



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED
(“AEEI”)

TRANSFORMATION PLAN FOR THE AEEI GROUP

INSTITUTIONAL
TRANSFORMATION PLAN

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FOREWORD

“Culture does not change because we desire to change it. Culture changes when the organization is transformed; the culture reflects the realities of people working together every day.” *Frances Hesselbein*

1. TRANSFORMATION OVERVIEW

As a responsible employer, The AEEI Group adheres to all labour legislation and laws. The Group’s employment equity policy affirms the commitment to equal opportunities relating to employee diversity and the achievement of employment equity.

As a Group, we believe in the development and empowerment of our staff and to enhance performance by “growing our employees”. We recognise that today’s best is the benchmark we must surpass tomorrow. The AEEI Group is committed to its shared values which include: people, accountability, integrity, commitment, stakeholders, respect and trust as well as investment.

2. TRANSFORMATION OBJECTIVES

In today’s rapidly changing business environment, organisations of all types need to undergo frequent transformation in order to remain competitive and meet the changing needs of their clients or customers.

We believe that effective transformation involves pursuing the organisation’s fundamental purpose, within the context of its core values, in ways that effectively and optimally meet and reconcile the current needs of the target market and of key stakeholders.

The objectives of a transformation initiative must therefore always be defined in terms of adapting what the organization does, or how it achieves this, to realign the organisation with a changed external environment and optimise its ability to pursue its fundamental purpose.

Effective transformation involves pursuing the organisation’s fundamental purpose, within the context of its core values, in ways that effectively and optimally meet and reconcile the current needs of the target market and of key stakeholders.

Strategic Transformation Objectives are concerned with realigning the organisation more effectively with the exact needs of its target market. This might be based, for example, on introducing a new product or service, or making changes in marketing or branding to appeal more effectively to customers.

Operational Performance Objectives are concerned with effectively balancing the needs of the market with the needs of other stakeholders, such as employees and shareholders. It is usually focused on improving either:

2.1 efficiency, or

- 2.2 cost-effectiveness and may involve changes to internal operations or the way that people interact within the organisation.

The overall process of setting transformation objectives should be a highly participative one, involving a range of key stakeholders in order to secure the knowledge and information necessary for determining what type of transformation is required. The main role of the organisational leadership is to facilitate and support the development of the transformation objectives through the organisation's employees, and to ensure that the corporate culture is supportive of this participative approach.

Securing the engagement of all key stakeholder groups with the transformation objectives is important for the success thereof. Effective communication of the objectives and their significance, as well as direct involvement of stakeholders in translating the objectives to their own areas of work is crucial.

3. TRANSFORMATION CHARTER

The AEEI Group is committed to a continuous transformation process and adopted a Transformation Charter. The Transformation Charter will be revised from time to time to comply with changes in the social, natural and business environments.

3.1 MISSION

To be the employer of choice in the market place.

3.2 VALUES

We are committed to being:

Authentic - We believe in continuing our heritage of honesty, integrity and courageously doing the right thing. We strive to be one of the world's most successful companies, dedicated to winning through hard work and fair play.

Accountable – We take ownership for our business and our future. We establish ambitious goals for our businesses and ourselves and then stretch to exceed them. We feel personally responsible for achieving both our individual and team potential.

Innovative – Our founders established a culture that encouraged entrepreneurial spirit, experimentation in product development and creativity. We continue to be committed to new ideas that add value for our shareholders, stakeholders and partners. We recognize that today's best is the benchmark we must surpass tomorrow.

Caring – All this, plus truly respecting each other and caring for the communities where we live and work, makes our Group of companies a company people want to work for and do business with.

Empowering – as a group that drives transformation, we believe in the development and empowerment of our staff to enhance the performance of the group by “growing our timber”.

