

SUSTAINABLE DEVELOPMENT REPORT



- South African hake resource recertified by the Marine Stewardship Council
- AVI rated as compliant with the new BBBEE codes implemented in 2015
- Increased support of social investment programmes
- Disabling injury frequency rate improved from 0,80 to 0,60

Introduction and overview

Sustainable development enables corporate citizens to prosper in a responsible manner and within a framework that safeguards both their and future generations' long-term sustainability. It requires the identification and active management of those issues that could materially affect the long-term successful existence of the enterprise in the context of all stakeholders – including, but not exhaustively, shareholders and institutional investors, consumers, employees, customers, suppliers, government, unions, and local communities.

AVI Limited ("the Company") has a well-run governance framework that enables it to identify and manage those material sustainability issues that exist, or that may come to exist. The Company operates in a manner that ensures that the needs of the present generation of stakeholders are met without compromising future generations. Sustainability matters are monitored and managed, for example, by the appropriate diversity committee, health and safety committee, internal review committee, audit committee or social and ethics committee, while the overarching responsibility for matters before these committees remains vested with the Company's Board of directors ("Board"). Sustainability matters that are deemed to be of a

material nature, or that require heightened focus, are elevated to the Board. Executives within the Company remain responsible for specific matters and are held accountable for their successful implementation and management.

The Company considers its sustainability responsibilities under the following three broad categories:

- **Ethics** – ethics are at the foundation of an effective and sustainable organisation that must be able to operate without censure or compromise in the long term. Proper ethics and appropriate values are central to the Company's culture and therefore the behaviour of its employees. They assist in establishing a willingness to accept and embrace broader issues in our society, forming the basis of the Company's interactions with its stakeholders.
- **Scarce resources** – in order to ensure that future generations have access to the resources on which the Company is reliant, and that the Company's viability is not compromised in the long term, the Company is intent on carefully managing those resources relevant to its operation. In addition to managing the very specific risk relating to its finite hake fishing resources, the Company is committed to the application of sustainable practices across its operations.

- **Transformation and good corporate citizenship** – the Company recognises the moral, social and economic imperative to embrace and support transformation in South Africa and to be regarded as a valuable participant in the South African economy and society. The Company also recognises the need to be, and to be seen as, a good corporate and socially responsible citizen that it is desirable to do business with.

Guiding framework

The following guidelines and/or standards were consulted when compiling this report:

- The King Report on Corporate Governance for South Africa, 2009 ("King III Report").
- The Listings Requirements of the JSE Limited ("Listings Requirements").
- The JSE Socially Responsible Investment Index ("JSE SRI") criteria; and
- The Global Reporting Initiative ("GRI") framework.

While the King III Report and Listings Requirements require the Company to prepare an Integrated Annual Report, various other reporting frameworks deal with the underlying sustainability reporting criteria. The GRI framework and JSE SRI have been identified by the Company as appropriate frameworks for reporting on these issues based on the Company's specific needs, its areas of operation and stakeholder concerns.

During the year the Company identified material Group wide issues for reporting purposes and an index indicating where these issues are referenced throughout this Integrated Annual Report can be found on page 50. While these issues have been categorised according to the GRI framework, the Company has not undertaken a detailed self assessment nor been formally assessed and the decision to use the GRI and JSE SRI frameworks for guidance in compiling this report is not intended to declare compliance as understood in either framework. The Company remains committed to ongoing review and reassessment of the scope of its reporting, as well as to the advisability and need for formal reporting or assessment against the accepted frameworks.

Disclosures on the Company's approach to managing the matters reflecting on the Company's sustainability can be found throughout the report either as an introduction to the relevant sections or as specific disclosures on relevant issues.

Social and Ethics Committee

The Social and Ethics Committee was constituted in August 2011 in terms of the Companies Act No 71 of 2008, as amended, and the Regulations thereto ("the Companies Act"), and adopted formal terms of reference, delegated to it by the Board, as its charter. The charter is subject to the provisions of the Companies Act (in particular section 72 as read with Regulation 43). The Committee has discharged its functions in terms of its charter, and in particular performed the following duties:

- Reviewed the Company's activities, having regard to relevant legislation and other legal requirements and best practice, relating to:
 - social and economic development;
 - good corporate citizenship;
 - the environment, health and public safety;
 - consumer relationships;
 - labour and employment; and
 - the Company's ethics codes and performance.

The Committee has unrestricted access to all Company information, employees and directors and is authorised, after discussion with the Chairman of the Board or the Chief Executive Officer where necessary, to investigate any matters within its terms of reference; seek external professional advice; secure the attendance of relevant consultants at its meetings; and implement policies approved by the Board. In addition the committee has the mandate to bring matters within its remit to the attention of the Board and to report back to shareholders at the Annual General Meeting.

For further details regarding the composition and meetings of the Committee, shareholders are referred to the Corporate Governance Report on page 62.

Stakeholder engagement

Stakeholder engagement is an important aspect of the Company's sustainability responsibilities and it formally identifies and recognises the material stakeholders with legitimate interests with whom it engages on relevant issues. Engagement with these stakeholders takes a variety of forms, depending on the matter at hand, and may vary in frequency. Where key topics and concerns are raised through such stakeholder engagements, the Company responds to the relevant stakeholders in a variety of ways, including directly or through its annual reporting. The table on the next page lists the more obvious stakeholders and provides examples of the nature of the engagements that the Company has with them.

SUSTAINABLE DEVELOPMENT REPORT continued

Stakeholder type	Nature of engagement
Shareholders, analysts and media	<p>Annual General Meeting at which shareholders have an opportunity to vote on material resolutions, including the appointment and remuneration of directors</p> <p>Distribution of information via the website, including financial, brand, governance, social, ethics, and sustainability matters</p> <p>Press releases and SENS announcements</p> <p>Formal presentation of the half year and final financial results in Cape Town and Johannesburg</p> <p>Integrated Annual Report</p> <p>Interviews and media briefings</p> <p>Scheduled bi-annual meetings with analysts</p> <p>Ad hoc meetings with analysts and investors, both locally and overseas, as required</p>
Customers and consumers	<p>Daily contact in own and customers' stores</p> <p>Meetings</p> <p>Consumer and product research</p> <p>Marketing campaigns</p> <p>Websites</p> <p>Customer care and complaint lines</p> <p>Customer audits</p>
Employees and employee representative bodies (including unions)	<p>Intranet and published newsletters or notices</p> <p>Bi-annual presentations by the Chief Executive Officer to the executive community</p> <p>Presentations and written communication (e.g. newsletters and posters) on material issues and regulations affecting employees</p> <p>Conferences and general staff meetings</p> <p>Performance appraisals</p> <p>Union representative forums</p> <p>Workplace forums such as the employment equity and learning and development forums</p> <p>Industry relevant Sector Education and Training Authorities</p> <p>Independent anonymous reporting hotline</p> <p>Intranet-based incident reporting system</p> <p>Ad hoc events</p>
Suppliers	<p>Supplier product and relationship management conferences</p> <p>Visits and meetings</p> <p>Supplier audits</p> <p>Senior operational and procurement staff day-to-day interactions</p>
Communities and non-profit organisations	<p>Corporate social investment programmes</p> <p>Workplace learning and development programmes for unemployed learners</p> <p>AVI graduate development programme</p> <p>Partnerships and sponsorships</p> <p>Ad hoc community engagements in surrounding communities, including Company sponsored employee volunteer days</p>
Business associations	<p>Participation in, or membership of numerous associations such as Business Against Crime; Accelerate Cape Town; the Consumer Goods Council; a number of fishing industry associations including the South African Deep-Sea Fishing Industry Association, the Responsible Fishing Alliance, the World Wildlife Fund's South African Sustainable Seafood Initiative, the Abalone Farmers Association and the South African Mid-water Trawling Association; the Association of Food and Science Technology; the Restaurant Association; the Speciality Coffee Association; the Cosmetic, Toiletry and Fragrance Association; the Aerosol Manufacturers' Association; the Institute of Packaging; the South African Rooibos Council, and the Responsible Packaging Management Association of South Africa</p> <p>Participation in association initiatives</p>
Government or regulators	<p>Regular contact with significant industry regulators through business associations</p>

Ethics

The Company has a well-established and comprehensive Code of Conduct and Ethics ("the code") that applies to all directors and employees and provides clear guidance on what is considered to be acceptable conduct. The code requires all directors and employees to maintain the highest ethical standards and ensure that the Company's affairs are conducted in a manner which is beyond reproach. The code is communicated to all new employees as part of their induction training, published on the intranet for access at all times by employees, and published on the external website for public access. The code is aligned with the recommendations in the King III Report and is regularly reviewed to ensure that it remains up to date and relevant.

In order to monitor ongoing compliance with the code, the Company has a formal governance framework. Within the governance framework material issues are highlighted in management reports that are reviewed by the operating executives. If appropriate, matters are elevated to the Company's Board or Audit and Risk Committee. This formal framework is supported by the Company's internal audit function, which is responsible for investigating identified areas of concern and reporting its findings to the Company's Chief Financial Officer and the Audit and Risk Committee. The Company believes that an independent and professional hotline disclosure service is an important component of an ethical environment and subscribes to "Be Heard". This service facilitates confidential reporting on fraud and other unethical conduct. Communication drives are undertaken from time to time to remind employees of this "whistle-blowing" service. In addition the Company has implemented an in-house intranet based incident reporting service that requires employees to report incidents, or potential incidents, which have caused, or could have caused, harm to the Company's property or people on the Company's premises. A senior employee actively manages the incident management reporting system and also engages with the "Be Heard" service providers. All anonymous reports and other reported incidents are reviewed on a daily basis, and, if appropriate, thoroughly investigated. The Company has a proven track record of dealing appropriately with matters arising from the "Be Heard" and incident management reporting systems. Investigations and disciplinary hearings have been held and, where appropriate, civil and criminal action has been taken.

