The King II report and the draft King III report on corporate governance have firmly entrenched the compilation of financial statements on the ‘triple bottom-line’ basis, encompassing economic, social and environmental sustainability. This approach provides shareholders and other stakeholders with a broad perspective of all spheres of sustainability within the reporting company.

This mode of reporting continues to mature, and Foschini Limited (referred to below as Foschini or ‘the group’) recognises that ongoing attention will need to be given to the formalised monitoring and measuring of non-financial indicators.

Our view of sustainability is to ensure continued shareholder value whilst managing the risks arising from economic, environmental and social developments. It is important to us that we do not impair the ability of future generations to meet their own needs. Consideration must be given to the needs of all our stakeholders.

Foschini’s primary stakeholders, being its shareholders, employees, suppliers, customers, government, local communities and society at large, are all mutually dependent partners in the sustainability process.

CORPORATE SOCIAL INVESTMENT (CSI)

As an established fashion retailer, we have a long track record of living up to the responsibility of ensuring that our customers look and feel at their best. In doing so we are aware that we bear the further responsibility of ensuring that sustainable economic development and social upliftment take place in the communities among which we operate.

One of the ways in which the group approaches this latter goal is through the medium of targeted donations.

Social investment spending with which the group is associated makes use of funds derived from the Foschini Foundation, from group resources and from direct donations provided by staff members.

The Foschini Foundation was registered as an independent charitable organisation in August 2006. Its trustees as at its financial year-end were two independent non-executive directors of Foschini, E Osrin and D M Nurek. Its initial capital base was created by a donation from the group. The value of investments under its control at the year-end reduced to R62 million from R83 million last year as a result of the current market weakness. Its objective is to use its investment income to provide donations to selected charitable causes.

Donations made by the Foundation during the past year totalled R4.3 million. Merchandise donations for the benefit of public service organisations totalled R20 million at retail value. Additional donations to a value of R1.3 million were made by various divisions of the group in cash, sundry equipment, merchandise and services. Of their own volition and from their own resources staff members and business partners of the group contributed an additional R33 000.

It is well known that women and children are the most marginalised and vulnerable members of society. Women make up the majority of our employees as well as our customers. It is for these reasons that the beneficiaries of our CSI contributions will in the main be women and children. Consideration is also given to the disabled.
Our CSI strategy

Our aim regarding CSI expenditure is, where practical, to become involved in the conceptualisation, development and execution of our own CSI projects.

Our CSI expenditure remains channelled into the following key areas of concern:

- Education
- Skills Development
- HIV/AIDS
- Arts, Culture and the Environment
- Special Projects

The allocations of the combined cash donations from the group’s CSI funds and the Foschini Foundation for the past year are indicated below.

![CSI Spend Diagram]

<table>
<thead>
<tr>
<th>Category</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>20%</td>
</tr>
<tr>
<td>Skills Development</td>
<td>18%</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>12%</td>
</tr>
<tr>
<td>Arts, Culture and Environment</td>
<td>11%</td>
</tr>
<tr>
<td>Special Projects including bursaries</td>
<td>39%</td>
</tr>
</tbody>
</table>

Education

We believe that one of the keys to unlocking the potential of our country lies in the provision of and access to quality education for all citizens. We invest in projects that focus on improving the quality of literacy, numeracy, and mathematics and science education at the stage of early childhood as well as at primary and secondary levels.

Amongst the organisations that benefitted from this position are the Rural Education Project (through the University of Cape Town’s Schools Development Unit), the Western Cape Primary Science Programme, LEAP Science and Maths School, ORT-Tech South Africa, and READ Educational Trust.

We also continued to donate class-leading jungle gyms to impoverished rural schools in the Western Cape. All are primary schools participating in the Rural Education Project, chosen on the basis of most improved results in numeracy and literacy. To date we have donated 30 jungle gyms, and plan to provide more this year.

Funding of the EQUIP programme, which is run by the National Business Initiative, has been continued, support being given during the year to a high school in Gauteng.

Many of the institutions of higher learning provide educational programmes in nearby disadvantaged communities. Amongst those that we support are:

- Durban University of Technology – equipment, resources & stimulation for the children of Okubu Nezibini Educare Centre as well as sustaining student involvement;
- Rhodes University – mathematics education in rural schools in the Eastern Cape;
- University of Cape Town – the Rural Education Project;
- University of Pretoria – the Boipelo community building project; and
- University of the Western Cape – the UWC Science Academy Winter School.

Programmes that give support to disadvantaged students also receive funding.

Some of the other organisations working within the educational sphere which we supported are SMILE and the Carel Du Toit Trust.
Skills Development
For the economic development of the country it is essential that members of previously disadvantaged groups receive not only school education of good quality but also training to equip them with entrepreneurial skills to enter the world of work or to start their own businesses. With this in view, the group supports projects that provide skills for employment, job creation and entrepreneurship at post-school level.

Some of the organisations in this category that received financial support are The Big Issue, Etafeni Day Care Centre Trust, Grassroots Educare Trust, Learn to Earn, Lifeline Childline, Media & Training Centre for Health, Oasis Association, South African Council for the Blind, Tsiba Education, WHEAT Trust, Wozobona, Wilderness Foundation South Africa and Zenzele Training and Development.

HIV/AIDS
The group recognises that HIV/AIDS affects our staff, their families, our customers and the nation as a whole. There is an undeniable obligation to contribute to under-resourced programmes to contain this pandemic. Support was accordingly directed to organisations that assist orphan-headed households and to others that provide training and assistance for home-based care initiatives. These organisations included Cotlands, Kidzpositive, Ma Africa Tikkun Johannesburg, St Lukes Hospice and the University of Pretoria.

Through their activities and combined skills, these organisations educate the community about HIV/AIDS and train volunteers to counsel people infected and affected by HIV/AIDS.

Arts, Culture and the Environment
The group firmly believes in the need to support organisations that run projects to educate children about the Arts, Culture and the Environment in order for these to be sustained. Examples of organisations which received funding during the past year include the Zama Dance School, Friends of the National Gallery, Ikapa, The National Sea Rescue Institute and World Wide Fund.

Special Projects
For the fourth year, the group again proudly supported the “16 days of activism against abuse of women and children” during which the public is encouraged to ‘Act Against Abuse’. The campaign focuses on increasing the awareness of the negative effects of violence against women and children and raising the profile of some of the organisations who work in this field.

