

EMPLOYMENT EQUITY POLICY

1. CONTEXT

Pick n Pay is committed to delivering a workplace in which all employees can reach their fullest potential regardless of race, gender, disability, religion or sexual orientation

2. VISION

Pick n Pay's vision is to have a truly diverse workforce at all occupational levels. It is essential for the long-term sustainability and success of the business that the cultural richness and diversity of our customers and country at large is fully reflected in the composition of our **Company**.

3. SCOPE

This Policy is applicable to the entire Pick n Pay Retail Division and all its employees who make up the Company's workforce profile as reported to the Department of Labour.

4. DEFINITIONS

- 4.1 **Affirmative Action Measures** are measures intended to ensure that suitably qualified employees from designated groups have equal employment opportunities and are equitably represented in all occupational levels of the workplace.
- 4.2 **Designated Group** means black people, women and people with disabilities who are citizens of the Republic of South Africa by birth or descent; or became citizens of the Republic of South Africa by naturalisation.
- 4.3 **Employee** means any person other than an independent contractor who works for the company or receives or is entitled to receive any remuneration and in any manner, assist in carrying on or conducting the business of Pick n Pay.
- 4.4 **National EE Manager** a Senior Manager appointed in terms of Section 24 of the Employment Equity Act, responsible for the implementation and monitoring of the Employment Equity Plan.
- 4.5 **Occupational Levels** - levels in the company that represent different job categories according to seniority and level of decision making in line with EEA9.
- 4.6 **People with Disabilities** means people who have a long term or recurring physical or mental impairment which substantially limits their prospects of entry into, or advancement in employment.
- 4.7 **Reasonable Accommodation** means any modification or adjustment to a job or to the working environment that will enable a person from a designated group to have access to or participate or advance in employment.

5. PURPOSE OF OUR EMPLOYMENT EQUITY POLICY

Pick n Play supports the principles and intent of the Employment Equity Act, 1998. The purpose of this Employment Equity Policy (this Policy) is to: uphold equal opportunity and fair treatment, and ensure that unfair discrimination does not exist in the workplace;

- ensure that measures are in place to promote the advancement of previously disadvantaged employees and people with disabilities to achieve racial and gender equality;
- ensure the equitable representation of previously disadvantaged groups in all occupational categories and levels in the workforce; and
- Uphold equal opportunity and fair treatment

6. GUIDING PRINCIPLES

To ensure that this Policy is pursued effectively, the following guiding principles shall apply. The Company shall:

- operate fair, non-discriminatory practices, which respect the rights and dignity of all employees irrespective of race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language, birth or on any other arbitrary ground;
- have effective mechanisms in its recruitment to ensure that it actively seeks out, identifies and recruits talent from designated groups; take active steps through recruitment to improve its representation of designated groups across the organisation at all occupational levels as per the Act;
- have effective performance management, career development and succession planning mechanisms in place to ensure that employees from designated groups advance through the organisation so that the representation of designated groups is improved across the organisation at all occupational levels;
- provide reasonable accommodation for people with disabilities and other designated groups;
- provide a working environment which fosters a culture of respect and tolerance for diversity, and has committed, motivated and high-performing employees.

7. EMPLOYMENT EQUITY PLAN

- For this Policy to be effective, an Employment Equity Plan (the Plan) must be in place. The Plan must set out:
 - an analysis of the Company's employment policies, practices, procedures, and the working environment to identify employment barriers that adversely affect members of designated groups;
 - Clear and attainable objectives to be achieved for each year of the Plan. These must include numerical goals to achieve equitable representation of suitably qualified people from designated groups within each occupational category and level in the workforce, and the timetable within which this is to be achieved;

- a timetable for each year of the Plan for the achievement of goals and objectives other than numerical goals;
- the affirmative action measures together with other strategies, policies, processes and structures which must be put in place to achieve these objectives;
- how progress against these goals and targets will be measured over the lifespan of the Plan;
- the processes in place to review progress and to put in place new actions where these are required to deliver the Plan;
- how the Company will maintain and update its workforce profile to determine progress against targets, and how this will be assessed and reviewed;
- the duration of the Plan, which may not be shorter than one year or longer than five years;
- the internal procedures to resolve any dispute about the interpretation or implementation of the Plan;
- the persons in the workforce, including senior managers, responsible for monitoring and implementing the Plan;
- the procedures that will be used to monitor and evaluate the implementation of the Plan and whether reasonable progress is being made towards the implementation of Employment Equity;
- the process for reporting on the implementation of the Plan to the Director General of the Department of Labour in accordance with the Employment Equity Act, 1998.

8. GOVERNANCE

The Group CEO is accountable for ensuring that there is an effective approach to Employment Equity across Pick n Play, including ensuring that:

- the Company complies with the provisions of the Employment Equity Act, 1998;
- an effective Employment Equity Policy is in place;
- The Employment Equity Plan is in place to give effect to this Policy, and that the Plan is given sufficient priority and resources to be implemented effectively;
- progress in delivering the Plan is measured and is reported in accordance with the requirements of the Employment Equity Act, 1998.

Under the direction of the CEO, the Group Human Resources Director is accountable and responsible for the effective formulation and implementation of the Employment Equity Policy and Plan, and for the organisation and chairing of the National Employment Equity and Skills Development Forum (see below).

Group Executives and Regional General Managers are accountable and responsible for the delivery of the Employment Equity Plan in the areas under their command.

The National Employment Equity Manager is responsible for driving the delivery of the Employment Equity Plan and for coordinating and facilitating the work of the National Employment Equity and Skills Development Forum (see below).

9. NATIONAL EMPLOYMENT EQUITY AND SKILLS DEVELOPMENT FORUM

The National Employment Equity and Skills Development Forum (the Forum) has been established to fulfil the requirements of Section 16 of the Employment Equity Act, 1998. The Forum plays an important role in ensuring that stakeholders are represented in the Company's approach to Employment Equity. The Forum meets quarterly and is consulted inter alia on:

- the Company's Employment Equity Policy, including the identification of barriers which adversely affect people from designated groups;
- the preparation and implementation of the Company's Employment Equity Plan; and
- the annual report submitted to the Director General of the Department of Labour.

10. DISPUTE RESOLUTION

Dispute arising out of the implementation of the policy, whether individual or collective nature, will be dealt with through dispute mechanism mentioned in the EE Plan.

11. MONITORING AND COMPLIANCE

The monitoring of the policy shall be covered under the process that monitors the implementation of the EE Plan (*Refer to EE Plan*).