In addition to the formal framework, it is imperative to promote a culture that is consistent with the ethical values that the Company aspires to. This is achieved through the example set by the Board and executive management, consistent enforcement of these values, and the careful selection of employees that display the desired attributes and values. The Company continues to communicate formally with suppliers and customers

to secure their support for and compliance with its ethical standards.

During the course of the year a Company wide Organisational Effectiveness Survey was conducted. Overall the results were pleasing and gave valuable insights into opportunities for the improvement and monitoring of the social and ethical health of the Company.

Scarce resources and biodiversity

The Company's primary exposure to scarce resources that could materially impact its business is the performance of its fishing resources in South Africa. I&J has secured long-term hake fishing rights at a level that can support economic returns provided that the resource remains healthy.

The health of the South African fishing resource is managed by the Department of Agriculture, Forestry and Fisheries ("the Department"). The Department sets an industry wide annual "total allowable catch" ("the TAC") for each species under management and, for certain species, also sets a "total allowance effort" ("the TAE") in which a limit is placed on the number of boats, number of men, and the number of days per year that each boat is licensed to fish. In addition to the TAC, hake trawling sector and effort limitations apply which seek to ensure that the capacity of the deep-sea trawling fleet does not grow too big for the available resources.

In response to falling catch rates and a high proportion of juvenile fish in the catches – as evidenced by scientific surveys – the TAC was substantially reduced between 2002 and 2009, followed by a period of sustained health and growth in the hake resource resulting in TAC increases annually from 2011 to 2013. Again in response to scientific data showing a poor recovery of hake, the TAC was reduced by 0,5% in 2014 and by 5% in 2015, resulting in an I&J quota of 41 223 tons. Of concern is the continued unavailability of the Departmental research vessel, the RV Africana, used to maintain the scientific input underlying the TAC calculations. The SA Deep-Sea Trawling Association continues to assist the Fisheries' Branch by making an industry vessel available to do the research voyages as and when necessary.

In May 2015 the Marine Stewardship Council ("MSC") recertified that the South African hake resources met the requisite environmental standards for sustainable fishing for a further five years. This certification gives assurance to buyers and consumers that the seafood comes from a well managed and sustainable resource, which is increasingly relevant in I&J's export markets.

I&J strives to lead initiatives to manage fishing effort and protect breeding areas off the South African coast. Effort control measures, such as the ring-fencing

SUSTAINABLE DEVELOPMENT REPORT continued

initiative for the demarcation of trawling grounds, are being monitored and I&J continues to partner with the Department to ensure compliance and enforcement thereof. I&J has a good working relationship with the World Wildlife Fund South Africa ("WWF-SA") which has resulted in the development of projects such as the responsible fisheries training programme and initiatives to reduce the incidental mortality of sea birds. During 2009 WWF-SA and I&J, together with other major South African fishing companies, formed the Responsible Fisheries Alliance ("RFA"). The alliance is intended to ensure that all stakeholders understand and support the implementation of an Ecosystem Approach to Fisheries ("EAF") management in South Africa's fisheries. EAF seeks to protect and enhance the health of marine ecosystems. The goals of the RFA include promoting responsible fisheries practices, influencing policy on fishery governance, and supporting skills development and research in the industry.

I&J is the signatory to a Participation Agreement with WWF-SA's Sustainable Seafood Initiative ("WWF-SASSI") which provides that by the end of 2015 all seafood sold by I&J will be either:

- certified by the MSC for wild caught products; or
- certified by the Aquaculture Stewardship Council ("ASC") for farmed products; or
- green-listed by the WWF-SASSI; or
- the subject of a credible, time bound improvement project.

I&J's commitments have been incorporated into the I&J Sustainable Seafood Policy ("SSP"), a comprehensive document that sets out the standards to which I&J strives to adhere and the standards expected from its suppliers. With the policy in place customers are assured that all I&J seafood products are derived from sustainably managed fisheries or aquaculture operations or fisheries working under an improvement programme. However, notwithstanding this policy, during I&J's fishing operations there will be incidences where species with sustainability concerns may be caught as unavoidable by-catch. I&J cannot completely avoid or exclude these species from its fishing operations but it is committed to ensuring that these species are included in an effective By-Catch Management Plan and best practice solutions are proactively implemented to manage and mitigate the impact on these vulnerable species.

I&J's Danger Point abalone farm is situated immediately adjacent to the sea and is the Company's only property in or adjacent to an area of high biodiversity. South Africa's high energy coastline is generally unsuitable for offshore fish farming and land-based aquaculture allows for better control over environmental factors so that the impact on the environment can be limited. Although abalone aquaculture has a relatively low impact on the environment, in order to minimise any potential harm

the global abalone farming industry, including I&J, has engaged with the WWF to develop a set of standards. The Danger Point abalone farm has adopted these recently developed Global Abalone Standards and has been audited by the Aquaculture Stewardship Council. Once certification is achieved, an eco label will be used to guarantee that I&J's abalone products are and continue to be raised in an environmentally responsible manner.

Transformation and good corporate citizenship

Transformation

The Company recognises the moral, social and economic imperative to embrace and support transformation in South Africa and to be a valuable participant in the South African economy and society. A transformed company in the South African context is not only one that has a workforce that is representative of the country's racial and gender demographics and that operates with a bias towards broad-based empowerment opportunities, but one that also embraces diversity.

The Company continues to focus on its transformation and remains intent on providing a workplace that encourages diversity. Transformation is considered in the context of Broad-Based Black Economic Empowerment ("BBBEE") and is measured annually by an external verification agency against the generic BBBEE scorecard. A central senior manager actively coordinates the Company's efforts and ensures that the subsidiaries are well educated on the various facets of transformation. The subsidiaries' progress is monitored and they are centrally assisted in the implementation of targets and various initiatives. During the year under review significant time and funds were invested in advancing the transformation plans that had been developed during the previous years. The progress of these plans was reviewed at half year where appropriate and revised activities were agreed upon, where necessary.

From FY10 to FY14, on the "old" BBBEE Codes of Good Practice, AVI materially improved its rating from a level 6 contributor (at 53,78%) to a level 4 contributor (at 70,25%). With the implementation of the "new" Codes early in 2015 the Company's June 2015 verification was accordingly done against the "new" Codes. The consolidated score was level 7, discounted to level 8 for failing to achieve the required 40% threshold on supplier development. The other minimum thresholds for equity ownership, skills development, preferential procurement and enterprise development were all met.

The "new" Codes differ significantly from the "old" Codes and a comparison of the FY15 scorecard elements to previous years would be inappropriate.

Ownership

The Company achieved an ownership score of 55,95% and met the 40% threshold. This is principally owing to the Company's Black Staff Empowerment Share Scheme ("the Scheme"), which was launched during January 2007 and the changes made to the Scheme in 2010, which allowed the Company to secure recognition of the Scheme for BBEE rating purposes, thereby visibly providing support to the Company's transformation agenda. The Scheme placed 7,7% of the Company's total issued share capital or 26 million ordinary AVI shares in a trust for the benefit of its eligible black employees and, in aggregate, the participants will benefit from growth in the share price over a seven-year period, with the first tranche vesting after five years.

The first tranche of shares, being one-third of the total allocation made on 1 January 2007, vested on 1 January 2012. Over the life of the Scheme to date 12 278 participants have benefited from the Scheme and received a total gross benefit of R574,2 million, including 1 391 participants who left the Company's employ in a manner that classified them as "good leavers" and which good leavers received a total gross benefit of R94,7 million.

EMPOWERLOGIC
Your Logical Empowerment Solution

Broad Based Black Economic Empowerment Verification Certificate
A Consolidated Verification Certificate Issued to
AVI Limited and Subsidiaries

Level 8

Measured Entity	
Company Name	AVI Limited and Subsidiaries
Registration Number	1944/017201/06
VAT Number	Refer page 2 of Certificate
Address	2 Harries Road, Illovo Johannesburg 2196

B-BBEE Status	
B-BBEE Status Level	Level 8
Element Points Obtained	EO: 13.99 points; MC: 4.93 points; SD: 13.85 points; ESD: 17.24 points; SED: 5 points
Black Ownership	11.78% Black Ownership; 3.98% Black Women Ownership
Modified Flow Through Applied	No
Exclusion Principle Applied	Yes
Discounting Principle Applied	Yes
Empowering Supplier	Yes
BEE Procurement Recognition	10%
Issue Date	27/08/2015
Expiry Date	26/08/2016
Certificate Number	ELC5912RGENBB
Version	Final
Applicable Scorecard	Codes - Generic
Applicable BBBEE Codes	Generic Codes Gazetted on 11 October 2013

BEE Procurement Recognition Levels	
Level	Qualification
1	≥ 100 Points 135%
2	≥ 95 but < 100 125%
3	≥ 90 but < 95 110%
4	≥ 80 but < 90 100%
5	≥ 75 but < 80 80%
6	≥ 70 but < 75 60%
7	≥ 55 but < 70 50%
8	≥ 40 but < 55 10%
Non-Compliant <40 0%	

EmpowerLogic (Pty) Ltd
Reg. No.: 1995/000523/07
BBBEE Verification Agency

Per E Ackroyd CA(SA)
Member - Verification Committee

sanas
BVA018

SANAS Accredited

Enquiries
Tel: 086 111 4003
Fax: 086 505 7284
verification@empowerlogic.co.za
www.empowerlogic.co.za

This certificate is the result of an independent and impartial verification of the BBBEE status of the measured entity measured against the Codes of Good Practice on Broad Based Black Economic Empowerment. The objective of our verification is to verify the validity and accuracy of the BBBEE status represented by the measured entity. EmpowerLogic is not responsible for ensuring completeness of information provided to support the BBBEE status. This certificate must be validated at www.bbbescorecards.co.za search/new before reliance is placed thereon. EmpowerLogic does not take responsibility for certificates that have not been validated.

