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Effective Date : Policy effective 01.09.2022

SUBJECT : PG GROUP SUSTAINABILITY POLICY

PG recognises the role and impact of its business decisions and activities on the environment and society and accordingly is committed to transparent, ethical and sustainable behaviour.

We acknowledge the importance of sustainable business practises that will result in an enduring business with minimal effect on the finite resources earth has to offer and to promote socio-economic well-being within its own structures and interaction throughout the supply chain. We are committed to responsible mineral sourcing, which means that sourcing will be ethical, sustainable, and protective of the human rights of everyone.

PG provides work environments, products, services and solutions that make productive and efficient use of resources as we strive to achieve our vision. We believe this commitment supports the enduring success of our customers, shareholders, people, other stakeholders and the societies to which we belong.

We aim to refine and adapt existing strategies to ensure a continual improvement of sustainable practises within the organisation, focussing on the four pillars of sustainability namely:

1. Human Sustainability
2. Social Sustainability
3. Economic Sustainability
4. Environmental Sustainability

Indicated below are PG's action strategies to address the aforementioned pillars of sustainability.

1. HUMAN SUSTAINABILITY

Each person is afforded rights as an individual and as an employee within an applicable legislative and policy framework. These rights and protections are upheld throughout the organisation and form an integral part of our interactions with one another.

Along with our company values, we rely on our Standards of Business Conduct (Code of Conduct) and an array of published policies and practice notes as our guide to ensure a healthy employee/employer relationship.

The PG Group of Divisions seek compliance to South African legislation directly and indirectly impacting the employer/employee relationship. This includes (but are not limited to):

- The Constitution
- Labour Relations Act
- Basic Conditions of Employment Act
- Skills Development Act
- Employment Equity Act
- Promotion of Equality and Prevention of Unfair Discrimination Act
- National Minimum Wage Act
- Unemployment Insurance Act
- Arbitration Act
- Public Holiday Act
- Occupational Health and Safety Act
- Compensation for Occupational Injuries and Diseases Act
- POPI Act

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- The Prevention and Combating of Corrupt Activities Act

Through the development of HR policies and in compliance with local legislated requirements for employee welfare, the following aspects are controlled and monitored within the organisation:

Working Conditions

Employment is freely chosen and terms freely agreed to. Relevant policies are shared upon appointment at PG Group, which are available on the PG Group Intranet for reference and access. PG seeks to provide a safe, healthy and desirable workplace with working conditions that meet applicable laws and regulatory prescripts.

Discrimination

PG is committed to the elimination of harassment in the workplace and rejects any form of discrimination and/or harassment. Inclusivity is actively pursued.

Child labour

PG rejects any form of slavery, forced labour or exploitive practises. The Group will not knowingly purchase goods or services from suppliers utilising child, human trafficked, forced or compulsory labour. To ensure that our suppliers conform, we require vendors to confirm that they do not and will not knowingly use unlawful child labour or slavery, human trafficked, forced or compulsory labour. PG strictly forbids the use of child labour, and exploitation via forced or compulsory labour.

Privacy / Confidentiality

PG ensures privacy and confidentiality through the application of and compliance to the Protection of Personal Information Act (“**POPIA**”). Personal information is protected and kept safe. Information will not be divulged without written consent or lawful process followed.

Related policies and practice notes are available on the PG Intranet. Training related to POPIA requirements are compulsory for all employees, and general statutory requirements are displayed within the workplace for ease of reference and to ensure the employees are aware of their obligations, duties and rights. Any employee found to be in violation of our Code will be subject to disciplinary action.

PG has the utmost respect for fundamental human rights, and expects the same ethical conduct from its suppliers, vendors and business partners. Agreements and/or relationships with any supplier, vendor or partner found to intentionally (knowingly) violate any of our ethical business requirements, will be termination.

2. SOCIAL SUSTAINABILITY

The interrelatedness of our business processes allows for relationships with interested parties throughout the supply chain. The professionalism required establishes the foundation for systems wherein the organisation can function without risk to person or business, whilst promoting positive social awareness.

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Ethics / Fraud / Anti-Bribery / Whistleblowing

To ensure professionalism at all times and to ensure that no activity brings the organisation into disrepute, the Group has established a Standards for Business Conduct Policy (Code of Conduct). This is to be followed by all employees dealing with customers, suppliers and service-providers. The policy provides the framework for allowed and prohibited interactions.

