



RFG



SUSTAINABILITY REPORT

Introduction

Sustainable development is defined as *development that meets the needs of the present without compromising the ability of future generations to meet their needs*. The King IV Code on Corporate Governance (King IV) recommends that sustainable development be considered within the triple context of the economy, society and the natural environment in which an organisation operates. The South African Companies Act, 2008 reaffirms the concept of the company as a means of achieving economic and social benefits.

RFG recognises that sustainable development is an essential element of the value creation process and is committed to responsible environmental, social and governance (ESG) practices.

In preparing this report consideration has been given to the following:

- The United Nations Sustainable Development Goals (SDGs)
- The National Development Plan
- IODSA paper: King IV and the Sustainable Development Goals
- IODSA King IV guidance paper: Responsibilities of governing bodies in responding to climate change
- IODSA: Climate change risk and responses guide
- Presidential Climate Commission: Just Transition framework
- JSE: Sustainability and climate change guidance papers
- Recommendations of the Task Force on Climate-related Financial Disclosures

The board and management believe that encouraging progress has been made on sustainability issues. However, as the risks posed by climate change, socio-economic challenges and political instability have become more apparent, the importance of further incorporating SDGs into the business has been highlighted.

SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, adopted by all United Nations member states in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs which recognise that “ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth, all while tackling climate change and working to preserve our oceans and forests”.

The SDGs emphasise the interconnected environmental, social and economic aspects of sustainable development, by putting sustainability at their centre. The SDGs are defined in a list of 169 targets.

RFG can have a material impact on specific SDGs through:

- core business, by modifying products as well as production and marketing processes, including how the business engages with stakeholders in its value chains;
- innovation and new markets, by looking at the evolving priorities of current and future customers with a view to improving societal impact;
- operations, by implementing and enhancing policies relating to employee welfare matters such as employee equity and income parity as well as internal resource efficiencies
- strategic corporate social investment (CSI), by deploying social development expenditure in a manner that enhances the group's impact through collaboration.

RFG has identified priority SDGs where it can make a meaningful contribution to solving environmental and social challenges. These priority goals are separately listed under the environmental sustainability and social sustainability reports below and the alignment of RFG's initiatives to specific SDG targets are referenced throughout the report.

SUSTAINABILITY GOVERNANCE

RFG recognises that sustained value creation is founded on good governance and responsiveness to significant social and environmental challenges and opportunities.

Responsibility for the oversight of sustainability-related issues is delegated by the board to the social and ethics committee. The committee aims to ensure that the group's activities support its role as a responsible corporate citizen and assist the board in creating an appropriate environment for an ethical organisational culture by overseeing the group's conduct, approach and manner in which the business is conducted with due regard to value creation in society.

In discharging its responsibilities to the board and shareholders the committee:

- oversees and reports on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships
- considers environmental, health and safety issues, including climate change, and in particular, the impact of the company's activities, products or services.

Social responsibilities of the committee include oversight of the following:

- Inclusion, incorporating transformation
- Employee value creation
 - monitor employees' freedom of association and effective recognition of the right to collective bargaining;
 - monitor the group's standing in terms of international protocols on decent work and working conditions;

- monitor the adherence to the group's ethical standards by employees and other relevant stakeholders;
- review the impact assessment of training programmes; and
- review an analysis of the income differentials and the progress to close identified gaps.

Environmental responsibilities of the committee include:

- Review approach to environmental challenges
- Review initiatives to promote greater environmental responsibility
- Confirm the development and application of environmentally friendly technologies

Recognising the segregation of roles between the board and management, an environmental and sustainability committee was established, with extensive technical expertise.

Environmental sustainability

RFG is committed to achieving a sustainable food value chain by minimising environmental impacts of the day-to-day operations and increasing operational efficiency for cleaner production lines.

The management environmental and sustainability committee drives the group's environmental management and compliance objectives, which are as follows:

- Compliance with South Africa's National Environmental Management Act (NEMA) and all applicable environmental legislation, regulations and other requirements and where reasonably practicable, promote environmental standards which exceed the legal requirements.
- Set and regularly review environmental sustainability objectives and targets which are integrated into the group's strategic objectives.
- Identify the environmental impacts of the group's current and future activities, develop appropriate procedures and programmes for managing environmental risks, and to monitor their implementation and effectiveness to ensure continual improvement with environmental management programmes.






