



SILUBISI



it's about milk. it's about life.



DAIRY GROUP'S NEWSLETTER



Message from our CEO



Drikus Lubbe
Chief Executive Officer



To say that we live in interesting times is an understatement. As we head into a new financial year and complete the last semester of 2021, we must reflect on the battles and high stakes we have overcome. Covid-19 is an ever-present factor in our personal and professional lives.

In addition to this tumultuous period, the country has also experienced unprecedented civil unrest which resulted in the dumping of more than 700 000 litres of milk.

Clover's Queensburgh facility, the largest dairy factory in South Africa, closed for three days and we were unable to deliver milk to the highveld factories.

Despite the loss of produce, our main concern was the wellbeing of our workers and their safety in KwaZulu-Natal.

Fortunately, we recovered swiftly, all operations returned to normal, and all employees are safe and sound. Many retail stores were, however, damaged and we are actively assessing the impact. We stand by our KwaZulu-Natal farmers in these trying times, as we stand by our Eastern Cape farmers experiencing the effects of a prolonged drought. **WE ARE MILK** and everything that we do is at the heart of dairy. This philosophy forms the backbone of our company as we aim to nurture community, integrity, trustworthiness, drive, commitment, and resilience.

A big shout-out to all our employees for standing together and working in unison to get the wheels back on track! We need all hands on deck to finish off this year with promise and stability.

Drikus Lubbe, Chief Executive Officer

Message from our Human Resources Executive

"WHERE ATTENTION GOES, ENERGY FLOWS." TONY ROBBINS 

We are excited to start our first new financial year as the Dairy Group! A number of critical strategies are unfolding which will help us become a more sustainable and prosperous business. Running like a golden thread through these business strategies and their successful execution, is **culture**.

Culture is often seen as something complicated and intangible in business; something that we cannot touch and feel. Yet, it is simple and can make or break any business strategy.

Culture is simply defined as *the way work gets done* in our business.

Engagement depicts *how employees feel* about the way work gets done in a business.

Values are the *behaviours that we should display* as we get this work done.



Culture in Dairy Group is created and nurtured through every conversation held and every decision made, every day. It is safe to say that culture is created by each and every employee, at every moment of every day, as we go about our daily work.

Our Dairy Group employees recently completed an Employee Engagement Survey. The results show a 71.3% level of satisfaction with the way you feel about the manner in which work is done in the business. Together, we will work to improve these engagement levels with relevant and deliberate action plans. The results of the survey can be found on page 12.

Values are not universal and may vary from person to person as a result of different cultural, religious, and personal experiences. These differences may lead to confusion and friction in the workplace which is why it is important to have a clear set of company values to motivate and guide us on the road to success. Values help to usher us in the right direction and encourage us to be better for ourselves and the company as a whole.

As we step into the first new full business cycle as an integrated business, *how* we get our work done will have a far more lasting effect on our sustainability and prosperity, than *what* we get done.

It is a privilege to be a part of this journey!

The World of Dairy Group

Together with this newsletter you received a **poster** that depicts a few fundamental elements in Dairy Group's world.



WE INVITE YOU TO PUT THIS POSTER SOMEWHERE IN YOUR WORKING SPACE WHERE YOU WILL BE ABLE TO REFLECT ON IT REGULARLY.

LET'S HAVE A LOOK AT EACH ELEMENT:



At the heart of dairy

At the heart of everything we do, is dairy. Dairy is the reason we come to work every day. It binds us together in an industry that nourishes the nation.

WE INTEND TO USE THE SLOGAN "AT THE HEART OF DAIRY" ON ALL CONSUMER PRODUCT PACKAGING.

Our values

At the core of our operations are Dairy Group's values – our cultural cornerstone. Our values define our approach to the way we live and work within our dairy communities. They are the glue that binds us together and pushes us forward on our journey to becoming the leading suppliers of milk in South Africa.

Beginning August, we are embarking on an internal company values campaign. Going forward, we will look at a different value each month and explore what it means to us and how we can actualise and implement these values individually and in our teams.

WE INVENTED A DELIGHTFUL COW HEROINE WHO WILL JOURNEY WITH US BESTOWING HER MOOS OF WISDOM ALONG THE WAY.

She is, however, still nameless and we need YOUR help to find her a suitable name. She needs to be anointed by the people, for the people.

We have a few suggestions of our own:

Moo Belle Daisy Belle
Moobisi Mooliscious

But you may have even better ones!