Should there be concerns by any of the involved parties relating to for example, but not limited to, ethical dealings, fraud, bribery or discrimination, the process for escalation/whistleblowing should be followed as defined in our Fraud, Bribery and Corruption Policy. There will be no victimisation or repercussions for any individual who raises concerns.

Customers, suppliers and service providers are encouraged to raise concerns regarding the conduct of any employee to the relevant department who will follow the necessary processes.

The objective is to cultivate a professional environment, ensuring fair dealings throughout the supply chain without fear of harassment, discrimination or victimisation.

Responsible Sourcing

Social sustainability extends throughout our supply chain and the procurement process to ensure that the raw materials used for the manufacture of our parts is sourced responsibly.

PG commits to ensuring that no raw materials used in our processes are sourced from Conflict Affected and High-Risk Areas (CAHRA) from any of the Covered Countries as defined in the Conflict Minerals Reporting Template (CMRT), with specific focus on raw material, products or components containing 3TG materials (Tin, Tungsten, Tantalum and Gold).

Supplier and/or Third-Party Code of Conduct

PG is committed to conducting business activities in accordance with relevant legal and ethical standards. We are committed to sourcing goods and services from suppliers that share our values, and our suppliers are expected to comply with our Code of Conduct. Any employee found to be in violation of our Code of Conduct is subject to disciplinary action, including termination, and any supplier found to violate our ethical business expectations is subject to termination of the business relationship.

We expect third parties who provide products or services to conduct business responsibly, with integrity, honesty and transparency, and require third parties to respect the following provisions when interacting with our employees:

- Conflicts of Interest

All PG Group employees are required to be free from actual or potential conflicts of interest. A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence the business judgment or actions of a PG Group employee when conducting PG Group business.

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- Gifts and Entertainment

PG Group recognizes the legitimate business purposes of creating goodwill and sound working relationships that can be fostered by occasional business-related entertainment or exchanges of gifts, subject to the following limitations:

- Entertainment, gifts or other gratuities must have a legitimate business purpose and must not cause, or reasonably be perceived to cause, the recipient to alter normal business judgment concerning any transaction or impair the individual's loyalty to his/her employer.
- Entertainment must be legal, reasonable and proportionate and consistent with acceptable business customs and practices. If a host is not present, entertainment is considered a gift and subject to limitations.
- The giving and receiving of gifts greater than nominal value is generally not appropriate.
- Gifts of cash or cash equivalents (including gift cards, securities, individual discounts, and vouchers) are not allowed.
- Gifts or entertainment should not be solicited by a PG Group employee or must not be received on a frequent or recurring basis.
- PG Group employees actively engaged in a procurement decision-making process are prohibited from receiving a gift or entertainment from a bidding party.

Note: Limitations applicable to PG Group employees also apply to family members and agents of the employee.

Procurement decisions are based on assessing the following –

- Competitive pricing
- On time delivery & timely performance
- Quality of services and materials
- Commitment to comply with our Code of Conduct

To ensure our suppliers' commitment to ethical standards, they are required to complete a Vendor Declaration Form, confirming that they do not and will not knowingly use unlawful child or slave labour, and do not engage in human trafficking or forced or compulsory labour. The Group does not conduct audits of its suppliers targeted at confirming compliance with human trafficking and slavery prohibitions, but continually evaluates its supply chain and will adopt appropriate measures when merited by the risk presented.

PG regularly requires its suppliers to contractually commit to complying with applicable laws governing our business relationships.

PG's expectation of its Suppliers:

- Develop supply chain due diligence and provide timely responses to PG when requesting information.
- Provide current and accurate information, updating as needed to ensure continuing accuracy.
- Supply raw materials that do not contribute to human rights abuses.
- Adopt responsible minerals practices.



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Social Development

In addition to fostering professional relationships, the organisation has also set out to assist and improve the social aspect within the workforce and community through the following initiatives:

- Internal skills development of employees for personal development and growth.
- Granting of study bursaries to employees' children as a method to improve socio-economic conditions.
- Community outreach through various activities at each manufacturing site related to that specific community.

These initiatives among others are aimed at improving and strengthening our social commitment to our workforce and community at large and we encourage our suppliers and service-providers to adopt the same philosophy.

