nutrients are more readily available to plants, reduces the need for synthetic fertilisers, and sequesters carbon in the soil. **At Rainbow's Rustenburg W2V plant, 30 tonnes of chicken manure a day form part of the feed to the biodigester.** The digested manure, along with ammonium sulphate extracted from the digester, is sold as an organic fertiliser. The operational team is slowly increasing the manure feed component, which should peak at 100 tonnes per day.

Apart from bagasse and chicken manure, the remainder of our waste is recycled, reused or reworked, incinerated or sent to landfill. Whilst we have made efforts to reduce waste to landfill across all our operations, there is significant work that still remains to be done. We continue to implement separation at source to access recyclables. We continue to investigate alternatives for our production waste such as composting.

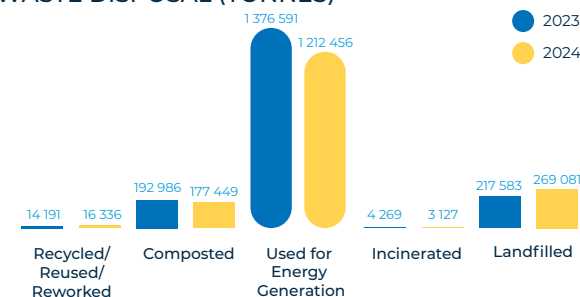
WASTE DISPOSAL BY DESTINATION



IN 2024:

- **84%** of our total waste was converted into **energy, composted, recycled, reused or reworked.**
- **16%** of our waste was **landfilled**, an increase of 24% versus the prior year. This was mostly due to an increase in mud waste which constituted 21% of our waste sent to landfill. The increase in mud waste was due to the water reservoirs at the Malalane Sugar Mill being flushed to increase their efficiency as part of improved retention dam management practices.

WASTE DISPOSAL (TONNES)



WASTE REDUCTION

Reducing our waste is a key focus at our operations, both because waste has a significant environmental impact and because it represents an economic cost to us – both in terms of unrealised revenue (in the case of production waste) and/or in terms of disposal costs (general waste).

PRACTICES

WASTE FREE CONTINUED



Our **Pies operation in Krugersdorp is an example** of this waste reduction focus. The site has **reduced its production waste by 8%** by redesigning its conveyor belts to reduce damage to the product, reduced damage to the trimmings and implementing better trimming management. In addition to this, it has been improving its foil management procedure which has improved its handling of the foil container and reduced foil wastage. Lastly, waste figures are now reported every two hours to employees, which creates awareness, places waste front-and-centre and focuses employees on doing what is within their control to reduce waste.



ADDRESSING FOOD LOSS AND WASTE

Globally and in South Africa, one third of all food produced is either lost in the supply chain (such as during harvesting and transportation) or is discarded by retailers and consumers⁹. Besides the economic loss and needless GHG emissions this represents, it is also a lost opportunity to help alleviate hunger in food-insecure communities through the diversion of food that is still safe to eat.

We are on a journey to progressively reduce food loss and waste by innovating across our operations and unlocking initiatives that will prevent nutritious food from going to landfill.

⁹ According to the United Nations Food and Agricultural Organisation

This includes diverting food waste to various other uses such as:

- composting chicken litter and manufacturing waste to produce nutrient rich compost
- biogas “waste-to-value” generation using anaerobic digestion processes, which also produce fertiliser as a by-product; and
- diverting food waste from our Grocery, Beverages, Bread, Buns & Rolls, Pies and Speciality operating units for use as animal feed.

RCL FOODS donated 46 tonnes 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. Rainbow donated 2 782 cases of short-dated stock in the same way.



PACKAGING FOR FOOD SAFETY, QUALITY AND CIRCULARITY

Packaging plays an essential role in keeping our food fresher for longer, protects it from cross-contamination, attracts and informs consumers, and plays a key role in building a brand. Its disposal, and especially that of plastic packaging, has significant downsides if it is not retained within a circular economy. We also know that packaging comprises a significant portion of South African waste streams, much of which is currently single-use packaging that cannot be readily recycled in our collection systems.

In this context, we acknowledge the important role we play in responsibly managing packaging throughout the life cycle.

Our **Sustainable Packaging Strategy** focuses on three pillars:

- **Innovate** ...to ensure the packaging is reusable or recyclable;
- **Eliminate** ...the packaging we don't need; and
- **Circulate** ...to keep all the packaging items we use within the value chain and out of the environment.

PRACTICES

WASTE FREE CONTINUED

WORK DONE TO DATE

We have identified problematic and needless single-use plastics, and we have developed solutions based on needs and functionality. Examples include:

- **Our shrinks (packaging sleeves) for Milling and Baking contain 35% post-consumer plastic.** This is equivalent to 75 tonnes of waste diverted from landfills. Our Yum Yum Peanut Butter and Nola Mayonnaise pack shrinks contain 20% recycled post-consumer plastic which is equivalent to 40 tonnes of plastic diverted from landfills.
- **In our Culinary business, we have moved from using paper board on layer pads to 100% recycled plastic layer pads.** This results in more reusability of our layer pads as they are more durable (can be used multiple times) compared to paper boards.
- **At our Sugar plant in Malalane, we are using 50 tonnes less plastic** on our pallet wraps through nanotechnology. This is equivalent to eight fully grown African elephants.
- **Most of our Beverages items** have been converted to **recyclable and reusable** plastic packaging.
- Together with industry bodies, we collaborated in developing a **consistent procedure for on-pack recycling labelling (OPRLs) for new launches**, which makes it simple for consumers to understand what is and isn't recyclable, and to ensure our operations strictly adhere to all environmental regulations.

As a business, RCL FOODS recognises its obligation to the environment. We will keep promoting better use of natural resources by joining relevant forums and initiatives and by showcasing examples of innovative solutions.



EXTENDED PRODUCER RESPONSIBILITY

RCL FOODS complies fully with the Extended Producer Legislation (EPR) of the South African Department of Forestry, Fisheries, and the Environment (DFFE). South Africa's 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 tonne 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.

We are **working very closely with a number of Producer Responsibility Organisations (PROs)** – including Polyco, 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.

We contributed more than **R6 million in EPR fees** during 2024.



PRACTICES



RESPONSIBLE WATER

As a food manufacturer, our processes and products are dependent on an adequate, reliable and safe supply of water. We also recognise the need to conserve and protect this valuable natural resource, in line with our ambition of 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 scarcity is a growing problem in South Africa. Due to a combination of drought, rising demand and water loss arising from poor infrastructure, the country is currently overexploiting its internal renewable water resources (the average annual flow of rivers and groundwater generated from precipitation), which declined from 1 042 kilolitres (kl) per capita in 1997 to 762 kl per capita in 2020. What's more, South Africa withdrew only 41% of its available fresh water resources in 1997, versus 65% in 2020¹⁰. Estimates are that water demand in South Africa could exceed supply by 17% in 2030¹¹ unless there is a significant mindset change and corresponding investment.