In accordance with the changes made to the Scheme during 2010, participants were entitled to – and many did – vote on the resolutions proposed at the Company's Annual General Meeting held on 30 October 2014.

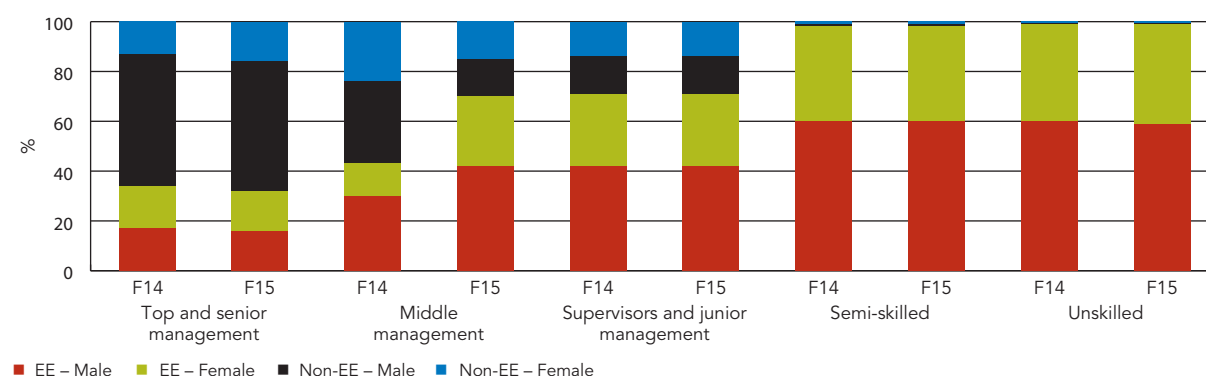
At a subsidiary level, the Company remains committed to ensuring that a direct economic benefit flows to I&J employees and the Company's Board has approved the continuation of a 5% black staff shareholding up to 2020. The total amount paid to participants since commencement of the Scheme in May 2005 amounts to R22,2 million – a significant contribution towards the financial and social upliftment of I&J's employees. This is an important aspect of the focus on the transformation of the fishing industry.

Management control

Management control now measures both Board participation and employment equity as one element.

The Company achieved a score of 25,94%. While management control is not a priority element in terms of the codes, it continues to be an area of material importance and heightened focus for the Company.

AVI EMPLOYMENT EQUITY DEMOGRAPHICS



SUSTAINABLE DEVELOPMENT REPORT continued

Attracting senior black candidates from their current employment in these less certain economic times is difficult. During the year the Company has furthered its efforts to appoint, develop and retain black employees, especially where representation is required in the middle, senior and top management bands. The Company's employment equity efforts remain behind training, developing and mentoring black employees with the objective of retaining them and preparing them for more senior roles.

Skills development

Development of the Company's employees remains a priority and, under the leadership of the senior learning and development manager and the Group HR executive, the central learning and development service has made material progress over the past few years by successfully originating relevant learning opportunities for a broad community of employees, continually reviewing current learning services and requirements and enhancing their alignment to the Company's needs, assisting the Company in developing its employees in an appropriate manner and progressing the Company's transformation agenda. The Company has credible relationships with a number of Sector Education and Training Authorities ("SETA"), including the Food and Beverage SETA, the Wholesale and Retail SETA, the Transport SETA and the Chemical Industries SETA, which enabled the Company to successfully receive discretionary grant payments of R4,7 million. The Group skills development facilitator continues to focus on the management of learnerships, apprenticeships, internships, and graduate and work experience programmes and during the year the Company had 894 learners (the majority of whom are black) on these types of skills development programmes. In addition the National Brands' SETA accreditation process was completed, which will allow the Company to run accredited internal programmes and offer access to additional funding opportunities.

Significant funds continue to be spent on customised programmes that run in the various subsidiary companies. These include programmes such as the Wholesale and Retail SETA learnerships in Spitz and Field Marketing, designed to provide learners with retail skills; enhanced customer service training in Spitz and Green Cross; artisan apprenticeships in Snackworks and I&J; the Bakers School of Baking, aimed at providing learners with the theoretical knowledge and on-the-job experience needed to acquire a qualification equivalent to that of Master Baker – a first in South Africa; and the Ciro Barista Upliftment Programme. I&J remains a leading training provider to the wider South African maritime community with its training courses for seamen which are accredited by the South African

Maritime Safety Authority and the Transport Education and Training SETA ("TETA"). In partnership with TETA, I&J offers a range of learnerships in the fields of maritime operations, seafood processing, environmental practice, and generic management. These learnerships benefit both I&J employees and the broader community as they are regularly extended to unemployed and disabled candidates. Indigo Brands continues with its four academic programmes specific to the production environment, namely the National Certificate: Production Technology (NQF level 2), the Operations Management Development Programme (NQF level 4), the Diploma in Production Management (NQF level 5), and the National Certificate: Generic Management (NQF levels 3 and 4); and Ciro continues its Barista Upliftment Programme as a formal learnership, certified by the internationally recognised City and Guilds. The majority of learners on these programmes are black.

During the past year the first group of learners – including 26 unemployed learners, who achieved an 86% pass rate, completed the Bakers' School of Baking Programme, thus achieving an NQF 3 qualification – a significant achievement for all involved. Green Cross ran an NQF 2 National Certificate: Manufacturing Process for unemployed learners, and Field Marketing continued with its NQF 2 Wholesale and Retail Operations Learnership as well as a Call Centre Programme.

The central learning and development service conducts workshops on matters such as performance management, talent management, and employee induction, to name just a few. In addition, projects were initiated to revise, upgrade and develop further in-house training material and operator assessments for both new and existing key lines at Snackworks, Entyce and Indigo. A strong focus on talent management resulted in the development and implementation of structured talent management and graduate development programmes and the design and launch of an AVI HR academy. Recruitment for graduate development programme will start in FY16.

As a result of the increased focus on the quality, relevance and management of skills development initiatives, the Company increased the amount spent on recorded skills development initiatives from R40 million to R42 million, an amount equivalent to 2,3% of its total payroll costs. 5 603 employees or 63% of the total workforce (including permanent and fixed term contract employees), were trained during the year, 89% of whom are black (African, Coloured and Indian). On average these employees were subjected to 75 hours of training each.

Measured on the “new” Codes the Company achieved a score of 69,26% in the June 2015 verification and met the required 40% threshold. Skills development remains a priority area for the Company and one of the focus areas over the next 12 months will be employed and unemployed learnerships and the absorption of unemployed learners into employment at the end of the learnership programmes.

Enterprise and supplier development

Under the “new” Codes, this element now comprises preferential procurement, enterprise development and supplier development.

The revised codes introduced a number of far-reaching changes. The appointment of a Chief Procurement Officer as well as the collaboration of specialist procurers in the Company and a focus on favouring local empowering suppliers (as defined in the “new” Codes) plays a large role in the Company’s enterprise and supplier development strategy. Measured on the new codes the Company scored 43,09%. The Company met the 40% threshold in both preferential procurement (46,85%) and enterprise development (100%) but failed to meet the threshold in supplier development.

The Company continues to engage with suppliers regarding their transformation needs and to require its suppliers to register on the Department of Trade and Industry IT portal, which provides a single national catalogue of vendors and their BBBEE profiles. In addition the Company has started engaging with suppliers regarding their empowering supplier status and will assist suppliers where necessary to achieve this requirement.

The Company has appointed a dedicated Group Supplier Development Manager to partner with all relevant stakeholders and to develop and implement sustainable supplier development initiatives.

The subsidiaries have procurement policies in place addressing such matters as BBBEE targets, origin of materials, environmental awareness and sustainability, as well as labour practices and ethics. Potential suppliers are required to undergo a thorough vendor evaluation and selection process in which they address these issues. Wherever possible, locally based suppliers are preferred over international suppliers. The Company makes every effort to ensure that it only does business with suppliers who comply with all applicable legislation and has not identified any of its suppliers where employees’ labour and human rights are, or are at risk of, being violated.

Good corporate citizenship

The Company recognises the benefits of being a good corporate citizen with a commitment to contributing to sustainable economic, social and environmental development through working with employees, their families, the local communities and society at large to improve quality of life, and being an organisation that it is desirous to do business with.

Labour data and practices

	2015	2014
Number of permanent employees (South Africa at 30 June)	8 324	8 051
Gender split (%)		
Male	60	61
Female	40	39
Ethnic split (%)		
African	61	58
White	9	9
Indian/Chinese	5	5
Coloured	24	27
Non-South African	1	1
Ethnic and gender split (%)		
Black (African, Indian/Chinese and Coloured) male	55	55
White male	5	5
Black female	35	35
White female	5	5

Approximately 38,5% of the Company’s permanent employees are members of recognised trade unions covered by collective agreements defining the terms of the relationship between the Company, the unions and the members, as well as their engagement on matters ranging from operational changes to annual negotiations on wages and other substantive issues. Union engagement is managed at an executive level within the subsidiaries, with oversight from the Company, in particular from the Group HR executive.