ENVIRONMENTAL MANAGEMENT AT RFG

Environmental management encompasses all the processes, data capture and measurement systems and personnel training that have been implemented across the group's operations to comply with environmental legislation.

The group's environmental policy was reviewed in July 2022. Objectives were set to ensure that employees are familiar with the environmental policy, trained to comply with any environmental management protocols, and encouraged to fulfil their environmental responsibilities.

The group also recognised its responsibility to promote environmental management standards that go beyond the legal requirements, and to support local and international voluntary agreements.

Understanding that food production and agriculture is natural resource intensive, and that environmental factors such as climate change put our natural resources under stress, the group has implemented reduction targets under four key environmental performance areas (KPA's). The KPA's are aligned to five of the SDGs which the group has identified as priorities:

	Clean water and sanitation		Climate action
	Affordable and clean energy		Life on land
	Responsible consumption and production		

The KPA's identified are:

- 1. Waste management**
- 2. Water consumption**
- 3. Energy consumption**
- 4. Air emissions management**

These four KPA's apply to all operations across the group. Overall group reduction targets for each KPA have been set for 2025 and data capture and processing systems have been established to monitor the group's environmental performance and progress on the targets. Each operation has unique reduction targets based on individual variables such as seasonality and the nature of production which may require more of a specific resource.

The group's short-term incentive scheme has been aligned with the environmental sustainability objectives. The group's score for performance against the four environmental KPA's was applied as a non-financial measure in determining incentive payouts.



Environmental key performance areas

Metric	Measuring efficiency	Unit	Target for 2025	2022	2021	2020
Waste management	Tons of waste generated/ton of production: Measures the amount of waste sent to landfill, for every ton of production.	Ton	0.01	0.006	0.007	0.053
Water consumption	Kiloliters/ton of production: Measures the amount of water used for every ton of production.	Kl	5.52	6.63	7.17	8.18
Energy consumption	kWh/ton of production: Measures the amount of electricity being used for every ton of production.	kWh	158	196	203	214
Air emissions management	Tons CO ₂ /ton of production: Measures the amount of carbon dioxide being generated for every ton of production.	CO ₂ tons	0.25	0.29	0.29	0.28

Efficiency measurements under each KPA are reviewed annually and targets are amended based on the environmental performance under each KPA.

WASTE MANAGEMENT

(SDG 2: Zero hunger, SDG 12: Responsible consumption and production)

Objective

Promote a circular economy with waste streams by minimising and diverting waste from landfill through alternative waste treatment initiatives and improving packaging design for recyclability.

Prevent food waste from going to landfill and donate any edible food surplus to under-resourced schools and community initiatives.



RFG's waste management efforts support SDG target 12.5 which aims to substantially reduce waste generation through prevention, reduction, recycling and reuse by 2030.

Landfill sites in South Africa are under pressure with low amounts of available space. In Eswatini there are only six commissioned and managed sanitary landfill sites. Understanding these landfill challenges and knowing that waste has the potential to adversely impact the natural environment when not managed correctly, the group's waste management approach looks at reducing and repurposing waste streams and maximising recycling systems where possible.

Key waste management developments for the past financial year:

Solid waste and recycling

- Currently 93% of waste generated at the Groot Drakenstein plant is reused on-site or recycled. Only 7% is sent to landfill.
- To comply with the NEMA extended producer responsibility regulations, a key policy instrument to address the increasing volumes of plastic pollution, management is working closely with packaging suppliers to improve packaging design to make it more recyclable.
- Dairy packaging for plant-based drinks, smoothies and fresh cheese will make use of white flake glue which dissolves in water, making the packaging more recyclable.
- At the vegetable canning factory in Limpopo, 95% of waste generated is recycled.
- An upcycling plan for wooden pallets has been implemented at most sites where pallets are donated to local communities or to staff as building materials or collected by local furniture makers. At the meat factory in Krugersdorp, 213 tons of pallets were given to a local furniture maker.
- The table below indicates the volumes (in tons) of materials that were recycled during the past financial year for the group:

2022	2021	% difference
7 573	9 126	17%

As we succeed in reducing the amount of waste generated, we are also seeing a decline in the amount of product that is recycled.