To ensure that the impact of the campaign was widely distributed, the decision was made to expand the number of beneficiaries from one to 20. Of the 20 organisations selected, sixteen received an award of R20 000 each and a sponsored interview on SAfm’s Nancy Richard’s Show, providing them with national exposure. The remaining four organisations received R5 000 each.

During 2008 the group received an award for “Exceptional Support” from the Deputy Minister of Provincial and Local government, having donated a total of R1.7 million to this initiative.

Other special projects for the year included a ‘casual day’ in aid of the Bel Porto School for the disabled, a Christmas cheer gift drive to benefit children’s organisations affiliated to the Child Welfare organisations in South Africa, and a blanket and canned food drive in aid of the Disaster Management organisation. In addition, donations were made to Red Cross Children’s Hospital, Tygerberg Children’s Hospital and the SPCA.

Working together on corporate social investment
The group’s CSI initiative is very much a team effort. We actively encourage a culture of philanthropy and community involvement amongst our employees and business partners. In pursuit of this, the group’s CSI department works with the employees of the trading and service divisions on their individual projects to maximise effectiveness.

These projects are incentivised. To recognise employees who volunteer for community work in their spare time, the group provides Rand-for-Rand grants to staff members through their “staff community builder” programme, which commenced in 2004.

Individual trading and service division projects are also provided with Rand-for-Rand support.

Beneficiaries selected by staff members of our divisions include:

Nazareth House
Noeduluntu Trust
Solomon’s Haven
Ubuhle Babatwana
RCS Group undertook various projects during the year in the areas of education, HIV/AIDS, poverty alleviation and welfare and public services at a total cost of R921 860. This division’s flagship project is a partnership with TSIBA, a free tertiary educational institution. Together they developed a financial literacy curriculum aimed at empowering students with skills to manage their finances in a responsible way.

**EMPLOYMENT EQUITY**

The group remains compliant with all aspects of the Employment Equity Act, No. 55 of 1998. This requires timeous submission of an annual employment equity report and plan to the Department of Labour, consultation with employees, communication of the report and plan to employees, and regular policy and facility audits to ensure that no barriers to employment equity exist.

An employment equity audit was undertaken by the Department of Labour, comprising a detailed analysis of all employment equity reports and plans, the group’s HIV/AIDS policy and minutes of employment equity forum meetings. An action plan arising from their findings has been implemented.

At store level, regular inspections by the Department of Labour’s inspectorate have confirmed compliance.

There is currently an industry-wide initiative in the Western Cape headed by Business Unity South Africa to fully explore the reasons for the difficulty in attracting and retaining black talent at senior management levels within the region. The group is a participant in this initiative via the Retailers Association. The research should be completed by the end of this year, which will provide us with valuable insight and guidance in achieving our targets at this level.

**Our areas of strategic focus**

**Recruitment**

The group continues to strive to improve sourcing and recruitment techniques in order to attract top talent, and more specifically top black African talent. In this regard, the group has become a corporate member of the Black Management Forum.

All vacancies are placed on our internet and intranet sites, simplifying the advertising and application process. A computerised recruitment tool for the storage and data mining of employment applications has simplified the process of matching applicants to available positions. There are currently 22 826 active applications on record.

The annual graduate recruitment campaign continues to be a priority area and of the 35 trainees who commenced employment in January 2009, 80% were from previously disadvantaged groups.

The majority of our head office and field management appointments last year were aimed at previously disadvantaged groups.

The percentage of employees recruited from previously disadvantaged groups is as follows:

<table>
<thead>
<tr>
<th>October</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>75%</td>
</tr>
<tr>
<td>2004</td>
<td>80%</td>
</tr>
<tr>
<td>2005</td>
<td>81%</td>
</tr>
<tr>
<td>2006</td>
<td>83%</td>
</tr>
<tr>
<td>2007</td>
<td>87%</td>
</tr>
<tr>
<td>2008</td>
<td>89%</td>
</tr>
</tbody>
</table>

A breakdown of recruitment by ethnic group as given in our most recent employment equity progress report is depicted below:

![Recruitment Diagram](image_url)
Consultation and communication
The Employment Equity Consultative fora, bringing together employee representatives from all occupational levels, genders and race groups, and which incorporate the Skills Fora, have met on a quarterly basis. Their role is to assist management in ensuring that no barriers exist in terms of skills development and employment equity policy. These fora are actively involved in the formulation of the employment equity plans at departmental, divisional and group levels.

Physically disabled
A number of agencies and NGOs were consulted during the course of the year in order to gain access to potential employees from this sector. Although our head office facilities are suitable for and accessible to disabled employees, this remains an area of challenge for our employment strategies.

Workforce profile
In our employment equity submission of October 2008, previously disadvantaged employees comprised 85% of our workforce compared to 83.7% in October 2007 and 80.7% in October 2006. The current target of 90% for October 2010 appears to be achievable if current progress is maintained.

The table below depicts a summary of our employment equity report as at the end of February 2009, as required by Section 22 of the Employment Equity Act.

<table>
<thead>
<tr>
<th>Occupational Levels</th>
<th>Male</th>
<th></th>
<th></th>
<th>Total</th>
<th>Female</th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>8</td>
<td>–</td>
<td>–</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Senior Management</td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>59</td>
<td>2</td>
<td>2</td>
<td>53</td>
<td>5</td>
</tr>
<tr>
<td>Prof. Middle Management</td>
<td>17</td>
<td>58</td>
<td>12</td>
<td>140</td>
<td>23</td>
<td>76</td>
<td>17</td>
<td>284</td>
</tr>
<tr>
<td>Skilled, Jnr Mgt, Sup.</td>
<td>156</td>
<td>168</td>
<td>34</td>
<td>90</td>
<td>424</td>
<td>648</td>
<td>158</td>
<td>567</td>
</tr>
<tr>
<td>Semi-skilled</td>
<td>1155</td>
<td>622</td>
<td>99</td>
<td>98</td>
<td>3894</td>
<td>2479</td>
<td>486</td>
<td>528</td>
</tr>
<tr>
<td>Unskilled</td>
<td>40</td>
<td>66</td>
<td>–</td>
<td>–</td>
<td>20</td>
<td>83</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total Permanent</td>
<td>1369</td>
<td>919</td>
<td>146</td>
<td>395</td>
<td>4361</td>
<td>3288</td>
<td>662</td>
<td>1433</td>
</tr>
</tbody>
</table>

The table above shows the breakdown of the workforce by gender and nationality.
Evidence of our overall progress in remedying imbalances in the ethnic composition of the group's workforce over the past eight years is depicted below.