Please send your suggestions to amber.anderson@dairy.co.za or vanderwalt.francois@dairy.co.za or give it to your supervisor to pass along, no later than 16 August 2021.



A WONDERFUL PRIZE AWAITS THE WINNING NAME, SO GET CREATIVE!

Our vision and mission

Our vision declares **why** we are here and **what** we are setting out to achieve. It describes how we can contribute to our country through our products and services.

Our mission statement explains **how** we plan to achieve our goals. It is the roadmap for our vision statement.

“If you don’t know where you are going, any road will take you there.”



The consumer – Rediscovering Dairy

We work alongside Milk SA, who has a Consumer Education Project which educates consumers on the considerable health benefits of dairy. It is our collective aim to empower consumers with information to help them make responsible and informed choices about their lifestyles and nutritional options

The Rediscover Dairy brand impresses on consumers why they should still believe in dairy.

Dairy Group

The company - Dairy Group

You need no introduction to Dairy Group – you ARE Dairy Group. We are a powerhouse dairy brand and the largest raw milk buyer in South Africa. Our position tagline – We Are Milk – reflects our commitment to creating better business value and growth opportunities for our people and dairy producer members.

WE ARE MILK is our motto and our mantra.

**FARMER
HOMEGROWN**



The farmer – Homegrown

In sharing narratives, we build towards a future of economic growth – together, as a community, and as citizens. Our Homegrown series represents our farmers’ tales of provenance, caring, commitment, and discipline

We embrace and salute our farmers as they are our architects – the Homegrown Heroes who work to put food, and milk, on our tables.

Meet Your Executive Team Members

In this issue, we get to know **Anelisa Makwabe**, Dairy Group's **Company Secretary**, a bit better.



How do you foster a positive work environment?

To foster a positive working environment, I strive to be influential in the boardroom.

I also strive to add specific value by encouraging a greater understanding of non-financial legal risk.

What do you do at the company?

I currently hold an LLB Degree and have been admitted as an Attorney of the High Court of SA. I am Dairy Group's Company Secretary and Compliance Officer. My role entails understanding the pressure points, strategy and objectives of the company and effectively communicating the risks and legal issues involved in any decision to be made.



What inspires you most about Dairy Group?

I am most inspired by the exponential growth of the company, and its openness to evolving as a business. Dairy Group is not only focussed on business growth, but is also an enabler of individual growth. Due to this I have been able to make commercially savvy decisions and have, over time, found it easier to connect with business-driven individuals within and outside the company.

What does work-life balance mean to you?

I feel that work-life balance is to be re-defined given our current times, and even greater emphasis is to be placed on maintaining a work-life balance in order to reduce stress and prevent burnout. This balance should almost be seamless in order to make the "work" component a healthy and desirable one.



“The goal is not simply to ‘work hard, play hard’. The goal is to make our work and our play indistinguishable”.

Simon Sinek

What hobbies do you have outside of work?

I am a very outdoorsy kind of person. I enjoy hiking quite a bit; so much so that I have run out of local trails to hike! I have recently faced my biggest fear (heights) and went bungee jumping from the highest commercial bridge in South Africa, which was quite an experience – that I DO NOT wish to repeat again!



Tell us about your family.

I am the youngest of five children, most of whom are based in Gqeberha. To this day, we spend Sundays at our parents’ home. We have always been a closely knit family and have upheld this tradition.

We MOOOVED with Ultra’s packaging relaunch campaign

EASY TO OPEN | BETTER POUR | LESS SPILLAGE 

In the April issue, we announced the launch of Ultra UHT’s new packaging. The campaign ran from 25 May to 16 July with impressive success. We shared engaging videos and animations on social media which gained massive consumer reach and engagement.



Some very enthusiastic entertainers also travelled to our Gauteng, Limpopo, and North West provinces to introduce the “new pack, same great taste” concept to shoppers.





The faces behind our Producer Services team

Keeping our farmers happy 



IAN KEEN

Producer Services Executive

I was born and raised in the Eastern Cape as a “towny”, where I fell in love with agriculture at an early age and found any excuse to visit friends and family on their farms.

Upon completing my school career, I obtained a B-Tech degree in Agricultural Management and gained work experience on dairy farms in Tsitsikamma and Alexandria, as well as overseas. In 1998, I was fortunate enough to start working as a Field Officer at the, then National Cooperative Dairies, based in Ixopo, KwaZulu-Natal. There, I met my wife Wendy with whom I have two amazing children – the pride and joy of my life. I have had incredible mentors throughout my career; from my father, to managers, to the farmers who took a chance on me and gave me my first employment opportunity all those years ago.