Food and organic waste management

- Through redistributing non-marketed food products to local charities, Groot Drakenstein currently sends no food waste to landfill.
- A process at the Groot Drakenstein dairy farm is in place where cow manure is collected, processed and re-used.
- The Eswatini facility composts all organic waste from the pineapple factory in windrows. The current compost usage at the pineapple farms is 10 tons per hectare.

Food loss and waste is a major environmental and social issue in South Africa. Many South Africans experience food shortages and hunger. Food waste, when discarded in landfill, decomposes to produce methane (greenhouse gas). Understanding the urgent need to address food loss and waste, the group has become a signatory of the South African Food Loss and Waste Agreement which is co-led by the Consumer Goods Council of South Africa, the Department of Trade, Industry and Competition and the Department of Environment, Forestry and Fisheries. As a core signatory to the agreement, the group is committing to reduce food waste by 50% by 2030 and to report on progress annually. This agreement is aligned to SDG target 12.3 which aims to halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

The key activities for 2022 under this commitment support SDG target 2.1 which aims to end hunger and ensure access by all people to safe, nutritious and sufficient food all year around. Activities include:

- Groot Drakenstein distributes excess food product to a local charity which enables children from farming communities to access quality education programmes and health, nutrition and social work services. An average of 25 000 children are fed each month through this project. Milk from the dairy at Groot Drakenstein is donated to a local creche.
- At the ready meals factory in Aeroton and pies and pastries factory in Linbro Park, excess food product is donated to Meals on Wheels and TLC Children's Home. Over 30 000 kg of food were donated in the reporting period.
- Excess products at the pineapple and jam canning factory in Eswatini are donated to local schools in the region, with 74 tons donated in the past year.
- The dry foods factory in Durban donates excess products to Gift of the Givers who redistribute food parcels to people in need.

Wastewater/effluent treatment

- An advanced wastewater treatment system has been commissioned at Groot Drakenstein. The first stage of the treatment process removes fats and solids from the wastewater. Once treated, the effluent stream is discharged into a pond system. In the first pond, anaerobic treatment lowers the levels of organic contaminants. In the second pond, further contaminants are removed through an aerobic treatment process, where oxygen is added to the water body. In the final pond, water is stored for irrigation.
- The majority of the group's plants have commissioned on-site wastewater treatment plants to remove fats and solids, and to adjust the alkalinity (pH levels).

These activities support SDG target 6.3 which aims to improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally by 2030.

Ash treatment

Ash from boilers is being repurposed for brick making at all sites.

In line with the objective for waste management, the group is committed to implementing a circular system for all waste streams to reduce the amount of waste sent to landfill.

Waste stream	Volumes (tons)			
	2022	2021	2020	
Waste to landfill	1 999	1 985	15 083	
Waste reused/repurposed	33 005	30 491	15 451	Ash, kernels, whey, manure and composting
Total volume of waste sent for recycling	3 457	3 974	3 855	Recycled to formal recycling institutions
Sum of non-hazardous waste disposed	38 461	36 450	34 389	

WATER CONSUMPTION

(SDG 6: Clean water and sanitation)

Objective

Conserve water sources by designing systems that reduce water usage, avoid water wastage and recycle water where possible.



The nature of food production is water and resource intensive. The group's focus to conserve water resources has been to optimise production lines to reduce the water demand and to improve system and infrastructure monitoring to identify unnecessary water wastage. This supports SDG target 6.4 which aims to substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity.

Water usage (Kilolitres)	2022	2021	% difference
Total volume of water used, including municipal and abstraction	2 050 077	2 148 248	5% less water used (7.5% less water used for every ton produced)

Water availability and the security of supply has been identified as a significant environmental risk for the business. While certain sites have a stable supply of water, the group is vulnerable to a reduction in water availability or quality. Quality initiatives are reflected under waste water.

Most plants are reliant on a municipal water supply, and where feasible boreholes have been commissioned and storage tanks installed. Activities undertaken to improve water security include:

- The juice factory in Wellington draws 80% of its water supply from four boreholes on site.
- The fruit products plant in Tulbagh receives its water supply from the mountain stream.
- The vegetable plant in Limpopo has eight boreholes on site where the water is treated to be made potable.
- Rainwater is harvested for greywater use at the dry foods factory in Durban.