3.3 BROAD- BASED BLACK ECONOMIC EMPOWERMENT - CODES OF GOOD PRACTICE

AEEI, as a black economic empowerment company supports the principle of transformation and must view its performance against the elements of Broad-based Black Empowerment Codes of Good Practice as set out by the Department of Trade and Industry as amended from time to time. The five elements must be monitored and reported on forms part of the goals and objectives.

DTI Codes of Good Practice Scoring Elements

BEE Category	Element	Weight Points
Direct empowerment	Ownership	25
	Management control	19
	Skills development	20 + 5 Bonus points
Indirect empowerment	Enterprise and supplier development	40 + 4 Bonus points
	Socio-Economic development	5
	Additional Y.E.S. Points	3
TOTAL		109

4. TRANSFORMATION ACTION PLAN (Framework)

4.1 GOALS AND OBJECTIVES

GOAL 1: Broad- Based Black Economic Empowerment - Codes of Good Practice

To be read in conjunction with Goals 2, 3, 4, 8 and 11 below

Objectives	Strategy to Achieve	Risks and Barriers	2022	2023	2024	Responsible Person	Comments
<p>Work towards retaining Level 1 accreditation in terms of Broad-Based Black Economic Empowerment in terms of the Codes of Good Practice as set out by the Department of Trade and Industry</p>	<ol style="list-style-type: none"> 1. Ownership – measure and monitor effective ownership of black people 2. Management control – measure and monitor the effective control of black people 3. Skills development – measure and monitor the initiatives designed to develop the competencies of black employees and black people internally and externally 4. Enterprise and supplier development- measure and monitor the extent to which the company buys goods and services from empowering suppliers with various B-BBEE recognition levels as well as measure the extent to which the company carries out supplier development and 	<ol style="list-style-type: none"> 1. The inability to retain ownership due to the company being listed. 2. The challenge of training inexperienced employees and accelerating growth could take longer than anticipated 3. The inability to retain skills and accelerate the development of employees to achieve equitable representation 4. Not all suppliers are able to deliver goods and services 				Exco team/HR	

	<p>enterprise development initiatives to assist and accelerate the growth and sustainability of black enterprises and take corrective action.</p> <p>5. Socio-economic development – measure the extent to which the company carries out initiatives that contribute towards socioeconomic development or specific initiatives that promote access to the economy for black people and take corrective action.</p>							
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Goal 2: The Employer of Choice

Objectives	Strategy to Achieve	Risk and Barriers	2022	2023	2024	Responsible Person	Comments
<p>To create and nurture a working environment and a corporate culture that together attract and retain the best talent and skills; to redress residual inequalities with regard to race, gender and disability in accordance with our Employment Equity Plan, and accelerate the development and retention of a diverse pool of skilled employees in order to achieve equitable representation in all occupational categories and levels of employment.</p>	<ol style="list-style-type: none"> 1. To establish or revise, implement and measure fair and effective policies and best practice for: <ul style="list-style-type: none"> ➤ Employment Equity management ➤ Employee Diversity ➤ Performance management ➤ Skills and behavioral training and development ➤ Support, coaching, mentoring and counseling ➤ Ethics and conduct ➤ Communication and public relation ➤ Change management 2. To assign the appropriate leadership and functional resources to these human resources and corporate development objectives. 3. To comply with broad-based black economic empowerment and equity legislation and charters 4. To build the confidence of employees, prospective 	<ol style="list-style-type: none"> 1. Maintaining Level 1 BEE accreditation. 2. The inability to retain skills and the retention of high-caliber employees. 3. The inability to recruit skilled employees and the challenge of training inexperienced employees could take longer than anticipated. 				Exco/HR	SET Committee, Transformation Committee/HR

employees, shareholders and other stakeholders.

- 5. To develop and apply measurable targets and criteria, and to evaluate and monitor progress.
- 6. To communicate effectively about progress in transformation both internally and externally
- 7. To make the company the employer of choice in our industry and in particular, South Africa in general.
- 8. To promote and value a culture of ethics, integrity and commitment to the company values and principles.

