Driving performance to sustain our purpose
WHAT WE DO
PPC is a material and solutions provider with a philosophy of providing quality products – cement, aggregates, metallurgical-grade lime, burnt dolomite, limestone, readymix and fly ash – that build strong foundations for the generations to come. We also provide value-added technical support services to our customers.

WHO WE ARE
PPC’s story stretches back over 128 years to where we were first incorporated on the outskirts of Tshwane (formerly known as Pretoria), in South Africa, in 1892.

As the first cement manufacturer in South Africa, we have established ourselves as a resilient organisation by adapting to ever-changing economic, operating and political environments. We are proud to be a leading provider of quality building materials and solutions in 80% of the regions we operate in.

OUR PURPOSE
To empower people to experience a better quality of life.

OUR VISION
To be a company that provides world-class materials and solutions into the basic services sector while creating sustainable value for all stakeholders.

We encourage feedback on our integrated and supplementary reports. Kindly direct feedback to the Group Company secretary,

Ms Kristell Holtzhausen,
kristell.holtzhausen@ppc.co.za,
on +27(11) 386 9562

Details for obtaining copies of the integrated report are also available from our Group Company secretary.

www.ppc.africa
Social, Ethics and Transformation Committee Report

On behalf of the social, ethics and transformation committee (SETCO), I am pleased to introduce PPC’s environment and social supplementary report for the year ended 31 March 2020 (FY20), which forms part of our integrated reporting suite.

SETCO oversaw PPC’s ethical, environmental and social performance during FY20. As a socially responsible corporate citizen, we are acutely aware of the impact of our business operations on all our stakeholders, including our employees. Given recent events around the world, such as the COVID-19 pandemic, it is clear now – more than ever – that we are all connected, and that we have a moral responsibility to care for one another and the planet we rely on.

Governance of Ethics

Over recent years, we have seen an increase in ethical transgressions in the corporate world, as well as lack of integrity from business leaders. Stakeholders are increasingly calling for transparency and authenticity which, we believe, is essential for cultivating an ethical culture. PPC is committed to fulfilling its legal and moral obligations as a responsible corporate citizen. Our holistic approach focuses on promoting equality, preventing unfair discrimination, eliminating corruption and contributing to the development of those communities surrounding our operations.

We aim to create an equal opportunity working environment. To this end, during FY20, we identified further steps we can take to remedy any gaps in terms of gender equality and pay. While race and gender pay disparities mainly arise from a legacy of PPC operating in a mostly male-dominated environment, we have developed a remuneration plan to address and remedy this over time. This process will continue in FY21.

We believe that the policies we have in place are designed to deliver shared value to our stakeholders, as well as PPC’s business objectives. In FY20, we approved a business ethics policy and bullying and harassment policy, among others. Furthermore, we are in the process of updating our whistleblowing policy to allocate identified matters to the relevant departments for action.

The topic of ethics has become a standard agenda item for discussion during SETCO meetings. In FY21, we will consider implementing a consolidated ethics framework and strategy throughout PPC, which will further strengthen our commitment to being a responsible corporate citizen.

Our Environmental Performance

PPC believes in operating a sustainable business and we are committed to reducing the environmental impact of our operations while continually improving environmental performance. We ensure that sustainability forms an integral part of our business strategy, while we strive to minimise or eliminate negative impacts and maximise positive impacts. It is now more important than ever to ensure that we operate an efficient and sustainable business. We are committed to reducing our impact on the environments in which we operate.

We have highlighted leadership’s commitment to the environment through our revised environmental policy. In addition, we have a dedicated energy policy that governs our energy management systems, energy footprint reduction and waste co-processing. Over the past few years, our focus has been on implementing energy management systems at our mega-plants, where we have improved our thermal and electrical energy performance. Our commitment to climate change mitigation has been shown through the rollout of our mega-plant strategy, our energy management policy, various programmes – including the alternative fuel programme – and energy management systems, including monitoring improvement and clinker factor reduction.

We encourage all our customers, suppliers and business associates to meet similar environmental goals.

More information on our environment and energy performance during FY20 is detailed on pages 15 to 21.

Our Social Landscape

Corporate Social Investment

We continued to collaborate with our host communities across sub-Saharan Africa during the year. We build mutually beneficial relationships with social partners and, through socio-economic development initiatives, we ultimately empower our host communities to take ownership of their growth and prosperity.

In South Africa and Botswana, we continued to implement collaborative programmes to benefit the communities near our operations. In Zimbabwe, challenging conditions did not deter PPC from investing in community improvement projects. We continued to invest in education, health, entrepreneurship and sports for the people of Rwanda, while in the Democratic Republic of the Congo (DRC), our endeavours to develop sustainable economies and markets led to investments in skills training, education, healthcare, clean water and supporting local businesses to develop a circular economy.

More information on PPC’s social investments is detailed on pages 22 to 25.
TRANSFORMATION

PPC is fully committed to delivering on the South African transformation agenda. To this end, in FY19 SETCO approved a transformation strategy based on the four pillars of ownership and control, commercial relationships, human capital, and community and social relationships. Building on this, in FY20 PPC developed a black economic empowerment (BEE) roadmap. In addition to all BEE oversight responsibilities, during FY20 we revised our internal BEE structure to ensure that all elements, except for ownership, fall under PPC South Africa. The element of ownership will remain under the ambit of the Group chief financial officer (CFO).

PPC received a letter from the BEE commissioner during FY20, asserting that the Company’s 2019 BEE certificate was invalid on the basis that PPC should comply with the Construction Sector Code (CSC) instead of the mining charter or the Department of Trade, Industry and Competition’s (dtic) generic scorecard. PPC was instructed to remove the BEE certificate from its website, and instead be measured under the construction sector charter. PPC’s management and the verification agent met with the BEE Commissioner on the matter, and came to the conclusion that PPC should comply with the CSC due to the nature of the business.

We also engaged a legal firm, to assist us and provide guidance on the matter, which confirmed that, while the matter is ongoing, PPC’s BEE certificate should remain on the website. Should PPC have to comply with the construction sector codes, we could potentially be accredited at a level 7 or 8 from a current level 4. Management continues the dialogue with the relevant authorities to ensure that PPC remains compliant with its BEE obligations in terms of the mining charter, particularly those regarding our BEE certificate, and we hope to resolve this matter during FY21.

OUR PEOPLE

At PPC, we aim to be an employer that creates meaning for our employees. During the last quarter of FY20, we conducted PPC’s annual full employee engagement survey (conducted by Deloitte), which assessed the level of employee engagement through four drivers: leadership, culture, human experience and talent. The survey was designed to elicit concrete feedback from our people to tell us where we were doing well and where we needed to improve.

We completed the restructuring of the South African operations during FY20 with zero external disputes arising over this time. We received a number of voluntary separation package applications, awarding about 45% of them, to ensure the protection of institutional knowledge. Unfortunately, due to the restructuring, we lost some employment equity (EE) candidates. Senior management representation, however, increased following this process, which demonstrates alignment with the overall industry norm.

MANAGING STAKEHOLDER RELATIONSHIPS

Our brand promise of Strength Beyond is a commitment to our stakeholders. In essence, we strive to contribute to a better quality of life, not only for the communities in the regions where we operate but across the range of constituencies in our stakeholder universe. Stakeholder engagement is a continuous process and our comprehensive approach to inclusivity ensures the success of our business. While SETCO has oversight of the management of stakeholder relationships, the board of directors is the ultimate custodian thereof, as well as of PPC’s reputation. To this end, during FY20, we ensured that any identified stakeholder issues that needed to be elevated to the board for further consideration were done, giving due consideration to these matters.

While we have a stakeholder engagement framework in place for most of PPC’s operations, we are in the process of updating this to include DRC and Ethiopia operations and instil a stakeholder-inclusive approach throughout the Group. Recent experience with cross-border regulators and regulatory uncertainty has elevated the importance of these relationships. Going forward, we will focus on implementing the stakeholder framework throughout the Company. To this end, PPC’s information technology (IT) department developed a customer service management application to ensure we move from a silo mentality to a unified and aligned approach.

More information on our stakeholder relationships is detailed in our integrated report.

APPRECIATION

I want to thank our board, fellow SETCO members, senior management and our employees for their dedication to our business. While we are operating in a world that is constantly exposed to new challenges, I am comforted that, through our collective efforts, we will reach our full potential.

On behalf of SETCO

Nonkululeko Gobodo
Chair
8 October 2020
We believe that a successful business strategy depends on people. As such, our employees drive and deliver our business objectives, which ultimately leads to value creation for our stakeholders.

Our people are our strength. We embrace diversity and recognise the value and contribution of each individual. To this end, we conducted our annual full employee engagement survey in March 2020. The survey was conducted by Deloitte and assessed the level of employee engagement based on four pillars: leadership, culture, human experience and talent. The survey was designed to elicit meaningful feedback from our people to indicate what we are doing well and where we need improvement to reposition PPC as an employer of choice.