- At the pineapple farms in Eswatini irrigation canals have been built which make use of the site's natural depressions. At both pineapple farms (Siphofaneni and Malkerns), 30 metre buffer zones have been set to protect natural water sources.
- At the meat factory in Krugersdorp, all water lines have been moved above ground to improve leak detection and to avoid unnecessary water wastage.
- At the Aeroton site water interruptions reached critical levels as a direct result of the elevated levels of load shedding. Two 200 000 litre capacity water buffer tanks are being built which will provide water for 24 to 36 hours for the Aeroton factories. The local municipality has committed to installing a generator at the water tower adjacent to the site to ensure that the water pumps continue to operate during load shedding.
- Water shortages also occurred at the Krugersdorp plant as a result of load shedding. This was mitigated by the installation of two additional water storage tanks as well as the installation of an electrical booster pump.

ENERGY EFFICIENCY

(SDG 7: Affordable and clean energy)

Objective

Implement energy efficient technology and processes to minimise energy consumption where feasible.



Implementing energy efficient technology and processes and shifting towards renewable energy sources has been made a priority for the group. All sites collect and report on energy consumption data which allows management to review usage and identify ways to reduce consumption. Energy consumption at each operation is affected by seasonality, demand and production levels. Each production facility therefore has specific energy intensity reduction targets, essentially aiming to reduce the amount of electricity that is being used for every ton being produced.

South Africa is currently experiencing an energy crisis with the national grid subject to widespread load shedding. To ensure that production is not interrupted, all South African operations have backup generators on-site. It is in the group's interest to invest in renewable energy technology to ensure reliable energy resources that are also cleaner and have a lower carbon footprint.

This is aligned with SDG target 7.2 which aims to substantially increase the share of renewable energy in the global energy mix as well as SDG target 7.3 which aims to double the global rate of improvement in energy efficiency.

Key developments in implementing energy efficient technology and processes for the past financial year:

- The group's first solar installation at the juice plant in Wellington has been operational for the past year and supplied the factory with a portion of its energy demand. The energy output during the summer months increases and the factory draws more power from the installation. This is the first site to move towards green energy and the photovoltaic rooftop installation generates peak power output of 928 kilowatts. Phase two of this project will commence in 2023.
- All facilities have continued converting lighting to LED, a more energy efficient lighting source. Motion sensors have also been introduced to reduce energy when lighting is not required.

The table below indicates the group's energy usage data for 2022:

Energy sources	Quantity			
	2022	2021	2020	Units
Total direct energy consumption from renewable fuels burned	0	0	0	GJ
Total direct energy consumption from non-renewable fuels burned	1 032 334	952 774*	882 938	GJ
Total direct and indirect energy consumption	1 253 729	1 169 392*	1 097 382	GJ
Total volume of electricity purchased	60 268	59 898	59 568	MWh
Total volume of electricity self-generated	1 230	274	0	MWh
Total volume of electricity consumed	61 499	60 172	59 568	MWh

* Restated

AIR EMISSIONS MANAGEMENT**(SDG 13: Climate action)****Objective**

Reduce greenhouse gas emission by investing in renewable energy technology and optimised processes.



Climate action is crucial to conserve natural resources, regulate normal weather patterns and to prevent prolonged periods of drought. South Africa has witnessed firsthand the impacts of climate change, from being a water scarce country and experiencing drought, to the extreme of experiencing severe flooding. The effects of climate change impact our business by reducing agricultural yields, limiting access to critical natural resources and affecting fruit and vegetable crops which form a major part of the group's raw material purchases for use in production.

Governance of climate change

The board has a critical role to play in responding to climate change as a business imperative.

The board is responsible for:

- governance oversight of climate-related risks and opportunities, and
- considering the impacts of these on the group's operations, strategy and financial planning.

The audit, risk and information technology committee is responsible for:

- overseeing the identification, assessment and management of climate-related risks, and
- determining the appropriate disclosure of the financial impact of climate-related risks and opportunities.

