AECI®

We Are One AECI, for a Better World

Sustainability Report 2024

Introduction

Sustainability Report 2024

Resilience, transformation and sustainable value creation

Our 2024 reporting theme reflects our unwavering resilience and commitment to transforming the Group's business and culture for long-term sustainable value creation. Building on a century of pioneering innovation and excellence, we continue to fulfil our responsibilities as a leading corporate citizen.

Since our inception, we have been pivotal in advancing South Africa's mining industry and contributing significantly to the national economy. Our brand is synonymous with delivering safe, innovative, high-quality products in the mining industry and chemicals sectors. Our relentless pursuit of innovation drives us not only to meet, but consistently exceed the expectations of our customers through our presence in over 20 countries and manufacturing sites on six continents.

We are proud to be Africa's leading player in the markets we serve and continue internationalising our business.

Our focus remains on ensuring the long-term success of our business by proactively driving growth through transformation and strategic transactions with a clear emphasis on expanding our international footprint.

AECI Chemicals, South Africa

AECI Mining, South Africa

Contents

Our reporting suite

Our Sustainability Report

Our **Sustainability Report**, which supplements our Integrated Report, provides a holistic picture of our environmental and social impacts on stakeholder value in the short-, medium-, and long- term. It achieves this by giving a detailed account of the Group's sustainability programmes, targets, and performance.

Our **Annual Financial Statements** provide a comprehensive overview of the Group's financial position and performance. They are of interest to our equity and debt investors, credit rating agencies, regulators and various other stakeholders. The information disclosed can be used to assess AECI's financial performance, strength and prospects.

Our **Integrated Report**, our primary annual report to stakeholders for the period 1 January 2024 to 31 December 2024, is an opportunity to share a concise, holistic and transparent view of our progress in transforming and preparing the Group for long-term sustainable value creation.

Our **Notice of the Annual General Meeting (AGM)** includes the form of proxy, shareholding profile and essential information for shareholders

Our **Remuneration Report**, which supplements our Integrated Report, provides details of our remuneration framework structure, our employee value proposition, the remuneration outcomes and how they align with the creation of long-term sustainable value for stakeholders and the achievement of our strategic ambition.

Our **Tax Transparency Report** supplements our Integrated Report by detailing the governance and reporting structures that support a responsible and transparent approach to tax. This report describes our tax landscape, vision and objectives, governance and tax risk management. It also addresses how we engage with our stakeholders, which includes our relationships with the revenue authorities and public advocacy. We report on our tax contribution across our markets and the types of taxes we pay.

Our **Governance Report**, which supplements our Integrated Report, explains our Board's governance philosophy. It also outlines our approach to achieving good governance through the Board's primary governance roles, which include:
- Setting and steering the Group's strategic direction
- Ensuring business accountability through the effective control provided by our governance framework
- Overseeing and monitoring performance to uphold a fair and transparent approach
- Approving policies and plans that contribute to value creation through good governance.