The Company requires the subsidiaries to have appropriate policies and procedures in place to address employee and industrial relations issues and to ensure that these policies and procedures are communicated to all employees and other relevant stakeholders.

The Company complies with all applicable labour and employment legislation, including legislation pertaining to freedom of association, child labour, and forced and compulsory labour, and is committed to the protection of all employees’ human rights, the provision of decent work, and fair and sustainable labour practices. During the year no infringements of these rights or incidents of discrimination were reported.

SUSTAINABLE DEVELOPMENT REPORT continued

Health, safety and wellness

The Company provides a healthy and safe work environment to its employees as a basic right and recognises that a healthy and safe workplace enhances employee morale and productivity. It is also recognised that a healthy and safe workplace is essential in the food handling industry and ensures that consumers are protected and product quality assured.

Health and safety requirements are firstly monitored and reviewed within the risk management framework of the Company and legislative compliance is required as a minimum standard. The requisite health and safety committees are in place and training occurs on an ongoing basis. These on-site committees deal with issues as and when required, and if necessary they elevate matters to the internal review committees that they report to. If necessary, matters are referred to the Company's Board of directors or Audit and Risk Committee. In addition the Social and Ethics Committee monitors these matters. There are also various supplementary health and wellness initiatives that form part of the Company's employee engagement framework.

It is with deep sadness and regret that we report the deaths on 7 April 2015 of two temporary employment service employees in the Company's Logistics division. Amon Madondo and Sikholiwe Somi died from injuries sustained when the heavy duty vehicle in which they were travelling overturned when the driver lost control on entering the Gillooly's interchange overpass.

Statistically the Company's safety record is viewed against the industry standard disabling injury frequency rate ("DIFR"), which measures the percentage of employees that suffer a disabling injury for every 200 000 man hours worked. A disabling injury is an injury that causes an employee to miss a shift following the one on which they were injured. At a Group level the Company experienced 80 disabling injuries (compared to 105 in the previous year) resulting in 1 144 lost days and achieved a DIFR of 0,60 for the year, an improvement over the previous year's rating of 0,80. Steps are continually being taken to proactively identify and prevent potentially harmful situations and improve employee training.

As Company wide statistics can mask events, the Company categorises all injuries into one of three classes. Class 1 being damage that permanently alters a person's life ranging to class 3 that inconveniences a person's life. During the year under review there was a decrease in class 3 injuries with many of the injuries resulting from employees failing to take due care. Six

of the Company's employees suffered class 1 injuries, including the two deaths referred to earlier. The other four class 1 injuries comprised severe lacerations, fractures and partial finger amputations due to the incorrect use or maintenance of equipment. The businesses in question have implemented additional safety measures and retrained employees.

The high safety standards adopted by the operations are continually being enhanced by accreditation with independent standard regulating authorities.

Regrettably store robberies in the retail sector remain a reality and both Spitz and Green Cross are taking all possible measures to limit the probabilities of and risks associated with robberies in their stores. In addition they maintain a close relationship with the AVI Employee Wellness Programme to ensure that all affected staff receive counselling after any traumatic event.

With the exception of the Durban tea and Rosslyn snacks' factories, which are ISO 22000 (food safety quality management system) certified, all of the Company's tea, coffee, biscuit and cosmetics manufacturing sites remain ISO 9001 (quality management system) certified. In addition the Indigo Brands cosmetics factory is SANS 1851 (Control of Quality: Trade Metrology Act) certified, the Isando biscuit factory is OHSAS 18001 certified, the Rosslyn snacks factory is ISO 22000 (food safety management system) certified, the Durban tea factory is SANS 10330 (food safety) certified, both the Durban tea and Isando coffee factories are Hazard Analysis and Critical Control Points ("HACCP"), a systematic preventive approach to food safety from biological, chemical, and physical hazards in production processes that can cause the finished product to be unsafe, and designs measurements to reduce these risks to a safe level) certified, and all three biscuit and snack factories have their Certificates of Acceptability from the local authorities. The Isando and Westmead biscuit factories maintained certification to the American Institute of Baking ("AIB") Food Safety Standard and the FSSC 22000:2010, an international standard for the certification of Food Safety Management Systems. The Isando coffee and creamer factory, the Durban tea factory, and the Isando and Westmead biscuit factories, are all ISO 14001 (environmental management system) certified. The I&J Woodstock and Valued Added Processing sites have "A" listed British Retail Consortium ("BRC") for Global Standards, Higher Level International Food Standard ("IFS") global food safety certification, Marine Stewardship Council ("MSC") Chain of Custody Certification (a sustainability

certification) and SABS 1841 (Control of Quantity – Trade Metrology Act) certification. The Micro-laboratory at the Woodstock factory has SANAS 17025 accreditation and the Auckland Cold Store in Paarden Eiland is ISO 22000 accredited. In addition to applying standards to the Company's own operations, the factories continue to make progress through supplier audits with a view to having all their suppliers certified to a recognised Food Safety Standard.

All of the Company's sites are reviewed annually by independent risk management consultants and continual improvement is driven through risk committees at each site, which in turn report their findings to the Company's Audit and Risk Committee, which has the responsibility for the consideration of risk management throughout the Group.

The Company is also a Top 50 subscriber to the Food Safety Initiative which operates under the auspices of the Consumer Goods Council of South Africa. It takes all reasonable steps to collaborate with stakeholders to ensure that food produced, distributed and marketed in South Africa meets with the highest standards of food safety and nutrition and complies with legal requirements or recognised codes of good practice.

The Company continues to recognise the detrimental social and economic impact that HIV/Aids is having in South Africa. The Company has a formal HIV/Aids policy which details, inter alia, the Company's philosophy, responsibilities, and support programmes. The Company's Board accepts responsibility for the Group's response to the issue of HIV/Aids and holds the boards of the Group subsidiaries accountable for the implementation and monitoring of the response strategies as set out in the policy framework. Flowing from this policies and practices have evolved over the years that include the placement of permanent clinics at the larger sites; knowledge, attitude and practices surveys; awareness and education programmes; voluntary counselling and testing programmes; individual case management; the provision of universal precautions to prevent accidental transmission in the workplace; and the dispensing of free condoms.

Following the success of the Company-wide HIV/Aids voluntary counselling and testing ("VCT") programme that was introduced in 2007, the Company continues to offer this service at all sites to all employees. The VCT programme achieves the objectives of raising awareness, increasing significantly the number of employees that know their HIV status and providing the Company with detailed information per site so that its efforts are appropriately focused.

The Company's larger sites have active primary health care clinics either on a full-time or part-time basis. They are well equipped and managed by appropriate medical professionals, including a doctor employed on a full-time basis in I&J. These clinics play a material role in the day-to-day healthcare management of the Company's lower income earning employees, and in a number of instances provide an outreach programme for immediate family members. Many of the clinics are involved in doing annual medical checks for all employees, running VCT programmes, and providing flu vaccines to high-risk employees at no cost to the employees.

Utilisation levels of the employee wellness programme, managed by ICAS and introduced throughout the Company during April 2009, remain constant and the programme is well used by the Company's HR community, the Company's employees and their immediate families. The employee wellness programme covers areas that address the entire spectrum of psychosocial stressors in the workplace and at home, lifestyle diseases, and work-life balance by providing an independent, impartial, professional and confidential counselling and advisory service that extends beyond healthcare and, among other services, gives the Company's employees and their immediate family members access to financial and legal advisory services. The Company and its subsidiaries continue to actively promote the use of the employee wellness programme.

In addition to the formal employee wellness programme, a number of sites from time to time hold wellness programmes and days on matters such as: diabetes; tuberculosis; HIV/Aids; eye care; cancer awareness; and generally maintaining a healthy lifestyle.

Corporate social investment

The Company's corporate social investment ("CSI") programme is aimed at bringing about positive social and economic changes to historically disadvantaged communities in the environments in which the Company operates. The Company achieved a score of 100% for its socio-economic development in the most recent BBBEE rating. On an annual basis an amount of approximately 1% of the Company's pre-tax profits achieved in the previous year is set aside for this purpose. The areas of focus are broadly education and skills development; sports; arts and culture; the environment; and health and welfare. Grants are managed through various established structures within the Company but mostly through the Company's Community Investment Trust. This trust is served by elected employees who have shown an interest in CSI

SUSTAINABLE DEVELOPMENT REPORT continued



and an ability to manage the CSI programme. All material projects are properly vetted and monitored by the trustees to ensure that they achieve what was initially intended. In addition the Company is always cognisant of the impact, both negative and positive, that its operations could have on local communities and commits to identifying any such communities and to engaging with them regarding the prevention or mitigation of negative impacts.

During the year under review R13,8 million was allocated to the Company's CSI programmes. As at 30 June 2015, R11,8 million of these funds had been disbursed and the balance had been allocated to formal initiatives but not yet spent. The disbursement of these funds continues into the new financial year.