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 “create” water in our operations, including rainwater harvesting, the production of clean water from post-processing wastewater, and water recycling initiatives like our new condensate recovery project in our Beverages operating unit.



¹⁰ UN Food and Agriculture Organisation/World Bank Data. Accessed on 4 August 2023 from <https://data.worldbank.org/indicator/ER.H2O.FWST.ZS?locations=ZA>

¹¹ WWF-SA, 2017. Scenario for the future of water in South Africa. https://awsassets.wwf.org.za/downloads/wwf_scenarios_for_the_future_of_water_in_south_africa_v7_6_pf.pdf

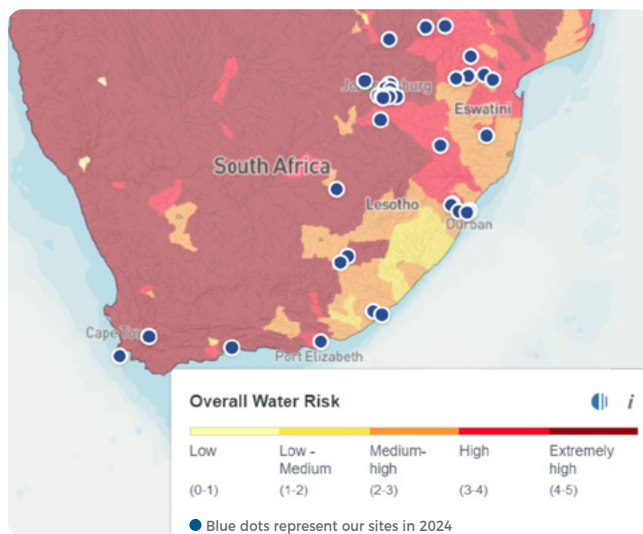
PRACTICES

RESPONSIBLE WATER CONTINUED

WATER RISK AND MITIGATION

All our operations are located in areas with exposure to medium-high water risk. We also have a number of operations located in areas of high to extremely high water risk. We have undertaken an exercise to map our operations on the World Resources Institute's Aqueduct Water Risk Atlas to understand their exposure to water risk and the nature of that exposure.

All our operations are focused on reducing their water withdrawals. Those larger water users are also engaged with other stakeholders in the water catchment area, working together to preserve the water resource and reduce the water risk.



IN 2024:

- Since operational resilience is one of our top priorities, we conducted an exercise which **identified and ranked our most vulnerable sites** in terms of both water and energy availability.
- Given the increasing pressure on water supplies, we actioned the **development of water resilience plans as a priority** for our Baking operations in Benoni, Pretoria and Centurion, and our Groceries operations in Randfontein and Pretoria. These plans include provisions for on-site water storage for a minimum of 48 hours of production.
- **In parallel, the survey enabled each site's baseline water consumption to be measured and recorded. Smart water meters have been installed** at most of the above operations to monitor water use. Opportunities have also been identified to reduce water use in operations and optimise processes.
- **Water saving targets** were developed for the 2025 financial year using the baselines developed.
- For the Rainbow business, water security remains a significant risk, especially in Rustenburg and Hammarsdale. This is mainly due to the poor condition of municipal infrastructure, with water quality and burst pipes being particularly challenging at the Rustenburg processing facility and feed mill. These issues have been mitigated by **Rainbow's increased involvement in service delivery (incurring the cost of pipeline repairs), conservation of water use, and monitoring of municipal water reservoirs and systems** by our operational teams.

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. **In response to municipal water quality issues at its Rustenburg processing operation, Rainbow has now invested in monitoring instruments and water treatment systems at the site.**

We also responsibly manage our wastewater discharge to municipal effluent lines by adhering to established testing and treatment protocols. During the year our internal monitoring picked up that our effluent at our Centurion Speciality plant was non-compliant with the discharge permit, and our engineering team assisted them with selecting the correct technology to rectify the issue.

OUR 2024 WATER FOOTPRINT

METHODOLOGY

We quantify our water footprint in line with the following definitions from the Carbon Disclosure Project (CDP):

- **Water Withdrawals:** The sum of all water **drawn into** the boundaries of the organisation (or facility) from all sources for any use over the course of the reporting period.
- **Water Discharges:** The sum of effluents and other water **leaving** the boundaries of the organisation (or facility) and released to surface water, groundwater, or third parties over the course of the reporting period.
- **Water Consumption:** The **difference between withdrawals and discharges** – in other words, the amount of water drawn into our boundaries and **not discharged back** to the water environment or a third party.



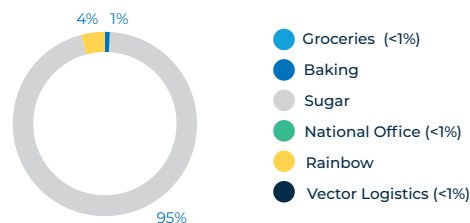
PRACTICES

RESPONSIBLE WATER CONTINUED

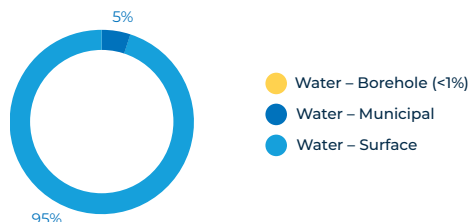


WATER WITHDRAWALS

Our Sugar business unit is responsible for the majority of our water withdrawals as water is used for irrigation of our sugar cane fields.

BREAKDOWN OF WATER WITHDRAWALS
BY DIVISION

The **majority of our water is sourced from surface water**. Again, this is associated with our Sugar Division that withdraws water for irrigation of the sugar cane fields. The remainder of our water is sourced from the local water utilities and boreholes located on some of our sites.

BREAKDOWN OF WATER WITHDRAWALS
BY SOURCE

IN 2024:

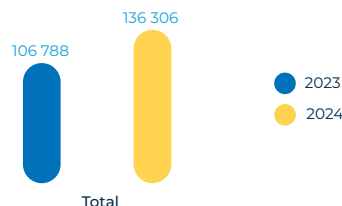
- **Surface water withdrawals** (rivers and dams) **increased by 29.5%**, driven by higher surface water withdrawals for cane irrigation in the Sugar business unit. This was due to there

being less rainfall in 2024 compared to the 2023 financial year in which higher rainfall and the flooding of pump stations resulted in lower abstractions.

- **Municipal water withdrawals increased by 0.6%**. This was largely driven by increased operational water requirements at Rainbow's Worcester and Rustenburg plants.
- **Groundwater withdrawals** from boreholes decreased by 1.2%.
- Our **total water withdrawals** were **136 306 megalitres (Mℓ)**, an **increase of 28%**.

Although our water withdrawals increased, we continue to implement initiatives to reduce water withdrawals, particularly through the use of more efficient irrigation systems.