The social and ethics committee is responsible for approving and monitoring the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Executive management is responsible for:

- compliance with changing regulations
- addressing customer and investor expectations
- conducting risk assessments and developing action plans to mitigate risks
- determining appropriate goals and targets
- committing resources (capacity/budget) to enable transition
- understanding the social issues that will be impacted
- investing in skills and enterprise development
- communicating commitments and action plans effectively

The environmental and sustainability committee is responsible for:

- assisting executive management in fulfilling the group's environmental and sustainability objectives
- making recommendations on environmental and sustainability matters, including key targets and performance indicators
- overseeing the effective implementation of the group's sustainability strategy

The group's strategy to reduce its carbon footprint and greenhouse gas (GHG) emissions is to transition to renewable energy technology where possible, reducing reliance on fossil fuel burning equipment. Technology upgrades have been implemented to improve processes and production efficiency, and steam line insulations to reduce the heat emitted from boilers.

SUSTAINABILITY REPORT continued

In the past year GHG emissions increased by 9.6% mainly due to the use of backup generators at production facilities to mitigate excessive electricity load shedding.

GHG emissions	2022	2021	2020
Total carbon dioxide emissions (CO ₂) – measured in tons CO ₂ emitted.	94 771	86 497*	80 835

* Restated

The group's carbon footprint includes both direct and indirect emissions. Direct emission sources are categorised as scope 1 emissions according to the GHG Protocol. This includes emissions from company owned fuel combustion equipment, livestock and manure, and land use. Indirect emission sources are categorised as scope 2 as per the GHG Protocol. This includes emissions from purchased energy and electricity.

GHG emissions	2022	2021	2020
Scope 1 (direct)	61%	59%*	58%
Scope 2 (indirect)	39%	41%*	42%

* Restated

The group's environmental and sustainability committee recognises the importance of an ongoing assessment of the KPA data to review and improve the performance of each operation. Continuous improvement not only contributes to improved environmental management, but also reduces operating costs and improves returns for shareholders in the longer term. The group plans further investment in renewable energy infrastructure and other environmental sustainability initiatives in 2023 which include:

- Solar power at Groot Drakenstein: A structural assessment was conducted during 2022 to determine the viability of fitting solar panels on the existing roof structures. This installation will generate 2 560 MWh per year, with an annual saving of 2 534 tons CO₂.
- Solar thermal field at Groot Drakenstein: A feasibility study was concluded for a 7 000m² solar thermal field. Solar collectors will be used to heat water for processes, boiler water heating and steam generation. This solar installation will yield a saving of 2 660 tons of CO₂ per year.
- Two additional solar installations will commence in 2023 at the vegetable canning facility in Limpopo and the meat facility in Krugersdorp.



SUSTAINABLE AGRICULTURAL PRACTICES AND SOIL RESTORATION (SDG 15: Life on land)

Where feasible, sustainable farming practices have been implemented to reduce soil erosion and work within the ecological capacity of the land. Organic waste streams have been processed and applied to adjacent bits of land as compost with the goal of restoring soil.

At the group's pineapple farms in Eswatini, land preparation programmes are commissioned before farming begins. Land preparation takes into account the environmental and ecological capacity of the site, specifically to identify sensitive wetland areas, establish buffer zones and to determine the soil profile and fertility.







Social sustainability

EMPOWERMENT AND TRANSFORMATION

The group subscribes to the philosophy of broad-based black economic empowerment (BBBEE) and is committed to the spirit and principles of the BBBEE Act as well as compliance with the AgriBEE codes, which relate specifically to the agricultural and food production sector.

Management believes that development, transformation, empowerment and economic growth are complementary imperatives and the group aims to foster transformation through its business activities and by contributing to the broader society.

RFG's efforts in this regard are aligned to six of the SDGs which the group has identified as priorities:

	Zero Hunger		Good health and well-being		Quality education
	Gender equality		Decent work and economic growth		Reduced inequalities

The group's transformation strategy is focused on four key stakeholder groups:

- Shareholders – seeking to deliver competitive long-term returns and to attract a diversified shareholder base;
- Employees – focus on employment equity-based placement practices, skills training and employee development;
- Suppliers and business partners – developing meaningful and enduring business partnerships that will provide value creating opportunities; and
- The community – contributing to the development and upliftment of communities in need.

RFG attained 96.21 points on the amended AgriBEE sector code and improved its BBBEE rating to Level 2. The rating was independently verified by Honeycomb BEE Ratings, a SA National Accreditation System verification agent.

The group's short-term incentive scheme has been aligned with the transformation and empowerment objectives. The group's score for performance against the preferential procurement, enterprise and supplier development, and management control elements of the AgriBEE sector codes is applied as a non-financial measure in determining incentive payouts.