The greatest portion of the Company's CSI funding was spent on the education and skills development of disadvantaged people. The Company supported a large group of senior scholars and channelled further support into a more focused group of tertiary students in the following manner:

- 150 scholars were supported through the Company's Star Schools Incubator Programme, which affords grade 10, 11 and 12 children from 27 schools in disadvantaged areas the opportunity to attend additional classes in mathematics, science and English. The Company sponsored three programmes which assisted the scholars who attend school on Saturday mornings and during school holidays. The programme has proven to be very successful with a pass rate of 99,9% for grade 12 scholars at the end of the 2014 academic year, compared to the national average of 75,5%. Furthermore 77% of those scholars obtained university exemption, compared to a national average of 28,3%.
- The Company provided full bursaries to 43 students through its Tertiary Bursary Programme. The bursaries assisted these students to further their higher education at various universities, technikons and colleges. The students were selected based on their financial means, academic results and preferred fields of study, which were aligned to the Company's graduate recruitment needs. In addition and where possible, the Company places students within the business to complete a year of in-service training required to qualify in their chosen fields. A student mentorship programme runs in parallel to this

- 1. REAP learners
- 2. REAP – Student graduation
- 3. Kliptown Youth Programme – Kitchen donated by AVI during Employee Volunteer Programme
- 4. Star School incubation programme
- 5. Kliptown Youth Programme
- 6. Kliptown Youth Programme
- 7. Columba Leadership – Residential Leadership Academy
- 8. Star Schools – Product donations by AVI

initiative which provides extensive and ongoing support to these students.

- The Company again partnered with the Foundation of School Leadership and Management, an initiative established by former school principals aimed at sustainable, proactive and skills-based interventions which directly benefit schools' leadership, learners and their communities. The "Turn Tembisa" project has adopted five Tembisa schools selected by the Department of Education as underperforming and is already showing results through the improvement in the grade 12 pass rates.
- The St Mungo Diepsloot Community Action allows youths over the age of 18 who have not achieved their matric to achieve a matric equivalent education and skills and enables them to become employable or self-employed through the Adult Basic Education and Training, or carpentry and sewing programmes. The project also provides formal mentoring and other support to graduates in their employment location for as long as is needed.
- The Columba 1400SA programme is a value based leadership development programme for disadvantaged youth. This programme has the potential to enhance the ethical fibre of the youth in South Africa and a group of grade 10 learners are taught values such as integrity, service and discipline in a highly impactful six day programme followed by an implementation programme for their entire school. Underprivileged schools are chosen and the head master and one of the teachers are required to attend the programme. In the past year the programme was also extended to the learners on the Kiptown Youth Programme – another of the Company's CSI projects – and the "Turn Tembisa" project referred to above.
- The Company has supported the Kiptown Youth Programme since 2008. The organisation is situated in the Kiptown informal settlement in Soweto and provides a safe haven and educational support for 460 children between the ages of 7 and 18. The Company's support has not only been monetary but has included support through a transfer of business, finance and leadership skills and direct involvement by the Company's employees through the AVI employee volunteer programme. In addition learners from this organisation are recipients of scholarships through the Theo Jackson and Ruth First scholarship programmes, both of which are supported by the Company.
- The Rural Education Access Programme ("REAP") assists disadvantaged youths to access tertiary education through a partnership with the National Student Financial Aid Scheme and the National Skills Fund. In 2014 REAP supported 527 students from all nine provinces, enrolled at 16 universities and studying a broad range of disciplines. All of the students came from economically disadvantaged

homes and matriculated from rural schools, many of which are severely underresourced.

- The Theo Jackson and Ruth First Scholarship programmes sponsor disadvantaged boys' and girls' attendance at Jeppe High School with full tuition and boarding costs to grade 12. The Company is currently sponsoring two boys and three girls. Three of these scholars originated from the Kiptown Youth Programme.
- The Quartet of Peace Trust, a public benefit organisation established to particularly provide financial support to disadvantaged but talented musicians or instrument makers and to generally promote reconciliation, mutual respect and tolerance among South Africans.

Other worthy CSI initiatives that the Company supported during the year were:

- The Peninsula School Feeding Scheme that feeds children in six primary schools in the Western Cape on a daily basis. Often this is the only meal of the day for many of the children.
- The Love Trust which has established a skills development centre to train early childhood development educators in and around Tembisa.
- The National Sea Rescue Institute ("the NSRI") of which I&J is a platinum member and to which it makes an annual donation. Over the years I&J has made a substantial contribution to the organisation's infrastructure, building a state-of-the-art rescue station in Cape Town harbour, donating a number of rescue craft, and supporting the "Waterwise" initiative which teaches children between the ages of 9 and 14 what to do in an emergency and how to "breathe for their buddy" whilst waiting for the emergency services to arrive.
- I&J is a founding sponsor of the Two Oceans' Aquarium in Cape Town and has supplied fresh fish to this spectacular educational facility since it opened in November 1995. I&J also sponsors the Aquarium's Young Biologist training programme.
- The Red Cross Children's Hospital where I&J's contributions since 1997 have funded the construction of consultation rooms, a radiology facility in the trauma unit, an isolation ward in the burns unit and more recently in collaboration with government and the Red Cross Children's Trust, the establishment of the Child Speech and Hearing Clinic at the Mitchell's Plain Hospital.
- The Whale Coast Conservation Trust ("WCCT") was established in 2002, with the mission to unify, coordinate and promote environmentally sustainable living in the Cape Whale Coast region of the Western Cape. I&J has collaborated with the WCCT to inspire environmental learning and an understanding of one-planet/sustainable lifestyles by sponsorship of the environmental education programmes for Eco-schools in the Overberg district.

SUSTAINABLE DEVELOPMENT REPORT continued

- Enactus, which is an international non-profit organisation that brings together student, academic and business leaders who are committed to using the power of entrepreneurial action to improve the quality of life and standard of living for people in need. The Company supported the Enactus teams at the University of Fort Hare, the CIDA City Campus and the Tertiary School in Business Administration ("TSiBA").
- Afrika Tikkun, which provides education, health and social services to vulnerable children, youth and their families through centres in six South African communities with the aim to ensure a sustainable future for the children and empower the communities to develop generations of productive citizens.

The Company has also been involved in or made donations to a number of smaller but just as important initiatives, such as the Rapport Onderwysfonds, Living Link, Inkanyezi Crèche, Whale Coast Conservation, and Look Good Feel Better.

At a more personal level, the Company's employees are encouraged to become involved with their local communities on Company sponsored employee volunteer days branded as "I am Inspired". All of the projects are selected from organisations with which the Company has established relationships and the Company gives employees time off to provide their services to these projects.

Environmental policy

The Company recognises that its use of natural resources has a socio-economic and physical impact on the environment, accepts responsibility for such impact, and pursues responsible environmental and climate change practices. This involves:

- Reducing the Company's environmental impact and continually improving the Company's environmental performance as an integral part of the Company's business strategy and operating methods;
- Compliance with all applicable environmental legislation or standards;
- The practice of responsible environmental management related to inputs (material, energy and water) and outputs (emissions, effluents and waste) affecting ecosystems and communities;
- Independent annual environmental audits at each manufacturing site measuring the impact that the particular operation has on its environment and reviewing compliance with legislation and Company policy;
- Providing a framework for setting and reviewing objectives and targets;
- Ensuring that all employees understand the environmental policy and conform to the standards it requires; and
- Reporting in the Company's Integrated Annual Report on performance against targets.

The Company's Board of directors is responsible for the environmental policy and for ensuring that its principles are taken into consideration in formulating the Company's business plans, and the Company's Chief Executive Officer and senior management are in turn responsible for implementation of the business plans and communication of the policy. The Board of directors has delegated the responsibility for monitoring compliance with the policy to the Company's audit and risk committee. Certain aspects of this subject are also considered by the Social and Ethics Committee.

The Company remains committed to the responsible management of all applicable environmental matters, including those which impact on climate change and relate to responsible and sustainable environmental practices, such as greenhouse gas emissions; raw materials usage and recycling; resource usage and efficiency (including water and electricity); impacts on biodiversity; and emissions, effluents and waste management. In particular the Company is alert to the impact that climate change could have on natural resources and the effect that legislative changes could have on the way the Company does business. The Company monitors relevant global and local legislation, regulations and emission-reduction targets.

Environmental data

During the year under review the Company identified key areas of environmental impact for measurement, management and reporting.

Indicator	Unit	Data			
		2015	2014	2013	2012
1 Total water consumption by source					
1.1 Municipal	Litres	1 063 057 427	1 043 354 478	981 630 869	876 674 227
1.2 Ground water (borehole)	Litres	2 224 000	2 152 000	43 690 000	48 650 000
2 Total energy consumption					
2.1 Purchased electricity	kWh	99 915 717	106 484 439	104 363 238	102 942 232
2.2 Coal	Tons	14 038	13 541	14 364	13 479
2.3 Petrol	Litres	1 155 078	996 017	1 089 360	1 101 370
2.4 Diesel	Litres	9 481 650	12 268 956	19 039 640	6 498 706
2.5 Liquefied petroleum gas ("LPG")	Litres	1 680 034	1 823 823	1 591 998	1 493 206
2.6 Natural gas	Cubic metres	3 289 399	3 482 760	3 283 150	3 371 258
2.7 Marine/heavy fuel oil	Litres	10 727 200	8 234 325	–	11 247 428
2.8 Paraffin	Litres	855 096	970 877	1 064 317	1 011 376
3 Carbon emissions for above indicators					
3.1 Total carbon emissions	Metric tons	188 626	196 794	216 558	208 837
3.2 Carbon emissions per employee	Metric tons	22,66	24,44	28,24	28,86

The Company will continue defining and implementing the scope and methods of monitoring and reporting on these issues and, whereas the quantity of water, energy and materials used, and the waste produced vary depending on the operational objectives of the Company at any given time, establishing a method to set relevant objectives and targets and to manage progress towards these.