WATER WITHDRAWALS (Mℓ)

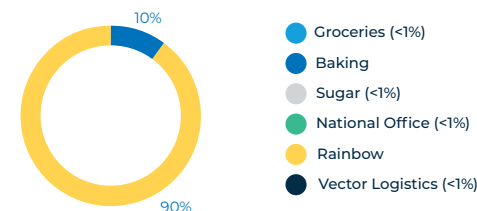


WATER DISCHARGES

Our water discharges for the reporting period were **3 789 Mℓ**, an **11% increase**¹² mainly due to increased water withdrawals at Rainbow which resulted in increased water discharges.

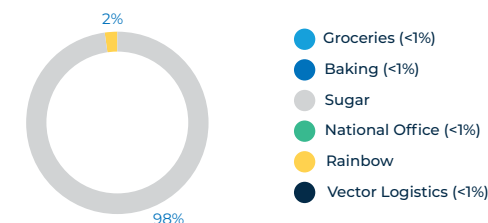
Although Rainbow was responsible for 90% of our water discharges, it must be noted that the Rustenburg and Worcester chicken processing sites send their water discharges to the W2V plant where the organic matter is biodegraded to produce biogas for electricity, and the remaining clean water is reused on site for non-food-contact operations. This reduces the amount of freshwater it needs at these sites, as well as reducing the electricity purchased from the national grid.

BREAKDOWN OF WATER DISCHARGES BY DIVISION



WATER CONSUMPTION

As with our water withdrawals, our **Sugar business unit was responsible for the majority of our water consumption** as a result of irrigation on our sugar cane fields. Rainbow was the second highest water consumer.

BREAKDOWN OF WATER CONSUMPTION
BY DIVISION

Our **water consumption increased by 28%** to 132 517 Mℓ, in line with the increase in our withdrawals.

Given that a large percentage of our water is consumed through evaporation in our Sugar business unit, the Sugar team continues to prioritise and implement water reduction initiatives as highlighted in the case study.

¹² The water discharges for the prior financial year have been restated as we continue to improve the accuracy of our data and refine our water footprint calculation methodology.

PRACTICES



RESPONSIBLE WATER CONTINUED

CASE STUDY:

WATER REDUCTION
INITIATIVES
IN SUGAR
AGRICULTURE

Water management is a key focus in Sugar Agriculture, with the aim of reducing water use, improving efficiency and ensuring healthy cane growth. We have embarked on a strategic initiative to improve water application efficiency, with a strong focus on increasing the use of drip irrigation systems which have an efficiency of up to 95% (which means that only 5% of applied water is lost to evaporation).

To enhance irrigation efficiency in our managed farms, a phased implementation approach is being followed to replace less efficient irrigation methods with more effective alternatives. The first phase involves reducing the reliance on dragline irrigation systems, which have a relatively low water application efficiency of 60% to 70%. Following this, the focus shifts to decreasing the use of floppy irrigation systems, whose efficiency ranges between 65% and 75%.

A significant phase of the project involves converting existing pivot irrigation systems

to drip irrigation, especially in areas where water assurance is low. Pivot systems typically have an efficiency of 75% to 85% and upgrading them to drip systems can lead to substantial water savings. Additionally, existing drip irrigation setups are being optimised by converting lines with 3-metre spacing to 2-metre tramline spacing that allows more rows of cane to be planted, increasing yields. Traditional drip systems planted on 1.5-metre cane spacing are also being transitioned to tramlines, further enhancing overall efficiency.

This case study highlights the strategic approach taken to improve water application efficiency in sugar agriculture. By adopting a phased approach, reducing reliance on less efficient systems, and prioritising the conversion to drip irrigation, the Company aims to achieve significant water savings and enhance agricultural productivity. Despite the challenges posed by high capital costs, the commitment to improving irrigation efficiency underscores the importance of sustainable water management practices in the agricultural sector.

PROGRESS AGAINST OUR IRRIGATION CONVERSION PROGRAMME IN SUGAR AGRICULTURE

Irrigation system	Water efficiency rating	2015 Financial year	2024 Financial year	2031 Financial year (target)
Floppies	6	403 Ha	183 Ha	0 Ha
Draglines	5	2 002 Ha	601 Ha	93 Ha
Sprinklers	4	750 Ha	674 Ha	0 Ha
Pivots	3	5 914 Ha	5 977 Ha	2 250 Ha
Surface drip	2	2 150 Ha	2 639 Ha	235 Ha
Sub-surface drip	1	1 996 Ha	3 049 Ha	10 002 Ha
TOTAL		13 215 Ha	13 122 Ha	12 580 Ha

PRACTICES



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 2024.

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 our CEO Page 3	GRI 2 (General Disclosures 2021): Disclosure 2-22
Our Impact in 2024: Executive summary	
Our business in 2024 Page 7	SASB: FB-AG-000.A-D / FB-PF-000.A-B
Our Sustainability Strategy Page 12	GRI 2 (General Disclosures): Disclosure 2-22
Our approach to sustainability Page 13 Also refer to: - 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

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ACCOUNTABILITY: TRANSPARENCY AND CREDIBLE DISCLOSURES CONTINUED

Section		Disclosure
Our Impact Unpacked: PEOPLE	Focus area: Employees Page 15 Report content: Overview Our approach as an employer Labour section of Our ESG Data 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, S2.3 SASB: 330, 310, 430, 440
	Diversity and Inclusivity Page 20	GRI 406 (Non-discrimination 2016): Disclosure 406-1 GRI 405 (Diversity and Equal Opportunity 2016): Disclosure 405-1
	Labour practices and remuneration Page 24	GRI 2 (General Disclosures): Disclosure 2-30 GRI 402-1 (Labour/Management relations): Disclosure 402-1 JSE: S1.4
	Investing in our people Page 27	GRI 404 (Training and Education 2016): Disclosure 404-1 to 404-3 JSE: S2.2
	Employee and contractor wellbeing Page 30	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 35 Report content: Overview (including our approach to community engagement) ECONOMIC DEVELOPMENT: Localising economic opportunities SOCIAL DEVELOPMENT: Building stronger communities through social investment 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

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ACCOUNTABILITY: TRANSPARENCY AND CREDIBLE DISCLOSURES CONTINUED

Section	Disclosure
Our Impact Unpacked: PRODUCT Focus area: Nutritious and affordable food Portfolio & Brand Page 53	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)
Our Impact Unpacked: PRACTICES Focus area: Climate action Page 61 Report content: <i>Our environmental Impact: Overview</i> <i>Our environmental management</i> <i>Climate action (Our GHG Footprint)</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 70 Report content: <i>Our sourcing approach</i> <i>Supplier ethics</i> <i>Ingredient traceability</i>	GRI 414 (Supplier Social Assessment 2016): Disclosure 414-1 to 414-2 JSE: E5.1
Focus area: Protecting nature Page 73 Report content: <i>Our current soil and pest management approach in Sugar</i>	GRI 304 (Biodiversity 2016): Disclosure 304-2

