



**Motus** 

Social impact management  
approach 2023

---

# Social impact management approach

**Leading with purpose, Motus promotes physical and social mobility to strengthen stakeholder relationships and make a positive difference in the lives of customers, employees and society.**

We are vigilant when it comes to the health and safety of our customers, employees and other stakeholders – a top priority Group-wide which is never compromised. Our occupational health and safety (OHS) procedures are adept at highlighting where risks exist or may occur, and ensure that all business sites meet Motus' and legislative health and safety requirements.

We apply stringent quality controls at every touchpoint where we are responsible for product safety in the lifecycle of a vehicle, and comply with all applicable legislation across jurisdictions pertaining to the quality of our products and services.

Our health, safety and quality standards differ based on business segment/operational requirements and products.

Just as important is the safety and wellbeing of our communities. We use Mobility for Good to strengthen our relationships with our stakeholders, create employment, grow and transform the automotive industry, and positively contribute to society.

## Our priorities

### Minimum OHS standards

Minimum OHS standards apply for all business sites. Our risk assessment processes identify any threats to Motus or our employees, and our OHS audits identify gaps in compliance with our OHS standards. New business sites and acquired businesses receive assistance from appointed health and safety consultants to develop and implement the action plans needed to advance their OHS procedures to meet our minimum standards. After one year, new business sites and acquired businesses are included in our OHS assessment processes.

In South Africa and the Rest of Africa, we measure our OHS performance against predetermined OHS checklists tailored to the nature of the work undertaken at each business site. Our checklists are reviewed, compared and updated on an ongoing basis. Each OHS programme is designed to mitigate the inherent risk of the specific workplace environment to which it applies, and maintain or improve the compliance threshold target. The minimum standard in the United Kingdom (UK) aligns with the principles of ISO45001<sup>1</sup>. In Australia, sites are rated as either compliant or non-compliant. Action plans are developed and implemented when sites fall below target, and sites are re-audited within a set period of time until compliance is achieved.

Reporting on the safety performance of our Asian operation will commence in 2024.

### Employee responsibility for OHS

Every employee plays a vital role in maintaining our OHS standards. We adopt a zero-tolerance approach to non-compliant OHS behaviour. Our employees are required to raise OHS concerns and non-compliance with their line managers and OHS representatives timeously. This includes anything they feel may pose a potential hazard. Deviations

from safety policies and procedures are sternly dealt with, and managers and employees are held to account where transgressions may result in avoidable injury.

### Health and safety engagement and training

Employees are adequately trained, informed and supervised to fulfil their activities in a safe manner. OHS training is customised for each business site, and includes education on OHS-related regulatory requirements. In the UK and Australia, training is supplemented with method/vision statements, toolbox talks and morning briefings. In Australia, all new employees complete online training on safe working procedures prior to starting work.

Awareness initiatives drive a safety mindset, highlight best safety practices and convey the importance of vigilance and compliance with our OHS protocols.

### OHS incident reporting

Serious accidents and all fatalities are investigated to identify root causes and the controls needed to minimise the likelihood of reoccurrence. Fatalities are reported to the Executive Committee and the Social, Ethics and Sustainability (SES) Committee. All injuries across the Group are reported monthly on our OHS management system (upgraded in July 2023). OHS administrators and internal audit perform regular data integrity checks.

In the UK, all employees have access to an underlying OHS system to report all workplace incidents and near misses<sup>2</sup>. The system tracks incident reporting, regulatory compliance, risk assessments, action plans and training, as well as contractor permits and equipment maintenance schedules.

### Road safety

In operations that maintain a delivery fleet, drivers receive training, limits are placed on the distances that can be travelled without a co-driver or stopping overnight, and daily vehicle roadworthy safety checks are documented. Accidents involving demo vehicles are monitored. The internal claims process includes an interview with the driver, and disciplinary measures and financial penalties are applied to the driver and dealership if the driver is found to be at fault.

### Product safety

Stringent quality and safety controls, policies, systems and training programmes ensure we deliver high-quality workmanship in our service departments. We assist original equipment manufacturers (OEMs) to maintain their safety and brand standards, whether through quality checks of new vehicles before delivery to the dealership, pre-delivery inspections prior to customer hand over or assisting with OEM recalls so that parts can be replaced timeously. In addition, our warranty departments track claims, component failure rates and recurring problems, providing the Importer OEM brands with this data to inform their quality improvement initiatives.