In addition to the key areas referred to above, the Company will, during the year ahead, consider further areas of environmental impact for possible measurement and reporting, as well as initiatives to mitigate environmental impacts of products and services, where relevant.

Environmental practices

During the year the subsidiary companies continued their initiatives to measure and mitigate detrimental environmental impact. Some of the Company's activities and achievements were:

- **Environmental management systems** – The Isando coffee and creamer factory, the Durban tea factory and both the Isando and Westmead biscuit factories are all ISO 14001 certified. This environmental quality management system enables the factories to identify and control the environmental impact of their activities; continually improve their environmental performance; and implement a systematic approach to setting environmental objectives and targets, achieving these and demonstrating that they have been achieved. I&J has the Marine Stewardship Council's Chain of Custody Certification for sustainability in the fishing industry.

- **Energy conservation** – The current energy shortage, and global efforts to reduce greenhouse gas emissions, make conserving energy a priority for the Company. Efforts include electricity saving initiatives such as:

- Improving the efficiencies of production machinery, equipment and processes, and the installation of energy-efficient lighting solutions, to maximise energy savings and limit wastage.
- Optimising the use of cold storage space at I&J and decommissioning underutilised cold storage space.
- The installation of electricity meters per site for the measurement of electricity consumption and consumption patterns and Demand Site Management Surveys by Eskom to enable the formulation of improvement plans to correct excessive use or wastage.
- Electrical load shifting where possible, bearing in mind the Company's operational requirements and the installation of power correction units to maintain a constant minimum level power supply.

In addition the Company's subsidiaries are taking steps to measure and manage their carbon footprint through, inter alia, the use of the Greenhouse Gas Accounting Protocol and the ISO 14064 International Standard for GHG Emissions Inventories and Verification.

- **Water conservation** – Poor water quality and shortages are a significant potential risk to the Company and the subsidiaries take steps to minimise these risks. These steps include utilising borehole water where appropriate, reservoirs for storing water, recycling condensate produced during the heating

SUSTAINABLE DEVELOPMENT REPORT continued

processes back to the boilers, and adopting environmentally friendly stormwater reticulation, while simultaneously taking measures to measure and manage water consumption.

- **Fuel consumption** – Within its distribution operations there is ongoing focus on optimisation of delivery routes and consideration of distribution networks through the utilisation of routing and scheduling software throughout the Company, the deployment of onboard technology, advanced fuel management systems, more efficient engines and matching of loads to vehicles, as well as driver training academies, which all remain key issues in reducing fuel consumption and the Company's carbon footprint.
- **Emissions, effluents and waste** – The Company is committed to an overall waste management strategy, reducing the use of raw materials, reducing waste, reusing waste wherever possible, and recycling waste that cannot be eliminated or reused. Key to managing waste is the monitoring and analysis of waste volumes and component parts to give the Company the information it needs to manage waste effectively. The Company also recognises its responsibility in terms of the Air Quality Act of 2004 and is committed to efficient and effective air quality management and thus ensures that all ovens, paraffin and oil-fired boilers, and boiler stacks are correctly operated, well maintained and routinely inspected. In addition the factories engage with approved inspection authorities and conduct air emission surveys.
 - Effluent management at the Snackworks' factories involves flocculation and removal of solids from the water, and reduction of the pH and chemical oxygen demand ("COD") levels. At the distribution centres all vehicles are washed using biodegradable chemicals and grease traps are cleaned regularly to prevent contamination of the main sewer system. In general, waste materials are classified for possible reuse, recycling or disposal and disposals are done through registered waste disposal and recycling companies.
 - Where appropriate the factories are installing new equipment and modifying old equipment in order to reduce emissions.
 - I&J routinely recycles corrugated cartons, used sunflower oil and used marine oil. Entyce Beverages has implemented various initiatives to reduce the weight (and resultant waste) of packaging by downgauging of flexible packaging and tin and removing excess packaging. In addition it is encouraging consumers to recycle by including recycle logos and categorisation on packaging.
 - Indigo Brands has committed itself to being part of the local government's initiative regarding waste management for its sector. A site waste management survey has been completed which

will result in a formal waste management plan with the view to introducing waste reduction and management actions. In addition it recycles corrugated cartons, aerosol cans and glass bottles.

- **Raw materials** – The Company's use of sustainable raw materials, including recycled and recyclable materials and materials derived from ethical and sustainable sources as certified by bodies such as the Roundtable on Sustainable Palm Oil ("RSPO"), the Forestry Stewardship Council ("FSC") (for packaging materials produced from sustainable forests), the Convention on Biological Diversity, and the Right Rooibos initiative, is an integral part of the Company's sustainability strategy. The Company is a member of and has representation on the Board of the South African Rooibos Council, a non-profit organisation whose goal is to protect the Rooibos industry and to ensure the sustainability of this scarce raw material. All of the palm oil procured by the Company is from RSPO-certified suppliers and the yellow maize procured for the manufacture of liquid glucose is certified free of genetically modified organisms. The high performance paperboard used in I&J retail packs is produced from a certified, renewable resource and all paperboard materials can be recycled multiple times. These retail cartons are packed into outer cartons supplied by local companies that meet the environmental management standard ISO 14001 and are certified by the FSC, and all I&J outer cartons are 100% recyclable. All paperboard materials used by National Brands are produced from sustainable forests which are FSC compliant, contain no heavy metals or mineral oils, and no fossil fuel energy is used in the production of these products. These materials are also 100% recyclable. Ciro sells a range of Fairtrade, Organic, Rain Forest Alliance and UTZ (an international standard for sustainable farming of coffee, cocoa and tea) certified products, and a partnership with Mbokomu Rural Cooperative Society in Tanzania assists farmers and farming communities to improve the quality of their coffee and improve processing to reduce waste.

Five non-compliance notices were issued to the Westmead biscuit factory by the eThekweni Municipality's Pollution Control Division and Water and Sanitation Division for high COD and sugar levels in the wastewater. R1 000 fines were levied and paid for each notice. Non-compliance notices were issued to the I&J Value-Added Processing plant in Cape Town for contamination of the stormwater drain and to the I&J Fisheries Division for fuel spillage caused during fuelling operations on one of the fishing vessels. Fines of R1 000 and R50 000 respectively were issued and paid. Corrective actions were taken to remedy all non-compliances and to prevent future non-compliances. Other than the notices and fines referred

to above, no other fines or non-monetary sanctions for infringement of or non-compliance with environmental laws and regulations were recorded and/or levied against the Company, directors, officers or employees during the period under review and the Company experienced no major environmental incidents. No formal requests or directives have been issued by government agencies or local authorities for the reduction of air emissions.

Consumer and product legislation

The Company's internal legal advisors keep the Company abreast of generic and industry specific consumer and product related legislative and regulatory developments, both pending and apparent, and ensure that the Board, management and employees are informed and, where necessary, trained on these developments and the implementation thereof.

In the year under review the Company continued addressing changes brought about by relevant legislation, including the draft amendments to the Regulations relating to the Labelling and Advertising of Foodstuffs published in terms of the Foodstuffs, Cosmetics and Disinfectants Act, 1972. Owing to the potentially far-reaching implications of the draft

amendments on the foodstuffs industry, the Company is working closely with the Consumer Goods Council, the Department of Health and the Advertising Standards Authority of South Africa to develop sensible and sustainable criteria for, inter alia, nutrient profiles, advertising and marketing.

The Company's central marketing and Group legal functions ensure that there is adherence to laws, standards and voluntary codes relating to marketing and communications, including advertising, promotions, competitions and sponsorships. All applicable labelling legislation is regularly reviewed and, where appropriate, changes are made. The research and development managers in the subsidiary companies are responsible for ensuring applicable compliance.

The Company remains a member of a number of industry associations as set out in more detail in the stakeholder engagement table.

No judgements, damages, penalties, or fines for infringement of or non-compliance with consumer or product related legislation were recorded and/or levied against the Company, directors, officers or employees during the period under review.

Major risks

The Company and its subsidiaries have well run governance processes and sound systems of internal control which are effective in managing the conventional key areas of business risk such as brand management, manufacturing, financial management and information technology. Other risks that are often more challenging to manage, and pose a greater threat to business success, are summarised below:

Key risks	Comments
Failure to stay in touch with and react quickly to changing consumer perspectives and needs, resulting in lost growth opportunities or erosion of market share	<ul style="list-style-type: none"> Product formats and price points are managed flexibly in different parts of the consumer cycle, in line with consumer needs Each business unit gives high priority to understanding the risks and opportunities that South Africa's growing black consumer base presents, and responding in a manner appropriate to each category The characteristics of our African export geographies are studied carefully so that we can enhance the relevance of our offering in each geography New product development is aligned with the points above and actively pursued Brand investment is material and consistent, with ongoing efforts to improve the efficiency and effectiveness of this spend
Availability of experienced and commercially minded business leaders to seek improvement and grow profits	<ul style="list-style-type: none"> This is an ongoing challenge, particularly given the diversity of AVI's operations. Considerable resources are expended in identifying people and, where appropriate, attracting them The Group has a flexible operating model which provides high transparency to the centre and facilitates effective interaction on key matters when needed Remuneration and reward systems provide meaningful wealth generation opportunities for managers who excel Various formal and informal internal learning and development initiatives are provided