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ACCOUNTABILITY: TRANSPARENCY AND CREDIBLE DISCLOSURES CONTINUED

Section	Disclosure
Focus area: Waste Free Page 75 Report content: <i>Our approach to waste management</i> <i>Our 2024 waste footprint</i> <i>Addressing food loss and waste</i> <i>Eliminating waste</i> <i>Packaging for food safety, quality and circularity</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 80 Report content: <i>Our approach to water use and conservation</i> <i>Water risk and mitigation</i> <i>Water use</i> <i>Water quality</i> <i>Our 2024 water footprint</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 ESG Data	Quantitative disclosures related to numerous standards above

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OUR PERFORMANCE INDICATORS

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for continuing operations

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA

GOVERNANCE	Standard	Unit of measure	2024*	2023	2022	2021
Number of Board Members	GRI 2-9	Number	12	12	12	13
Number of Board Members who are deemed Non-Executive	GRI 2-9	Number	10	10	10	11
Percentage of Board Members who are deemed Non-Executive	GRI 2-9	%	83	83	83	85
Number of Board Members who are deemed Executive	GRI 2-9	Number	2	2	2	2
Number of Prescribed Officers		Number	0	0	0	0
Number of Board Members who are deemed Independent	GRI 2-9	Number	7	7	5	7
Percentage of Board Members who are deemed Independent	GRI 2-9	%	58	58	42	54
Number of Board Members who are Women	GRI 2-9 & 401-1, SASB 330	Number	2	2	2	3
Percentage of Board Members who are Women	GRI 2-9 & 401-1, SASB 330	%	17	17	17	23
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	42	38
Number of Board Members who are 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	42	38
Average Length of Executive Director Service (years)	GRI 2-9	Number	11	10	9	17
Average Length of Non-Executive Director Service (years)	GRI 2-9	Number	10	9	9	9
Average Length of Director (full Board) Service (years)	GRI 2-9	Number	10	9	9	10
Average Age of Directors (years)	GRI 404-1, SASB 330	Number	56	54	54	56
Percentage of Directors between 30 and 50 years of age	GRI 404-1, SASB 330	%	8	17	25	23
Percentage of Directors over 50 years of age	GRI 404-1, SASB 330	%	92	83	75	77
Overall Board and Committee Meeting attendance		%	98	99	95	97
Name of Financial Auditor		Name	EY	PwC	PwC	PwC
Length of Current Auditor's service (years)		Number	<1	19	18	17
Independence of Board Chairman	GRI 2-9	Y/N	No	No	No	No
Publicly Available Policy on Board Conflicts of Interest and Politically Exposed Persons (PEPs)	GRI 2-15	Y/N	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 Disclosure as per TCFD***		Y/N	No	No	No	No

* as at end June 2024.

** Historically Disadvantaged South African (HDSA): people who are African, Coloured, Indian or women.

*** Task Force for Climate-related Financial Disclosures.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

GOVERNANCE CONTINUED	Standard	Unit of measure	2024*	2023	2022	2021
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 & 412-1 to 412-3	Y/N	Yes	Yes	Yes	Yes
Formal Audit of Suppliers and Contractors for ESG Compliance (including human rights)	GRI 308-1 & 412-1 to 412-3	Y/N	No	No	No	No
Shareholders Vote (binding) on Executive Remuneration****	GRI 2-19 & 2-20	Y/N	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	Partial	No	No	No

**** At the 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	2024*	2023	2022	2021
Total Number of Employees – Permanent	GRI 2-7, JSE S1.5	Number	16 320	21 829	20 793	20 547
Total Number of Employees – Fixed term (>90 days, but not permanent)	GRI 2-7, JSE S1.5	Number	306	569	590	586
Total Number of Employees – Temporary (<90 days)	GRI 2-7, JSE S1.5	Number	134	271	328	171
Total Number of Non-Guaranteed Hours Employees	GRI 2-7, JSE S1.5	Number	–	–	–	–
Total Number of Full-Time Employees	GRI 2-7, JSE S1.5	Number	16 760	22 669	21 711	21 304
Total Number of Part-Time Employees	GRI 2-7, JSE S1.5	Number	–	–	–	–
Total Number of Employees – All	GRI 2-7, JSE S1.5	Number	16 760	22 669	21 711	21 304
Total Number of Non-Employees whose work is controlled by RCL FOODS (Contractors)	GRI 2-8, JSE S1.5	Number	5 332	5 457	4 888	4 773
Total Number of Employees and Contractors	GRI 2-7 & 2-8, JSE S1.5	Number	22 092	28 126	26 599	26 077
Total Number of Employees and Contractors Operating in South Africa	GRI 2-7 & 2-8, JSE S1.5	Number	22 092	28 033	26 506	25 993
Percentage of Employees and Contractors Operating in South Africa	GRI 2-7 & 2-8, JSE S1.5	%	100	100	100	100
Percentage of Employees who are Permanent	GRI 2-7	%	97	96	96	96
Percentage of Management (Top and Senior) Deemed EE**	GRI 405-1, SASB 330	%	52	48	44	33
Percentage of Management (Top and Senior) who are Women	GRI 405-1, SASB 330	%	24	19	14	8
Percentage of Management (Top and Senior) who are ACI***	GRI 405-1, SASB 330	%	38	38	35	26
Percentage of Employees who are Deemed EE	GRI 405-1, SASB 330	%	96	97	97	96
Percentage of Employees who are Women	GRI 405-1, SASB 330	%	36	33	32	32
Percentage of Employees who are ACI	GRI 405-1, SASB 330	%	94	95	94	94
Number of Employees who are Living with a Disability	GRI 405-1, SASB 330	Number	120	157	149	149
Number of Employees who are Under 30 years old	GRI 401-1, JSE S2.3, SASB 310	Number	3 555	4 477	4 333	4 530
Number of Employees who are 30 to 50 years old	GRI 401-1, JSE S2.3, SASB 310	Number	10 796	14 926	14 115	13 614
Number of Employees who are Over 50 years old	GRI 401-1, JSE S2.3, SASB 310	Number	2 409	3 266	3 263	3 160
Percentage of Employees who do not belong to a Trade Union		%	44	43	45	46
Percentage of Total Employees Covered by Collective Bargaining Agreements	GRI 2-30	%	66	74	75	75
Number of New Hires	GRI 401-1, JSE S2.3, SASB 310	Number	2 226	3 461	1 713	2 013
Number of New Hires who are Deemed EE	GRI 401-1, JSE S2.3, SASB 310	Number	2 176	3 398	1 663	1 973

* As at end June 2024.