The following initiatives and performance areas for the reporting period supported our human capital priorities:

- **Human resource (HR) solutions** (standardising, automating and simplifying our policies and processes)
- **Talent and development management**
- **Implementation of the employee engagement survey**
- **Conducting leadership assessments against the seven PPC leadership competencies**
- **Aligning our remuneration and benefits philosophy to market-best practices**

**Highlights**

- Trained 170 culture change ambassadors
- Launched our Group employee value proposition (EVP)
- Rolled out annual PPC culture celebration week across all sites
- Conducted our annual employee engagement survey
- Launched the integrated human capital management (HCM) system and successfully implemented the first phase
- Completed 90% of leadership competency socialisation sessions
- Implemented the first phase of the leadership assessments against the seven PPC leadership competencies

**CHALLENGES**

- A gradual decline in learning and development spend (against a percentage of the wage bill) and change in the dtic targets and verification rules
- Strike and lockout at our Hercules plant

**RESPONSES**

- Embedding integrated talent management philosophy
- Ongoing development of technical skills
- Build a healthy pipeline of young talent
- Cultivate effective relationships with relevant stakeholders
- Introducing engagement forums
Our total workforce – including Pronto, 3Q and Ulula Ash’s 399 employees – decreased by 8.8% in FY20 to 3,293 employees (FY19: 3,614).

Our South African workforce decreased from 2,153 in FY19 to 1,913 in FY20, mainly due to the restructuring of the South African business. Our workforce in our international segments remained largely the same.

**Total workforce as at 31 March**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>1,913*</td>
<td>2,153*</td>
</tr>
<tr>
<td>Subsidiaries (Pronto, 3Q and Ulula Ash)</td>
<td>399</td>
<td>443</td>
</tr>
<tr>
<td>Botswana</td>
<td>124*</td>
<td>135*</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>419*</td>
<td>440*</td>
</tr>
<tr>
<td>Rwanda</td>
<td>286</td>
<td>295</td>
</tr>
<tr>
<td>DRC</td>
<td>152</td>
<td>148</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,293</td>
<td>3,614</td>
</tr>
</tbody>
</table>

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

**Breakdown of total workforce**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,293</td>
<td>3,614</td>
</tr>
<tr>
<td>Permanent</td>
<td>3,009</td>
<td>3,278</td>
</tr>
<tr>
<td>South Africa</td>
<td>2,299*</td>
<td>2,596*</td>
</tr>
<tr>
<td>Fixed-term contracts</td>
<td>284</td>
<td>336</td>
</tr>
<tr>
<td>Consultants</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Labour brokers</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

The percentage of young talent in our workforce, those younger than 30, increased slightly from 18.5% in FY19 to 19.2% in FY20. Young talent comprised 2.0% of our professionals, 13.0% of our skilled workers, and 23.0% of our learners and other developmental roles. These learners feed into our skilled talent pipeline.

Our more experienced employees, those older than 30, accounted for 65.6% of our total workforce, with 15.3% of our employees older than 50. We continue to manage the risk of losing intellectual capital and institutional knowledge and experience. To further mitigate this risk, we are developing a skills transfer programme for critical positions and scarce skills, especially for roles held by the over-55 age group.
EMPLOYMENT EQUITY

Overall, PPC continues to progress against transformation targets compared with South African industry norms. Of the 131 new hires in South Africa, 125 were from designated employment equity (EE) groups and 120 were African, Coloured and Indian (ACI) employees. Senior management representation decreased slightly from 64.0% in FY19 to 63.0% in FY20 due to resignations.

Female representation, in particular African females, continues to be a challenge when compared with the national economically active population (EAP). We slightly progressed in our total African female representation of 15.0% in FY20 versus 13.1% in FY19. However, it remains below the national EAP of 36.0%. We continue focusing on initiatives aimed at closing the gap, such as recruitment drives, career advancements within the Company and external talent mapping. We target and prioritise women and people with disabilities in learning and succession processes.

National EAP versus PPC

<table>
<thead>
<tr>
<th></th>
<th>EAP</th>
<th>PPC</th>
<th>EAP</th>
<th>PPC</th>
<th>EAP</th>
<th>PPC</th>
</tr>
</thead>
<tbody>
<tr>
<td>African</td>
<td>42.8</td>
<td>43.5</td>
<td>36.0</td>
<td>15</td>
<td>78.3</td>
<td>58.5</td>
</tr>
<tr>
<td>Coloured</td>
<td>5.1</td>
<td>18.6</td>
<td>4.4</td>
<td>4.8</td>
<td>10.0</td>
<td>23.4</td>
</tr>
<tr>
<td>Indian</td>
<td>1.7</td>
<td>0.8</td>
<td>0.7</td>
<td>0.8</td>
<td>2.7</td>
<td>1.6</td>
</tr>
<tr>
<td>White</td>
<td>5.0</td>
<td>11.8</td>
<td>4.5</td>
<td>3.6</td>
<td>9.0</td>
<td>15.4</td>
</tr>
<tr>
<td>Total</td>
<td>54.7</td>
<td>74.7</td>
<td>45.3</td>
<td>24.2</td>
<td>100.0</td>
<td>98.9</td>
</tr>
</tbody>
</table>


Segment representation in comparison with industry norms

<table>
<thead>
<tr>
<th></th>
<th>Top management</th>
<th>Senior management</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>75.0</td>
<td>64.0</td>
<td>60.8</td>
</tr>
<tr>
<td>FY20</td>
<td>75.0</td>
<td>62.5</td>
<td>66.1</td>
</tr>
<tr>
<td>Industry norm</td>
<td>42.4</td>
<td>45.7</td>
<td>59.4</td>
</tr>
</tbody>
</table>

TURNOVER

We calculate our overall turnover rate using the Global Reporting Initiative (GRI) standards.

Our total turnover rate (excluding Pronto, 3Q and Ulula Ash) increased to 18.7% in FY20 from 8.4% in FY19, mainly due to the restructuring of the South African business. Our turnover rate is 22.8%* for South Africa, 3.3% for Zimbabwe and 10.2% for Botswana. The turnover rate in Rwanda was 5.0% and 7.0% in the DRC (not verified by Deloitte for assurance).

The turnover rate of employees from designated EE groups remained high. We analysed the 104 resignations in South Africa and the results showed 93.0% were from EE groups, including 79.0% ACI and 40.0% female. We implemented measures to address this going forward. These measures include analysing exit interviews to identify trends and introducing corrective actions. The consistent application of the EVP has enormous potential to impact talent retention positively.

Voluntary and involuntary exits

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary</td>
<td>13.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Involuntary</td>
<td>6.7</td>
<td>5.0</td>
</tr>
<tr>
<td>International</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary</td>
<td>3.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Involuntary</td>
<td>1.5</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>16.5</td>
<td>7.2</td>
</tr>
</tbody>
</table>

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.
WORKFORCE ANALYSIS continued

**ABSENTEEISM**

PPC’s absenteeism rate was stable at 1.9%. Our absenteeism rate remains well below the average industry benchmark of 3.0% (South Africa and Botswana, excluding Pronto, 3Q and Ulula Ash).

**BARGAINING REPRESENTATION**

PPC upholds the right to freedom of association and prohibits unfair discrimination. Furthermore, we recognise the right to collective bargaining and have relevant agreements in place with various unions representing our employees.

Overall union membership of 35.9%* remained consistent year on year. The majority of our employees are members of the National Union of Mineworkers (NUM).

Our Hercules plant in South Africa reported industrial action during FY20. This related to a benefits dispute, which arose from the previous financial year. The dispute was successfully resolved within the strike period of 21 working days.

Our annual wage negotiations at our plants were concluded without any disruptions. Each plant settled within affordable levels.

**HR SOLUTIONS**

As we continue driving a high-performance culture within PPC, we introduced a performance management and pay for performance philosophy. Line managers are encouraged to regularly assess the technical and behavioural performance of their teams and provide feedback.

The oracle fusion project, implemented during FY19, introduced an integrated talent management system to the Group. The system will promote efficiency, consistency and effectiveness in performance management, talent review, salary review, performance bonus pay and skills development processes across the business. Change management readiness and preparation sessions were also implemented during FY20, which were further supported by training to ensure proficiency and full use of the system.

**CULTURE**

We believe that organisational culture is a critical driver of employee performance and morale. We therefore ensure initiatives aimed at transforming our culture take priority across the business. This process is not only driven by the HR department but also by the dedication and commitment of leadership and culture change ambassadors. We have culture plans at Group and site levels, and will also incorporate feedback from PPC’s employee engagement survey in the next financial year.

Our Group values are core to our culture. We continued highlighting the importance of these values through various platforms and initiatives during FY20. These values are also included in our performance scorecards. Similarly, we socialised and embedded the code of conduct throughout the Group, which guides our behavioural expectations. We are confident all employees understand our Group values and the code of conduct and, consequently, what is expected of them every day. In March 2020, the Company conducted its first employee engagement survey since 2016, in partnership with Deloitte. The objective of the survey was to assess the engagement level across the Group through the measurement of four engagement drivers: leadership, culture, human experience and talent. In addition, the survey sought to measure the effectiveness of culture initiatives such as Group values and code of conduct. The results of the survey will be announced in the new year.

Following the adoption of a Group culture change plan in FY19, 170 culture change ambassadors were trained to build their skills as change agents. We celebrated our annual culture week with these ambassadors when we reflected on our progress against our culture change plans.

Furthermore, this event reminded our employees of our culture transformation objectives. We aim to conduct biannual surveys to measure the effective implementation of culture change initiatives and the improvement of our culture.

Unfortunately, we had to postpone the implementation of the learning organisation sessions to the last quarter of FY21 due to several changes affecting PPC over the past year. This programme will empower employees to effectively communicate and raise awareness of individual leadership opportunities.

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.
TALENT
We launched our Group EVP, crafted with input from our employees. Our EVP highlights the promises we make to our workforce. We want to ensure all employees experience its six components (detailed below) that differentiate PPC from other companies.

Inspiring leadership
Our leaders create a shared vision, which enables a diverse group of individuals to unite towards a common goal of building a high-performing organisation.