SUSTAINABLE DEVELOPMENT REPORT continued

Key risks	Comments
Changing competitive landscape that impacts on profitability	<ul style="list-style-type: none"> • A volatile currency with the risk of rapid and material weakening has traditionally been an effective protection against import competition, but has proven less so in the last few years and may not be in the future • A fairly small domestic market reduces the attractiveness of major greenfields investment in South Africa. There is the risk that surplus capacity in the market will inhibit the ability to generate economic returns on investment • New suppliers or customers entering the South African FMCG market can present both risks and opportunities. We believe that the Company has sufficient scale and relevance with its strong brand portfolio to be important to new entrants, and to be able to forge mutually beneficial trading relationships • The Company's best protection in a changing competitive landscape is to continually work to keep our brands and products relevant to consumers, to improve efficiency so that margins can be sustained when prices are constrained, and to be diligent in managing the price/volume/margin equation flexibly as circumstances require
Over reliance on third party brands and diminished profitability if licenses are not renewed	<ul style="list-style-type: none"> • Most of the Company's core brands are owned • Key third party brands that the Company has access to are the Lacoste brand in Spitz, and the Coty brand in Indigo Brands. While we have a long history of strong and successful relationships with both parties and believe that our business units represent compelling opportunities to each licensor that will be difficult for other licensees to match, the change in the commercial relationship between Indigo and Coty, as reported in FY14, has the potential for differences between the parties as to how the relationship should be constituted going forward
Sustaining and growing profit margins	<ul style="list-style-type: none"> • Top line growth is a continual focus area for all of our businesses and brings with it the opportunity to leverage fixed costs and expand profit margins. While the most notable achievements in this regard have been in our Fashion brands businesses, our more mature categories have all maintained or improved their market positions over the last few years, with some of them such as Coffee and Creamer achieving strong volume growth • A failure to invest in manufacturing capacity and/or technology at the correct time may create a risk of market share erosion from both local sources and imports, and major capacity investment remains imperative • Many of the Company's Key Value Items ("KVIs") enjoy a brand premium because of their long legacy of delivery and quality. We seek to preserve this premium through retention of product intrinsics and high focus on product quality. We will continue to invest in replacement capital expenditure in those parts of our business where it is necessary to sustain efficient and high quality production • The Company has extensive exposure to foreign exchange and commodity price volatility. These exposures are hedged in a manner that allows selling prices to be managed predictably and responsibly, and historically, our businesses with their strong brands have demonstrated the ability to recover lost profit margin fairly quickly after periods of pressure. The notable exception being I&J, which has little ability to compensate for the impact of a strong Rand on its material export revenues, but similarly also benefits materially when the Rand is weaker • There remain many opportunities to improve profit margins across the Group over the next few years. These include initiatives such as central procurement, ongoing improvements in logistics and field marketing, new technology and increased automation in our factories

Key risks	Comments
Social and political environment	<ul style="list-style-type: none"> • I&J's long-term fishing rights are dependent on an ongoing review process. If this process becomes politicised it may result in a reduced allocation of hake quota to I&J • The inability of the Department of Agriculture, Forestry and Fisheries to meet its responsibility to ensure regular research as part of the Marine Stewardship Council accreditation, may in future put this accreditation at risk • Ongoing increases in administered charges for electricity, water and property rates create additional cost pressure and reduce competitiveness relative to imports • In a two-tiered economy the Company increasingly competes with smaller operators who are not measured or monitored effectively against increasing and onerous legislated requirements • Increasingly inflexible labour legislation, including in particular the changes effected to the Labour Relations Act early in 2015, and increasing demands and industrial action by labour unions, reduces competitiveness against imports and increases investment hurdles • Availability of vital utilities, such as power and water, necessary to run business can be mitigated at extra cost, but reduces competitiveness. With the increasing and extensive load shedding by Eskom and the various local authorities, the Company has prioritised the finalisation of its programme of installing full back-up power generation at key sites. The declining quality of municipal water in many areas could force increased dependence on borehole water (where available) or the installation of water filtering and purification plants, all at an extra cost to the businesses • The imposition of price controls pursuant to a populist political and social agenda could impact on parts of the Company's product portfolio • Dissatisfaction with service delivery by government and municipalities could lead to civil disruption and strikes with a material adverse effect on volumes and profit • The continued decline of educational standards erodes the supply of essential skills to maintain our medium-term competitiveness • The emergence of new and ambitious social programmes that place too heavy a burden on organised business and tax-payers, to the extent that the availability of capital reduces in South Africa and over time that compromises our ability to sustain our current asset base and competitiveness • Compliance with increasing consumer facing legislation such as in respect of labelling, advertising, genetically modified organisms ("GMOs"), salt, and sugar and the increased focus on providing "healthy" alternatives to existing products, requires increased work and pressure on research and development • Changes to the Broad-Based Black Economic Empowerment Codes of Good Practice with, inter alia, substantially increased financial requirements for meeting minimum compliance levels, have had a material negative impact on the scorecard rating and made it difficult to achieve and maintain the historical rating
Environmental	<ul style="list-style-type: none"> • The impact of climate change on natural resources through changing weather patterns and increased global temperatures could affect natural and agricultural resources on which the Company is dependent • Climate change will attract regulatory costs which will increase operating costs • Government commitments to emission-reduction targets could have a significant impact on the operating and distribution practices of the Company • Deteriorating water quality through pollution, including tainted groundwater from mining operations

SUSTAINABLE DEVELOPMENT REPORT continued

Going forward

The Company will continue formalising its approach to integrated sustainability reporting and to providing a balanced view of the economic, social and environmental aspects of the Company. In particular there will be focus on:

- Further defining and implementing the scope and methods of monitoring and reporting on the environmental issues identified during the year under review, and establishing a method to set relevant objectives and targets.

- Reviewing and evolving the principles and practices of sustainable development established throughout the Company.
- Reviewing and evolving the Company's integrated reporting to ensure the appropriate reporting of environmental, social and economic sustainability, underpinned by good corporate governance.

Index of material issues

Aspect	Core indicator		Page/not reported
General standard disclosures			
Strategy and analysis	G4-1	Statement from the most senior decision maker of the Company about the relevance of sustainability to the Company and its strategy, particularly with regard to managing the challenges associated with economic, environmental and social performance	6 – 9
	G4-2	Description of key impacts, risks and opportunities	6 – 9; 47 – 49
Organisational profile	G4-3	Name of the Company	Inside front and back covers
	G4-4	Primary brands, products and/or services	1
	G4-5	Location of Company's headquarters	Inside back cover
	G4-6	Number of countries where the Company operates and names of countries with major operations or that are specifically relevant to the sustainability issues covered in the report	86 – 89
	G4-7	Nature of ownership and legal form	1
	G4-8	Markets served (geographical, sector and types of customers)	86 – 89
	G4-9	Scale of the Company, including: <ul style="list-style-type: none">• Number of employees;• Number of operations;• Net sales;• Total capitalisation in terms of debt and equity; and• Quantity of products provided.	Annual financial statements from page 77
	G4-10	<ul style="list-style-type: none">• Total number of employees by contract and gender;• Total number of permanent employees by employment type and gender;• Total workforce by employees and supervised workers and gender;• Total workforce by region and gender;• Report whether substantial portion of work is performed by workers who are legally recognised as self-employed or individuals other than employees or supervised workers, including employees or supervised workers of contractors; and• Report significant variations in employment numbers.	39
	G4-11	Report the percentage of total employees covered by collective bargaining agreements	39

Aspect	Core indicator		Page/not reported
Organisational profile continued	G4-12	Describe the organisation's supply chain	32 – 49
	G4-13	Significant changes during the reporting period regarding size, structure or ownership	80 – 81
	G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation	32 – 49
	G4-15	List externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses	32 – 49
	G4-14	List members of associations in which the organisation: <ul style="list-style-type: none"> • Holds a position on the governing body • Participates in projects or committees • Provides substantive funding beyond routine membership dues • Views membership as strategic 	32 – 49
Identified material aspects and boundaries	G4-17	List all entities included in the consolidated financial statements and report whether any entity included in the consolidated financial statements is not covered by the report	Annual financial statements from page 77
	G4-18	Explain the process for defining the report content and the aspect boundaries and explain how the organisation has implemented the reporting principles for defining report content	Inside front cover
	G4-19	List all the material aspects identified in the process for defining report content	Inside front cover, 32 and 33
	G4-20	For each material aspect report the aspect boundary within the organisation	32 and 33
	G4-21	For each material aspect report the aspect boundary outside the organisation	32 and 33
	G4-22	Report the effect of any restatements of information provided in previous reports and the reasons for such restatements	Entire Integrated Annual Report, where applicable
	G4-23	Report significant changes from previous reporting periods in the scope and aspect boundaries	Not applicable
Stakeholder engagement	G4-24	Provide a list of stakeholder groups engaged by the organisation	33 and 34
	G4-25	Report the basis for identification and selection of stakeholders with whom to engage	33 and 34
	G4-26	Report the organisation's approach to stakeholder engagement, including the frequency of engagement and an indication of whether engagement was undertaken specifically as part of the report preparation process	33 and 34
	G4-27	Report key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded. Report the stakeholder groups that raised each of the key topics and concerns	33 and 34

