

Shoprite Group

Employment Equity Policy

Document Properties

Entity	Shoprite Checkers (Pty) Ltd and all its subsidiaries, (collectively the “Shoprite Group” or “Group”).
Document name	Employment Equity Policy.
Applicability	This policy is applicable to all Employees, inclusive of Directors and Management of the Shoprite Group, including affiliated third parties (including but not limited to contractors, consultants, clients, customers, suppliers and service providers).
Policy owner	Ownership of this policy vests in Group People Team. Management is responsible for implementation of the policy.
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Internal Reviewers

Name	Department	Function/Role	Version
Athene Van Mazijk	People Team	Chief People Officer	V1

Annual Review and Approvals

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1 Introduction

- 1.1 The Shoprite Group ("the Company") is committed to eliminating unfair discrimination in the workplace and to take steps to eliminate differences in terms and condition of employment based on any grounds that are prohibited in terms of section 6 of the Employment Equity Act 55 of 1998 ("the EEA").
- 1.2 The Company recognises its corporate responsibility to attract, develop, advance and retain its human resource talent. It is set to eliminating historical barriers that prevent the advancement of Designated Groups by, amongst other things, setting in place positive or Affirmative Action measures to expedite the growth and development of these groups.
- 1.3 The Company believes that diversity, and the utilisation and development of the talent available across varied demographics, will position the company as an employer of choice thereby attracting diverse talent and creating a more resilient workplace which is crucial for the long-term commercial success of the business.
- 1.4 This Policy should be read with the Company's other workplace policies.
- 1.5 This Policy will be regularly reviewed by the Company to ensure that it complies with the EEA and any other applicable legislation, and to align it with developments within our employment law. This Policy does not form part of any employee's terms and conditions of employment and the Company may amend this Policy, as and when necessary. Employees will be informed and notified of any changes to the Policy.

2 Guiding Principles

- 2.1 The Company will apply the following guiding principles when applying any Employment Equity ("EE") measures:
 - 2.1.1 promoting equal opportunities in the workplace by eliminating unfair discrimination in any workplace policies or practices. It is not unfair discrimination to take Affirmative Action measures consistent with the EEA or distinguish, exclude or prefer any person on the basis of an Inherent Requirement of the Job;
 - 2.1.2 achieving equitable representation of designated groups at all Occupational Levels taking into account the need for balancing the efficiency of the business and representivity;
 - 2.1.3 applying fair and non-discriminatory criteria in the workplace which do not infringe on the rights and dignity of all employees;
 - 2.1.4 creating a workplace that is diverse and respects and tolerates all cultures and beliefs.

3 Purpose

- 3.1 The purpose of this Policy is to:

- 3.1.1 record the role of the Company in respect of the execution of its EE obligations;
- 3.1.2 -support the EE plans for the achievement of the Company's EE objectives;
- 3.1.3 to provide a guideline for employees and managers to use when dealing with EE matters.

4 Application

- 4.1 This Policy applies to all Shoprite Group's South Africa based companies, trading divisions, brands, and employees.
- 4.2 This Policy is available to everyone on the Shoprite Group website, Shoprite Intranet and to all employees on SiyaRinga, the Group's digital employee communication platform.

5 Employment Equity

- 5.1 The Company will take reasonable steps to consult on the conduct of an analysis (section 19 of the EEA); the preparation and implementation of the EE Plan; and the report (section 21 of the EEA).
- 5.2 The Company will collect information and conduct an analysis in the prescribed form, of its employment policies, practices, procedures to identify employment Barriers which adversely affect people from Designated Groups in terms of the provisions of section 19 of the EEA.
- 5.3 The Company will prepare and implement an EE Plan, which will achieve reasonable progress towards EE in the workplace. The EE Plan should meet the "SMART" principle in that it should be Specific, Measurable, Attainable, Relevant and Time-Bound. It shall contain, at the very least, the information listed in section 20(2) of the EEA.
- 5.4 The Company will comply with sections 21 (reporting to the Department of Labour) and 23 (preparing successive employment equity plans) and all other provisions of Chapter III of the EEA.

6 Consultation

- 6.1 The Company is committed to engaging in a transparent and constructive consultation with employees and their representatives.
- 6.2 Consultations will be held for, but not limited to:
 - 6.2.1 the consideration of existing employment policies, procedures, practices and the working environment;
 - 6.2.2 the development of an EE Plan for the Company based on the workforce profile and analysis; and
 - 6.2.3 the fulfilment of any Company statutory obligations in relation to employment equity.

7 Workforce Profile

- 7.1 The Company will collect information and draw up a profile of its workforce to ascertain the degree to which members of the Designated Groups are represented, within each occupational category and level.