Goal 3: Diversity

Objectives	Strategy to Achieve	Risk and Barriers	2022	2023	2024	Responsible Person	Comments
<p>1. To value all people who make up the diverse population of South Africa, and to accelerate and cultivate an environment where diversity is valued and prospers.</p> <p>2. The company believes in gender diversity at levels to maximize opportunities to achieve its business goals through an informed understanding of the diverse environments in which we operate.</p>	<p>1. To redress any residual inequalities with regard to race, gender, disability, generation group and culture in the employee base.</p> <p>2. To formulate fair diversity policies and practices.</p> <p>3. To make the diversity and integrated, ongoing and measurable strategy.</p> <p>4. To actively support and encourage representation in the composition of committees and management.</p> <p>5. To provide opportunities for employees to explore, understand and appreciate diverse cultures, cultures and beliefs.</p> <p>6. To link diversity to recruitment, development and retention strategies.</p> <p>7. To develop and apply measurable diversity targets and criteria and to evaluate and monitor progress.</p> <p>8. To link diversity to performance management.</p>	<p>1. Ensuring that the EEP is adhered to when recruiting.</p> <p>2. Due to the COVID-19 pandemic in 2020 and 2021, not many positions were filled – to be reviewed.</p> <p>3. Supplier diversity- not many companies are able to provide services to a listed entity.</p>				HR	Diversity of women at all levels in the business needs to be reviewed including people with disabilities. Not many women hold executive positions or senior management positions.

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| | <p>9. To communicate effectively about progress in diversity both internally and externally.</p> <p>10. To actively prohibit by policy and practice any form of discrimination or intolerance with regard to: Gender
Race
Age
Culture
Language
Religion
Disability</p> <p>11. To introduce a social integration and interaction programme between groups and levels in the company.</p> <p>12. To conduct, wherever necessary, cultural surveys which measure and monitor diversity and transformation.</p> <p>13. To develop and promote disabled, black and female role models.</p> <p>14. To develop a programme to recruit, train and retain disabled persons at all levels.</p> <p>15. To comply with broad – based black economic empowerment and equity legislation and charters as well as the</p> | | | | | | |
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Group's diversity philosophy The Group is committed to transformation and cultural diversity aligned to the principles enshrined in SA Constitution.

- 16. The company views transformation as a business imperative and is committed to implementation of employment equity.
- 17. The company promotes an inclusive culture that values diversity in the workplace.
- 18. We subscribe to the principles of employment equity and affirmative action in the belief that the development of its people is a moral obligation as well as an investment in the sustainability of the Group. Recruitment, employment and remuneration will be based on suitability for the work to be performed, measured against the excellent standards to which the Group aspires, and reward will be fair and adequate.

Goal 4: Leadership and Management

Objectives	Strategy to Achievers	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
<p>To ensure that, employees who manage and lead broadly reflect the diverse profile of the South African and African populations and that they are appropriately empowered and skilled to manage the company towards its strategic objectives.</p>	<ol style="list-style-type: none"> 1. To recruit leaders at all levels appropriately qualified in leadership, diversity and other essential management skills, compatible ethics, principles and culture. 2. To empower all managers and team leaders in all aspects of leadership by providing appropriate training, guidance and counseling. 3. To incorporate diversity management and employment equity into managers and key performance indicators. 4. To identify, train and empower leaders with skills that equip them to support the implementation of transformation strategy 5. To equip managers, leaders and team members to take and display accountability in areas of responsibility 	<ol style="list-style-type: none"> 1. Strengthening the recruitment process to assist in attracting a wide range of candidates and ensure that our internal structures are really to upskill staff where required. 2. Review and upskill female representation at senior and middle management level. 3. Upskill semi-skilled and skilled employees when the opportunity arises. 				<p>HR/EXEC</p>	<ol style="list-style-type: none"> 1. Upskill female representation at Senior and middle management level. 2. Upskill female representation at semi-skilled and skilled level 3. Incorporate diversity management and employment equity into managers and key performance indicators.