<sup>1</sup> ISO45001 – the international standard for an effective occupational health and safety management system.

<sup>2</sup> Incidents that have the potential to cause harm but do not actually result in an injury.

# Social impact management approach continued

Our OEM dealership service departments use OEM-specified equipment and technology, as well as OEM-certified parts and aftermarket accessories. OEMs provide ongoing product and technical training for customer-facing employees, workshop technicians and quality controllers. This is supplemented with our own training programmes. Individual technician training hours and competency levels are tracked. Workshop tools and equipment are regularly maintained in line with OEM standards, using third-party specialists where required.

We source our quality pre-owned vehicles in the following three ways:

- **Our rental fleets (South Africa):** vehicles with up-to-date service histories, and which have been serviced and maintained in our own workshops and panel shops or by our franchised dealerships.
- **Our OEM dealerships:** pre-owned and demo vehicles reconditioned to their set standards and with the balance of factory warranties.
- **Reliable business partners and auction houses (South Africa and UK):** we target the purchase of vehicles that are less than six years old with mileage under 140 000 kilometres. All purchased vehicles are subject to our own quality processes before we take ownership.

All rental vehicles undergo a 26-point check, applying the SAVRALA<sup>1</sup> standards, before every hire.

Aftermarket Parts assures the quality of parts and accessories before adding them to its product portfolio. This includes obtaining all documentation and certification applicable to the product and country from which the part is sourced<sup>2</sup>. Suppliers of parts must be ISO/TS16949 accredited – an International Automotive Task Force technical specification (the highest quality standard globally) – and are held to strict service level agreements. All imported and locally manufactured safety critical products, such as wiper blades, brake pads and lights, must comply with the relevant ISO standards and SAE International's<sup>3</sup> technical standards and recommended practices. For South Africa, these products must be approved by the National Regulator for Compulsory Specifications (NRCS). For locally-made accessories, we ensure that they are approved by OEMs and have the necessary NRCS certificates and test reports.

We closely monitor and manage parts return and failure rates, and where unintended health and safety risks are identified, parts are recalled.

In the UK, Motus Commercial undertakes vehicle 'body building' modifications. These vehicles are therefore classified as having been fundamentally modified (i.e. changes have been made to the mass or dimension of the vehicle or that affect its safety systems). These vehicles undergo further external inspections as part of the licensing process.

## Stakeholder engagement on transforming the automotive industry

Through our industry body and business forum memberships in South Africa, we share our expertise and experience to support broader national strategies, and contribute to progressing the transformation of the automotive industry and enriching its leadership. Our memberships allow us to voice our views in industry and government engagements, gain insight on the perspectives of industry leaders, shape upcoming regulation and identify opportunities to drive our own transformation initiatives and contribution to society. The nature of these engagements is open, transparent and pro-competitive.

We are members of the following industry bodies: naamsa | The Automotive Business Council, the Retail Motor Industry Organisation and its constituent – the National Automobile Dealers Association, SAVRALA and Nexus.

## Transformation in South Africa

We measure our transformation progress against the Department of Trade, Industry and Competition's Broad-based Black Economic Empowerment (B-BBEE) Codes of Good Practice's (dtic Codes). B-BBEE data from all business segments is gathered monthly on our B-BBEE reporting system. Quarterly and monthly B-BBEE reports and scorecards are compiled for operational executives. A consolidated Group B-BBEE scorecard is published at the end of September every year on the Motus website. Individual businesses also maintain scorecards where a B-BBEE rating is required to participate in their markets.

Engagement with CEOs, managing directors, and human resources and B-BBEE managers across South Africa ensures that our transformation strategies and projects are effectively implemented to achieve the Group's B-BBEE objectives. Engagements also highlight the importance of disciplined reporting.

B-BBEE working groups have been established in certain business segments and divisions to advance our B-BBEE performance, particularly the businesses that maintain an individual scorecard. For example, in 2023, Mobility Solutions' working group implemented a new leave category to allow its employees to participate in community work.

The Executive Committee and Finance and Risk Review Committees (FRRCs) play a key management oversight role for our transformation initiatives in South Africa.

