

Spar Group CEO Brett Botten to step down amid board shakeup

Spar Group has announced that its chief executive officer Brett Botten will retire from the company and the board at the end of January this year.



Outgoing Spar Group CEO Brett Botten. Source: Spar

The move was announced as part of a larger board shakeup, which sees former chair Graham O'Connor also exiting the board after the group's annual meeting in February.

At the same time, Dr Phumla Mnganga will be stepping down as an independent non-executive director after serving as a director for 17 years, while Dr Shirley Anne Zinn and Pedro Manuel Pereira da Silva have been appointed as independent non-executive directors, effective immediately following the 2023 AGM.

"The board would like to thank Dr Mnganga, Mr O'Connor and Mr Botten for their service and contributions to the board and the company. A further announcement regarding the necessary appointments to the affected board committees, following the vacancies which have arisen as a result of the above-mentioned changes, as well as the appointment of the CEO of the company, will be published in due course," Spar said in a Sens announcement on Monday, 17 January.



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Raft of allegations

Botten joined Spar in 1996, and stepped into the role of CEO [in March 2021](#). His departure from the group comes as Spar faces various allegations of [fraud](#), [fictitious loans](#) and [racial bias](#).

As [News24 reported](#) in December, fraud charges were filed against Spar senior executives amid allegations that the grocer falsely claimed in 2019 it was owed money in order to gain control over certain supermarkets. The JSE-listed retailer also faced off with one of its store owners in Johannesburg amid allegations it inflated the price of a store, though the group continues to deny wrongdoing.

Furthermore, a leaked investigative report by law firm Harris Nupen Molebatsi revealed that a group of Black-owned retailers accused Spar of unfair treatment and discrimination based on race and location. Two 'fictitious' loans had been uncovered in the report compiled on behalf of Spar's board, which sought to probe the allegations of unfair treatment and racism.

According to *News24*, the report found that the allegations were not corroborated and there was no deliberate or intentional practice on the part of Spar as alleged, the Spar Group said. "The investigation did, however, highlight some internal business-related practices which needed to be reviewed and subsequent changes have been and continue to be implemented as a matter of priority," Spar stated.



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Questions had also been raised around the independence of non-executive chairman Graham O'Connor, who became Spar chairperson in March 2021, a month after retiring as CEO, which is at odds with the King Code's recommendation of at least a three-year break.

Spar defended the independence of the board, but O'Connor ended up stepping down as chair this past December to allow the board to focus on the raft of allegations facing the company. Lead independent director Andrew Waller is serving as interim chair until a permanent replacement is found.