SUSTAINABLE DEVELOPMENT REPORT continued

Aspect	Core indicator		Page/not reported
Report profile	G4-28	Reporting period	Inside front cover
	G4-29	Date of most recent previous report	Inside front cover
	G4-30	Reporting cycle	Inside front cover
	G4-31	Contact point for questions regarding the report or its contents	Inside front cover
	G4-32	<ul style="list-style-type: none"> Report the “in accordance” option the organisation has chosen Report the GRI Content Index for the chosen option Report the reference to the External Assurance Report 	32 and 33
	G4-33	Policy and current practice with regard to seeking external assurance	33
Governance	G4-34	Governance structure of the Company, including Board committees	62 – 71
	G4-35	Report the process for delegating authority for economic, environmental and social topics from the Board to senior executives and other employees	62 – 71
	G4-36	Report whether the organisation has established an executive-level position/s with responsibility for economic, environmental and social topics and whether post holders report directly to the Board	62 – 71
	G4-37	Report processes for consultation between stakeholders and the Board on economic, environmental and social topics	62 – 71
	G4-38	Report the composition of the Board and its committees	62 – 71
	G4-39	Report whether the Chairman of the Board is also an executive officer (and, if so, their function within the Company's management and the reasons for this arrangement)	62 – 71
	G4-40	Report the nomination and selection processes for the Board and its committees including any considerations of diversity, and whether and how stakeholders are involved	62 – 71
	G4-41	Processes in place for the Board to ensure conflicts of interest are avoided and managed and whether conflicts of interest are reported to stakeholders	62 – 71
	G4-42	Report the Board and senior executives' roles in the development, approval and updating of the organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	62 – 71
	G4-43	Report the measures taken to develop and enhance the Board's collective knowledge of economic, environmental and social topics	62 – 71

Aspect	Core indicator		Page/not reported
Governance continued	G4-44	<ul style="list-style-type: none"> Report the processes for evaluation of the Board's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment Report actions taken in response to the above evaluation 	62 – 71
	G4-45	<ul style="list-style-type: none"> Report the Board's role in the identification and management of economic, environmental and social impacts, risks and opportunities Report whether stakeholder consultation is used to support the above 	62 – 71
	G4-46	Report the Board's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics	62 – 71
	G4-47	Report the frequency of the Board's review of economic, environmental and social impacts, risks and opportunities	62 – 71
	G4-48	Report the highest committee that formally reviews and approves the organisation's sustainability report and ensures that all material aspects are covered	62 – 71
	G4-49	Report the process for communicating critical concerns to the Board	62 – 71
	G4-50	Report the nature and total number of critical concerns that were communicated to the Board and the mechanisms used to address and resolve them	62 – 71
	G4-51	Report the remuneration policies for the Board and senior executives for the below types of remuneration: <ul style="list-style-type: none"> Fixed pay and variable pay Sign-on bonuses or recruitment incentive payments Termination payments Clawbacks Retirement benefits Report how performance criteria in the remuneration policy relate to the Board and senior executives' economic, environmental and social objectives	72 – 76
	G4-52	Key topics and concerns that have been raised through stakeholder engagement, and how the Company has responded to those key topics and concerns, including through its reporting	33, 34 and 71
	G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	33, 34 and 72
	G4-54	Report the ratio of the annual total compensation for the organisation's highest paid individuals to the median annual total compensation for all employees (excluding the CEO)	Not reported
	G4-55	Report the ratio of percentage increase in annual total compensation for the organisation's highest paid individual to the median percentage increase in annual total compensation for all employees	Not reported

SUSTAINABLE DEVELOPMENT REPORT continued

Aspect	Core indicator		Page/not reported
Governance continued	G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	32 – 35, 44, 62 – 71
	G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines	35
	G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisation integrity, such as escalation through management, whistle-blowing mechanisms or hotlines	35
Specific standard disclosures by aspects			
Environmental	G4-EN1	Materials used by weight or volume	45
	G4-EN2	Percentage of materials used that are recycled input materials	45 and 46
	G4-EN3	Energy consumption within the organisation	45
	G4-EN4	Energy consumption outside the organisation	Not reported
	G4-EN5	Energy intensity ratio	Not reported
	G4-EN6	Reduction of energy consumption	45
	G4-EN7	Reductions in energy requirements of sold products and services	Not reported
	G4-EN8	Total water withdrawal by source	45
	G4-EN9	Water sources significantly affected by withdrawal of water	Not reported
	G4-EN10	Percentage and total volume of water recycled and reused	Not reported
	G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	35 and 36
	G4-EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	35 and 36
	G4-EN13	Habitats protected or restored	35 and 36
	G4-EN14	Total number of ICUN red species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	35 and 36
	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	45
	G4-EN16	Energy indirect GHG emissions (Scope 2)	Not reported
	G4-EN17	Other indirect GHG emissions (Scope 3)	Not reported
	G4-EN18	GHG emissions intensity	Not reported

Aspect	Core indicator		Page/not reported
Environmental continued	G4-EN19	Reduction of GHG emissions	45
	G4-EN20	Emissions of ozone depleting substances	Not reported
	G4-EN21	NO _x , SO _x and other significant air emissions	Not reported
	G4-EN22	Total water discharge by quality and destination	Not reported
	G4-EN23	Total weight of waste by type and disposal method	Not reported
	G4-EN24	Total number and volume of significant spills	None
	G4-EN25	Weight of transported, imported, exported or treated waste deemed hazardous, and percentage of transported waste shipped internationally	Not applicable
	G4-EN26	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the organisation's discharges of water and runoff	Not applicable
	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	44 – 47
	G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Not reported
	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	44 – 47
	G4-EN30	Significant environmental impact of transporting products and other goods and materials for the organisation's operations and transporting members of the workforce	Not reported
	G4-EN31	Total environmental protection expenditures and investments by type	44 – 47
	G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Not reported
	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	44 – 47
	G4-EN34	Number of grievances about environmental impacts filed, addressed and resolved through formal grievance mechanisms	None

SUSTAINABLE DEVELOPMENT REPORT continued

Aspect	Core indicator		Page/not reported
Human rights	G4-HR1	Percentage and total number of significant investment agreements and contracts that include human rights clauses, or that underwent human rights screening	Not reported
	G4-HR2	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to the operations, including the percentage of employees trained	Not reported
	G4-HR3	Total number of incidents of discrimination and corrective actions taken	None
	G4-HR4	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	None
	G4-HR5	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	None
	G4-HR6	Operations and significant suppliers identified as having significant risks for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of all forms of forced or compulsory labour	None
	G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures	Not reported
	G4-HR8	Total number of incidents of violations involving rights of indigenous people and actions taken	None
	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	No non-compliant sites
	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Not reported
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	39
	G4-HR12	Number of grievances about human rights impacts filed, addressed and resolved through formal grievance mechanisms	None

Aspect	Core indicator		Page/not reported
Labour practices and decent work	G4-LA1	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Comply with labour and employment legislation and collective agreements
	G4-LA2	Return to work and retention rates after parental leave, by gender	Comply with labour and employment legislation and collective agreements
	G4-LA3	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Comply with labour and employment legislation and collective agreements
	G4-LA4	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	Comply with labour and employment legislation and collective agreements
	G4-LA5	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism and total number of work-related fatalities	40
	G4-LA6	Workers with high incidence or high rates of diseases related to their occupation	Not reported
	G4-LA7	Health and safety topics covered in formal agreements with trade unions	Comply with labour and employment legislation and collective agreements
	G4-LA8	Average hours of training per year per employee, by gender and by employee category	38 and 39
	G4-LA9	Programmes for skills management and life long learning that support the continued employability of employees and assist them in managing career endings	38 and 39
	G4-LA10	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Not reported
	G4-LA11	Composition of governance bodies and breakdown of employees per employee category by gender, age, minority group membership, and other indicators of diversity	39, 62 – 65
	G4-LA12	Ratio of basic salary and remuneration of women to men by employee category	Not reported
	G4-LA13	Percentage of new suppliers that were screened using labour practices criteria	Not reported
	G4-LA14	Significant actual and potential negative impacts for labour practices	Not reported
	G4-LA15	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms	Not reported
	G4-LA16	Percentage and total number of business units analysed for risks related to corruption	100%

SUSTAINABLE DEVELOPMENT REPORT continued

Aspect	Core indicator		Page/not reported
Society	G4-SO1	Percentage of operations with implemented local community engagements, impact assessments and development programmes	32 – 47
	G4-SO2	Operations with significant actual and potential negative impacts on local communities	32 – 47
	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	32 – 47
	G4-SO4	Communication and training on anti-corruption policies and procedures	33 and 35
	G4-SO5	Confirmed incidents of corruption and actions taken	Not reported
	G4-SO6	Total value of political contributions by country and recipient	None
	G4-SO7	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes	None
	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	None
	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Not reported
	G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	32 – 47
	G4-SO11	Number of grievances about impacts on society filed, addressed and resolved through formal grievance mechanisms	None

Aspect	Core indicator		Page/not reported
Product responsibility	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	47
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	None
	G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements	47
	G4-PR4	Total number of incidents of non-compliance with legislation and voluntary codes concerned product and service information and labelling, by type of outcomes	Not reported
	G4-PR5	Results of surveys measuring customer satisfaction	Not reported
	G4-PR6	Sale of banned or disputed products	None
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcome	Not reported
	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	None
	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	None
Economic	G4-EC1	Direct economic value generated and distributed	27
	G4-EC2	Financial implications and other risks and opportunities due to climate change	44 – 49
	G4-EC3	Coverage of the organisation's defined benefit plan obligations	93 and 94, 124 – 128
	G4-EC4	Significant financial assistance received from government	38 and 39
	G4-EC5	Report the ratios of standard entry level wage by gender compared to local minimum wages	Not reported
	G4-EC6	Report proportion of senior management hired from local community	Not reported
	G4-EC7	Development and impact of significant infrastructure investments and services supported and impact on communities and local economies through commercial, in-kind, or pro bono engagement	Not reported
	G4-EC8	Report significant indirect economic impacts, including the extent of impacts	Not reported
	G4-EC9	Report the proportion of spending on local suppliers	Not reported