## Ukhamba Holdings

Ukhamba is an investment holding company in which B-BBEE shareholders hold 53,1% of Ukhamba's 12,86% shareholding in Motus. The Ukhamba Holdings scheme will end in June 2025, with Ukhamba shareholders scheduled to receive their Motus shares around October 2025.

<sup>1</sup> SAVRALA (the Southern African Vehicle Rental and Leasing Association) is an independent industry body that sets acceptable industry norms for rental vehicles.

<sup>2</sup> For example, products sold in Europe must have the applicable CE marking and/or E marking, which is the manufacturer's declaration that the product meets European Union standards for health, safety and environmental protection. This is a non-negotiable control when sourcing from Europe.

<sup>3</sup> SAE International (initially established as the Society of Automotive Engineers) is an engineering standards organisation.

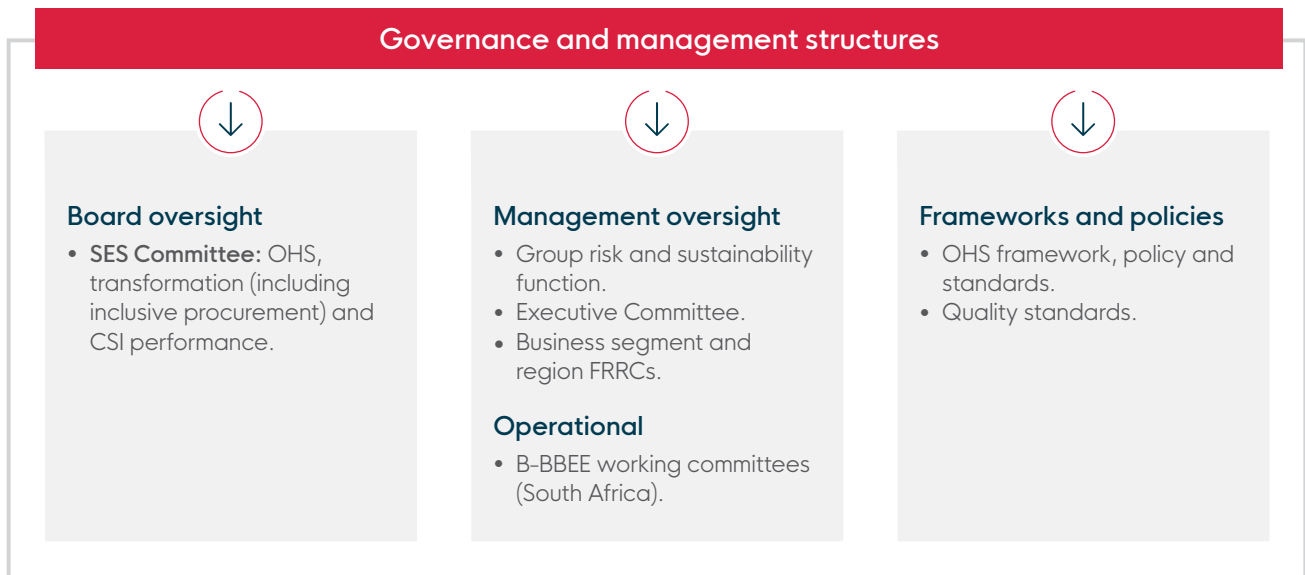
### Inclusive procurement

We keep track of the B-BBEE status of our suppliers located in South Africa. Where we can, we enhance our procurement processes to direct more of our controllable spend (outside of our franchise and OEM procurement) to B-BBEE compliant businesses, including exempt micro enterprises (EMEs) and qualifying small enterprises (QSEs). We regularly review our supply chain and controllable procurement spend categories to identify where we can increase our procurement with small- and medium-sized enterprises (SMEs), and provide them with enterprise and supplier development (ESD) support, particularly black-owned enterprises. When providing ESD loans, we monitor our procurement spending with the SME concerned, and review the sustainability of the business and its ability to repay the loan. Our procurement spend is monitored monthly.