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

*** African, Coloured or Indian (ACI).

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

LABOUR CONTINUED	Standard	Unit of measure	2024	2023	2022	2021
Number of New Hires who are Women	GRI 401-1, JSE S2.3, SASB 310	Number	720	1 167	580	510
Number of New Hires who are Under 30 years old	GRI 401-1, JSE S2.3, SASB 310	Number	975	1 549	825	1 063
Number of New Hires who are 30-50 years old	GRI 401-1, JSE S2.3, SASB 310	Number	1 186	1 830	823	898
Number of New Hires who are Over 50 years old	GRI 401-1, JSE S2.3, SASB 310	Number	65	82	65	52
Number of Employee Terminations	GRI 401-1, JSE S2.3, SASB 310	Number	2 296	2 636	2 001	1 958
Employee Turnover (proportion of departures relative to total number of permanent employees at year end)	GRI 401-1, JSE S2.3, SASB 310	%	14	12.1	9.6	9.5
Total Number of Person Hours Worked (PHW)	GRI 403-9	Number	34 874 433	42 482 724	42 098 090	41 710 900
Total Number of Employees Trained, Including Internal and External Training Interventions		Number	8 827	9 088	9 367	9 251
Percentage of Employees Trained in South Africa		%	100	100	100	100
Average Number of Hours of Training per Employee	GRI 404-1	Number	41	64	63	25
Total Number of Employees on Learnerships		Number	512	752	598	189
Total Number of Employees on Apprenticeships		Number	77	76	91	79
Total Number of Internships		Number	99	105	85	44
Percentage of Learnership, Apprenticeship and Internship Candidates Deemed ACI		%	95	96	99	99
Rand Value of Employee Training Spend		Rands	54 627 479	56 322 312	48 059 189	32 595 704
Percentage of Training Spend in South Africa		%	100	100	100	100
Total Number of Person Days Lost Due to Absenteeism		Number	35 841	54 026	43 148	40 074
Percentage of Total Person Days Lost Due to Absenteeism		%	0.8	1.0	0.8	0.8
Total Number of Person Days Lost Due to Industrial Action (i.e., strike action)		Number	1 215	17 322	6 647	203
Percentage of Total Person Days Lost Due to Industrial Action		%	0.03	0.326	0.126	0.004
Number of days of family-related leave taken	GRI 401-3	Number	14 105	17 466	21 476	18 208
Number of maternity leave days taken	GRI 401-3	Number	27 838	35 767	38 922	27 181
Number of paternity leave days taken	GRI 401-3	Number	823	1 167	1 860	1 272

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

HEALTH & SAFETY	Standard	Unit of measure	2024	2023	2022	2021
Number of Fatalities – Employees (i.e., injuries on duty leading to death, excluding the deaths of workers not occurring at work)	GRI 403-9	Number	1	2	1	0
Number of Fatalities – Contractors (i.e., injuries on duty leading to death, excluding the deaths of workers not occurring at work)	GRI 403-9	Number	0			
Number of First Aid Cases – Employees (FACs, i.e., injuries on duty leading to minor treatments, such as a plaster or a pain tablet)	GRI 403-9	Number	2 266	1 788		
Number of Medical Treatment Cases – Employees (MTCs, i.e., injuries on duty leading to medical treatment, but no lost days)	GRI 403-9	Number	560	577		
Number of Lost Time Injuries – Employees (LTIs, i.e., injuries on duty leading to at least one lost day)	GRI 403-9	Number	219	371	437	371
Total Number of Recordable Injuries*, including MTCs, LTIs and Fatalities – Employees	GRI 403-9	Number	779	948		
Number of High-consequence work-related injuries** – Employees	GRI 403-9	Number	4			
Fatal Injury Frequency Rate – Employees (FIFR, i.e., number of Fatalities per 200 000 person hours worked)	GRI 403-9	Rate	0.006	0.009	0.0048	0
Lost Time Injury Frequency Rate – Employees (LTIFR, i.e., number of LTIs per 200 000 person hours worked)	GRI 403-9	Rate	1.26	1.75	2.08	1.14
Total Recordable Injury Frequency Rate (TRIFR) – Employees	GRI 403-9	Rate	4.47	4.46	5.73	
Rate of High-consequence work-related injuries – Employees	GRI 403-9	Rate	0.02			
LTIFR and/or TRIFR target reported	GRI 403-9	Y/N	N	N	N	N
Total Number of Near Misses (NM) – Employees	SASB: FB-AG-320	Number	1 028	972		
Near Miss Frequency Rate – Employees (NMFR, i.e., number of NMs per 200 000 person hours worked)	SASB: FB-AG-320	Rate	5.90	4.58		
Number of Fatalities as a Result of Work-related Ill Health – Employees	GRI 403-10	Number	0	0		
Number of Cases of Work-related Ill Health – Employees	GRI 403-10	Number	15	135		
Number of Fatalities as a Result of Work-related Ill Health – Contractors	GRI 403-10	Number	0	0		
Number of Cases of Work-related Ill Health – Contractors	GRI 403-10	Number	2	2		
Number of operational health and safety audits conducted		Number	346	204	13	11
Number of food and safety audits conducted		Number	223	131	33	
Number of recalls for food safety reasons	GRI 13-10	Number	2***	3		
Volume of product recalled	GRI 13-10	Tonnes	N/A	132		
Total incidents of non-compliance with regulations and/or voluntary codes (product health and safety)	GRI 416-2	Number	0	0		
Total incidents of non-compliance with regulations and/or voluntary codes (product information and labelling)	GRI 417-2	Number	0	1		
Total incidents of non-compliance with regulations and/or voluntary codes (marketing communications)	GRI 417-3	Number	0	0		

* A recordable injury results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in the aforementioned.

** A high-consequence injury is an injury that results in a fatality, an injury from which the worker cannot recover (e.g. amputation of a limb), does not recover, or is not expected to recover fully to pre-injury health status within six months (e.g. complex fracture).

*** Recalls on behalf of third party customers of Vector Logistics.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

CORPORATE SOCIAL DEVELOPMENT/SOCIOECONOMIC DEVELOPMENT	Standard	Unit of measure	2024	2023	2022	2021
Total Corporate Social Investment (CSI) expenditure*	GRI 2-29, GRI 413	Rand	20 738 723	10 869 547	13 361 390	8 479 088
CSI Spend as a percentage of Total Revenue Generated*		%	0.05	0.03	0.04	0.03
CSI Spend as a percentage of Net Profit after Tax (NPAT)*		%	1.3	2.1	1.4	0.9
Percentage of Total CSI Spend in South Africa		%	100	100	100	100
CSI Spend on Education (Star Schools Project and others) – non DO MORE FOUNDATION		Rand	19 862 980	1 017 414	1 242 317	671 000
CSI Spend on Skills Development, Including Adult Education and Training (AET)		Rand	0	620 000	128 000	
CSI Spend on Basic Needs & Social Development, including nutrition/feeding programmes		Rand	17 133 507	8 469 568	11 991 073	7 808 088
CSI Spend on Infrastructure Development		Rand	243 186	200 000	14 271	
CSI Spend on Arts, Sports and Culture		Rand	1 375 732	562 564		
Enterprise Development Spend	GRI 2-29, GRI 413	Rand	71 100 000	16 088 096	11 132 697	15 686 142
B-BBEE Procurement Spend		(R'000)	16 800 000	13 954 043	11 669 411	11 823 636

* Includes Vector Logistics and Rainbow.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