This chart excludes employees of RCS Group as the target date of that division’s plan differs by three years from that of the rest of the group, and is thus not comparable. Those employees total 6.7% of headcount and thus do not significantly affect the statistics.

The chart below depicts our current employee status compared to our 2010 target.
A table indicating the change in representation of previously disadvantaged groups amongst permanent employees is provided below.

<table>
<thead>
<tr>
<th></th>
<th>October 2008</th>
<th>October 2007</th>
<th>October 2006</th>
<th>October 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior management</td>
<td>7.1</td>
<td>5.3</td>
<td>6.3</td>
<td>4.6</td>
</tr>
<tr>
<td>Specialists and middle management</td>
<td>31.7</td>
<td>29.2</td>
<td>29.8</td>
<td>30.0</td>
</tr>
<tr>
<td>Skilled technical and junior management</td>
<td>70.1</td>
<td>66.9</td>
<td>63.0</td>
<td>59.3</td>
</tr>
<tr>
<td>Semi- and unskilled employees</td>
<td>93.0</td>
<td>91.1</td>
<td>88.6</td>
<td>86.6</td>
</tr>
</tbody>
</table>

A table indicating the change in representation of women amongst permanent employees is provided below.

<table>
<thead>
<tr>
<th></th>
<th>October 2008</th>
<th>October 2007</th>
<th>October 2006</th>
<th>October 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior management</td>
<td>44.9</td>
<td>38.2</td>
<td>38.4</td>
<td>39.9</td>
</tr>
<tr>
<td>Specialists and middle management</td>
<td>63.3</td>
<td>63.3</td>
<td>63.7</td>
<td>63.4</td>
</tr>
<tr>
<td>Skilled technical and junior management</td>
<td>80.0</td>
<td>79.5</td>
<td>79.3</td>
<td>80.1</td>
</tr>
<tr>
<td>Semi- and unskilled employees</td>
<td>78.9</td>
<td>79.0</td>
<td>79.4</td>
<td>79.1</td>
</tr>
</tbody>
</table>

Namibian employees: The Affirmative Action (Employment) Act of 1998 required that as from 2001 an annual report and plan be submitted to the Employment Equity Commissioner. We have complied with this requirement each year.

The group’s workplace profile in Namibia continues to be well representative of the demographics of the country, with 92.3% of employees from the previously disadvantaged groups. A continued effort is being made to obtain full gender representation.

Training and development remain a matter of priority in ensuring that progress is made to obtain sustainability of our operations and balanced growth in our staff complement. Of the training delivered, 98% was to people of previously disadvantaged groups.
TALENT DEVELOPMENT

Talent development principles
Skills development is seen as one of the key components of the group’s process of talent management. This is a critical function in view of the prevailing shortage of skills in South Africa and the intense competition that takes place to attract and retain talented employees.

Our performance management philosophy underpins our talent development approach. Targets and objectives are discussed and set for each employee in March of every year and progress reviewed six months later. It is in these discussions that developmental needs are identified and individual training plans put into place. These plans are then consolidated into the annual Workplace Skills Plan for the group.

Our curricula aim to encourage collaboration across the group’s divisions.

Training and development are largely centralised to ensure consistency and best practice and are benchmarked locally and internationally. The group places high value on the competence of those undertaking the training, and there is consistent input and evaluation to ensure that high standards are achieved.

Talent development focuses on the following scarce and critical skills areas:

• management and leadership development;
• merchant development (buyers, planners and designers);  
• field manager and store manager development; and
• financial awareness.

Skills legislation
The group is registered with the Wholesale and Retail Seta (W&R Seta) as well as the Services Seta and was awarded a national skills development award by the Minister of Labour. This award recognises not only the group’s compliance with all skills legislation but also the quality of training and development provided for all staff members.

The group continues to be represented on the Wholesale and Retail Seta Standards Generating Body and various other fora and has received all grant payments to which it was entitled.

Management and leadership development
The group’s leadership strategy aims to develop capability and competence at every leadership level in the organisation.

Our leadership development framework is embedded in a leadership pipeline model that governs career management and succession planning as well as targeted development interventions. This pipeline and its alignment to our competency model aim to ensure that leaders at various levels are measured, assessed and developed in accordance with an appropriate model of behaviour and competencies for their career progression.

An assessment centre approach, where each leadership level is assessed and measured against appropriate patterns of behaviour and competence, is currently under development. Progression to the next leadership level is based on mastery of these factors and leaders are given sufficient time to achieve proficiency.
Merchant development

Our merchant trainee development programme is a structured programme available to new and young talent in the group. It is run over a period of 18 to 36 months and combines technical and generic programmes to build the capacity of the trainee buyers and planners. They are given the opportunity to spend time in various areas of the group’s businesses, gaining valuable hands-on experience and knowledge. The programme is supported by a coaching initiative by which each trainee receives training from a technical coach as well as a senior mentor. The trainees enjoy a high level of exposure to and interaction with senior management throughout this programme.

Our merchant academy for existing merchants has a curriculum that offers various technical programmes designed to support the building of their technical competencies. The curriculum is based on an integrated approach, yet having flexibility for customisation across the divisions. The programme harnesses the existing talent within the group by using skilled staff members as in-house facilitators, so encouraging multi-skilling and the use of best practices by all merchants.

Our supply chain programme is a training and development programme designed to support the group’s supply chain initiative. It aims to give:

- exposure to the generic principles of supply chain management;
- exposure to the technical aspects of new supply chain processes being put into place; and
- basic awareness training on the crucial communication required to support collaborative relationships internally and externally.

Field manager and store manager development

Our retail managers development programme is a tailored programme aimed at our high-potential senior black field managers. This programme focuses on the leadership competencies required to assist trainees to make a smooth transition to the next leadership level in the organisation. It combines generic leadership development, facilitated discussions on topical issues, exposure to black business leaders and technical development.

Our field academy is a structured programme available to all area managers. Its purpose is to improve the competencies of area managers in the fields of technical issues, leadership, management and coaching.

A comprehensive store managers’ curriculum has been designed to enhance and develop the technical and management competencies of store managers. The curriculum comprises formal face-to-face workshops as well as self-teach distance learning workbooks. The workbooks are based on the unit standards found in the curriculum of national certificate candidates, with operations qualifications at levels 2, 3 and 4. They have all been registered as skills programmes with the W&R SETA.