I am privileged to be part of an incredible Producer Services team that appreciates the fact that farming is more than just a job and that our farmers are the heart of our business. We are honoured to service some of the best dairy farmers in the world and I look forward to building a dairy company together – one that is forward thinking, innovative, and a proudly South African *Homegrown* business.



Pieter van Zyl

Development Manager: Milk Procurement

I grew up in a farming community where I developed my deep love and respect for nature and its many challenges. After finishing my Agriculture & Animal Sciences degree, I gained valuable experience as a dairy manager in the North West province. My appointment as Field Officer in the Milk Procurement Department at NCD/Clover marked the beginning of a rewarding career in building relationships with and providing technical guidance to milk producers.

Currently, I enjoy working in a team that is passionate about dairy and excited about the future possibilities within the dairy industry. To actualise these possibilities, we are actively working on providing solutions to the challenges that face our industry.



Charl Ferreira

Manager: Producer Services (Eastern Cape)

With 20 years of dairy experience, I consider myself fortunate to be able to do the one thing I enjoy most: standing in passionate service to our farmers. My policy is to be open and honest and I believe this is one of the main reasons I have been able to cultivate successful relationships in the dairy industry. My commitment to our producers is to assure them that we will always try our best to offer exceptional service levels. Most importantly, we will always be there for them.

On a personal note, Christa and I have been married for 23 years and we stay in Humansdorp with our two daughters, Carla and Liné.

My favorite quote is: "Not everybody can be **famous**, but everybody can be **great**, because **greatness** is determined by **service**." - Martin Luther King Jr



Stuart Demmer

Manager: Producer Services

Recently, my wife and I relocated to Underberg in KwaZulu-Natal where I am pursuing a closer relationship with the Dairy Group farming community. I have a MSc in Grassland Science.

As one of the Producer Services managers, my responsibilities are centered on preventing any food safety concerns and collaborating with each farmer to ensure that the milk they produce is of high value to the company and the consumer. We have also recently begun partnering with significant organisations in the quest to foster environmental, social, and economic sustainability.

To all our farmers, it has been great to learn from each and every one of you. Even in my short time with Dairy Group, I have seen so much development and progress. Achieving Dairy Group's vision would not be possible without your commitment to this cooperative's ideals. Your accomplishments make us proud.



Brenda Vlotman

Milk Procurement Project and Systems Manager

After I matriculated, I went on to study nursing at Rand Afrikaans University. Since an early age, I was passionate about caring for people in need. Although I have not worked in the nursing profession for many years, this passion continues. The support I offer at homes for the disabled and elderly brings me boundless joy and fulfilment.

My dairy industry journey began in 1989 at NCD in Alrode, Alberton. I was privileged to progress on a career path that saw me moving from NCD to Clover to DFSA and now Dairy Group, where I manage the contractual arrangements with our farmers. I am also responsible for paying milk producers. I have the utmost respect for all of our "esteemed farmers". Without them, Dairy Group would not exist, and I would like to take this opportunity to give them a big shout-out! I definitely have "milk in my veins" and I embrace every opportunity that comes my way to add value and contribute to Dairy Group's success.

Employees Engagement Survey Feedback

There are many ways to increase the prosperity of any business and we believe that one of the key solutions is through maintaining positive engagement levels in our employees.

Gallup is a global analytics and advice firm who has developed and tested employee engagement for over 30 years. Their 12-question survey has been administered to more than 17 million employees across the world.

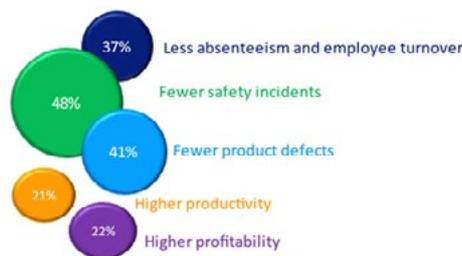
Gallup correlates the relationship between the level of employee engagement and various business performance dimensions, including absenteeism, employee turnover, safety incidents, productivity, and profitability. The more engaged employees are, the more they contribute to building and maintaining a sustainable business.

DAIRY GROUP IS VERY GRATEFUL TO THE 415 EMPLOYEES WHO RESPONDED TO THE SURVEY. THIS IS A 75.9% RESPONSE RATE.