ENVIRONMENTAL	Standard	Unit of measure	2024	2023*	2022	2021
ENERGY						
Direct energy consumption						
Total non-renewable fuel consumed in organisation – Diesel	GRI 302-1	Kilolitres (kℓ)	13 649	18 826	29 622	27 294
Total non-renewable fuel consumed in organisation – Petrol	GRI 302-1	kℓ	78	78	86	66
Total non-renewable fuel consumed in organisation – Coal	GRI 302-1	tonnes	191 565	184 175	177 458	175 533
Total non-renewable fuel consumed in organisation – Natural Gas	GRI 302-1	Gigajoules (GJ)	90 700	98 132		
Total non-renewable fuel consumed in organisation – Liquid Petroleum Gas (LPG)	GRI 302-1	tonnes	1 734	2 155		
Total non-renewable fuel consumed in organisation – Jet A1 Fuel (corporate plane)	GRI 302-1	kℓ	142	137		
Total non-renewable fuel consumed in organisation – Heavy Furnace Oil (HFO)	GRI 302-1	kℓ	996	870		
Total non-renewable fuel consumed in organisation – Paraffin	GRI 302-1	kℓ	3 107	3 273		
Total non-renewable fuel consumed in organisation – Catlight & Polyfuel	GRI 302-1	kℓ	3 140	3 354		
Total non-renewable fuel consumed in organisation – Acetylene	GRI 302-1	tonnes	4	4		
Total renewable fuel consumed in organisation – Bagasse	GRI 302-1	tonnes	1 212 456	1 376 591		
Total renewable fuel consumed in organisation – Wood	GRI 302-1	tonnes	–	–		
Total renewable fuel consumed in organisation – Sunflower husks	GRI 302-1	tonnes	16 567	20 845		
Total renewable fuel consumed in organisation – Macadamia nut shells	GRI 302-1	tonnes	3 374	4 228		
Direct energy consumption – from non-renewable fuels burned in organisation	GRI 302-1	GJ	5 595 422	5 635 236		
Direct energy consumption – from renewable fuels burned in organisation	GRI 302-1	GJ	8 443 949	8 443 949		
Total direct energy consumption – all sources	GRI 302-1	GJ	14 000 520	15 212 760		
Total self-generated energy consumed – Co-generation	GRI 302-1	GWh	178.4	203	120	145.0
Total self-generated energy consumed – Waste-to-Value (W2V)	GRI 302-1	GWh	8	7	15.35	18.95
Total self-generated energy consumed – owned Solar (National Office and Vector Peninsula (July/Aug 2023 only))	GRI 302-1	GWh	0.26	0.93	1.37	1.45
Total self-generated energy consumed – Hydro	GRI 302-1	GWh	1.93	1.40	1.05	
Total self-generated electricity consumed – all sources	GRI 302-1	GWh	188	212	137.8	165.4
Total self-generated energy exported	GRI 302-1	GWh	8.2	9	8	12.6
Percentage of electricity consumed that was self-generated	GRI 302-1	%	29	30	21.8	23.9
Renewable energy attributes		GWh	145	169		
Indirect energy consumption						
Total purchased electricity consumed – from Eskom and 3rd party solar	GRI 302-1	GWh	470	489	494	526
Total indirect energy consumption	GRI 302-1	GJ	1 693 499	1 760 758		
Electricity intensity: Purchased electricity consumed per Person Hour Worked (kWh/PHW)	GRI 302-3	kWh	13.49	11.51	11.734	12.611

* A number of 2023 values have been restated as a result of our recent data verification exercise.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

ENVIRONMENTAL CONTINUED	Standard	Unit of measure	2024	2023*	2022	2021
CARBON FOOTPRINT						
Total Greenhouse Gas (GHG) Emissions – Scope 1	GRI 305-1, JSE E1.1	tCO ₂ e	526 316	527 733	518 861	509 265
Total GHG Emissions – Scope 2	GRI 305-2, JSE E1.1	tCO ₂ e	474 482	508 075	526 981	547 122
Total GHG Emissions – Scope 1 and 2		tCO ₂ e	1 000 798	1 035 808	1 045 842	1 056 387
GHG emissions intensity for Scope 1 emissions	GRI 305-4, JSE E1.1	tCO ₂ e/PHW	0.02	0.01	0.012	0.012
GHG emissions intensity for Scope 2 emissions	GRI 305-4, JSE E1.1	tCO ₂ e/PHW	0.01	0.01	0.013	0.013
GHG emissions intensity for Scope 1 and 2 emissions	GRI 305-4, JSE E1.1	tCO ₂ e/PHW	0.029	0.024	0.025	0.025
Baseline year for GHG emission reductions	GRI 305-5		2023	2015	2015	2015
WATER						
Volume of Water Withdrawal – Purchased (Municipal)	GRI 303-5, JSE E2.1	kℓ	6 533 631	6 495 951	5 982 511	5 940 000
Volume of Water Withdrawal – Groundwater (Boreholes)	GRI 303-5, JSE E2.1	kℓ	661 033	653 286	732 371	660 613
Volume of Water Withdrawal – Surface Water (Rivers and dams)	GRI 303-5, JSE E2.1	kℓ	129 111 440	99 639 230	124 770 822	119 144 583
Total Volume of Water Withdrawal – all sources	GRI 303-5, JSE E2.1	kℓ	136 306 104	106 788 466	131 485 704	125 745 196
Percentage of Water Withdrawals in Regions of High or Extremely High Baseline Water Stress	GRI 303-5, JSE E2.1	%				
Water Intensity: Average Volume of Water (kilolitres) consumption per Person Hour Worked (l/PHW)	JSE E2.1	kℓ	3.91	2.51	3.12	3.01
Total Volume of Water Stored	GRI 303-5	kℓ				
Total Volume of Water Reused or Recycled (if known)	GRI 303-5	kℓ				
Total Volume of Water Consumed	GRI 303-5	kℓ	132 517 362	103 375 395	128 177 825	123 014 246
Total Volume of Water Discharged	GRI 303-4	kℓ	3 788 742	3 413 071	3 307 879	2 730 950
Does the company report a water consumption target against a prior baseline	GRI 303-1		Yes	Yes	Yes	Yes
Baseline Year for Water Reduction Targets	GRI 303-1		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		Yes	Yes	Yes	Yes

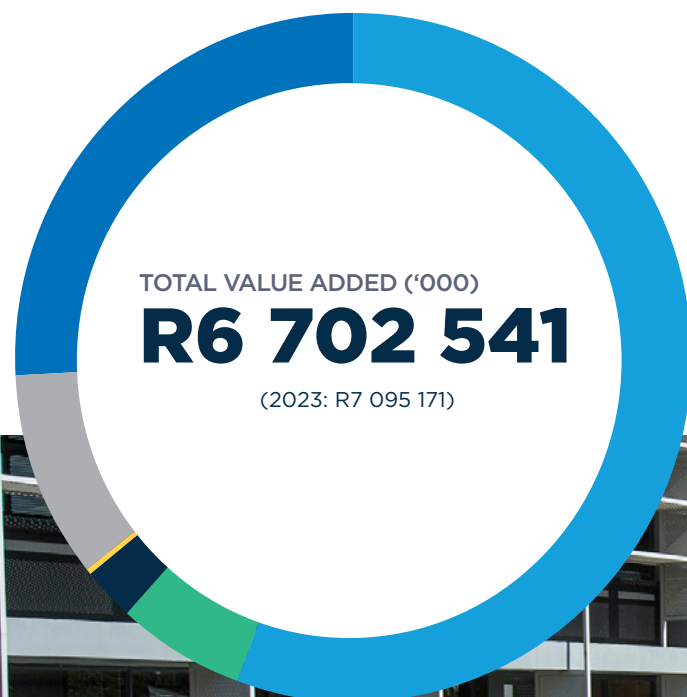
* A number of 2023 values have been restated as a result of our recent data verification exercise.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DATA CONTINUED