The outputs in the sales associate and store manager performance review documents have each been linked to one or more of these training interventions, thus making it easier for line management to identify the appropriate developmental option to recommend when competence is not at the required level.

Developing manager’s programme

The need for career progression opportunities for store staff members other than store managers is catered for by a developing manager’s programme based on the registered skills programmes. Candidates are identified on the basis of their potential, which is evaluated before they are accepted on the programme. Each learner is assigned a coach/mentor who has been through appropriate training. Registered assessors are also allocated to each learner. The advantage to the business of the programme should be the availability of a pool of competent staff ready to fill managerial vacancies in any of the divisions throughout the group.

Additions to the curriculum are the cell phone and cosmetic academies which will focus on the technical skills required for these specialised products.
Financial awareness

The group is mindful of the importance of providing all levels of staff with an understanding of money management from a personal perspective as well as in terms of business financial management. With this in mind the group has introduced a money management intervention in partnership with Old Mutual that raises awareness of basic money management tools. Finance for non-financial managers is based on the unit standards found in the National Certificate: Operations qualifications as level 2, 3 and 4. These programmes make up one of the generic training interventions offered.

Research & development function

A new research and development function has been integrated into the group Human Resources division which straddles the dual themes of organisational development and talent development and planning. This key role serves to ensure that these critical HR functions are kept abreast of industry trends and practices – both nationally and globally. Key aspects include ongoing benchmarking, surveys and dialogue with key personnel within the group and externally to source new products and services as well as adapting existing models. A major part of this function is innovation and constructive change in order to develop, engage and retain our staff in all facets of the business.

Training statistics 2009 2008

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of interventions attended by all staff (This includes details of store staff trained in-store on specific interventions. These figures have not been included in previous reports)</td>
<td>73 526</td>
<td>11 004</td>
</tr>
<tr>
<td>Total number of interventions attended by black staff members</td>
<td>60 699</td>
<td>9 520</td>
</tr>
<tr>
<td>Total number of interventions attended by black female staff members</td>
<td>41 477</td>
<td>6 657</td>
</tr>
<tr>
<td>Total spend on training and development (including cost of salaries for in-store training interventions)</td>
<td>R62.2 m</td>
<td>R42.3 m</td>
</tr>
</tbody>
</table>

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

The group fully supports BBBEE and has adopted a strategy that will ensure compliance with the BBBEE codes of good practice.

The transformation committee formulates, monitors and reviews all aspects of the group’s BBBEE policies and strategies. This committee has also adopted a transformation charter that is reviewed each year.

There are sub-committees for each of the seven elements of the BBBEE generic scorecard and scorecard targets have been set. The sub-committees meet quarterly and report directly to the transformation committee.

In the Financial Mail / EmpowerDEX survey of top empowerment listed companies the group ranked 2nd, 4th, 2nd and 3rd in 2009, 2008, 2007 and 2006 respectively within the retail sector. The group is currently an accredited BBBEE level-6 contributor.

The transformation committee has set an overall target of being a BBBEE level-4 contributor by 2011, together with goals for each of the seven elements of BBBEE.

The group is rated every year by an independent BBBEE verification agency. The verification agency used is now a SANAS-accredited verification agency. Group suppliers will be required to obtain annual ratings through such accredited verification agencies.

The group has been proactive in educating suppliers about BBBEE and this will continue.
EMPLOYEES AND EMPLOYEE BENEFITS

Staff complement
The staff complement at the group’s head offices and stores at the year-end comprised the following:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent full-time employees</td>
<td>10 075</td>
<td>9 311</td>
<td>8 781</td>
<td>8 155</td>
<td>7 469</td>
</tr>
<tr>
<td>Permanent part-time employees</td>
<td>313</td>
<td>289</td>
<td>113</td>
<td>323</td>
<td>257</td>
</tr>
<tr>
<td>Flexitime employees</td>
<td>3 103</td>
<td>2 600</td>
<td>2 776</td>
<td>2 337</td>
<td>2 658</td>
</tr>
<tr>
<td>Contract employees</td>
<td>947</td>
<td>568</td>
<td>724</td>
<td>327</td>
<td>329</td>
</tr>
<tr>
<td>Casual employees</td>
<td>1 029</td>
<td>2 221</td>
<td>2 801</td>
<td>2 989</td>
<td>2 867</td>
</tr>
</tbody>
</table>

The gender composition of the workforce, heavily weighted towards female employees, remained relatively static, with women making up 76,6% of the total compared to 78,2% in the previous year and 77,6% in the year before.

The group has a relatively young age profile, the average age being 30 years. Of this total, 91,2% are under the age of 40 years. A breakdown of the group’s employees by age over a two-year period is set out in the following chart.
Retirement funding

All permanent staff of wholly-owned subsidiaries are required to join the Foschini Group Retirement Fund, which is a defined contribution fund registered in terms of the Pensions Fund Act, No. 24 of 1956. The administration of the fund is undertaken by the group in accordance with an agreement approved by the Financial Services Board. The fund is managed by a board of trustees that meets quarterly. The trustees receive no remuneration for their services. Particular attention is paid to trustee training in order to ensure that trustees remain abreast of legislative changes and other developments within this specialist area. The assets of the fund are under the control of the trustees, who are advised by external consultants. Sub-committees for strategy and investments meet quarterly and the benefits sub-committee meets monthly. Despite the volatility of financial markets the fund achieved an overall performance return of –2.6% during its financial year, which was substantially better than most other funds in South Africa and far better than the All Share Index of the JSE securities exchange which returned –23.2% over the same period. Total market value of the assets of the fund at 31 March 2009 amounted to R2.2 billion, which is R0.4 billion lower than the previous year. Pensioners were awarded an increase of 9% effective from 1 January 2009, which is in line with the pensioner increase policy of the fund to award at least inflationary increases, subject to affordability. As required by the Pension Funds Act, 50% of the trustees are member-elected. The term of office for all trustees representing either the employer or members is three years, after which the trustees are eligible for re-election. Trustee elections were held during the financial year. Induction training is provided to new trustees, who also participate in the regular ongoing training noted above. Apart from retirement benefits, the following are provided by the fund:

- a funeral benefit of R7 500 for the principal member and spouse and a lesser benefit for their dependent children;
- a death benefit of three times annual salary as well as the member’s gross equishare is available to provide benefits to dependants and beneficiaries, payable in the event of death in service; and where the death is accidental, a further benefit of twice annual salary is payable; and
- in cases of disablement, an insured disability benefit is provided to qualifying staff members, equating to 75% of pensionable salary earned at the time of becoming disabled, payable until attainment of normal retirement age (subject to continued disablement), after which the normal retirement benefit becomes effective.