An enabling culture
We embrace positive work relationships and the Strength Beyond team spirit, and we respect and value everyone, and recognise that each one of us is essential to our success.

Talent nurturing
We are committed to providing a fulfilling career that offers growth and career stability to our employees with added opportunities for learning and development.

A healthy and safe environment
We are committed to protecting the occupational health and safety of our employees and all our stakeholders at all times.

We care
We strive to provide quality solutions in everything we do, which includes our products, the support we offer the communities in which we operate, and the personal lives of our employees.

A happy home
We strive to create a positive work environment to promote a sense of personal achievement and a work-life balance.

We focused on the first critical component of our EVP, inspiring leadership, in FY20. We introduced the seven leadership competencies that define a PPC leader and initiated phase one of our leadership assessments.

We commenced with talent reviews and assessments in FY19 to identify possible leadership successors. Unfortunately, we had to delay this process due to the restructuring process finalised in FY20. We hope to complete these talent reviews in the next financial year. Once completed, we can develop an informed Group succession plan that will incorporate the alignment of transformation targets and the overall objective of increasing our talent pipelines across the business. We will also develop a robust talent strategy with initiatives aimed at ensuring we recruit, develop and retain the right talent to achieve our objectives.

Targeted upskilling and development for growth in line with development goals will be implemented through formal education, exploration and exposure.

INSPIRING LEADERSHIP
Our leadership team is responsible for driving the culture of our Company. We therefore invest in initiatives aimed at empowering our leaders who, in turn, will inspire our employees to deliver on our strategy and create meaningful value for our stakeholders. Furthermore, our leaders:
- Lead the Company transformation initiatives
- Build a coaching and mentoring culture
- Elevate the level of employee engagement and decisiveness

We introduced a coaching programme for our exco because of our commitment to developing inspiring leaders. This programme will continue into the new financial year.

We also developed seven clearly defined competencies with supporting behavioural descriptors for our leaders at strategic, tactical and operational levels. All leaders across the business were socialised in these competencies, ensuring they understand what is expected of them and how to create an enabling work climate by living these competencies. The seven competencies are:

- Personal mastery
- Values-driven
- Results orientated
- Coping with change and ambiguity
- Setting the direction
- Aligning the people
- Decisive and courageous

All competencies will be incorporated into our leaders’ scorecards during the next performance cycle.
Our leaders will be assessed against these competencies, identifying their strengths and areas for development. This, in turn, will guide their individual development plans to further improve their effectiveness. We completed the first phase of leadership assessment with 24 leaders at strategic level, with the exception of new joiners. The latter will be assessed after being employed for six months. The assessments were conducted according to the seven defined PPC leadership competencies. The results were shared with individual leaders and provided recommendations for improvement. These will be discussed and agreed upon with direct line managers to guide individual development plans.

The formal progress update will be conducted twice a year: during mid-year (October 2020) and final (April 2021) performance review phases. The next level of assessments will be carried out at tactical leadership level, and the decision on how to proceed to this level will be determined by the outcome of the review of the approach used with strategic leaders.

**LEARNING AND DEVELOPMENT**

The successful execution of our strategy depends on a highly efficient and productive workforce. Growing and developing talent is therefore a critical part of our HR priorities. We believe these priorities will ensure a healthy pipeline of skills and competencies that will position PPC on a global scale. We continued embedding our integrated talent management philosophy this year to ensure effective management of talent and skills within the Group.

A crucial part of managing talent is investing in learning and development. Our focus areas include:

- Ongoing development of technical skills
- Developing young talent across several disciplines to promote the national agenda of improving the employability of youth and to ensure PPC has sufficient talent to meet future business needs
- Ongoing development of leadership capabilities through competency assessments, leadership coaching and focused leadership development

We invest in employee development to cultivate a high-performing culture and ensure we have the right skills to enable future growth. PPC therefore invested a significant 2.9% of our wage bill in learning and development in South Africa, down from 3.9% in FY19 due to the challenging economic environment and lower learnership numbers.

### Training expenditure as a percentage of wage bill

<table>
<thead>
<tr>
<th>Country</th>
<th>Annual wage bill</th>
<th>Training spend</th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa (R)</td>
<td>1 238 850 620</td>
<td>36 407 250</td>
<td>2.9%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Zimbabwe (ZWL)</td>
<td>111 665 740</td>
<td>1 432 653</td>
<td>1.3%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Botswana (P)</td>
<td>31 461 492</td>
<td>133 008</td>
<td>0.4%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Rwanda (RWF)</td>
<td>5 472 467 876</td>
<td>165 532 956</td>
<td>3.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td>DRC (US$)</td>
<td>5 115 565</td>
<td>61 995</td>
<td>1.2%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

As a reflection of the strength of our learning culture, we measure average hours per employee participating in learning and development initiatives, and the associated costs involved, as a percentage of PPC’s total wage bill. Our employees attended an average of 79 hours of learning and development in FY20, an improvement from 68 hours in FY19. This is well within our benchmark of 72 to 90 hours (eight to 10 days).

The total training hours for the South African operations (excluding Pronto, 3Q and Ulula Ash) improved from an average of 82 hours per employee in FY19 to an average of 88 hours in FY20. This increase is mostly due to the rationalisation process during the reporting period.

### Training hours per country: International (average hours per employee)

<table>
<thead>
<tr>
<th>Country</th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zimbabwe</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Rwanda</td>
<td>107</td>
<td>105</td>
</tr>
<tr>
<td>Botswana</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>DRC</td>
<td>39</td>
<td>18</td>
</tr>
</tbody>
</table>
Training hours per employment category: South Africa

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>FY20*</th>
<th>FY19*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total training hours</td>
<td>Total employees</td>
</tr>
<tr>
<td>Top management</td>
<td>–</td>
<td>3</td>
</tr>
<tr>
<td>Senior management</td>
<td>76</td>
<td>24</td>
</tr>
<tr>
<td>Professionals</td>
<td>2 618</td>
<td>192</td>
</tr>
<tr>
<td>Skilled workers</td>
<td>30 112</td>
<td>590</td>
</tr>
<tr>
<td>Semi-skilled</td>
<td>21 015</td>
<td>1 038</td>
</tr>
<tr>
<td>Unskilled</td>
<td>103</td>
<td>3</td>
</tr>
<tr>
<td>Learners</td>
<td>114 052</td>
<td>63</td>
</tr>
<tr>
<td>Total</td>
<td>167 976</td>
<td>1 913</td>
</tr>
</tbody>
</table>

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

A healthy pipeline of young talent will ensure we meet our short and long-term business objectives. More than 30.0% of our total learning and development investment was therefore spent on developing employees younger than 30. We saw significant improvement in the number of young talent appointed to entry-level positions within PPC. We also provided 31 youths with marketable skills training to improve their employability by PPC and in the wider sector.
We understand that how we manage occupational health and safety needs to be meaningful and tangible. Our operations are designed with one goal in mind – our people are entitled to work in an environment that does not threaten their health and safety in any way. Health and safety are therefore part of our DNA.

To achieve best-in-class performance, PPC is committed to building a proactive and highly reliable health and safety culture at individual, leadership and organisational levels. Over the years, we developed the necessary controls and mechanisms to meet international, legislative and our business requirements and standards. Our system includes risk assessments, incident investigations, site inspections and observation, internal and external audits, legal compliance audits and reporting. Furthermore, it is imperative to create a safe workplace environment by safeguarding our physical environment, such as infrastructure, equipment, structures and tools.

Our people are critical to delivering on our health and safety strategy. We encourage our employees to be mindful of their environment, thereby ensuring we collectively maintain a healthy and safe workplace environment. We also train our employees to ensure they are kept up to date on the latest protocols and resources available to manage their well-being.

PPC’s Group health and safety policy was reviewed and approved by SETCO during FY20, which can be accessed at [www.ppc.africa/corporate/policies/](http://www.ppc.africa/corporate/policies/).

We are committed to our Group health and safety policy, and are guided by in-country requirements in its implementation. We consider varying health and safety risk profiles across our operations, and maintain robust health and safety systems at these operations.

**Highlights**

- 15 of our sites recorded zero lost-time injuries (LTIs) over the past 12 months
- 11 of PPC’s sites operated for over two years without an LTI
- Our international operations had only four LTIs in this reporting period, resulting in world-class lost-time injury frequency rate (LTIFR) of 0.12
- PPC went live with Isometrix – our Group safety, health, environment, risk and quality (SHEQ) system – and our electronic document management system, Sharepoint
## Challenges

- PPC recorded 15 LTIs during the reporting period. While we saw no fatalities during FY20, tragically, we recorded a fatality at our CIMERWA operation at the end of April 2020

- Onerous and developing requirements related to rail safety in South Africa, which are not commensurate with PPC’s rail risk profile

- Management of safety incidents across all sites

- The impact of the COVID-19 pandemic

## Responses

- Thoroughly investigated all LTIs

- Shared learning points throughout the Group through Isometrix and other learning reviews

- Addressed any shortcomings identified in South Africa through the investigation conducted by the DMRE or in-country authorities

- Engagements with the Railway Safety Regulator (RSR) to ensure full understanding of the context and detailed requirements

- Committed extensive resources to ensure compliance with RSR requirements

- Submitted 2020 to 2021 rail safety permit application for our 12 active rail sidings at our South African cement business to the RSR in November 2019

- PPC was granted a permit extension while the RSR reviewed our permit application. The Group’s new rail permit was issued in February 2020 and is valid until the end of January 2022

- PPC Lime applied for its rail permit during the year, which was received in June 2019 and is valid for three years

- We made significant improvements in our safety performance since implementing our risk assessment and engagement programme

- Investigated all LTIs and high-potential incidents. We capture the details of the investigations and mitigating actions on Isometrix, which we track until they are closed out

- Our sites conducted a “So-what” review, the learning points of which were shared across the Group

- All our operations were impacted by the COVID-19 pandemic

- Each operation conducted a health and safety risk assessment, taking into account the effects of a partial or complete shutdown, depending on in-country mandatory directives, and the subsequent start-up of operations

- We identified all necessary health and safety control measures, and developed plans that were implemented during lockdowns in the countries where we operate

- All employees and contractors attended induction or training sessions highlighting the requirements of in-country directives, as well as the risk assessments completed by PPC and associated lockdown and start-up plans
We have a robust occupational health culture at our operations through engagement and empowerment. We provide our employees with the necessary resources, systems and structures needed to ensure effective management of their health. Furthermore, we continuously identify risks to our employees’ health to eliminate or minimise hazards in the workplace and in our neighbouring communities where appropriate.