BBBEE scorecard

Element	Maximum score	2022	2021	2020	2019
Ownership	25	18.30	17.01	15.45	6.02
Management control	19	9.72	8.93*	10.60	11.50
Skills development	20	16.45	15.27	16.73	15.11
Preferential procurement and enterprise development	40	37.67	35.67	33.62	24.63
Socio-economic development	15	14.07	15.00	15.00	11.87
Total	129	96.21	91.88*	91.40	69.13
BBBEE level		2	3	3	8

* Restated

OWNERSHIP

RFG's score for the BBBEE ownership element has maintained the improvement experienced since 2020 with a slight increase to overall 18.30 points against 17.01 points in 2021.

Management notes that the group's overall BBBEE rating may fluctuate from year to year as the ownership score is sensitive to changes in the group's institutional shareholding and is dependent on the BBBEE status of its shareholders.

MANAGEMENT CONTROL AND EMPLOYMENT EQUITY

Black non-executive directors accounted for 40% (2021: 40%) of the board, with four black non-executive directors, including a black female chairperson. Female directors comprise 30% (2021: 30%) of the board, supporting SDG target 5.5 which aims to ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making.

RFG's score for this element increased to 9.72 points from 8.93 points in 2021, with improved performance on almost all management levels.

In accordance with the guidance of the BBBEE Act and SDG 10 on reduced inequalities, diversity targets will be set for each level of management against a timeline, using the group's employment equity plan (2021-2024) as a basis for determining targets. A talent and learning strategy was developed to identify skills gaps and development needs to facilitate the achievement of the targets. Talent assessments were conducted in the current year to form a base for succession planning for top and senior management levels. In the year ahead, organisational transformation will remain a focus.

LABOUR STATISTICS	2022	2021	2020
Total number of permanent employees	3 427	3 378	3 430
Total number of contractors	1 972	*1 770	1 062
Total number of employees and contractors	5 399	*5 148	4 492
Total number of employees and contractors operating in South Africa	4 482	*4 285	4 211
Percentage of management (top and senior) deemed a historically disadvantaged South African person (HDSA)	37%	*37%	*37%
Percentage of management (top and senior) who are women	20%	*21%	*21%
Percentage of total employees who are deemed HDSA	97%	97%	97%
Percentage of total employees who are women	48%	45%	47%
Percentage of total employees who belong to a trade union	38%	43%	37%
Employee turnover (number of persons who departed relative to the total number of employees at year end)	9.5%	*10.1%	*11.3%
Total number of person hours worked	14 752 328	13 020 280	13 809 247
Total number of person days lost due to absenteeism	34 540	56 323	47 297
Total number of person days lost due to industrial action	1 160	11 112	3 600

* Restated

SKILLS DEVELOPMENT

The group invested 2.5% (2021: 2.06%) of its annual payroll on the training and development of black employees.

Black employees on learnerships comprise 5.57% (2021: 5.8%) of the workforce, with the number of women participating in learnerships being 3.4% (2021: 2.7%) of total employees.

The score for the skills development element has improved from 15.27 points in 2021 to 16.45 points in 2022.

Skills development is a key enabler to the ongoing growth and transformation of the business. A talent and learning strategy was developed to identify skills gaps and development needs. Extensive learnership programmes are offered to employees, including programmes for people with disabilities, where significant progress has been made. This supports SDG target 4.4 which aims to substantially increase the number of people who have relevant skills for employment.

The group operates an adult education and training programme (ABET) across its operations, aimed at teaching adult learners reading, writing and numeracy skills. After completing the programme employees are enrolled in the food and beverage handling processes programme. A total of 130 learners have completed the ABET programme, with 79 learners currently enrolled on the programme. This supports SDG target 4.6 which aims to ensure that all youth and a substantial proportion of adults achieve literacy and numeracy.

Training	2022	2021	2020
Total number of employees trained, including internal and external training interventions	2 471	2 492	2 709
Rand value of employee training spend (R'000)	9 557	10 957	6 846
Percentage of employees trained in South Africa	76%	74%	73%
Percentage of training spend in South Africa	96%	96%	94%



PREFERENTIAL PROCUREMENT, ENTERPRISE AND SUPPLIER DEVELOPMENT

The group's spend with BBBEE suppliers was 69.7% (2021: 68%) of total procurement, with 17.38% (2021: 16.61%) spent on procurement with qualifying small, medium and micro-enterprises (SMMEs). There is continued emphasis on growing black owned SMMEs, particularly businesses owned by black women.