Employees of RCS Group are not members of the Foschini Group Retirement Fund but receive comparable benefits from either Liberty Life Provident Fund, Liberty Life Pension Fund or the SACCAWU Provident Fund. Where required, employees of subsidiaries trading outside South Africa belong to umbrella funds that comply with the legislation of the relevant country. A formal risk assessment of the retirement fund is undertaken at least annually. Taking into account mitigating factors, HIV/AIDS remains the highest potential risk to the fund. Risk is minimised by undertaking regular actuarial valuations, external expert prevalence projections, and ongoing programmes on HIV/AIDS education and awareness. The fund is moreover able to amend its benefit levels.

The Foschini Group Medical Aid Scheme

The Foschini Group Medical Aid Scheme is an in-house, subsidised medical scheme that is designed to best suit the needs of most employees. Membership is voluntary except for senior employees. The average number of principal members at 31 December 2008 (the financial year-end of the scheme) was 2 355, covering approximately 4 889 lives in total. The scheme is administered by the Metropolitan Health Group and is fully compliant with the Medical Schemes Act. The board of trustees of the scheme is responsible for all aspects of its operations, which are reviewed by both the Foschini group medical aid audit committee and the external auditors. The board of trustees makes use of a medical schemes consultant and an actuary who provide specialised advice and participate in monthly operational and quarterly board meetings. The trustees and audit committee receive no remuneration for their services. The accumulated funds ratio of the scheme at 31 December 2008 was 85%, which is well in excess of the required minimum of 25%, but not excessive for a small in-house scheme that will be subject to greater volatility than the norm as a result of sporadic large claims.
The financial health of the scheme favoured contribution increases which took effect in January 2009, the increases being 5% and 7.5% respectively for the two benefit plans available, compared to 4.5% and 7.5% for the previous year. In both years the increases were significantly below medical inflation. In addition, general benefit improvements were applied to match or exceed inflation in the various medical categories.

A risk assessment of the scheme is undertaken at least annually, both by the trustees and the administrators. The highest risk identified by the trustees is the volume of legislation affecting medical schemes. Keeping abreast of all current and pending legislation and adapting the scheme’s rules accordingly assists in managing this risk.

### Other health plans

An external medical scheme, Ingwe Health Plan, is also available to group employees, and is subsidised by the group in the same way as the in-house scheme. The plans offered cater for lower-income earners and provide basic healthcare through capitation agreements with large hospital groups. Ingwe forms part of the black-empowered African Life group. Currently a total of 247 group employees are members, together with their dependants.

Employees outside South Africa may elect to join medical schemes that are similarly funded by the group.

All permanent staff of RCS Group are required to become members of a medical plan of their choice offered by Discovery Health.

### Bursary scheme

The group operates a bursary scheme for children of employees, funded by the Foschini Foundation. This scheme is in the process of being phased out and a new scheme is to be introduced during the next financial year. The aim will be to bring new talent into the group.

### Educational assistance

Low-interest loans are available to employees to assist with the costs of tertiary education for their children. These loans are available on an annual basis for each child and are repayable over two years to improve affordability.

### Home assistance

Similarly, low-interest loans are available to employees to assist with the purchase or improvement of property. These loans are weighted towards providing greater assistance in the purchase or improvement of property within the lower price brackets. During this period, 46 qualifying staff members took advantage of this facility, 89% of whom were previously disadvantaged.

Employees may access further financial assistance for home purchases or improvements from an outsourced facility, utilising their share in the Foschini Group Retirement Fund as security. This is subject to the rules of the fund. The total of these loans at the year-end was R7.3 million.

### Sponsorship

Employees are encouraged to undertake studies that will assist them in their current or future careers with the group. Sponsorship varies according to the level of study and requires greater financial commitment from employees at higher educational levels. Support for matriculation study fees is 100%. Coupled to this, the group offers sponsorship for the UNISA Retail Certificate, an intensive one-year retail-specific diploma.

Of employees receiving general sponsorship at the end of the current financial year, 78% were from previously disadvantaged groups, a percentage similar to that of previous years.
Healthcare

The group has delegated the management of occupational health to an external service provider. Curative and preventative care is provided from a centrally-located occupational health clinic permanently staffed by two nursing sisters with qualifications in occupational health. A medical doctor is on site twice a week to assist with cases requiring specialised attention.

The clinic provides a service to all employees working at the head office campuses as well as those at the distribution centres.

Services offered include family planning, HIV testing, primary health care, counselling for psycho-social stress, health education and health screening.

In addition, a confidential, outsourced employee wellness help-line facility has been introduced, which is manned by a qualified social worker. It has been well promoted to all staff members by posters, payslip attachments and the intranet. This facility extends beyond issues of health, and includes financial matters, trauma, interpersonal relationships, legal issues, substance abuse, HIV/AIDS and general enquiries. The issues unrelated to health are referred to selected service providers at no cost to the employee.

The service provider is also responsible for the management of ill-health within our stores through the WAKE programme, as well as any injuries on duty in terms of the Commission for Occupational Injuries and Diseases Act (COIDA). It also facilitates the group’s disability benefit processes, which provide an income replacement benefit to employees who are unable to work as a result of ill-health or injury for an indefinite or fixed period of time.

Employee relations

The group has a documented disciplinary and grievance policy and procedure, which is based upon the principles of fairness and correction rather than punitive action. This is available to all staff members on the group’s intranet.
STAFF SAFETY

The group is committed to ensuring a safe and healthy working environment for its entire staff. Like most other retailers, it operates within a low risk environment.

The group complies with all relevant legislation, in particular the Occupational Health and Safety Act of 1993.

The statistics for reported incidents involving staff members of the group are set out below:

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of working days lost</td>
<td>1 510</td>
<td>1 399</td>
</tr>
<tr>
<td>Number of incidents</td>
<td>445</td>
<td>340</td>
</tr>
<tr>
<td>Average cost per incident</td>
<td>R346</td>
<td>R339</td>
</tr>
<tr>
<td>Total cost of incidents</td>
<td>R153 877</td>
<td>R115 389</td>
</tr>
</tbody>
</table>

Note: The total costs reflected above are recorded as at the financial year-end, and may differ once all claims are finalised.