We host health and safety inductions for all contractors and employees, which must be completed before commencing work. We also conduct entrance, annual and exit medical examinations, and any other medical examinations or specialist medical services are provided as needed. All expatriate workers, including employees and contractors travelling internationally, complete an extensive pre-deployment health assessment. The assessment includes a medical evaluation, fitness to work and travel, individual travel health assessments, required vaccinations and malaria prophylaxis.

We conduct annual occupational hygiene surveys at our established operations, considering health concerns relating to lighting, noise, dust, ergonomics, heat, vibration and ventilation. Any identified issues are resolved with the help of occupational hygiene and medical personnel.

We have robust reporting mechanisms in place to ensure all regulatory medical reports are submitted. All occupational diseases were reported to the relevant regulatory authorities in FY20.

We have well-established clinics at all our major operations, run by medical professionals responsible for managing diseases. Smaller operations, such as our readymix plants, utilise external service providers for all medical examinations. Medical records and information are confidential, and medical issues are addressed privately between the patient and the occupational health nursing practitioner or the occupational medical practitioner. Under the direction of the health and safety personnel, each operation hosts programmes for employees living with HIV/AIDS or TB, the prevalence of which remains low, as well as programmes to assist with managing lifestyle or chronic diseases.

No cases of silicosis were reported in FY20*, maintaining the trend of more than 10 years. Malaria cases are rigorously monitored to ensure the disease is managed properly. All malaria cases were reported at our operations in the DRC and Rwanda, which have active malaria control programmes in place.

We actively monitor the outbreak of diseases on a global scale, given the geographical spread of our operations. We continue monitoring the Ebola outbreak in the DRC. This year, we saw the unprecedented emergence and spread of the COVID-19 pandemic around the globe. The pandemic unfortunately affected all regions in which we operate. PPC set up a COVID-19 taskforce, headed by the Group SHEQ manager and comprising representatives from all operations, to lead PPC’s response to the pandemic.

More information on how we dealt with the outbreak is detailed in our integrated report.

We ensure our Group health and safety policy is regularly, properly and adequately communicated to our employees. This policy is displayed at all operations in designated, strategic locations. Furthermore, everyone who enters our sites is required to attend an induction session where we brief them on our policy.

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.
Our employees are critical in achieving our objectives. They are the key role-players driving our success throughout our manufacturing life-cycle – from mining to production. We are committed to caring for their safety and have invested significantly over the years to identify, understand and mitigate the risks they face.

We continue adapting to a constantly changing operating environment – safety is not about the absence of something but rather the presence of positive and proactive activities. Our efforts to protect our people are evident in our above-average health and safety performance. We take comfort in our programmes and initiatives making a difference, and we will continue strengthening our health and safety performance going forward.

Tragically, we had one fatality in Rwanda in 2020. Our condolences go out to his family and friends. PPC had been fatality-free for three consecutive years before this regrettable loss of life, and we remain as committed as ever to protect the safety of our employees.

We recorded 15 LTIs this year, down from 21 in FY19. In total, 73% of LTIs occurred at our South African operations. PPC’s subsidiaries (Inland Cement Blending, Pronto, 3Q and Ulula Ash) reported no LTIs or serious injuries in FY20. Our Group LTIFR decreased when compared with the previous reporting period, down from 0.29* in FY19 to 0.22* in FY20.

Our South African manufacturing sites are OHSAS 18001 certified. Over the next three years, 15 of our 27 sites will transition to ISO 45001, which replaces OHSAS 18001. Our Harare plant in Zimbabwe successfully obtained ISO 45001 certification during the year.

We include the safety statistics of entities in which we have a majority share, using management control as a guide. Where we do not have a majority shareholding or effective management control, statistics are reported separately. Under this definition, we include the safety statistics of Inland Cement Blending (previously Safika) (91.0% holding), Pronto and 3Q (100% holdings), and exclude Habesha’s statistics (38.0% holding), which is reported separately from the Group.

Safety performance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0*</td>
<td>↔</td>
<td>0*</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Fatality frequency rate (FFR) per 200 000 hours worked</td>
<td>None set</td>
<td>15*</td>
<td>↓</td>
<td>21*</td>
<td>19</td>
<td>31(2)</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>LTIs</td>
<td>None set</td>
<td>0</td>
<td>↔</td>
<td>0</td>
<td>0</td>
<td>0.01</td>
<td>0.05</td>
<td>0.02</td>
</tr>
<tr>
<td>LTIFR per 200 000 hours worked (12-month window)</td>
<td>0.24</td>
<td>0.22*</td>
<td>↓</td>
<td>0.29*</td>
<td>0.25</td>
<td>0.40</td>
<td>0.24</td>
<td>0.24</td>
</tr>
<tr>
<td>Days lost to LTIs</td>
<td>None set</td>
<td>929*</td>
<td>↓</td>
<td>982*</td>
<td>377</td>
<td>599</td>
<td>239</td>
<td>511</td>
</tr>
<tr>
<td>Significant administrative notices(1)</td>
<td>None set</td>
<td>2</td>
<td>↓</td>
<td>10</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>6</td>
</tr>
</tbody>
</table>

(1) Section 54 (Department of Mineral Resources and Energy (DMRE) – South Africa only).
(2) 32 incidents resulted in 31 LTIs and one fatality.
* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

We continued using our serious incident analysis tool (SIAT) to investigate all significant incidents. We comprehensively assess root causes through this tool, considering people, the environment, equipment, tools, materials, procedures and standards, and organisational factors. The results of our investigations are shared throughout the Group to avoid similar incidents. We also develop action plans and lessons based on these results.

These actions, along with appropriate mitigating measures, are also captured on Isometrix – a software tool that integrates all SHEQ systems within PPC. We are in the process of reviewing the quality of the data captured during FY20. We believe this will enable us to manage all significant incidents properly and identify learning points, which we can cascade throughout the Group. Furthermore, one of the main reasons for introducing Isometrix is to identify trends and share data. We are also populating all health and safety data for trending and tracking purposes on the Isometrix dashboards.
Our safety performance continued

Statistics by region/operation

<table>
<thead>
<tr>
<th></th>
<th>12 months April to March 2020*</th>
<th>Trend</th>
<th>12 months April to March 2019*</th>
<th>12 months April to March 2018(1)</th>
<th>12 months April to March 2017(1)</th>
<th>Six months to March 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total LTIs and fatalities</td>
<td>15*(2)</td>
<td>↓</td>
<td>21*(2)</td>
<td>19(2)</td>
<td>32(3)</td>
<td>12(4)</td>
</tr>
<tr>
<td>Operational LTIs and fatalities</td>
<td>15</td>
<td>↓</td>
<td>19</td>
<td>18</td>
<td>28</td>
<td>8</td>
</tr>
<tr>
<td>Project LTIs</td>
<td>0</td>
<td>N/A</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>PPC employees injured</td>
<td>7</td>
<td>↓</td>
<td>16</td>
<td>14</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td>PPC contractors injured</td>
<td>8</td>
<td>↑</td>
<td>5</td>
<td>5</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>Southern African LTIs</td>
<td>11</td>
<td>↓</td>
<td>18</td>
<td>17</td>
<td>27</td>
<td>6</td>
</tr>
<tr>
<td>International LTIs</td>
<td>4</td>
<td>↑</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

(1) Assurance scope includes all South African PPC sites, Pronto, Botswana and Zimbabwe.
(2) No fatalities.
(3) One fatality and 31 LTIs.
(4) One fatality and 11 LTIs.
* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

Our South African operations had 21 visits by authorities during FY20 where two section 54 and one section 55 notices were issued by the DMRE. The Department of Labour did not issue any notices regarding health and safety.

Our leadership’s involvement is an essential part of managing health and safety at our operations. Our leaders actively guide our snakes and hazards programme and, this year, we continued embedding the programme in the way we conduct business. Information sourced from the implementation of the programme is captured on Isometrix, and analysed to identify any trends in our safety data.

We also rolled out our new document management system, at all operations. We identified employees to train as document owners and approvers.

We will focus on the following going forward:
- Ensure continuous engagement to improve our safety culture
- Conduct specialised training and coaching for health and safety representatives
- Follow-up reviews, ongoing coaching and guidance from leadership to ensure constant improvement of our risk assessment and engagement programme
- Develop and implement a health and safety training initiative for front-line supervisors
- Identify the root causes of all incidents and share learning points through the “So-what” incident review process
- Conduct training based on incident investigations for supervisors and health and safety personnel
- Ongoing improvement and training on Isometrix
We believe a company that truly focuses on sustainability will thrive. As such, managing our environment and energy performance is essential for us to reduce the impact of our operations and ultimately create value for our stakeholders over time.