ENVIRONMENTAL CONTINUED	Standard	Unit of measure	2024	2023*	2022	2021
WASTE AND POLLUTION						
Total Weight of Non-Hazardous Waste Disposed of to Landfill	GRI 306-5	tonnes	268 580	217 208	216 462	218 546
Total Weight of Non-Hazardous Waste Recycled/Reused/Reworked	GRI 306-4	tonnes	16 336	14 191		
Total Weight of Non-Hazardous Waste Composted (predominantly chicken manure)		tonnes	177 449	192 986	7 479	3 949
Total Weight of Non-Hazardous Waste Recovered for Energy (i.e. bagasse burnt)		tonnes	1 212 456	1 376 591		
Total Weight of Non-Hazardous Waste Incinerated		tonnes	3 127	4 269		
Total Weight of Hazardous Waste sent to Registered Disposal Site (e.g. fluorescent tubes, clinic waste)	GRI 306-5	tonnes	501	375	279	340
Total Weight of Hazardous Waste Incinerated		tonnes	0	0		
Total Weight of Waste Produced – Hazardous + Non-hazardous		tonnes	1 678 449	1 805 620	752 159	834 471
Waste Intensity: Total Volume of Waste Produced per PHW	JSE E4.1	tonnes	0,0481	0,0425	0,018	0,020
Total Volume of Waste from Poultry Farms		tonnes	186 674	200 216	142 343	129 497
Total Volume of Waste from Sugarcane Farms		tonnes	NA	NA	NA	NA
Percentage of Total Waste Diverted from Disposal	GRI 306-4	%	84%	88%	91.0%	90.3%
ENVIRONMENTAL COMPLIANCE						
Total Number of Environmental Fines and/or Non-Compliances	GRI 2-27	Number	10	14		
Total Value of Environmental Fines and/or Non-Compliances		Rands	1 726 372	5 896 408	5 955 000	7 648 000
Total Number of Environmental Complaints	GRI 2-27	Number	81	4		

* A number of 2023 values have been restated as a result of our recent data verification exercise.

OUR VALUE-ADDED SUMMARY FOR CONTINUING OPERATIONS



REVENUE ('000)	PAID TO SUPPLIERS ('000)	DIVIDEND RECEIVED ('000)	FINANCE INCOME ('000)
R26 016 566	R19 424 016	R81 842	R28 149
(2023: R24 349 141)	(2023: R17 305 804)	(2023: R40 876)	(2023: R10 958)

Allocated as follows (in R'000)

55.80%

EMPLOYEES
Salaries, wages
and benefits

R3 739 889

(2023: R3 369 835)

6.07%

GOVERNMENT
Tax

R406 691

(2023: R292 357)

Providers of capital

2.56%

FUNDERS
Interest

R171 568

(2023: R177 456)

0.03%

SHAREHOLDERS
Dividend

R2 000

(2023: R268 939)

Reinvested in the business

9.89%

**DEPRECIATION,
AMORTISATION AND
IMPAIRMENT**

R662 657

(2023: R654 611)

25.66%

**RETAINED (LOSS)/
EARNINGS**

R1 719 736

(2023: R2 331 973)

05

APPENDICES

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The DO MORE FOUNDATION's revised theory of change

APPENDIX 1

OUR SUSTAINABLE DEVELOPMENT GOAL CONTRIBUTION

Our Sustainability Strategy is aligned to the following Sustainable Development Goals.

SUSTAINABILITY PILLAR

PEOPLE

SDG 1:



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.

SDG 2:



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, pastoralists and fishers, including through secure and equal access to land, other productive resources and input 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.

SDG 3:



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.

SDG 4:



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 CONTRIBUTION CONTINUED

PEOPLE

SDG 5:

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.

SDG 8:

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.

T

SDG 9:

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.

SDG 10:

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.

SDG 13:

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.

SDG 16:

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.
- 16b Promote and enforce non-discriminatory laws and policies for sustainable development.

SDG 17:

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 CONTRIBUTION CONTINUED

PRODUCT

SDG 2:

**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, pastoralists 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.

SDG 3:

**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.

APPENDIX 1

OUR SUSTAINABLE DEVELOPMENT GOAL CONTRIBUTION CONTINUED

PRACTICES

SDG 2:


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

- 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.

SDG 6:


**ENSURE AVAILABILITY AND SUSTAINABLE
MANAGEMENT OF WATER AND SANITATION
FOR ALL**

- 6.3 Ensure availability and sustainable management of water and sanitation for all
- 6.4 Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
- 6.5 Implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.
- 6.6 Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.

SDG 7:


**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.
- 7.2 By 2030, double the global rate of improvement in energy efficiency.

SDG 9:


**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.

SDG 11:


**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.

SDG 12:


**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.

APPENDIX 1

OUR SUSTAINABLE DEVELOPMENT GOAL CONTRIBUTION CONTINUED

PRACTICES

SDG 13:

**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.

SDG 15:

**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.

15a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.

SDG 16:

**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 2023 B-BBEE CONTRIBUTION

OUR 2023 B-BBEE CONTRIBUTION

In September 2023 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 2023 financial year (1 July 2022 to 30 June 2023). The result was that **Group Broad-based Black Economic Empowerment (B-BBEE) score remained at level 4.**

Our significant ongoing investments ensured we continued to achieve full scores in Enterprise Development, Supplier Development and Socio-economic Development.

