

About our report

We are pleased to present the ninth Imperial Holdings' Sustainable Development Report for the year ended 30 June 2017. The report presents an analysis of our sustainability performance in areas that we believe are important to our business and to our stakeholders.

The intended readers of this report are our broad base of stakeholders, both in South Africa and internationally, with whom we hold financial, business, labour, regulatory and societal relationships. Our employees are a key audience as it is their awareness, knowledge and skill that enables us to sustainably and consistently address economic, social and environmental challenges across the group.



SDW group overview: more information on our key relationships and stakeholder concerns.

Our goal is to provide our readers with objective and transparent information as we believe that a balanced approach to our reporting enhances our reputation. Based on this belief, we acknowledge that we must accelerate our transformation progress in South Africa and our report covers the initiatives we are implementing or investigating to support this.



More information on transformation in South Africa – SDW: strengthening legitimacy, Imperial Logistics review and Motus review.

This report is intended to complement Imperial's Integrated Annual Report which can be accessed at www.imperial.co.za.

Scope and boundary

Our report covers the subsidiaries over which we have operational control, including those in the African Regions and international operations. Leased facilities are treated as group-owned for reporting purposes. Excluded from our reporting scope are entities that are not operationally controlled, including assets that are owned but not operated by the group, businesses that have been sold or discontinued and businesses that are held for sale.

Although we have continued to restructure our divisions in the current reporting year; the size, structure and ownership of the group, as well as the products and services we offer, have not materially changed from that reported in our last Sustainable Development Report, published on 30 September 2016.

Materiality

Our material issues are the priorities and concerns most important to the leadership of Imperial Holdings Limited and its operating divisions, Imperial Logistics and Motus. By successfully addressing these material issues, we will create value for our stakeholders. Although our material issues reflect the progress that has been made in the renewal of Imperial in recent years, they are forward looking and incorporate factors within and beyond leadership's control.

Our sustainable development strategies respond to the following three group material issues:

- > Increase the growth and returns of Imperial Logistics and Motus by delivering superior, defensible value to stakeholders.
- > Ensure organisational effectiveness.
- > Strengthen legitimacy.



SDW group overview: our sustainable development priorities (page 4).

Report format

We have restructured our reporting to include standalone sustainable development reports for Imperial Logistics and Motus which provide in-depth discussions on the sustainable development priorities that pertain to each division. The group overview section, as well as the sections found under the people and legitimacy tabs provide readers with our management approaches and performance at a group-level.

Reporting framework

The report is compiled in accordance with the Global Reporting Initiative's (GRI) G4 guidelines on a core basis. We report across a wide range of indicators and we endeavour to ensure that our reporting systems capture information on a consistent basis from all our operations. Our commitment to refining our procedures and improving our reporting of sustainability data is ongoing.



GRI content index.

Assurance

We have continued the trend to expand the number of assured key non-financial indicators year on year. Limited assurance has been obtained from independent third-party assurers, Deloitte & Touche, on the following 14 (2016: nine) key non-financial metrics published in this report:

- > Road fatalities and road fatalities per kilometres travelled.
- > Road accidents and road accidents per kilometres travelled.
- > Diesel consumed.
- > Petrol consumed.
- > Electricity consumed.
- > Municipal water consumed.
- > Scope 1 and Scope 2 emissions.
- > Kilometres travelled.
- > Training hours.
- > Training spend.
- > Corporate social investment spend.

In line with the new Broad-based Black Economic Empowerment (BBBEE) Act, we aim to report a full BBBEE scorecard for the first time and this will be available on the Imperial website from October 2017. The scorecard will be assured by an independent verification agency.



Assurance report.

Approval

The social, ethics and sustainability committee reviewed and recommended the 2017 Sustainable Development Report for board approval.

Feedback

We welcome feedback from our stakeholders and any questions relating to this report can be directed to Rafiek Sharfuddin, Group Head of Sustainability – rsharfuddin@ih.co.za.

References

Abbreviations used to reference information elsewhere in Imperial's reporting suite include:

- > **IAR:** Integrated Annual Report
- > **SDW:** Sustainable Development website
- > **CSI:** Corporate Social Investment Brochure
- > **CDP:** Carbon Disclosure Project

GRI G4 index

GRI G4-13, G4-17, G4-32 to 33, G4-48