### Highlights

- No environmental fines were issued to any of PPC’s operations
- Cement and lime operations in South Africa and Zimbabwe maintained their ISO 14001:2015 certifications
- Direct energy usage decreased by 21.0%* and indirect energy usage by 33.0%*
- Dust burden decreased significantly by 71.0%
- Postponement to 2020 Minimum Emission Standards was granted for De Hoek and Dwaalboom for NO\(_x\) emissions by the Department of Environment, Forestry and Fisheries (DEFF) to 2025
- DEFF granted Hercules Kiln (HK) 5 and Riebeeck Kiln (RK) 1 & 2 approval for decommissioning in line with the Minimum Emission Standards to 2030
- PPC Lime was granted an exemption to the alternative fuel minimum emission standard for start-up oil
- Slurry was granted a waste variation licence authorising the use of alternative fuels and resources (AFR)
- Slurry was granted decommissioning environmental authorisation for Kiln 5 and 6
- The DRC’s Department of Energy renewed PPC Barnet’s water harvesting permit

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

### Challenges and Responses

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO(_x) emissions at De Hoek in South Africa and PPC Barnet in the DRC</td>
<td>Obtained an extension from the DEFF for De Hoek and Dwaalboom to comply with the amendments to the 2020 minimum emission standards for NO(_x) emissions, contingent on PPC implementing the proposed NO(_x) emission reduction plan&lt;br&gt;De Hoek implemented an ambient monitoring programme at Piketberg to assess the impact on sensitive receptors with results well below ambient emission standards&lt;br&gt;Plan to install ambient monitoring instruments at PPC Barnet to determine the impact on sensitive receptors, and scientifically justify ambient air impact and the subsequent reduction of the proposed limit</td>
</tr>
<tr>
<td>Visible stack emissions at Colleen Bawn in Zimbabwe</td>
<td>Planned upgrades to the kiln dust abatement equipment during FY21 and FY22</td>
</tr>
<tr>
<td>A section 30 diesel spill at PPC Lime during maintenance of the railway tracks</td>
<td>Conducted a thorough investigation&lt;br&gt;Appointed a spill management company to remediate the soil&lt;br&gt;Completed a soil analysis and submitted the results to the relevant authorities</td>
</tr>
<tr>
<td>Rwanda’s president received a public complaint about excessive dust emissions affecting local communities</td>
<td>Replaced defective bags in the dust collector&lt;br&gt;The Rwanda Environmental Management Authority (REMA) confirmed our response was satisfactory after conducting an inspection</td>
</tr>
</tbody>
</table>
ENVIRONMENTAL MANAGEMENT APPROACH

PPC believes in operating a sustainable business. To do this, we are committed to reducing our environmental impact at each operation, and continuously improve our performance management systems.

Sustainability forms an integral part of our business strategy. We can ensure optimal environmental performance by striving to minimise or eliminate negative impacts and maximise positive impacts. We encourage all our customers, suppliers and business associates to meet similar environmental goals.

To minimise the impact we have on the environment, we are committed to:

- Integrating environmental management into management practices throughout the Group
- Implementing environmental operational standards to reduce the adverse environmental impact of our operations
- Being a responsible corporate citizen and playing an active role in protecting and preserving the environment by addressing climate change, preventing pollution, encouraging the sustainable use of resources, and protecting ecosystems
- Identifying significant environmental matters relevant to our business, setting appropriate objectives and targets, and measuring these by reviewing the environmental performance of our workplace and the status of our surrounding environment
- Complying with applicable environmental legislation and other obligations
- Responsible stewardship of natural resources through efficient energy strategies
- Implementing responsible waste management practices
- Achieving effective and transparent communication with our stakeholders through, among others, internal communication and environmental management stakeholder forums
- Training and educating our employees on our environmental responsibilities
- Building capacity among our stakeholders to identify, report and act on opportunities to minimise environmental impact
- Managing our resources and maintaining biodiversity through concurrent rehabilitation

We believe our employees and contractors play a fundamental role in achieving our environmental objectives. Our workforce takes ownership of and participates in environmental management programmes and initiatives, and integrates environmental concerns into their everyday activities.

To achieve our goal of operating a sustainable business, we have an effective environmental management system (EMS) in place. The EMS identifies and evaluates operational risks and opportunities relevant to our business, and ultimately manages these to ensure environmental compliance and ongoing improvements in our performance. Furthermore, our energy management system (EnMS):

- Focuses on monitoring and evaluating all energy-related activities
- Ensures the credibility, reliability and usefulness of energy data to support the prioritisation of interventions and improved decision-making
- Ensures all employees are aware of the nature, meaning and value of an effective EnMS throughout the Group
- Identifies priority energy-saving initiatives and implements these on an ongoing basis
OUR ENVIRONMENTAL ISSUES

PPC has identified vital environmental issues relevant to our business, based on internal and external factors, including compliance obligations. We report on our progress against these issues year on year.

Our five key environmental issues are as follows:

<table>
<thead>
<tr>
<th>Compliance</th>
<th>Energy management and climate change</th>
<th>Efficient and responsible use of water resources</th>
<th>Air quality management</th>
<th>Resource conservation and alternative fuels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with ever-changing environmental regulations and legislation</td>
<td>Efficient energy usage at all our operations, optimising thermal and electrical energy</td>
<td>Efficient water use and conservation measures to ensure the sustainability of operations</td>
<td>Identify, monitor, manage and report on emissions from our operations</td>
<td>Manage our environmental footprint, and proactive land and resource stewardship, throughout the life-cycle of our operations</td>
</tr>
</tbody>
</table>

COMPLIANCE

We are committed to environmental compliance through sound environmental management. We identify environmental issues, risks and obligations relevant to our business. These are mapped to the relevant compliance requirements and included in environmental legal registers. The registers are linked to our EMS and are regularly reviewed to ensure they are kept up to date.

We have dedicated operational plans at every plant. We monitor our adherence to these plans through assessments, audits – such as environmental management plan reviews (EMPRs) – and authorisations, which include water use licences (WULs), atmospheric emission licences (AELs) and waste management licences (WMLs). We also conduct internal assurance audits to ensure our controls are effective.

We conducted internal legal audits at De Hoek, Riebeeck, Lime Acres, Bee sterekraal and Port Elizabeth during FY20. The outcomes of these audits are used to ensure compliance and continuously improve our operations.

The Department of Water and Sanitation (DWS) conducted WUL audits at Slurry and De Hoek in South Africa during the year. As a result of the audits, a formal report was issued to Slurry. We subsequently submitted an action plan to the DWS and will implement corrective actions to ensure compliance with our licence.

Our Dwaalboom WUL is pending. Authorities requested additional information to complete our application and we are compiling the information needed for resubmission. However, the delay in issuance of the WUL and several changes to the process meant some of the studies conducted are now redundant, and will have to be lodged to ensure alignment with current operational requirements.

PPC Lime’s amended WUL to accommodate the Bowden North quarry extension was submitted to the DWS. The revised licence has not yet been issued.

We successfully renewed our existing AELs at De Hoek, Dwaalboom, Lime Acres and Riebeeck this year to align with the updated minimum emission standards. We are renewing the AELs for our remaining sites, which we expect to complete during FY21.

Local legislation is not fully developed in all of the international regions where we operate. Therefore, we monitor our operations’ compliance against international standards, which are informed by the requirements of the International Finance Corporation and other lender institutions.

Several authorities in South Africa visited our operations to conduct compliance inspections. These authorities included the DMRE, DWS, Department of Economic Development and Planning, Limpopo Department of Economic Development, Environment and Tourism, and the West Coast District Municipality. No significant findings were recorded during their visits.

REMA inspected bag filters at CIMERWA in Rwanda after the country’s president received a public complaint about excessive dust emissions affecting local communities. Several inspections were conducted at PPC Barnet in the DRC, including an inspection of our treated water by the Department of Environment Central Province, an audit of pollution taxes declared and paid in 2016 and 2018 by the National Environmental Tax Department, and inspections by the DRC’s Energy Department and Mining Environmental Department. In Zimbabwe, the Environmental Management Agency inspected our sites. No material issues were raised, and no fines were issued.
ENVELOPMENTAL MANAGEMENT APPROACH continued

ENERGY MANAGEMENT AND CLIMATE CHANGE

We are committed to efficient energy usage and managing our dependence on natural resources throughout our operations. PPC is an energy-intensive business, and we recognise our energy consumption and carbon footprint are inextricably linked. Our energy policy was approved during FY18 and, since then, we have focused on embedding the policy across the business. Our approach to effective and optimal energy management is based on the following pillars:

- Monitoring and evaluating all energy-related activities
- Continuously identifying energy-saving initiatives and implementing value-adding opportunities
- Improving our thermal and electrical energy footprint
- Investigating and possibly implementing and producing our own source of electricity using renewable and non-renewable resources, where viable

Our energy policy can be found on www.ppc.africa/corporate/policies.

ENERGY MANAGEMENT

ENERGY MANAGEMENT IN SOUTHERN AFRICA

Pleasingly, direct energy usage decreased by 21.0% and indirect energy usage by 33.0% in FY20 because of Slurry’s new Kiln 9, the retirement of Port Elizabeth Kiln 4 in FY19 and limited runs for some of our other kilns.