The majority of incidents reported were minor, and there were no fatalities. In 349 instances, not more than three working days per incident were lost, compared to 232 last year.

HIV/AIDS

The group has a formal HIV/AIDS policy in place, aimed at combating the spread and minimising the impact of HIV/AIDS on our employees as well as promoting non-discriminatory practices. This policy has been communicated to all existing employees, is available on our intranet and is included in the sign-on pack for all new employees.

In an effort to minimise the impact of HIV on our staff as well as attendant costs to the group, access to free and confidential HIV testing and counselling are provided to all employees through an external network of pharmacies managed by Occupational Care South Africa (OCSA). Employees are encouraged to ascertain their HIV status in order to enable them to take responsibility for their health. Those employees whose status is negative are encouraged to adopt safe behaviour to retain this status, whilst those who test HIV-positive are encouraged to enrol on a world-class disease management programme offered by QUALSA. All treatment is confidential and provided free of charge to permanent employees so that they can remain healthy and can work productively for as long as possible.

This benefit has been available to all members of the Foschini Group Medical Aid Scheme since 2005 and was launched to uninsured staff in September 2006. To date, 767 staff members have had an HIV test through this programme. Of these, 62 are HIV-positive and treatment is being provided to 40 through this disease management programme. Some of our employees are registered with other programmes funded by their own medical aid schemes while others receive treatment from the state.
According to a risk assessment commissioned by the group and conducted by the Health Monitor Company in 2005, it was estimated that 7.0% of the company’s employees would be HIV-positive in the calendar year 2008 (for 2007 their estimate was 6.99% and for 2006 it was 6.86%). The estimated average cost to the group for 2008 associated with HIV infection without any intervention was R11 685 per HIV-positive permanent, permanent part-time and flexitime employee, equating to a total group cost for that year of R11,03 million. This cost was based on all potential incremental costs, including paid sick leave, funeral costs, lost productivity, increased group life and disability expenses, cost of training and lost expertise, additional cost of incapacity as well as generally increased medical costs.

To date the direct measurable cost to the group has been substantially less. For the past year, it amounted to R325,900 before taking into account recoveries from medical schemes.

Ongoing free and confidential on-site HIV counselling and testing continues to be available through the clinic at the head office in Cape Town and features prominently during the group’s annual Wellness Days at the head office in Parow as well as at the regional office in Isando.

Following on from the success of a pilot voluntary counselling and testing campaign launched in the 2007 calendar year, three further campaigns were undertaken in 2008. Under the banner of “Retailers United Against HIV/AIDS”, 295 employees from the group and three other concerned retailers provided free voluntary counselling and testing. Plans are well under way to expand this successful initiative to additional shopping centres and bringing on board more retailers.

In November 2008, the group launched an HIV benefit for all its Namibian employees through a series of information sessions hosted in Windhoek, Swakopmund and Walvis Bay. Representatives from New Start, a non-governmental organisation that offers free and confidential HIV testing, as well as the risk equalisation fund, Health is Vital, attended these sessions. The group has contracted Health is Vital to provide free and confidential treatment for HIV-positive employees through its Vitality programme. The projected annual cost to the group of providing this benefit is N$91 800.
SUPPLIERS

It is important that our manufacturing and merchandise suppliers share the same ethics and values as ourselves. Our suppliers have been issued with supplier agreements for signature which require their compliance with, inter alia, labour and customs and excise legislation.

Regular audits are undertaken at their premises. We require any recorded deviations from agreed standards to be remedied if the suppliers are to retain a business relationship with the group.

ENVIRONMENT

In line with the group’s objective of minimising its environmental impact, an environmental committee has been established. The committee comprises senior managers from all areas of the business, and meets monthly. Its scope is all-encompassing and its mandate is to minimise the environmental impact and carbon footprint made by the group and its stakeholders in all identified spheres. It reports quarterly to the chief executive officer and three members of the operating board. In order to ensure that the process is fully inclusive, the committee issues regular e-mails to all staff encompassing all aspects of environmental awareness.

Whilst retail businesses supplying clothing and related products have a low impact on the environment, we are well aware that responsible use of limited resources is imperative. There have been no environmental incidents of any significance within the group and no penalties or fines have been imposed by any environmental regulatory authority.

During the course of the year, a carbon footprint analysis was commissioned and completed. This has provided us with a benchmark for the measurement and reduction of our carbon emissions in the future.

In addition, the following measures are in force:

- a member of the operating board has responsibility for setting environmental policy, objectives, targets and reporting processes;
- an environmental policy has been compiled;
- an environmental risk assessment is undertaken annually;
- all of the group’s known direct and indirect environmental impacts have been identified and tabled;
- an ongoing interactive awareness campaign is undertaken involving all staff members in regard to environmental issues; and
- an undertaking by the group exists to reduce and control each identified negative impact and to make optimal use of diminishing natural resources.

Our environmental policy is available to the staff through the group’s intranet.

Our direct impacts

Cardboard, paper, plastics and cans

The amount of cardboard and waste paper generated by the group’s distribution centres and head office approximates 102 000 kilograms per month. The vast majority of this is sent to recyclers. A portion of the waste cardboard is shredded and utilised as protective packaging. We anticipate a reduction of 15 000 kilograms per month in our cardboard waste in the next reporting period because of intended reuse of undamaged cartons.

Plastic waste from these sites is minimal as a result of the elimination of shrink-wrapping of cartons. Residual plastic waste is sold to the recycling industry.

Document imaging is currently being implemented in selected areas within the group that have a high volume of paper usage and storage. It is intended to extend this technology to other parts of the group. The saving in paper is uncertain at this stage.

Cardboard and other waste at stores continues to be controlled by means of shopping centre disposal processes and transmission into the informal sector.

Plastic hangers were recycled during the year, the cleaning and sorting processes being performed by The Workshop and House Horizon in Stellenbosch and Chris Steytler Industries in Bellville. In future all merchandise will be flat-packed and hangers will be retained within the stores. This will result in reduced packaging, transport and plastic production, favourably impacting upon our carbon footprint.

All plastic bags used by the stores are durable and reusable, being made of sheeting that is at least 30 microns thick. In certain divisions use is also made of recyclable paper packets.

