

SOCIAL AND ETHICS COMMITTEE REPORT

A Social and Ethics Committee was established by the Dis-Chem Group in terms of section 72 of the Companies Act, 2008. The Social and Ethics Committee operates under a mandate from the Board and in accordance with its terms of reference.

The Social and Ethics Committee is a formal sub-committee of the Board.

The Social and Ethics Committee monitors the activities of Dis-Chem and its subsidiary companies having regard to any legislation, other legal requirements or prevailing codes of best practice as prescribed by law.

The Social and Ethics Committee will focus on ensuring sustainable social responsibility, ethics, health, safety and transformation initiatives with specific emphasis on transformation re: ownership, procurement, Employment Equity and skills development.

Composition

The Social and Ethics Committee comprises of the following:

A Coovadia	Chairperson - Social and Ethics Committee - Independent non-executive director
IL Saltzman	Chief Executive Officer
LF Saltzman	Managing Director
RM Morais	Chief Financial Officer - attends meetings by invitation

Meetings

The Social and Ethics Committee will meet at least three times a year unless additional meetings are required. The first meeting of the committee was held on 9 June 2017.

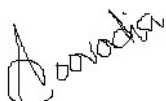
Reporting

The Social and Ethics Committee Chairperson reports formally to the Board on the proceedings after each meeting. The Chairperson will attend the Annual General Meeting to report and respond to any questions from stakeholders regarding the Social and Ethics Committee.

Responsibilities

The mandate of the Social and Ethics Committee is to assist the Board in the monitoring of group activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:

- social and economic development relating to the 10 principles set out in the United Global Compact Principles, the Organisation of Economics, Co-operation and Development ("OECD") recommendations regarding corruption, the Employment Equity Act and the Broad Based Black Economic Empowerment Act;
- good corporate citizenship in terms of the promotion of equality, prevention of unfair discrimination, reduction of corruption, contribution to development of the communities in which the Group's activities are predominately conducted, sponsorship and charitable donations;
- the environment, health and public safety, and the impact of the Group's activities and its products or services;
- consumer relationships, including the Group's advertising, public relations and compliance with consumer protection laws; and
- labour and employment with regard to the Group's standing in terms of the International Labour Organisation Protocol on decent work and working conditions, the Group's employment relationships and its contributions towards the educational development of its employees, drawing matters within its mandate to the attention of the Board and reporting to shareholders at the Annual General Meeting on the matters within its mandate.



Anuschka Coovadia

Independent non-executive Chairman