2023 B-BBEE SCORECARD: RCL FOODS LIMITED (INCLUDING RCL FOODS, RAINBOW AND VECTOR LOGISTICS)

Elements	Available points	2022 Score	2023 Score	% Difference versus 2022
Ownership*	25	20.45	20.91	↑ 0.46
Management Control	19	5.83	6.82	↑ 0.99
Skills Development	20 + 5	9.86	10.56	↑ 0.7
Preferential Procurement	25 + 2	13.91	12.76	↓ 1.15
Supplier Development	10 + 1	10	10	
Enterprise Development	5 + 1	5	5	
Socio-economic Development	15	15	15	
Total	119 + 9	80.05	81.05	↑ 1
B-BBEE Level		4	4	
Participation in YES Programme recognised		No	No	
B-BBEE Status Level		4	4	
Discounting applied		No	No	
FINAL B-BBEE LEVEL		4	4	
BEE Procurement Recognition level		100%	100%	
Black Ownership		21.03%	21.49%	↑ 0.46
Black Women Ownership		10.74%	11.52%	↑ 0.78
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 seven 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

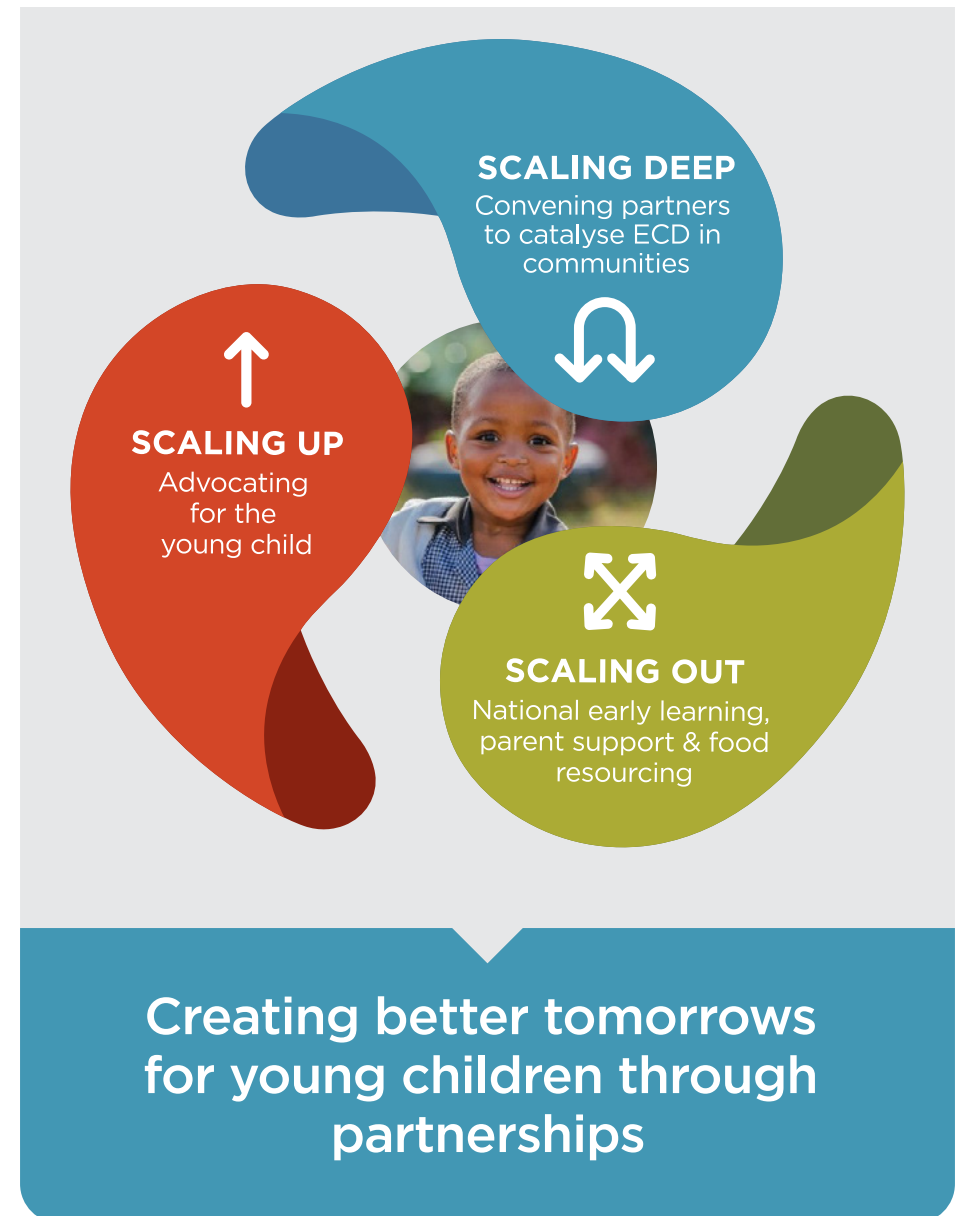
The DO MORE FOUNDATION is committed to driving long-term systemic change in order to improve learning, health and social outcomes for young children and their families. Key to this is its “Everyone Gets to PLAY” collective impact model which it is progressively implementing in communities near RCL FOODS’ 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 (ECD) 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

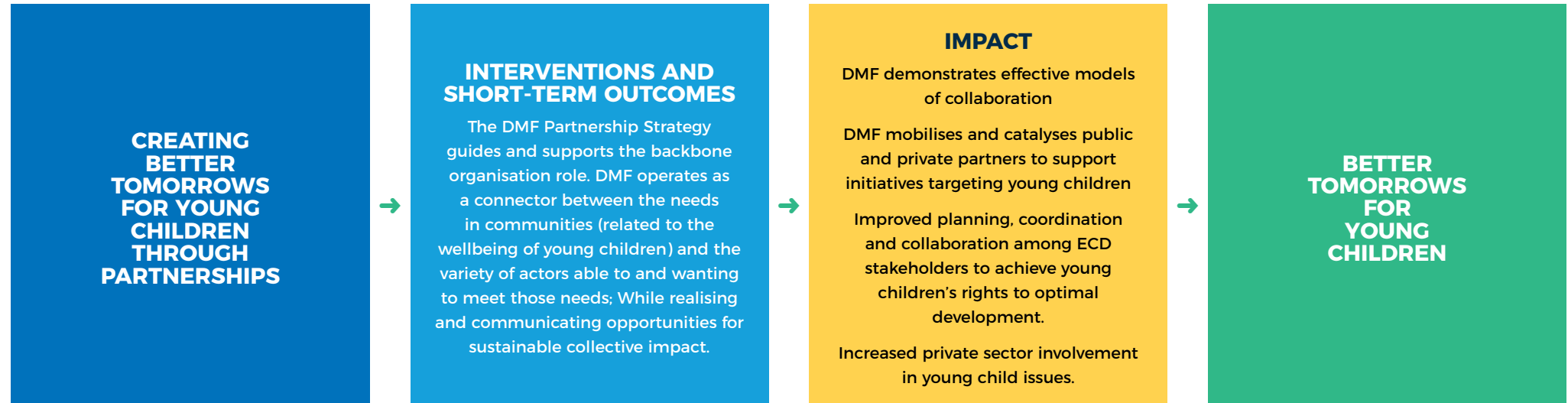
	INTERVENTIONS and short-term outcomes	Impact
SCALING DEEP CONVENING PARTNERS TO CATALYSE ECD IN COMMUNITIES	→ Through our Everyone Gets to Play collective impact model, communities are mobilised to identify ECD needs and are linked with implementation partners to activate a basket of ECD services so 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.
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.

BETTER TOMORROWS FOR YOUNG CHILDREN

APPENDIX 4

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

PARTNERSHIPS: THE KEY INGREDIENT IN #MOREIMPACT



BEHIND THE
POSITIVE IMPACT
IS A COMMITMENT
THAT MATTERS.



RCL
FOODS™

**WE GROW
WHAT MATTERS**