

Social and Ethics Committee report



Maya **Mankanjee**

Social and Ethics Committee Chairman

The Social and Ethics Committee's responsibilities encompass monitoring and regulating the impact of the Group on its stakeholders. Although management is tasked with overseeing the day-to-day operational sustainability of their respective areas of business, and reporting thereon to the Social and Ethics Committee, the Board remains ultimately responsible for Group sustainability. The committee was established under the terms of the Companies Act.

During the year under review, Johnson Njeke chaired the committee until 1 June 2019 and resigned as a member on 30 November 2019. Maya Mankanjee became Chair from 1 June 2019. The committee further comprises Stephen Davidson, Jens Montanana and Ekta Singh-Bushell (until 30 November 2019). The committee meets at least twice a year.

The Social and Ethics Committee operates within defined terms of reference as set out in its charter, the Companies Act and the authority granted to it by the Board. Broadly, the committee is tasked with overseeing the good corporate citizenship of the Group on behalf of the Board. In conjunction with the Board, the Social and Ethics Committee has applied the principles of King IV™.

The committee's role is to regularly monitor the Group's activities, with regard to any relevant legislation, other legal requirements or prevailing codes of best practice, in respect of the following:

- Social and economic development, including the Group's standing in terms of the:
 - 10 principles set out in the United Nations Global Compact;
 - anti-bribery and corruption legislation and best practice from around the world, including OECD policy guidelines for preventing corruption, US Foreign Corrupt Practices Act and UK Bribery Act;
 - Employment Equity Act;
 - Broad-Based Black Economic Empowerment Act;

- Good corporate citizenship, including the Group's:
 - promotion of equality, prevention of unfair discrimination, and reduction of corruption;
 - contribution to development of the communities in which our activities are predominantly conducted or within which our products or services are predominantly marketed;
 - record of sponsorship, donations and charitable giving;
 - environment, health and public safety, including the impact of the Group's activities and services;
 - stakeholder relationships and public relations;
 - labour and employment, including the Group's:
 - standing in terms of the International Labour Organisation Protocol on decent work and working conditions; and
 - employment relationships and the Group's contribution towards the educational development of its employees.

The Social and Ethics Committee examines the application of the Group's Code of Conduct which provides a framework of "how we do business" in an honest and ethical way across the Group. On an annual basis, the Group conducts Code of Conduct training and all employees are required to complete it. The committee reviews the reports from the subsidiaries relating to Code of Conduct training and anti-bribery and corruption.

Health and safety reports are reviewed annually by the committee and at least quarterly at the subsidiary level.

Since the start of the COVID-19 pandemic, the committee in consultation with the Board has prioritised employee safety and wellbeing during this challenging period. Since the start of March, COVID-19 impact spread rapidly to Europe resulting in offices in both Asia and Europe being closed. Management is keeping a close watch on the situation with daily and weekly update sessions.

All subsidiaries released communication to employees emphasising employee health and safety measures to take during this time. Employees were encouraged to work from home with those returning to the office implementing health and safety guidelines. To date, there are no Datatec employees who have contracted COVID-19 and any employees who do not feel well are asked to stay at home and seek medical attention.



For more information on health and safety, refer to pages 69, 70 and 125.

The committee also monitors the Group's application of BBBEE legislation in its South African operations and the promotion of equality and prevention of unfair discrimination throughout the global operations of Datatec. Datatec's South African operating subsidiaries, WestconGroup SA (Pty) Ltd and Logicalis SA (Pty) Ltd, achieved Level 1 and Level 2



respectively in terms of their BBBEE accreditation scores for the period under review. Furthermore, the committee oversees the Group's contribution to the development of communities in South Africa through the Datatec Educational and Technology Foundation.



More information on our BBBEE and transformation can be found on page 68.

The committee draws matters relating to employment equity, BBBEE, CSI and labour to the attention of the Board and reports on them to shareholders at the AGM.

No human rights incidents were reported during the financial year.

In South Africa, aspects such as prohibition of child labour, compulsory labour and discriminatory practices are monitored by the Department of Labour in addition to the committee. Subsidiaries operating in other jurisdictions adhere to the laws labour relevant to them.

Maya Makanjee

Chairman

Social and Ethics Committee

Social and Ethics Committee constitution and operation

The Board has established a Social and Ethics Committee under the terms of the Companies Act 71 of 2008.

The committee operates within defined terms of reference as set out in its charter and the authority granted to it by the Board and meets at least twice a year.



The Social and Ethics Committee charter is available on the Group's website www.datatec.com.

The composition of the Social and Ethics Committee during FY20 was:

- Maya Makanjee (Chairman from 1 June 2019)
- Johnson Njeke (Chairman until 31 May 2020 and member until 30 November 2019)
- Jens Montanana (CEO)
- Stephen Davidson (Group independent non-executive Chairman)
- Ekta Singh-Bushell (senior independent non-executive director) (member until 30 November 2019)

Directors' attendance at Social and Ethics Committee meetings during FY20 and subsequently to the date of this report (all meetings were scheduled) is as follows:

	13 March 2019	14 October 2019	18 March 2020
M Makanjee	P	P	P
MJN Njeke	P	P	
JP Montanana	P	P	P
E Singh-Bushell	P	P	
SJ Davidson	P	P	P

P = present

 = not a member

The committee reviews its performance annually by means of questionnaires completed by individual committee members and attendees which are then discussed at Board and committee meetings. These appraisals enable the committee to evaluate its effectiveness objectively and to conclude that it is operating effectively under the terms of reference set out in its charter. There were no issues identified in the committee appraisals and the committee was satisfied with the manner in which it has operated during FY20.

The Chairman of the committee will be available at the AGM to present its report noted above and to answer queries about the work of the committee.