The enduring focus on supplier selection and development has delivered a solid improvement for the current year. Preferential procurement with qualifying small enterprises is underrepresented and, together with a focus on increased spend with exempted micro enterprises, will characterise the effort for the next year.

RFG will continue to focus its enterprise and supplier development initiatives to help bring about meaningful transformation in the agricultural sector with specific emphasis on its own supplier base.

The group invested 1.14% (2021: 2.44%) of profit after tax on enterprise development initiatives against a target of 1.5%. Projects include the further development of two black owned SMMEs, one of which distributes a range of the group's products.

The group also invested 1.87% (2021:1.98%) of profit after tax on supplier development initiatives against a target of 1.5%. Projects include the further development of several black-owned SMMEs, which supply RFG with deciduous fruit.

The most significant project is the continued funding of the development of the Constitution Road Wine Growers (CRWG) farm, which is majority owned by black, female farm workers. CRWG supplies RFG with fruit for processing, with 941 tonnes received in the reporting period and 1 147 tonnes forecast for the 2023 financial year. This reflects extremely good growth given the humble beginnings of 100 tonnes in 2009. This activity supports SDG target 2.3 which aims to double the agricultural productivity and incomes from small-scale food producers, in particular women amongst others.



SOCIO-ECONOMIC DEVELOPMENT

Active support of social upliftment programmes contributed to the group achieving a score of 14.07 for socio-economic development. In South Africa, this includes providing support to organisations involved in national food distribution programmes and soup kitchens, such as Meals on Wheels, Gift of the Givers, Pebbles Project, Ladles of Love, Food Forward SA and SA Harvest. The group also continued to support local organisations providing relief to the communities in which the group operates, such as Nation Builders, Magda's Soup Kitchen, Fountain of Hope, Cradle of Love and TLC Children's Home.

In Eswatini, support is provided to a range of community and caregiving organisations.

RFG's corporate social investments support SDG target 2.1 which aims to end hunger and ensure access by all people to safe, nutritious and sufficient food all year round. The support RFG provides to the various programmes also supports SDG target 17.H which encourages effective partnerships.

Summary of socio-economic development spend	
Category	Basic needs and social development
Description	Feeding programmes and nutrition
Total spend – South Africa	R5 098 096
Total spend – Eswatini	R1 483 036
Total spend	R6 581 132



HEALTH AND SAFETY

RFG recognises and accepts its duties as an employer to ensure as far as reasonably practicable, the health, safety and welfare of its employees at work. This supports SDG target 8.8 which aims to promote safe and secure working environments for all workers.

RFG also ensures that all reasonably practicable efforts are made to safeguard its visitors, contractors and members of the public, who may be affected by its activities. The group endeavours to prevent any incident that may result in injury, ill-health or damage to property.

The employee wellness programme assists employees in resolving mental, social and physical issues and provides emotional and social support to staff and their immediate families, which is aligned to SDG 3 for good health and well-being.

Health and safety statistics

Number of fatalities	–
Number of medical treatment cases	91
Number of lost time injuries	189
Total number of recordable injuries	280
Fatal injury frequency rate (FIFR, number of fatalities per 200 000 person hours worked)	–
Lost time injury frequency rate (LTIFR, number of LTIs per 200 000 person hours worked)	7
Total recordable injury frequency rate (TRIFR)	10
Number of external operational health and safety audits conducted	8
Number of external food and safety audits conducted	27

COMMITMENT TO SUSTAINABILITY

RFG will endeavour to align its efforts with the key principles outlined in South Africa's Just Transition framework by adopting a people-centred approach to addressing the impacts of climate change. Recognising that we operate in a sector that has already begun to experience the impacts of increasingly volatile weather, we acknowledge the potential impact on job security in our industry and the need for creating re-skilling and training opportunities for the jobs of the future.

RFG is committed to responsible business practices that mitigate the impact on the environment and contribute to a better society. Given the environmental and social challenges that persist on a national and international level, it is important that we continue to focus and align our environmental and sustainability strategy to the SDGs.

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