

## AUDITS AND EXTERNAL ASSURANCE

Compliance with standards and legislation across the Group is monitored through comprehensive internal and external audits of various management systems. External assurance is received from the external auditors with some listed in the following table:

System	External audits
Finance	Deloitte & Touche and KPMG
Insurance Underwriting Surveys, MPL and Estimated Maximum Loss (EML) Calculations	Marsh Risk Consulting
Risk Control Standards	Marsh Risk Consulting
Fire Protection Systems and Infrared Surveys	Marsh Risk Consulting
ISO 9001, ISO 14001, ISO 22000	SABS, BVQI, i-Cert, SGS
FSC	SGS
Food Safety – Paper (BfRXXXVI)	ISEGA (Germany)
Food Safety – Plastics (BRC)	SABS
Food Safety – rPET (EPR no. 11/2011)	Fraunhofer Institute (Germany)
Safety Legal Compliance	Legal Consulting Services
Environmental Performance	Legal Consulting Services
Environmental Legal Audits	Greengain Consulting, Environmental Law Consultancy, Mark Dittke
B-BBEE Scorecard	Symphony

Non-compliance issues and recommendations arising from audits are managed closely at operational level to ensure compliance is achieved and maintained through management interventions.

### MANAGEMENT'S COMMITMENT TO VALUE

Mpact commits to delivering exceptional value to all its stakeholders: shareholders, employees, contractors, customers, communities and the environment. The Group seeks to pursue excellence in all that it does to ensure performance and that the highest ethical standards are upheld.

Mpact believes that this is achieved by employing high-calibre people and procuring high-quality equipment, raw materials and services to ensure optimum operational performance so that products can be reliably offered at competitive value.

### SAFETY AND HEALTH

#### Zero harm principle

The Group is committed to providing a safe and healthy working environment for all employees, as well as contractors and service providers. The principle of "zero harm" is entrenched at each of Mpact's operations.

The CEO's Safety, Health and Environmental (SHE) Philosophy states that all injuries, occupational illnesses, safety and environmental incidents and fires are preventable and that the target for them is zero.

There are three underlying principles that give effect to this philosophy:

- individuals are responsible for their own safety;
- adherence to the "Fire and Safety Rules To Live By" is the minimum standard throughout Mpact; and
- there is no differentiation in the treatment and expectations of employees, contractors and service providers.

To achieve this, a number of safety, health and environmental interventions are in place and these are regularly monitored and enforced.

#### Fostering a safety culture

Effective safety systems are dependent on three levels of intervention.

At a primary level, physical interventions such as machine guarding, designated walkways, safety railings, equipment inspections, and personal protective equipment (PPE) are fundamental to providing a safe working environment. These physical interventions are considered standard across the Group.

The secondary level involves systems, founded on a solid safety policy, that control the way people interact with work hazards.

- The CEO's SHE Philosophy.
- A Safety Plan, which is reviewed at Group level at the beginning of each year. The plan is cascaded down the operations, which develop their own roll out plan to satisfy the Safety Plan.
- The SHE Policy, set out in accordance with section 7 of the Occupational Health and Safety (OHS) Act, 85 of 1993.
- Mpact's "Fire and Safety Rules To Live By", a set of rules and standards covering areas such as fire safety, entry into confined spaces, working at heights, energy and machinery isolation procedures, lifting and material handling, rotating and moving machinery, hazardous substances, and work permits for duties such as hot work and controls around mobile plant and equipment.
- Hazard Identification Risk Assessments (HIRAs) leading to the development of Safe Work Procedures (SWPs) are done for relevant processes in manufacturing operations.
- The Mpact Risk Control Standards, which entail safety standards and guidelines relating to a wide spectrum of safety, health, fire protection, security, emergency preparedness and environmental management matters. Marsh audits a selection of sites externally against these standards on an annual basis.