### Corporate social investment

Our corporate social investment (CSI) targets education and skills development, road safety and primary healthcare – areas we believe deliver meaningful and positive impact and alleviate community needs. We aim to allocate 70% of our annual CSI spend to Group projects that address these challenges. Not only does this improve our governance over major spend but it also ensures we have a meaningful impact. The SES Committee ensures that large CSI investments align to our chosen pillars. Individual Group businesses support additional projects that meet the specific needs of the local communities in which they operate.

Some of our CSI projects are monitored against service level agreements.



The Group CEO and the CEOs of each region are ultimately responsible for health and safety, and are supported by various functions or roles. In South Africa, the Group risk and sustainability function develops and monitors the implementation of our health and safety policies and practices, and collaborates with businesses to ensure that OHS practices are effective and correctly implemented.

In the UK, our OHS team comprises the Head of Health and Safety, the Health and Safety Auditor and a network of regional health and safety officers. The Head of Health and Safety is a chartered member of the Institute of Occupational Safety and Health and Motus is a member of the British Safety Council. In the UK, we are required to state annually on our website that we comply with OHS legislation.

In Australia, all company officers are responsible for ensuring healthy and safe working environments, and dealer principals must ensure the effective implementation of workplace OHS measures. We are a member of the Victorian Automotive Chamber of Commerce and the Motor

Traders' Association of New South Wales; memberships that allow us to access up-to-date health and safety guidance and advice.

The FRRCs monitor compliance with Motus' OHS standards and country-specific OHS regulatory requirements.

The OHS committees/safety representatives across businesses implement the business segment- and/or region-specific OHS plans and manage day-to-day OHS matters. For our smaller sites in the UK and our sites in Australia and Asia, safety concerns are dealt with directly between managers and employees.

For product safety, each OEM has its own governance framework and structures to ensure quality controls, policies and systems are adhered to. Franchise standards are clearly defined in OEM dealer and dealer franchise agreements and supporting policies. Significant deviances can result in the termination of an agreement. In the UK, quality and safety are key performance indicators (KPIs) in site manager personal development reviews.

# Social impact management approach continued

## How we measure our performance

### Health and safety of the workforce

<b>South Africa:</b> site compliance with OHS checklists.	<b>Independent audit:</b> at least once a year
<b>South Africa:</b> quality assurance checks on high-risk sites.	<b>Internal and insurance service providers:</b> random
<b>UK:</b> site compliance to the ISO45001 principles.	<b>Internal audit:</b> twice a year
<b>Australia:</b> site compliance to OHS checklists.	<b>Independent review:</b> annually
<b>Rest of Africa:</b> site compliance to OHS checklists.	<b>Self-assessment:</b> quarterly
<b>Group:</b> road and workplace incidents, accidents and fatalities.	<b>Internal review:</b> quarterly
<b>Group:</b> road accidents.	<b>Limited assurance:</b> annually

### Product safety

<b>Group:</b> compliance to OEM quality standards, performance against OEM targets, completion of agreed training and the safe operation of vehicles serviced in our workshops.	<b>OEM inspections:</b> quarterly <b>Internal audits:</b> three-year cycle or on request
<b>UK:</b> ISO9001 <sup>1</sup> certification of Motus Commercial.	<b>Independent ISO body audit:</b> every two years
<b>UK:</b> quality inspections.	<b>Vehicle Certification Agency</b>
<b>Aftermarket Parts:</b> quality and safety of parts against manufacturing standards and regulatory requirements.	<b>Internal assessment:</b> as part of initial procurement approval process
<b>Group:</b> deviations from dealer and dealer franchise agreements.	<b>Internal review:</b> quarterly

### Transformation and community upliftment

<b>South Africa:</b> all B-BBEE scorecards, which include preferential procurement, ESD and socio-economic development spend.	<b>Independent verification:</b> annually
<b>South Africa:</b> artisans trained by the Motus Technical Academy and key metrics relating to flagship Group CSI projects.	<b>Internal review:</b> quarterly
<b>Group:</b> CSI spend.	<b>Limited assurance:</b> annually

### OHS targets

A minimum OHS compliance rating or target applies to all business sites in South Africa, Rest of Africa and the UK.

### B-BBEE targets

Targets across all five pillars of the B-BBEE scorecard are set at Group level and filtered down to the business segments.

### Review of 2023 performance

-  2023 ESG report
-  2023 integrated report

<sup>1</sup> ISO9001 – the international standard for an effective quality management system.