AECI Mining, Modderfontein
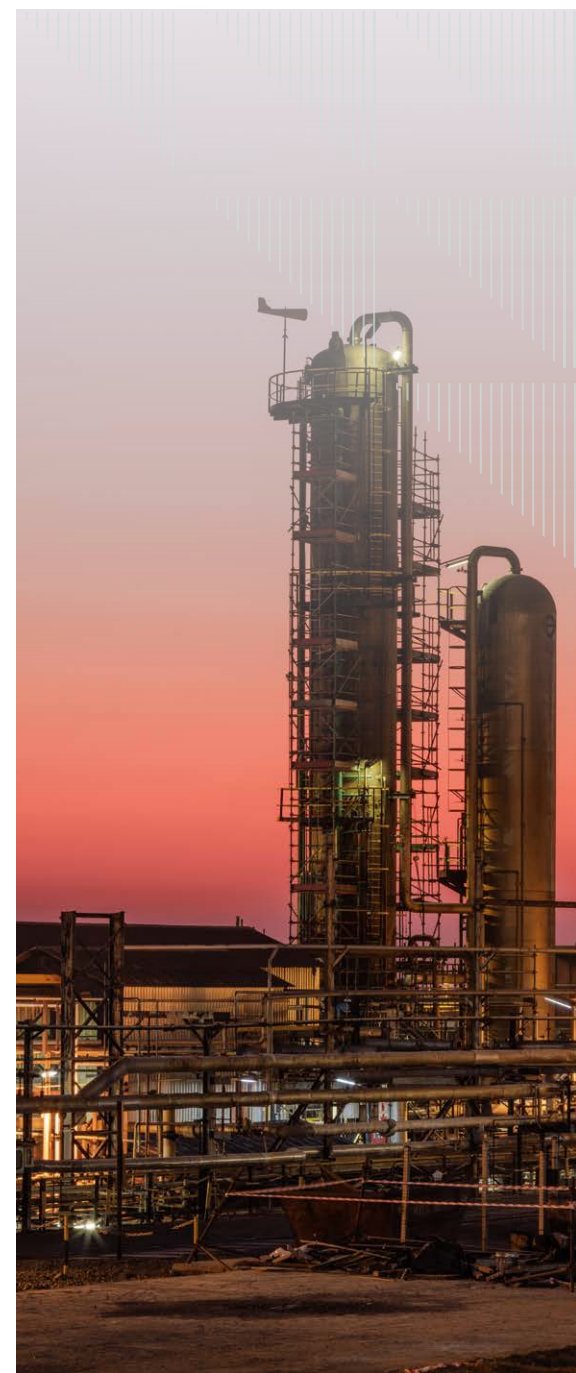
Our business overview

We are One AECI, for a Better World.

A mining services and chemicals leader operating in over 20 countries and manufacturing sites on six continents.

Listed on the JSE in 1966

R9 224 million Market capitalisation as at 31 December 2024

11.01 P/E ratio as at 31 December 2024

Our businesses

AECI Mining

A global leading Mining Services Business

Mine-to-mineral market-leading solutions

- Mining Explosives
- Mining Chemicals

Differentiators:
- Our partnership approach
- Our will to solve our customers' greatest challenges with our innovative products and services

AECI Chemicals

South Africa's leading supplier of chemicals

Application expertise in chemicals

- Industrial chemicals
- Specialty chemicals
- Water solutions
- Agriculture

Differentiators:
- Water management solutions in the industrial and mining segments using advanced water management technologies
- Bespoke chemical solutions

AECI Property and Corporate Services

- Property leasing and provision of utilities
- Corporate support functions
- Tenants and utilities users

Managed Businesses for divestment

- AECI Schirm
- AECI Sans Fibers
- AECI Food and Beverage
- AECI Much Asphalt*
- AECI Animal Health
- AECI Public Water