The international benchmark for employee engagement is 75%+ and Dairy Group's overall employee engagement level stands at **71.3%**.

EMPLOYEE ENGAGEMENT SURVEY SYNOPSIS

DESCRIPTION	%	NOTES
Response rate	75.9%	415 of 547. Valid and reliable for use.
Dairy Group Engagement Level	69%	International benchmark 75%+



Dairy Group COEGA DAIRY

We spent most of our time at work and it's important that we feel valued for doing it. The way things are done at work and the way we feel about those things is an important part of achieving our business goals. We value our employees and would like to know more about how you feel about working for us.

Please complete the demographic information on this page and the questionnaire on the back page. The questionnaire has 12 statements. By answering them truthfully, you will help us to determine how we can create a more vibrant working environment. One where we can all enjoy and be passionate about our jobs.

We will treat your answers as strictly confidential. Responses will be collated by an external industrial psychologist.

Demographic information: Please tick the relevant box in each section. That is, tick **ONE** BOX per section only.

- Company:**
 - USA
 - Canada
- Functional area:**
 - Lead
 - Supervisor
 - Clerk
 - Helper
 - Machine Operator
 - Other
- Geographical office:**
 - Chippewa
 - Grand Rapids
 - Hamilton
 - Lansing
 - Leoni
 - Mackinac Island (Michigan)
 - Muskegon
 - Sarnia
- Nature of Employment:**
 - Full-time
 - Part-time
 - Seasonal
 - Temporary
 - Other
- Time in current role:**
 - Less than 6 months
 - 6-12 months
 - 13-24 months
 - 25-36 months
 - 37-48 months
 - 49-60 months
 - More than 60 months
- Age Group:**
 - Younger than 25 years
 - 25-34 years
 - 35-44 years
 - 45-54 years
 - 55-64 years
 - 65 years and older
- Gender:**
 - Male
 - Female

Please save the questionnaire on the back page.

Your "voice" has helped us to understand you better. We will now embark on a journey of deliberate and targeted action plans to raise our engagement levels and create the optimal work environment for you.

Success Stories

MID-YEAR CONFERENCE

Our mid-year conference was hosted at the Radisson Blu hotel in Port Elizabeth on 20 and 21 May. Our theme, Heliox24, set the narrative and agenda for energetic teambuilding activities and informative presentations by EXCO.

Heliox is a mixture of oxygen and helium. Oxygen represents the foundation of life. At Dairy Group, this refers to our people, factories, and animals. Helium is light and efficient and represents abundance of innovation. At Dairy Group, helium is our customers, markets, and nutritional products

Together, sustainability and innovation will revolutionise our dairy industry!



REVOLUTIONISING the dairy industry.





Effective employee relations in action

Dairy Farmers of South Africa (DFSA) and the General Industries Workers Union of South Africa (GIWUSA) successfully signed a one-year wage agreement valid from 1 July 2021 to 30 June 2022. The country, as well as our business, is facing tough economic times.

Despite this, we have managed to achieve a win-win settlement at the CCMA. This is due to both the employer and union having only the best interests of our people and business at heart. Saving jobs is our number one priority.

The parties agreed to stringently follow the established negotiating principles:

- We will comply with the rules of our engagement
- We will negotiate in good faith
- We will focus on the core issues of the negotiations
- We will be prepared to make meaningful and sustainable moves
- We will strive for win-win solutions
- We will make every effort to conclude wage negotiations during the time allocated, after meaningful engagement.



The negotiation team.

Front row from left: Karel Koen; Tsietsi Roestof; Willie Thibela; Innocent Sithole
Back row from left: Lion Mothobi; Zwelethu Mendile; Mbuso Maphumulo; Linda Duruwe

**WE
ARE
MILK.**



Become a Dairy Groupie

Exciting times! With Dairy Group's new website going live mid-August, our social media pages will be bustling with fresh news and interesting stories.

We invite *you* to become one of our groupies.

All you need to do is "like/follow" our social media pages and become part of the in-crowd.



Did you know?

- Milk has eight grams of high-quality protein
- Milk is the top source of calcium in diets
- Nearly half of the population gets their Vitamin D from milk
- Milk is the top source of potassium, a nutrient missing in most diets
- Milk is an excellent source of Vitamin B12, Vitamin A, and Vitamin B (riboflavin)
- A serving of milk contains as much phosphorus as 1 cup of kidney beans
- Milk contains 10% of your daily intake of Niacin (Vitamin B3)



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