Special bins for the disposal of tins have been placed in the head offices and distribution centres. Staff are encouraged to place all of their cooldrink and other tins in these containers, as the waste is then sent for recycling.
Electricity and water

With the ongoing energy crisis, there is a concentration of effort surrounding power-saving initiatives.

An independent electrical and lighting design consultant has been appointed to advise the group on optimal energy efficiency at its stores, and also to investigate stores where the electricity cost per square metre is out of line with comparable stores.

Head office buildings utilise energy management systems and energy-efficient lighting to minimise the use of electricity. Signage has been placed in head office buildings to ensure that staff members do not make use of unnecessary lighting where it is not required. This includes unused conference rooms and display areas.

The air-conditioning plant in the main head office complex houses ice tanks that generate ice during off-peak hours, which is used for day-time cooling. Last year, the operating time of the air-conditioning plant was reduced by two hours per day, and further seasonal reductions are being considered.

Where possible, computers at head office locations are switched off at night, and computer procurement now includes a requirement for energy efficiency.

All new and refurbished stores are as a matter of course fitted with energy-saving lighting and control-gear. In existing stores, energy-efficient lighting is being installed when replacement is required.

Where it is practical and safe to do so, stores are now switching off all or most lights outside trading hours.

Water is primarily consumed for personal and hygiene purposes. Regular maintenance ensures that there is minimal wastage.

Electricity and water expenditure is monitored by the trading and service divisions each month against budgets and records of the previous year, and variances are followed up.
Printers, faxes, copiers and laser cartridges
All printers and fax machines make use of recycled laser cartridges. Double-sided printing is being introduced in head office facilities. In addition, multi-purpose copiers have been replaced with energy-efficient units.

Vehicles
Company vehicles are checked and serviced in accordance with the manufacturers’ prescribed intervals. Merchandise transport is managed by outsourced professionals who, by the nature of their operations, ensure that their vehicles perform at optimal efficiency. As this is one of the group’s larger areas of environmental impact, we intend to engage with the service providers in order to ascertain how best carbon emissions can be minimised.

Air-conditioning systems
All air-conditioning systems are maintained by outsourced technicians in terms of a regular maintenance programme. Refrigerants are not discharged into the atmosphere but recovered and recycled. Only refrigerants that comply with the requirements of the Montreal Protocol are used.

Electronic waste
Fluorescent tube and general lamp disposal at head offices and distribution centres is controlled by an environmental waste management company. In the main, stores currently rely on the disposal processes of their local municipalities or of the shopping centres in which they are located.

Redundant computers are sent to an established electronic recycling company. They are stripped of recyclable materials and the unusable components are disposed of in a manner that is not harmful to the environment.

Used watch batteries from both our jewellery stores and head office watch repair workshop are similarly disposed of in an environmentally-friendly manner.

Via our intranet, staff members are encouraged to make use of the environmental disposal service for old cell phone components offered by all MTN franchise dealerships.

Our indirect impacts
Property development
The group will not enter into leases where developers have not conducted the required environmental impact assessments.

As is noted in the Group Property division’s report, there is a growing trend towards the design and construction of eco-friendly shopping malls. While certain initiatives can be adapted to existing buildings, the key benefits will be generated from new, eco-friendly design concepts.

Whilst very much in its infancy in South Africa, we will engage with our landlords in this initiative.
## VALUE ADDED STATEMENT
for the years ended 31 March

<table>
<thead>
<tr>
<th>Note</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rm</td>
<td>%</td>
</tr>
<tr>
<td>Retail turnover</td>
<td>8 089,6</td>
<td>7 668,7</td>
</tr>
<tr>
<td>Dividends received</td>
<td>19,1</td>
<td>17,2</td>
</tr>
<tr>
<td>Paid to suppliers for goods and services</td>
<td>(4 626,5)</td>
<td>(4 381,1)</td>
</tr>
<tr>
<td>Value added</td>
<td>3 482,2</td>
<td>100,0</td>
</tr>
</tbody>
</table>

### Applied as follows:

#### Employees
- Remuneration to employees | 1 222,0 | 35,1 | 1 132,7 | 34,3 |

#### Providers of capital
- To lenders as finance charges | 249,8 | 7,2 | 120,1 | 3,6 |
- To shareholders as dividends | 692,6 | 19,9 | 692,6 | 21,0 |

#### Taxation
- Taxation | 557,0 | 16,0 | 565,3 | 17,1 |

#### Reinvested
- Reinvested in the group to finance future expansion and growth | 1 760,8 | 21,8 | 794,1 | 24,0 |

#### Employment of value added

<table>
<thead>
<tr>
<th>Note</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3 482,2</td>
<td>100,0</td>
</tr>
</tbody>
</table>

### Notes to the Value Added Statement

1. **Reinvested in the group to finance future expansion and growth**
   - Depreciation and amortisation | 231,1 | 6,6 | 204,7 | 6,2 |
   - Deferred taxation | (7,4) | (0,2) | (50,9) | (1,5) |
   - Retained income | 537,1 | 15,4 | 640,3 | 19,3 |
   - Total | 760,8 | 21,8 | 794,1 | 24,0 |

2. **State taxes**
   - Direct taxation as above | 557,0 | 565,3 |
   - Net value added taxation | 251,2 | 310,4 |
   - Employees taxation | 109,1 | 122,6 |
   - Channelled through the group | 917,3 | 998,3 |

<table>
<thead>
<tr>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>35,1%</td>
</tr>
<tr>
<td>Reinvested</td>
<td>21,8%</td>
</tr>
<tr>
<td>Taxation</td>
<td>16,0%</td>
</tr>
<tr>
<td>Providers of capital</td>
<td>27,1%</td>
</tr>
</tbody>
</table>

FOSCHINI GROUP ANNUAL REPORT 2009 123
This table is a summary of the group’s reporting against the Global Reporting Initiative’s Sustainability Reporting Guidelines.