8 Affirmative Action Measures

- 8.1 As a designated employer the Company, to achieve Employment Equity, will implement Affirmative Action measures for people from Designated Groups. These Affirmative Action measures may include, but are not limited to, the following:

8.1.1 measures to identify and eliminate employment barriers, including unfair discrimination, which adversely affect people from Designated Groups;

8.1.2 measures designed to further diversity in the workplace based on equal dignity and respect of all people;

8.1.3 making Reasonable Accommodation for people from Designated Groups, including persons with disabilities, to ensure that they enjoy equal opportunities and are equitably represented in the workplace;

8.1.4 measures to ensure equitable representation of Suitably Qualified people from Designated Groups in all Occupational Levels in the workforce; and

8.1.5 measures to retain and develop people from Designated Groups, and to implement appropriate training measures providing for skills development.

8.2 Affirmative Action measures include preferential treatment and numerical goals but exclude quotas or the creation of absolute barriers.

8.3 No provision in this Policy requires the Company to take any decision concerning an employment policy or practice that would establish an absolute barrier to the prospective or continued employment or advancement of people who are not from Designated Groups.

8.4 Recruitment and Selection

8.4.1 Recruitment and selection is an important mechanism to achieve the Company's numerical goals and targets. The recruitment processes will be informed by the Company's EE Plan which includes Affirmative Action measures.

8.4.2 Recruitment and selection will be done in a fair and open manner.

8.5 Promotions

8.5.1 Promotions will be made in accordance with the values and principles enshrined in this Policy, the EE Plan and the EEA.

8.5.2 The Company is committed to ensuring that the Management of the Company is representative of the demographics of South Africa.

8.6 Learning and Skills Development

- 8.6.1 The Company is committed to the development of all its employees. It strives to promote the learning and development of all its employees while prioritising Designated Groups.

9 Employment Equity Committee

- 9.1 The Company realises the importance of engaging in meaningful consultation with recognised employee representatives. The EE Committee is a consultative forum.

- 9.2 The nature and activities of the Committee will be within the framework and spirit of this Policy. The Committee will not pursue interest-based matters outside the scope of this Policy and will not be involved in the negotiation of substantive changes to employees' terms and conditions of employment and in remuneration decisions.

- 9.3 The Committee will conduct the following primary activities:

- 9.3.1 consideration of employment policies, procedures, and practices;
- 9.3.2 assist in identifying Barriers to the achievement of equity and diversity;
- 9.3.3 identify imbalances and propose ways to redress these;
- 9.3.4 monitor the Company's performance on equity, diversity and inclusion;
- 9.3.5 provide input in the drafting and implementation of the EE Plan;
- 9.3.6 help communicate the value and objectives of equity, diversity and inclusion; and
- 9.3.7 provide input in the preparation of the annual employment equity report for submission to the Department of Employment and Labour.

10 Structure and Meetings of the Committee

- 10.1 The Committee structure and relevant interest groups represented may include:

- 10.1.1 The People Team;
- 10.1.2 Management;
- 10.1.3 Trade Union representatives from representative unions as defined in the LRA; and
- 10.1.4 Employee representatives, where applicable.

- 10.2 The Committee will meet on a regular basis (preferably quarterly), and the meetings will be chaired by the EE Manager. The EE Manager will act in a facilitative and co-ordinating capacity to ensure constructive and productive meetings.

- 10.3 In applying this Policy, however, the Company will take cognisance of the following:

- 10.3.1 the privacy of individual employees will be respected. Private and confidential information shall not be released without the concerned employee's consent;
- 10.3.2 the Company shall not disclose information which is commercially sensitive and which, if disclosed, could substantially harm or prejudice the commercial interests of the Company; and
- 10.3.3 information which is professionally privileged and divulged in confidence within a professional capacity shall not be disclosed.
- 10.4 In assessing the nature of information to disclose, Management shall ensure that information shared is relevant, not contrary to any legal provision and is dealt with sensitively and responsibly.
- 10.5 Committee members will be required to effectively represent their constituencies and report back (where necessary) to their constituencies in an accurate and effective manner ensuring strict adherence to confidentiality agreements which may be reached from time to time. Representatives may place relevant matters for discussion on the agenda of the Committee.

11 Responsibility And Accountability

- 11.1 The Chief Executive Officer (CEO) and Chief People Officer (CPO), supported by the EE Manager have overall responsibility for the implementation and monitoring of the EE Plan. This responsibility may be delegated to others in management who will be given the required authority to ensure that the Policy is implemented in the most effective, efficient and timely manner.
- 11.2 The EE Manager must on a monthly basis ensure that all EE processes are complied with and arrange the relevant resources to do so. The EE Manager must arrange the quarterly EE Committee meetings. The EE Manager must ensure that the annual EE reporting is done in compliance with the EEA.
- 11.3 The EE Committee must consult on the EE Report on an annual basis and must monitor progress made against the Company's EE objectives on a quarterly basis. The EE Manager must ensure that the annual report is accessible in applicable internal platforms no later than 3 months following the approval same by the EE Committee
- 11.4 The Divisional, Regional and Functional People Partners will be responsible for implementation and monitoring and roll-out of the EE Plan within their Divisions and Functions.
- 11.5 The Group's Executive Team must integrate the EE Plan into the Company's business plan, and the board is required to monitor progress on a bi-annual basis.