	<ul style="list-style-type: none"> 6. To develop and apply measurable management and leadership targets and criteria and to evaluate and monitor progress 7. To communicate effectively with employees and other stakeholders about progress in leadership and management 8. To ensure that managers are appropriately authorized and empowered to lead and to ensure that their authority and the management structures and processes are respected by all 9. To ensure that appropriate levels of management in the company meet at appropriate intervals to review the execution of the overall structure and goals 10. To comply with broad-based black economic empowerment and equity legislation and charters as well as the company's philosophy. 							
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Goal 5: Economic sustainability

Objectives	Strategy to Achievers	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
To create long term sustainable economic value.	<ol style="list-style-type: none"> 1. To deliver sustainable returns for stakeholders 2. To invest in our people thereby ensuring sustainable and renewable source of competitive advantage 3. Combine insights and innovation to create economic value with our brands, products and offerings 	<ol style="list-style-type: none"> 1. Limited access to funding may slow down the ability to capitalize on various growth initiatives 2. Debtor’s recovery or late payments from public customers could create liquidity risk. 3. Exchange rate volatility may have both a negative and positive effect on performance of the businesses. 				VD/ JVW/ Damien	

Goal 6: Environmental sustainability- Brands and practices

Objectives	Strategy to Achieve	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
<p>1. Create sustainable brand value for company.</p> <p>2. The Group is fully committed to and conscious of the necessity for environmentally sound practices. The fishing division has identified monitoring and measuring programmes to further increase its environmental accountability.</p> <p>3. The Group acknowledges its responsibility to all employees and the public for compliance with environmental standards. It has established policies, identified standards and determined regulatory requirements.</p> <p>4. The Group strives to ensure that the best practices are being applied in respect of environmental management</p>	<p>1. To improve the environmental impact of our products.</p> <p>2. To engage and help customers and consumers in sustainability</p> <p>3. To reach targets from brands with improved environmental impact</p> <p>4. To assist our suppliers</p> <p>5. Create awareness around sustainability, pollution, water, air and other.</p> <p>6. Systems to support and measure such behavior have been implemented across the group.</p> <p>7. The focus is on limiting environmental risks in relation to the production processes to the minimum and managing these effectively.</p> <p>8. Pollution prevention measures are in place, with proper monitoring and reporting take place at unit and divisional level.</p>	<p>1. Compliance with regulatory and legislative requirements requires the Group to keep abreast of changes failing could have a reputational impact and fine.</p> <p>2. Industry regulations can have an impact on the business performance.</p>				VD/JVW	Implement and follow-through on Sustainability reporting and monitoring

	<p>9. The diverse nature of the various businesses within the Group dictates the systems and processes for monitoring environmental governance are different and particular. Therefore, the respective divisional management teams are responsible for the research of the best-practice process in each particular business as well as to ensure that these practices are implemented and monitored.</p>						
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Goal 7 - Environmental sustainability – Resource stewardship

Objectives	Strategy to Achieve	Barriers and Risk	2022	2023	2023	Responsible Person	Comments
Drive sustainable resource management throughout our supply chain.	<ol style="list-style-type: none"> 1. To be leaders in sustainability in our various business units. 2. To drive sustainable energy, water, waste and packing use 3. To reduce dependence on volatile commodities like energy and water 4. To lower absolute GHG emissions via energy efficiency, renewable energy and/or offsets 5. To achieve Zero Waste: Reduce, Re-use or Recycle Discarded Materials from Product Manufacturing 					VD/JVW	Implement and follow-through on Sustainability reporting and monitoring