<table>
<thead>
<tr>
<th>GRI reference</th>
<th>Section in this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Vision and Strategy</td>
<td></td>
</tr>
<tr>
<td>1.1 Vision and strategy</td>
<td>Corporate Profile</td>
</tr>
<tr>
<td>1.2 CEO’s Statement</td>
<td>Chief Executive Officer’s Report</td>
</tr>
<tr>
<td>2. Profile</td>
<td></td>
</tr>
<tr>
<td>2.1 Name of organisation</td>
<td>Administration</td>
</tr>
<tr>
<td>2.2 Major products and services</td>
<td>Corporate Profile</td>
</tr>
<tr>
<td>2.3 Operational structure</td>
<td>Corporate Structure</td>
</tr>
<tr>
<td>2.4 Organisational structure</td>
<td>Review of Operations; Subsidiary Companies</td>
</tr>
<tr>
<td>2.5 Geographic locations</td>
<td>Corporate Profile</td>
</tr>
<tr>
<td>2.6 Nature of ownership/legal form</td>
<td>Shareholdings; Corporate Profile</td>
</tr>
<tr>
<td>2.7 Nature of markets served</td>
<td>Corporate Profile</td>
</tr>
<tr>
<td>2.8 Scale of reporting organisations</td>
<td>Sustainability Report; Annual Financial Statements</td>
</tr>
<tr>
<td>2.9 List of stakeholders</td>
<td>Sustainability Report; Shareholdings</td>
</tr>
<tr>
<td>2.10 Contact person</td>
<td>Administration</td>
</tr>
<tr>
<td>2.11 Reporting period</td>
<td>Annual Financial Statements</td>
</tr>
<tr>
<td>2.12 Date of previous report</td>
<td>Annual Financial Statements</td>
</tr>
<tr>
<td>2.13 Boundaries of report</td>
<td>Not reported on</td>
</tr>
<tr>
<td>2.14 Significant changes</td>
<td>Chief Executive Officer’s Report</td>
</tr>
<tr>
<td>2.15 Basis for reporting</td>
<td>Not applicable</td>
</tr>
<tr>
<td>2.16 Restatements of information</td>
<td>Not applicable</td>
</tr>
<tr>
<td>2.17 Decisions not to apply GRI principles</td>
<td>Not reported on</td>
</tr>
<tr>
<td>2.18 Criteria/definitions</td>
<td>Group Statistics; Sustainability Report; Annual Financial Statements</td>
</tr>
<tr>
<td>2.19 Significant changes in measurement</td>
<td>Not applicable</td>
</tr>
<tr>
<td>2.20 Assurance</td>
<td>Corporate Governance Report</td>
</tr>
<tr>
<td>2.21 Independent assurance</td>
<td>Not reported on</td>
</tr>
<tr>
<td>2.22 Additional information</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3. Governance structure and management systems</td>
<td></td>
</tr>
<tr>
<td>3.1 Governance structure</td>
<td>Corporate Governance Report</td>
</tr>
<tr>
<td>3.2 Independence, non-executive directors</td>
<td>Directorate; Corporate Governance Report</td>
</tr>
<tr>
<td>3.3 Board member expertise</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.4 Board level processes</td>
<td>Corporate Governance Report; Sustainability Report</td>
</tr>
<tr>
<td>3.5 Executive compensation</td>
<td>Corporate Governance Report</td>
</tr>
<tr>
<td>3.6 Organisational structure</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.7 Mission and value statements</td>
<td>Corporate Profile; Sustainability Report</td>
</tr>
<tr>
<td>3.8 Shareowner communication</td>
<td>Corporate Governance Report</td>
</tr>
<tr>
<td>3.9 Identification of major stakeholders</td>
<td>Shareholdings</td>
</tr>
<tr>
<td>3.10 Stakeholder engagement</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.11 Stakeholder engagement</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.12 Stakeholder engagement</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.13 Precautionary approach</td>
<td>Corporate Governance Report</td>
</tr>
<tr>
<td>3.14 Externally developed charters, principles, initiatives</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.15 Principal memberships</td>
<td>Not reported on</td>
</tr>
<tr>
<td>3.16 Managing upstream and downstream impacts</td>
<td>Sustainability Report</td>
</tr>
<tr>
<td>3.17 Managing indirect impacts</td>
<td>Sustainability Report</td>
</tr>
<tr>
<td>3.18 Decisions regarding location and changes in operation</td>
<td>Chief Executive Officer’s Report</td>
</tr>
<tr>
<td>3.19 Sustainability programmes and procedures</td>
<td>Corporate Governance Report; Sustainability Report</td>
</tr>
<tr>
<td>3.20 Certification status</td>
<td>Corporate Governance Report; Sustainability Report</td>
</tr>
</tbody>
</table>
4. Economic

EC1 Net sales Annual Financial Statements
EC2 Geographic breakdown of markets Not reported on
EC3 Cost of goods, materials and services Value Added Statement
EC4 Contracts paid in accordance with agreed terms Not reported on
EC5 Payroll and benefits Value Added Statement
EC6 Distributions to providers of capital Value Added Statement
EC7 Retained earnings Value Added Statement
EC8 Taxes paid Value Added Statement
EC9 Subsidies received Not applicable
EC10 Donations Sustainability Report

5. Environment

EN1 Materials used Not reported on
EN2 Waste from external sources Not reported on
EN3 Direct energy use Not reported on
EN4 Indirect energy use Not reported on
EN5 Total water use Not reported on
EN6 Land in biodiversity-rich habitats Not reported on
EN7 Major impacts on biodiversity Not applicable
EN8 Greenhouse gas emissions Not reported on
EN9 Ozone-depleting substances Not reported on
EN10 Significant air emissions Not applicable
EN11 Total amount of waste Not reported on
EN12 Significant discharges to water Not applicable
EN13 Significant spills Not applicable
EN14 Significant impact of products and services Not applicable
EN15 Reclaimable product Not reported on
EN16 Fines Not applicable

6. Social

LA1 Breakdown of workforce Sustainability Report
LA2 Employment creation Sustainability Report
LA3 Trade union representation Not reported on
LA4 Labour relations Not reported on
LA5 Recording of occupational accidents and diseases Sustainability Report
LA6 Health and safety committees Not reported on
LA7 Injury and absentee rates Sustainability Report
LA8 HIV/AIDS Sustainability Report
LA9 Training Sustainability Report
LA10 Equal opportunity Sustainability Report
LA11 Diversity Sustainability Report
HR1 Human rights policies Not reported on
HR2 Human rights and investment/procurement Sustainability Report
HR3 Human rights and supply chain Not reported on
HR4 Non-discrimination Sustainability Report; Corporate Governance Report
HR5 Freedom of association Not reported on
HR6 Child labour Not reported on
HR7 Forced labour Not reported on
SO1 Community Sustainability Report
SO2 Bribery and corruption Sustainability Report
SO3 Political contributions Corporate Governance Report
PR1 Customer health and safety Not reported on
PR2 Products and services Not reported on
PR3 Respect for privacy Not reported on