12 Communication, Monitoring and Evaluation

- 12.1 The essential activities of monitoring, evaluation and reporting must occur on an ongoing and regular basis.

12.2 Management will ensure that there are structures, internal controls, methods and approaches that monitor and report any effect or impact any of the Company's EE programmes and activities.

13 Dispute Resolution

13.1 The Company aims to resolve any disputes, raised by employees and/or their representatives, about the interpretation and implementation of this Policy, the EEA and the EE Plan as speedily as possible.

13.2 In terms of the Company's current EE Plan:

13.2.1 A dispute must first be addressed in writing to the Head: Group Talent and Learning ("HGTL") or to the EE Manager, setting out the complaint and the resolution that is sought by the complainant as soon as possible after the Dispute has arisen;

13.2.2 The HGTL or the EE Manager will review the complaint and make a decision within 7 working days of receiving the complaint, or as soon thereafter as possible, and provide the decision to the complainant in writing;

13.2.3 If the complainant is not satisfied with the decision of the HGTL or the EE Manager, he or she may appeal to the CPO in writing within 7 days of receipt of the decision. The appeal must clearly record the grounds for appeal;

13.2.4 The CPO will consider the appeal and make a final decision in writing within 14 days of receipt of the appeal;

13.2.5 If the complainant is not satisfied with the CPO's decision then the complainant may refer a dispute to the Commission for Conciliation, Mediation and Arbitration.

13.3 This dispute resolution process also applies to disputes that arise within the EE Committee, although the Committee will first try to resolve the dispute internally before applying this process.

14 Financial Resources

14.1 The Company ensures the adequate allocation of financial resources towards achieving meaningful employment equity in line with the Company's EE Plan.

15 Protection Of Personal Information

15.1 The Company is cognisant of the confidential and sensitive nature of its employees' personal information, including but not limited to, all information relating to an employee's employment history, race, gender, medical history, credit checks, leave applications, pregnancy, delivery information. It shall endeavour to ensure that any personal information is kept safe at all material times and shall not use, disclose or divulge, directly or indirectly, such information in any manner to any third party for any reason or purpose whatsoever without the prior written consent of the employee, unless required by Law, or unless required in the pursuance and furtherance of the Company's legitimate business interests and its obligations in terms of the EEA.

Glossary of Terms

TERMINOLOGY	DESCRIPTION
Affirmative Action	<i>means measures designed to ensure that Suitably Qualified persons from Designated Groups have equal employment opportunities and are equitably represented in all Occupational Levels in the workforce.</i>
Barriers	<i>means any obstacle to the implementation of EE and affirmative action as identified in the Company's EE Plan</i>
Designated Groups	<i>means black people (a generic term which means Africans, Coloureds and Indians), women and people with disabilities who are citizens of South Africa by birth or descent; or became citizens of the Republic of South Africa by naturalisation before 27 April 1994 or after 26 April 1994 and who would have been entitled to acquire citizenship prior to that date but were precluded by apartheid policies</i>
Employment Equity Committee	<i>refers to the committee for consultation on EE as required by the EEA.</i>
Employment policies, practises and procedures	<i>includes, but is not limited to, recruitment procedures, advertising and selection criteria; appointments and the appointment process; job classification and grading; remuneration, employment benefits and terms and conditions of employment; job assignments; the working environment and facilities; training and development; performance evaluation systems; promotion; transfer; demotion; disciplinary measures other than dismissal; and dismissal.</i>
Inherent Requirements of the Job	<i>means tasks which are essential to perform a job and without which the position or the job cannot successfully function. It is a characteristic which must be necessary for effectively carrying out the duties attached to a job.</i>
Management	<i>means the relevant group of employees in junior, middle, senior and executive management positions in the Company to whom other employees report.</i>
Occupational levels	<i>means the occupational levels within the Company as determined by the Company's organogram, management levels and job evaluation systems, read with the Guidelines on 'Occupational Level' as provided in the EEA9 Annexure of the EE Regulations, 2014, as amended.</i>
Persons with Disabilities	<i>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.</i>

Reasonable Accommodation	<i>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.</i>
Suitably qualified person	<i>means a person may be suitably qualified as a result of any one of, or any combination of that person's formal qualifications; prior learning; relevant experience; or capacity to acquire, within a reasonable time, the ability to do the job.</i>