Energy consumption (South Africa cement)

<table>
<thead>
<tr>
<th>Energy terajoules (TJ)</th>
<th>Year-on-year reduction</th>
<th>FY20</th>
<th>FY19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct (thermal/coal)</td>
<td>21%</td>
<td>9 621</td>
<td>12 253</td>
<td>13 041</td>
</tr>
<tr>
<td>Indirect (electrical)</td>
<td>33%</td>
<td>1 155</td>
<td>1 736</td>
<td>1 691</td>
</tr>
<tr>
<td>Total</td>
<td>23%</td>
<td>10 776</td>
<td>13 989</td>
<td>14 732</td>
</tr>
</tbody>
</table>

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

We strive to improve our thermal and electrical energy footprint continuously. We do this by implementing optimum alternative thermal fuels per site, and develop their use to maximum viable levels to achieve lower emissions and maintain product quality and cost improvements. During FY20, thermal-specific heat consumption decreased by 3% (FY19: 4.8% decrease) while electrical-specific energy consumption decreased by 7.0% (FY19: 4.8% increase).

Energy performance (South Africa cement)

<table>
<thead>
<tr>
<th>Energy intensity</th>
<th>FY20</th>
<th>FY19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thermal-specific heat consumption (MJ/t clinker)</td>
<td>3.66</td>
<td>3.78</td>
<td>3.97</td>
</tr>
<tr>
<td>Electrical-specific energy consumption kWh/t (cement produced)</td>
<td>102</td>
<td>110</td>
<td>105</td>
</tr>
</tbody>
</table>

We continued providing co-processing solutions for the Waste Bureau tender this year with 15 000 tonnes of waste tyres per annum allocated to De Hoek. Co-processing AFR in the form of carbonaceous spent pot liner (CSPL) at Dwaalboom resulted in a thermal replacement of 2.0%.

We upgraded the power meter software at Dwaalboom to ensure data accuracy and we are changing a cement extraction to a rotary feeder with low energy demand at Slurry. We are also investigating the viability of solar projects at our operations and initiated a proposal process to support greater use of green energy.

PPC, together with the National Cleaner Production Centre South Africa (a division of the Council for Scientific and Industrial Research), implemented an ISO 50001-based EnMS in FY19 at all fully integrated cement plants in South Africa. We continued embedding the EnMS during the year and, through continuous training of new employees, ensure we identify energy-saving solutions.

ENERGY MANAGEMENT AT OUR INTERNATIONAL OPERATIONS

Metering is the foundation of successful energy management. We continued installing smart meters at our international operations during FY20 and completed installations at two Zimbabwean operations, namely Bulawayo and Colleen Bawn. Harare and Bulawayo continued focusing on electrical energy cost reductions by aligning production plans with optimal time-of-day power usage.
CIMERWA in Rwanda completed its energy metering during FY20. A 50kW solar photovoltaic (PV) plant was also installed, based on a power purchase agreement (PPA). The PPA presented the opportunity for us to employ local community members to conduct regular maintenance and upkeep of the plant. We are exploring the option to increase the capacity of the plant to 1MW under a second PPA. We also finalised a tender process for a PPA to install a solar PV plant at Colleen Bawn in Zimbabwe and a proposal has been submitted for board approval. Final negotiations, which include a fully fledged PPA agreement, are under way with two bidders, from which one will be chosen.

International operations will increase their drive towards alternative materials processing. Key focus areas will be on palm kernels, rice husks, peat and plastic waste, as available within the specific regions. Our Rwandan operation achieved a substitution rate of approximately 5.0% with alternative materials comprising peat, rice husks and plastic bottles. Plans are under way to conduct trials at our DRC operation using a combination of municipal solid waste, palm kernels and plastics, depending on availability and reliable delivery.

**CLIMATE CHANGE**

PPC recognises the global threat of climate change. It is clear we need to responsibly manage the natural resources on which our business relies more than ever before. Emissions from our thermal and process activities have an unavoidable effect on the environment. Constant innovation and improvements in the way we operate are therefore imperative to address climate change.

PPC introduced fit-for-purpose SURERANGE products with a low carbon footprint as part of our climate change mitigation initiatives. Measures to improve thermal efficiency were implemented at our Riebeeck operation in South Africa. This decreased heat consumption by almost 10.0% thus avoiding thermal-related CO₂ emissions. Other initiatives relate to research and development, our commitment to clinker reduction, CO₂ mitigation, energy consumption and improvements to cement quality.

We continue embedding our alternative energy management policy throughout the Group. This allows us to identify and understand the risks and opportunities associated with our operations, engage and collaborate with our stakeholders, align with government policies and implement short and long-term solutions to climate change threats.

**CARBON FOOTPRINT**

Understanding our carbon footprint is critical for identifying how we can improve the way we do business. We monitor our carbon footprint by collecting data, which we use to assess our direct and indirect carbon emissions and energy consumption. We conduct regular internal verification audits to improve the accuracy and assurance of our data collection and analysis.

**TABLE: CO₂ emissions in FY20**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement, lime and dolomite</td>
<td>3 019 911</td>
<td>2 629 461</td>
<td>390 450</td>
</tr>
<tr>
<td>South Africa cement</td>
<td>2 591 373</td>
<td>2 266 612</td>
<td>324 761</td>
</tr>
<tr>
<td>Zimbabwe cement</td>
<td>451 277</td>
<td>418 480</td>
<td>32 797</td>
</tr>
</tbody>
</table>

*Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

**GREENHOUSE GASES**

South Africa initiated the first voluntary five-year cycle of a greenhouse gas (GHG) emission mitigation system in 2016. PPC participated in this system and submitted carbon budgets. We submitted our pollution prevention plans in December 2017, explaining our mitigation strategies up to December 2020. These plans were approved by the Department of Environmental Affairs (DEA). Our FY19 pollution prevention progress report was submitted and approved by the DEA and our FY20 submission was concluded, pending approval.

In terms of the National GHG Emission Reporting Regulations published in 2017, we submitted our annual GHG reports to the DEA. These regulations are one of the implementation tools used to regulate the reporting of atmospheric emission data, intending to compile atmospheric emission inventories to inform our carbon tax liability.

**CO₂ intensity (South Africa cement)**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂/t clinker</td>
<td>955</td>
<td>1 020</td>
<td>1 056</td>
</tr>
<tr>
<td>CO₂/t cement</td>
<td>796</td>
<td>788</td>
<td>775</td>
</tr>
</tbody>
</table>

We disclosed scope 1 and 2 emissions of our South African cement operations over the past few years to the CDP (formerly the Carbon Disclosure Project). However, we did not make a submission to the CDP in FY19.

The DEFF is implementing National GHG Emissions Reporting Regulations on the National Atmospheric Emission Inventory System (NAEIS), which will replace the current manual process. The new system, the South African GHG Emission Reporting System (SAGERS) portal, was activated to allow for the registration of data providers. The GHG data will inform the carbon tax liability. All PPC’s cement and lime operations are registered on this portal with the reporting deadline set for May 2020.

CO₂ clinker intensity improved by 6.0% from the previous year due to the implementation of our mega-plant strategy (the use of efficient facilities). The carbon emission intensity for our South African cement operations is detailed below.

**CARBON TAX**

South Africa’s Carbon Tax Act 15 of 2019 (CTA) was promulgated on 23 May 2019 with the first tax period from June 2019 to December 2019. While carbon tax will be levied at a rate of R120/tCO₂, multiple tax-free allowances could be granted to cement manufacturers to reduce their
liability. However, the total may not exceed 95,0% of taxable emissions. Since the CTA was introduced, National Treasury has published draft regulations describing carbon offsets, trade exposure and Z-factor benchmarks. Trade exposure (8,26%) and Z-factor (5,0%) allowances were allocated to the cement sector, which will reduce the overall liability by 46,0%.

PPC contracted Deloitte during the year to conduct a carbon tax readiness assessment to evaluate our data accuracy and readiness. In addition, we developed an in-house model to calculate our carbon tax liability. The deadline for the first carbon tax payment has been delayed by three months as a COVID-19 tax relief measure. Most likely, the submission of a carbon tax account and payment for the tax period ended 31 December 2019 will take place in October 2020.

EFFICIENT AND RESPONSIBLE USE OF WATER RESOURCES

The availability and supply of water resources in our regions varies from one to the next. Water scarcity, especially in southern Africa, calls for efficient and responsible use of water resources at our operations.

We consistently evaluate what we can do as a business to ensure water security in the long term, considering the likely impact of climate change and extreme weather conditions on our operations. We regularly review our water management strategy by making adjustments and enhancements where needed. This is to ensure that we protect this valuable resource by considering the needs and expectations of the communities around our operations, and generate value for our stakeholders. We have therefore developed targets to be implemented in terms of our water management programmes in alignment with our integrated WUL and our environmental and social impact assessment commitments.