Goal 8 - Social sustainability stakeholders

Objectives	Strategy to Achieve	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
<p>Contribute to a sustainable society through our own practices and relationships with communities.</p>	<ol style="list-style-type: none"> 1. To review the company’s targeted procurement strategy that promotes broad-based economic empowerment 2. To promote small and medium enterprise development 3. To assist wherever possible emerging black and small enterprises to market and distribute product 4. To assist wherever possible emerging black and small enterprises to develop and sustain professional levels of business practice 5. To establish and implement other appropriate social responsibility policies, projects and processes that have a positive impact on our employees and communities 6. To align the focus of the of the company’s social responsibility programmes primarily to our areas of operation with regard to products and categories, geography and social environment 	<ol style="list-style-type: none"> 1. Not many, if any providers are able to provide service required. 2. Products required are imported. 				Exco/ HR	Implement and follow-through on Sustainability reporting and monitoring

	<p>7. To support sustainable, deserving and needy charitable and humanitarian causes to the best of our ability within our core projects that we invest in</p> <p>8. To promote and encourage the social responsibility and charitable work and contributions by our employees</p> <p>9. To review all employees benefits policies, programmes and procedures to ensure that it adds meaningful value to the lives of our employees and support our policy – TThe Way We Work</p> <p>10. To explore opportunities in transformation programmes with customers, suppliers and business partners in order to maximize opportunities and social and environmental impact</p> <p>11. To identify skills transfer opportunities with black, SMME and African emerging enterprises.</p>						
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Goal 9: Internal communication

Objectives	Strategy to Achieve	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
<p>Overcome barriers to communication related to race, gender, culture and status and to encourage open, honest and effective communication between all people both individually and within appropriate communication forums.</p>	<ol style="list-style-type: none"> 1. To improve individual communication skills and practices at all levels. 2. To encourage, maintain, establish appropriate channels of communication and diverse communication forums 3. To increase opportunities for meaningful dialogue between employees and between employees and leaders 4. To explore means to ensure greater participation in and use of various channels of communication by all employees 5. To improve evaluation of effective communication in the performance management process. 					<p>VD/JVW</p>	<p>We work in an environment where we encourage open communication.</p> <p>This is also due to our flat Company structure which minimizes any Bureaucracy.</p> <p>We have the relevant structures/forums that helps improve communication i.e. various committees</p>

Goal 10: Transformation Image and Profile

Objectives	Strategy to Achieve	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
<p>Ensure that the company's image and profile is aligned with its transformation strategy and the new and changing South African and African environments.</p>	<ol style="list-style-type: none"> 1. To review the company image, profile and corporate marketing strategy 2. To communicate the transformation strategy and its achievements to all stakeholders and the broader community 3. To communicate the company's past and present contribution to transformation 4. To communicate and internally market this Charter 5. To enhance the internal and external profile of the company leadership 6. To engage with customers and suppliers and monitor what they are doing in relation to transformation 7. To align the company's transformation strategy with the marketing strategy 	<ol style="list-style-type: none"> 1. Negative media could impact the company's image, brand reputation and profile. 2. Suppliers may not want to engage with the company due to negative/untrue media articles 				VD/JVW/HR	

	<p>8. To ensure that all forms of marketing accurately reflect the changes wherever practical</p> <p>9. To train employees on how to market themselves and the company</p> <p>10. To develop and apply measurable image and profile targets and criteria and to evaluate and monitor progress.</p>						
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Goal 11: Business partners and collaboration

Objectives	Strategy to Achieve	Barriers and Risk	2022	2023	2024	Responsible Person	Comments
<p>Ensure communication and collaboration with the company’s business partners and associates with regard to sector transformation.</p>	<ol style="list-style-type: none"> 1. To listen to and be responsive to the needs of existing and potential customers, suppliers, users and consumers, particularly in relation to transformation 2. To establish transformation partnerships with business partners and associates. 3. To comply with broad-based black economic empowerment and equity legislation and charters and maintain and develop a diverse client base wherever possible. 	<p>Business partners and associates may not adhere to our policies in relation to transformation</p>				<p>VD/JVW</p>	

5. EXECUTION AND IMPLEMENTATION

The execution of the Transformation Plan has been delegated to the Human Resources Department by the Social, Ethics and Transformation Committee and will be the high-priority responsibility of the various business units' executives who will ensure its execution through senior and other levels of management.