We are proactive members of our communities.

As a company, we contribute significant time and resources to promoting education, youth development and empowerment, environmental conservation and as well as economic stability of the communities in which we operate. We encourage everyone to participate in community activities that promote the common good. We believe that our success should also contribute to the quality of life in, and the prosperity and sustainability of, communities where we work and live.

3. ECONOMIC SUSTAINABILITY

PG believes in the investment of people and technology to ensure the sustainability of the organisation.

The investment in technology facilitates improved processes and capacity to ensure efficient use of finite resources and relevance in the market whilst protecting natural resources. This is done through careful collaboration with world experts and observing all relevant regulatory requirements.

In considering regulatory and statutory requirements all factors for sustainability are considered from an economical perspective providing a medium for compliance.

4. ENVIRONMENTAL SUSTAINABILITY

As an organisation we are passionate about protecting our people and the environment. We understand and embody the principles of going green and reducing our carbon-footprint through various implemented activities and monitoring systems.

Health & Safety

Collectively, we strive to contribute to an environment in which all people can work safely. As employees, we put safety first by creating a work environment to protect the health and safety of others and ourselves. We actively promote safe practices throughout our value chain. We are committed to providing our customers with products and services that are safe and reliable.

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PG complies with the Occupational Health and Safety (OHS) Act for legal requirements and regularly conducts internal audits within its divisions to confirm compliance.

Aspects monitored and measured include (but are not limited to):

- Safety, Health and Environmental induction to all employees, visitors and contractors coming onto applicable sites.
- Risk assessments that are in place for all areas and reviewed annually or when there are any changes in the plants (All employees are trained on these).
- All employees employed in the operations can only work after they have been trained and found competent to perform their allocated tasks.
- Issue and training on use of Personal Protective Equipment (PPE) to ensure the employee or contractor's safety when conducting any work at the manufacturing site.
- Machine safety awareness and training with relevant lockouts to prevent injuries from occurring when using or conducting maintenance on the machine equipment.
- Utilising an Emergency Preparedness strategy and providing training on this to all employees.
- Implemented internal Incident and Accident Management system that complies to legislated requirements.
- Hazardous Substances awareness and training to employees in contact with chemicals.
- Noise Induced Hearing Loss training and annual medical assessments that include hearing tests.
- Fire protection training and planned fire drills with dedicated fire fighters on each shift.
- Medical assistance onsite at our manufacturing plants at the clinic, and through the use of first aiders on shifts.
- Contractors have to submit safety files for approval and safe working permits before work is done on site.

In conjunction with the cooperation of all employees, contractors, visitors and the above implemented measures we aim to prevent injuries to all our employees and any other person entering the manufacturing sites.

Over and above the controls and measures put in place for the protection of human rights, and health and safety; PG recognises and acknowledges its responsibility with regard to animal rights.

Environmental

PG focuses on improving the quality and efficiency of our operations while reducing our environmental impact. We support environmental biodiversity by utilising business processes that enable waste prevention, promote recycling, improve quality, and promote the efficient use of resources in operations and responsible waste disposal. We are committed to complying with environmental laws and regulations and expect our suppliers and customers to do the same.

Applicable manufacturing sites are certified to ISO 14001 (Environmental Management System) standards and are audited annually by an Accredited Certification Body in addition to internal audits.

This certification drives our commitment to ensuring:

- Conservation of natural resources.

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- Prevention of environmental pollution.
 - The recycling philosophy is entrenched resulting in waste reduction.
 - Continual reduction of any adverse impacts resulting from our processes.

These are managed through relevant projects, Health Surveys and activities focussing on:

- Water usage - monitoring and reduction activities
- Electricity usage and reduction activities
- Air quality monitoring through Health Surveys and improvement actions where applicable
- Waste management activities and monitoring
- Chemical management and exposure surveys and improvement actions where applicable (e.g. Hazardous Chemical substances Surveys)
- Monitoring of GHG through VOC surveys where applicable
- Periodic inspections observing the practises and identifying risk and opportunities for improvement

The ultimate objective for our organisation is to drive sustainability practises that benefit not only the organisation but also its employees, society and the environment.

Approval

Authorised and Approved by the CEO, PG Group (Pty) Ltd