PPC has an integrated approach to water management, considering all aspects of our business. We manage water-related impacts beyond our operational boundaries through:

IDENTIFYING WATER SOURCES AND USES

MONITORING WATER SOURCES AND USES

MANAGING WATER QUANTITY AND QUALITY

MANAGING WATER USAGE ACCORDING TO MONITORING RESULTS

REUSING AND AUGMENTING ALTERNATIVE SOURCES

SECURING AND ADHERING TO WUL CONDITIONS, PERMITS AND ANY OTHER APPLICABLE REQUIREMENTS

RISK ASSESSMENTS, INCLUDING AGILITY ON EMERGING LEGAL REQUIREMENTS FOR ISSUES OF NATIONAL AND SUSTAINABILITY INTEREST

OUR PERFORMANCE DURING FY20

Overall Group water consumption decreased by 12,0% during the year, mainly due to the following water-saving initiatives:

- We maintained a water-saving percentage of 19,0% from April 2019 to December 2019 at De Hoek, against a target of 10,0%. We did not implement extreme saving initiatives at De Hoek due to improved dam levels. Instead, we continued building on the process already in place, including temperature control limits, monitoring water consumption and restricting the watering of gardens.
- Mine water recycling at Riebeeck contributed to average potable water savings of between 30,0% and 40,0%.
- We harvested rainwater to use as process water in Port Elizabeth.
- CIMERWA implemented a raw mill, cooler and coal mill water reticulation system as a closed loop as part of the water management strategy.

AIR QUALITY MANAGEMENT

Cement and lime manufacturing unavoidably releases air emissions such as dust particulate matter (PM), sulphur dioxide (SO₂), and nitrous oxide (NOₓ). We have an inventory of all relevant requirements to effectively monitor emissions from our operations, which is updated regularly. We monitor emissions from kiln stacks and other legislated points. All point sources at our South African operations are continuously monitored for these emissions. We also continuously monitor emissions from point sources at our international operations, except for NOₓ and SO₂ emissions at Colleen Bawn and SO₂ emissions at CIMERWA. We plan to install continuous emission monitors for all operations over the next few years.

We ensure that we convert, align and upgrade existing technology to align with any new compliance standards, given the ever-changing environment in which we operate. Furthermore, we continuously assess and set targets through our EMS, maintaining and calibrating continuous emission monitoring to ensure data accuracy.

PPC’s dust burden decreased significantly by 71,0% during FY20, resulting from the introduction of Slurry’s new Kiln 9, the retirement of Port Elizabeth Kiln 4 in FY19, and limited runs for some of our kilns.

<table>
<thead>
<tr>
<th>Dust</th>
<th>NOₓ</th>
<th>SO₂</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>FY19</td>
<td>FY20</td>
</tr>
<tr>
<td>Tonnes*</td>
<td>77</td>
<td>267</td>
</tr>
</tbody>
</table>

* Limited assurance – refer to the independent limited assurance report on page 87 in the integrated report.

Internationally, we focused on improving the efficiency and reliability of our continuous emission monitoring systems. We aim to equip all stacks with this equipment by FY22.
AIR QUALITY

Amendments to the minimum emission standards during the year rendered PPC non-compliant. Our Dwaalboom and De Hoek operations applied for an extension to comply, which DEFF approved. We have until 2025 to implement the necessary measures to reduce our NOx emissions. Furthermore, the application to decommission Riebeek Kiln 1 and 2 and Hercules Kiln 5 was approved for decommissioning by 2030.

We continued process optimisation during the year through modifications to kiln operations aimed at enhancing stability. This resulted in a significant reduction in NOx emissions. At our Slurry operation, NOx emissions improved due to process modification and are now compliant with AFR limits. At De Hoek, an ambient monitoring programme was installed at Piketberg as a measure to prove compliance with ambient standards and to assess the impact of NOx on local communities. The results indicated that our operation was well below ambient emission standards and there was no significant impact on the local community.

The Gauteng Department of Agriculture and Rural Development (GDARD) issued PPC Jupiter with an intention to issue a compliance notice after an inspection during March 2019. The notice relates to ambient dust results at the plant, which exceeded regulatory dust limits for three consecutive months. We submitted a fugitive dust management plan to GDARD, detailing measures to reduce emissions. Further investigation also revealed the need to install a pneumatic pumping system to avoid roll backs that created excessive dust emissions.

PPC Barnet in the DRC experienced challenges with its quality monitoring programme during the year. Unfortunately, this impacted the reliability of dust emission data from the main and cooler stacks. We initiated a procurement process to acquire an ambient monitoring programme to:
- Assess the impact of NOx and SO2 emissions on sensitive receptors
- Scientifically justify ambient air impacts and the consequent reduction of the proposed limit

A material shed constructed at Bulawayo improved the ambient air quality of the surrounding environment which, in turn, reduced dust fallout from stockpiles.

RESOURCE CONSERVATION AND ALTERNATIVE FUELS

The majority of PPC’s operations are in low-sensitivity environments. We are committed to proactive land and resource stewardship, which considers the impact of our operations throughout the entire business cycle, including exploration, operations, decommissioning and closure.

We monitor our environmental footprint through annual fly-over surveys and progress against annual rehabilitation plans developed by each mine, and measure ourselves against our EMPR commitments. PPC’s mine rehabilitation remains on track with 95.0% of disturbed land restored. We continue leasing rehabilitated land to neighbouring farmers.

Closure and rehabilitation costs are reviewed annually by an independent specialist to ensure alignment with draft financial provision regulations. Provision is made for mine closure costs through various financial vehicles.

We adopted a risk-based approach to assess our annual and closure liabilities in terms of the financial provision for prospecting, exploration, mining or production operations. The current quantum provision remains up to date until the new regulations are published.

In South Africa, the date of compliance with the National Environmental Management Act 107 of 1998 (NEMA), as amended, and related financial provisioning regulations (government notice 42 956 gazetted on 17 January 2020) has been postponed to June 2021. The postponement is due to the delay in publishing the final regulation, which determines the quantum calculation for rehabilitation liability.

WASTE MANAGEMENT

We continued identifying waste streams and monitoring general and hazardous waste produced from our business activities during the year. We focus on recycling and reducing waste, and using alternative sources as raw materials in our activities, such as slag and fly ash, and extension for our cement and concrete production. We adhere to the conditions of our waste management licences, permits and other requirements.

We generated 2 716,70 tonnes of general waste during FY20 of which 39.0% was recycled by our operations (FY19: 2 674 tonnes/24.0%) and 943.21 tonnes of hazardous waste (predominantly oil contaminated waste) of which 64.0% was recycled (FY19: 1 469 tonnes/55.0%). Our partnership with MacDonald’s brickmaking factory during the year resulted in a 38.0% reduction in disposable waste at our Bulawayo factory.

PPC continues focusing on programmes that comply with the waste hierarchy set out in legislation, which is also informed by the general principles of waste management and continued focus on reducing the amount of waste sent to municipal and on-site landfills.

Cement manufacturers are in a unique position to enhance this hierarchy by adding co-processing; a cost-effective method of substituting coal to reduce the negative impact on the environment. Furthermore, co-processing can sustainably preserve natural resources and provide solutions to treat different types of waste in the long term. Co-processing programmes are continuing at our De Hoek and CIMERWA operations, focusing on tyres and biomass. Our operations will increase the drive towards alternative materials processing.

PPC is fully aligned with the objectives of the white paper on integrated pollution and waste management. We will continue identifying alternative raw materials and fuels to replace non-renewable resources where possible.

STAKEHOLDER ENGAGEMENT

We consult with interested and affected parties at all our sites regarding changes or expansions to our operations in terms of the various in-country legislative requirements. PPC is also represented on different industry bodies, such as the Association of Cementitious Material Producers, the Environmental Policy Committee of the Minerals Council South Africa, Business Unity South Africa, the Cement and Concrete Institute of Zimbabwe, the Zimbabwe Chamber of Mines, the Professional Committee of Cement Manufacturers, DRC Chamber of Commerce and Industry, the Rwanda Mining Association and the World Cement Association.

For more information on our stakeholder relationships, refer to our FY20 integrated report.
It is important for PPC to build relationships with social partners and enable economic progress in our host communities to help people experience a better quality of life. We therefore strive to uphold our social licence to operate with a view of sharing the value we create to ensure the sustainability of the business and the environment in which we operate. Our projects focus on the upliftment of education, health and well-being, as well as job creation and youth development.

We focused on three interventions during FY20:

- Demonstrating proactive corporate social investment (CSI) as part of our commitment to being a good corporate citizen
- Our second-generation social and labour plan (SLP) commitments (in terms of the South African Mineral and Petroleum Resources Development Act 28 of 2002), for the five years ended March 2019, were completed at 70.0% of our sites in collaboration with local municipalities and communities
- Extending goodwill and strengthening stakeholder relationships through our strategic investment plans (SIPs) that improved roads and access to water for our employees and communities
SOCIO-ECONOMIC DEVELOPMENT IN FY20

Our Strength Beyond brand promise extends to our transformation strategy, which includes socio-economic development (SED) as a strategic imperative. Aware of the risks and threats to sustainable growth presented by disagreement and conflict between stakeholders, we strive to share the value created by the business with our host communities.

We observe, engage and, depending on the outcome, implement collaborative programmes in South Africa and Botswana for the benefit of communities who ultimately take ownership of these initiatives.

PATH OUT OF POVERTY YOUTH CENTRES (SLP)
The Porterville Path out of Poverty (POP) youth centre, managed by the Goegedacht Trust, aims to transform impoverished rural communities by offering young people educational opportunities in health, leadership and self-confidence — thereby equipping them to take up prominent roles in their communities. Reaching more than 1 000 young people in neighbouring De Hoek communities, PPC donated a further R500 000 in FY20 (bringing the total donation to R5.0 million).

DWAALBOOM-KOEDOE SKOP ROAD (SIP)
The R67 million upgrade of the road between Dwaalboom and Koedoeskop was completed during FY20 in partnership with the Roads Agency Limpopo and the North West Department: Public Works and Roads. The road will improve access to our Dwaalboom plant and our key labour-sending area.