Some of the subsidiaries in the Group may implement slightly different short, medium and long term action plans in terms of their goals and objectives but the overall Goals as set out above should still be incorporated into their plans.

6. IMPLEMENTATION

Implementation plans and systems for monitoring and measuring progress towards the achievement of their goals and objectives, using both quantitative and qualitative indicators in a holistic, art and science based approach must be adapted.

7. MONITORING, TRACKING, REVIEW AND REPORTING BACK

The Human Resources Department will on a regular basis monitor and review monitoring and tracking and will report back to the Social, Ethics and Transformation Committee.

The Social, Ethics and Transformation Committee will on a regular basis monitor, review and suggest changes to plans to the board on the progress of transformation within the Group.

8. EMPLOYMENT EQUITY MANAGEMENT

All companies in the Group should have an Employment Equity Plan in place even though they are not required to submit such plan to the Department of Labour as this will assist in achieving the following objectives.

Objectives	Strategy to Achieve	Due Date	Responsible Person
Understand and extracting the value of a diverse workforce, instead of mere formal compliance with statutory obligations	<ol style="list-style-type: none">1. Establish an EE Forum that is representative of the different levels in the Group to monitor and deliberate on EE matters as well as to assist with targets and goals settings.2. Discussion forums to create awareness	Ongoing	HR/EE FORUM/ Social, Ethics and Transformation Committee

	<p>3. Create a space where the employment-based aspirations of previously disadvantaged individuals and the fears of previously advantaged individuals can be dealt with in a spirit of mutual understanding and trust.</p>		
Develop the Employment Equity Plan	<p>1. To develop and implement the EE Plan that provides the following information:</p> <p>1.1 Objectives for every year</p> <p>1.2 Affirmative action measures that will be implemented</p> <p>1.3 In cases of demographics underrepresentation:</p> <ul style="list-style-type: none"> ➤ Numerical goals to reach ➤ Timetables ➤ Strategies <p>2. Timetables for annual objectives</p> <p>3. Duration of the plan</p> <p>4. Procedures that will be used to monitor and evaluate the implementation of the plan</p> <p>5. Dispute resolution mechanisms for the plan</p> <p>6. People responsible for implementing the plan</p> <p>7. Submit annual DOL(EE) Report</p>	Ongoing	HR
Develop policies and procedures to support the Groups EE Plan	<p>1. Develop clear policies and procedures to support the EE Plan</p>		

	2. Communicate and educate staff of the policy and procedures relating to the EE Plan		
Talent strategy for recruiting nurturing and retaining a diverse workforce	<ol style="list-style-type: none"> 1. Targeted recruitment process to include all EE categories and specialized field. 2. Develop a clear strategy for the Group to increase diversity among the different levels. 3. Develop specific strategy to recruit young black woman. 4. Promote regular professional development opportunities for all staff. 5. Develop a retention plan to improve the retention of designated groups and also improve satisfaction with performance 6. Implement mentorship programmes to ensure development and growth of staff. 7. Implement a Staff Wellness programme 	Ongoing	HR
Substantive exit interviews to determine reasons for staff resignation	Regular reports and prevention strategies in cases of cultural integration problems	Ongoing	HR/Department Heads

Performance Management

Development Goals	Development of goals related to areas you want to improve or performance issues that have been identified by managers	Ongoing	HR/Dep Head
Activities	Specify activities that will help you reach each goal: <ol style="list-style-type: none"> 1. Goal- improve presentation skills 2. How to accomplish – Register for seminars 3. Date completion - when 4. Continue to practice skills 	Ongoing	HR/Dep Head
Resources	Service providers/Seta's		
Measurements criteria	Feedback on monthly business results		
Management support	<ol style="list-style-type: none"> 1. Giving opportunities 2. Providing funds 3. Suggesting other excellent presenters who can be contacted to evaluate 		
Progress			

This revised Transformation Plan was approved by the Board of Directors on 25 May 2022.