SUPPORTING SCHOOLS IN OUR COMMUNITIES (CSI)
We remain committed to supporting disadvantaged schools with relevant technology programmes. PPC donated science laboratories, equipment and apparatus across South Africa to the value of more than R1 250 000 (including value added tax). We also continued renovations of school infrastructure while supporting a growing number of black learners with quality education in maths and science.

In Botswana, we continued supporting the Mokolodi crèche to the value of BWP126 000. We also maintained the 2.5km Mokolodi access road in partnership with Asphalt Botswana (BWP231 875). We donated basic necessities to the Mogonono Primary School, such as a computer and photocopying machine, and supported the standard seven pupils as they completed the primary leaving examinations.

In South Africa, we partnered with the Bulawayo City Council to repaint the city hall for its 125th anniversary celebration. PPC spent US$10 000 on restoring this ceremonial monument to its original beautiful and iconic state. Residents of the city are proud of the new look and appreciate PPC’s assistance.

In Botswana, we continued supporting the Coopedja Primary School to the value of US$77 073 for the construction of science and computer laboratories at Sojini Secondary School in Matabeleland North, one of the country’s 10 provinces. All construction work is complete, except for roofing, and science and computer equipment have been bought and will be handed over to the school authorities.

Donations to underprivileged people
We successfully hosted the annual Matopos 33-mile ultra-marathon for charity. The proceeds from this event were used to donate four truckloads of cement, valued at US$17 568, to two social welfare organisations, Childline Zimbabwe and the Jairos Jiri Association. Childline Zimbabwe protects the rights and welfare of children, and offers shelter to children who have suffered abuse. The Jairos Jiri Association provides rehabilitation services to people living with disabilities. Its overall objective is to remove the stigma associated with disability, equipping people living with disabilities with the necessary life skills to integrate them into society. PPC’s donation was a significant contribution to these institutions, enabling them to upgrade their facilities.

COLLABORATING WITH GOVERNMENT
In line with our tradition of partnering with government institutions to help deliver better services to the communities in which we operate, PPC partnered with the Bulawayo City Council to repair the city hall for its 125th anniversary celebration. PPC spent US$10 000 on restoring this ceremonial monument to its original beautiful and iconic state. Residents of the city are proud of the new look and appreciate PPC’s assistance.

EDUCATION AND SKILLS DEVELOPMENT
Education and skills development remain one of our key focus areas across the Group. During the year, we donated US$4 400 to bursaries for six disadvantaged students with excellent academic achievements. Their academic performance is monitored on a term-by-term basis.

PPC sponsored US$77 073 for the construction of science and computer laboratories at Sojini Secondary School in Matabeleland North, one of the country’s 10 provinces. All construction work is complete, except for roofing, and science and computer equipment have been bought and will be handed over to the school authorities.

We invested US$141 682 in the construction of the National University of Science and Technology gate house project. The project was completed and officially commissioned by the president, who expressed appreciation to PPC for leading community partnership and development.
Socio-Economic Development in FY20

Empowering Women

Women empowerment and entrepreneurial development were key focus areas in our CSI drive during the year. Women normally experience the burden of unemployment and poverty, and are exposed to emotional and gender abuse. PPC, seeking to empower women, assisted in setting up sewing projects at our factories in Colleen Bawn and Bulawayo. We invested US$187,057 in this initiative, purchasing state-of-the-art machinery and renovating buildings. An additional US$28,878 was invested in training and procuring materials. The sewing projects will create employment and boost incomes for 150 women while more than 300 people will indirectly derive livelihoods from the project. We are still in discussions with the local town board to set up similar projects in Harare, which we hope will be possible in the next financial year.

More than the above, in FY21, these projects will be commissioned to sew and supply personal protective equipment, school uniforms and T-shirts, among others, for a range of customers. The projects have been well received by the women, who are poised to transform lives in their communities.

Rwanda

As part of its pledge to continue strengthening Rwanda and build strong foundations for future generations, during the year, CIMERWA dedicated significant resources to socio-economic initiatives aimed at supporting local communities and improving their social and economic welfare through job creation and strategic investments. To this end, CIMERWA’s key socio-economic investment focus areas are education, health, entrepreneurship and sports.

Our approach to SED in Rwanda involves meaningful engagement with local communities to design suitable and relevant community-driven projects that lead to socio-economic transformation. This is done through monthly community meetings where issues are raised and discussed at length.

Bringing Clean Tap Water to Villages

We are committed to our purpose of empowering people to experience a better quality of life, which includes access to clean water. CIMERWA was instrumental in bringing potable water to the Nyenyeli and Rubeho villages in FY19. Building on the success of this project, we extended this programme to include a third village, Nyabishunju. This initiative also assists the country to deliver on Sustainable Development Goal 6: clean water and sanitation.

Helping People in Our Communities

Cement bricks are not only part of our core business but instrumental in job creation. Following the donation of a hollow brick-making machine to Mr Gatete Mustafa in FY19, this local entrepreneur and managing director of Best Bricks Factory Limited employed over 40 casual workers and four permanent employees. Mr Mustafa, who has expanded his market share to the neighbouring DRC, is currently building a store to maintain the quality of his construction materials.

During the year, CIMERWA also donated 200 bags of cement for the construction of the Rwanda Cancer Centre, a voluntary and humanitarian initiative aimed at strengthening Rwanda. Furthermore, we donated 50 bags of cement to build a new house for 77-year-old Ms Candide Kandaga in the Busanza sector.

In addition, we renovated the houses of six residents in Nyenyeri Village near CIMERWA. This was in line with the aim to strengthen the country’s move to promote hygiene and sanitation, and to improve people’s lives and sense of dignity.

Supporting a Tailoring Cooperative

Since FY19, CIMERWA has supported a tailors’ cooperative (TTCM), comprising 61 members of the community, mainly women. Our financial support has enabled the construction of a workshop with the necessary electricity and water. The cooperative manufactures staff overalls and school uniforms, and has provided training to over 60 young girls who could not attend high school. Some of them have become members of the cooperative while others have opened up workshops for tailors in their villages.

Employee Volunteerism

Every month, the majority of Rwandans participate in community activities that encourage development in terms of Umuganda. These activities include improving general hygiene and sanitation, building roads, renovating houses for vulnerable people, and creating water channels. Our staff participate in these activities and, this year, contributed to construction in the Ramiro and Nyenyeri-Njambwe villages, as well as levelling of feeder roads leading to the rice fields in the Muganza sector.

Promoting Education

CIMERWA continues to provide quality educational support to local youth. In FY20, we built a dining room for the children at L’Eeducateur Primary School, which can accommodate over 200 pupils.

Honouring Genocide Survivors

During the 25th anniversary commemoration of the 1994 genocide, we resolved to build a house for the family of Veneranda Mujawamariya, a survivor of the tragedy. The house is situated in SANO Village in the Muganza sector where the widow now has a decent home.

Selling Point Market

Three years ago, CIMERWA assisted with the construction of the selling point market at a cost of about RFS7.0 million. The market helps low-income women sell food, including fruits and vegetables, to the surrounding community. We continued to support this initiative during the year with ongoing maintenance and prevention of encroachment. The women who benefit from this initiative expressed satisfaction with PPC’s support to members of parliament.
Enabling the economic upliftment of the people surrounding our operations is key to PPC’s social licence to operate. In line with our purpose, we build and sustain relationships with stakeholders and invest in socio-economic projects that benefit our communities. PPC Barnet holds regular consultation sessions with stakeholders to obtain their input in the identification, implementation and sustainability of socio-economic projects. We also partner with national and provincial government departments to identify ways we can support their campaigns.

PPC Barnet’s approach is to improve facilities and provide essential services in the surrounding villages. In support of socio-economic progress, we focus on skills training, education, healthcare, providing clean water, and supporting local businesses to develop a circular economy in local communities.

A fundamental tenet of our approach is to reduce dependence on PPC Barnet – instead, we want to develop sustainable economies and markets. Pleasingly, for the most part, FY20 marked the improvement and enhancement of continuing socio-economic initiatives.

**ESTABLISHING A CRAFT CENTRE**

PPC Barnet invested US$35 990 in establishing a craft centre where 16 women from villages within our primary sphere of influence can improve their sewing and entrepreneurial skills. The project aims to create a sustainable local sewing business managed by a cooperative of local women. The women produce different types of personal protective equipment, including overalls, reflective vests and T-shirts, which they sell to PPC Barnet.

**INVESTING IN EDUCATION**

We invested US$14 000 in improving the conditions of primary schools surrounding the plant, including the installation of 200 benches, 11 filing cabinets, five office desks and five chairs.

PPC Barnet also donated US$7 000 worth of educational materials to students attending the Mongata Boarding School in Bandundu.

**RENOVATING A LOCAL CHURCH AND HOSPITAL**

During the year, we donated cement for the renovation of the iconic St Leopold Church, the first church in Kinshasa, for its centenary celebrations. We also donated paint and labour for the renovation of the University of Kinshasa Hospital as part of our Mandela Day celebrations.

**ESTABLISHING AN SED TRUST FUND**

We provide skills training to our communities in agriculture and animal husbandry to improve food production and sustainability. PPC Barnet donated US$10 000 to Clan Nanga, which owns the land on which the plant is located, to establish a trust fund that funds various projects, including the installation of a containerised cement depot in Kimpese, and a farm to grow vegetables and flowers that can be sold at local markets.

**MANAGING MALARIA**

We undertake an annual malaria vector control programme by spraying mosquito repellent in the communities within 10km of PPC Barnet.