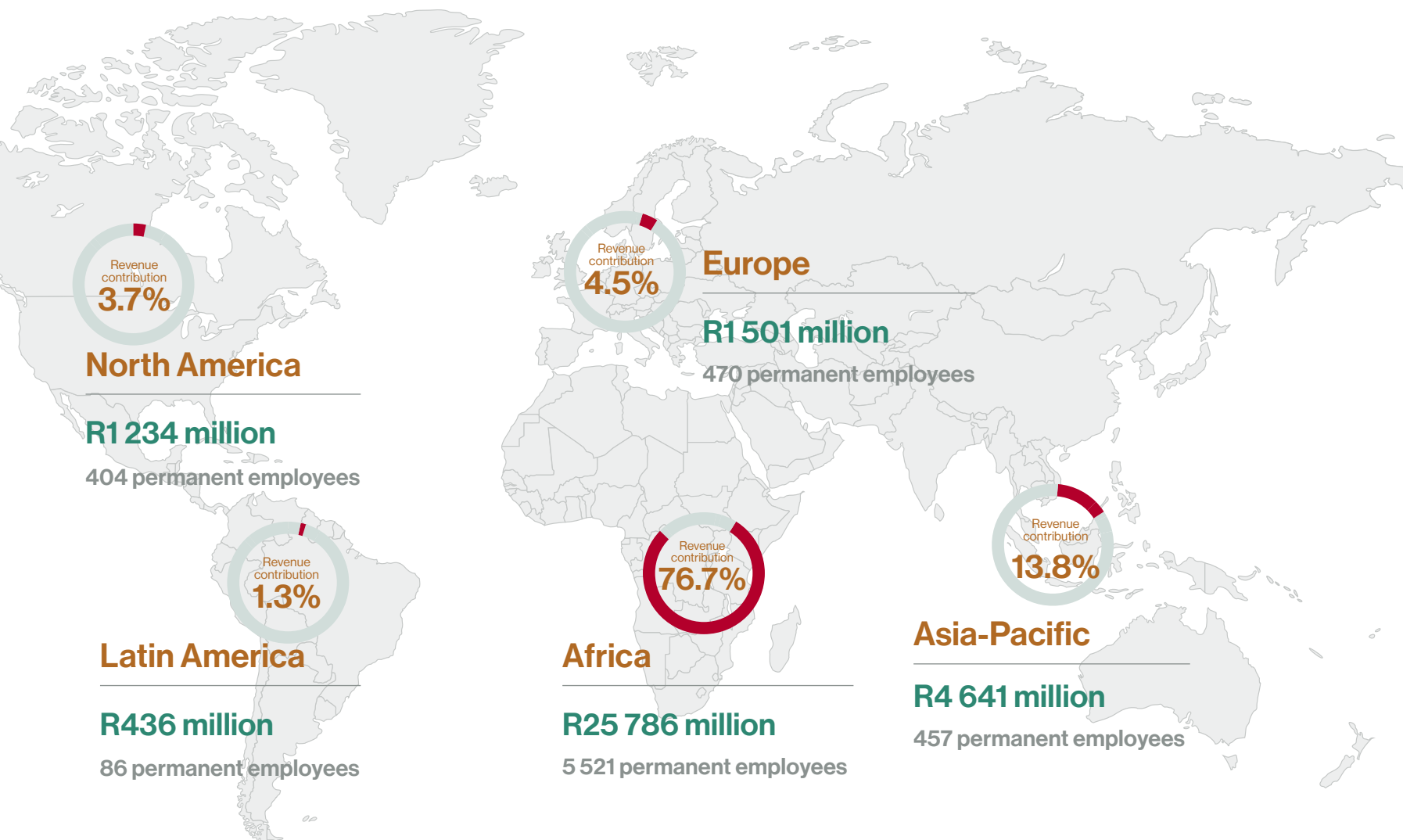*Our core business comprises AECI Mining, AECI Chemicals and AECI Property and Corporate Services.*

* Discontinued operation
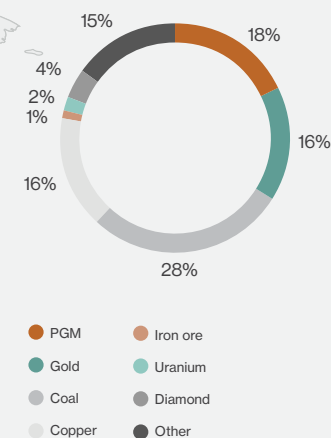
Our business overview continued

Our international presence

Our geographical spread by revenue*

North America
Revenue contribution
3.7%

R1 234 million

404 permanent employees

Latin America
Revenue contribution
1.3%

R436 million

86 permanent employees

Europe
Revenue contribution
4.5%

R1 501 million

470 permanent employees

Africa
Revenue contribution
76.7%

R25 786 million

5 521 permanent employees

Asia-Pacific
Revenue contribution
13.8%

R4 641 million

457 permanent employees

AECI Mining

Our diverse commodity portfolio across customers

18%
16%
28%
16%
16%
15%
4%
2%
1%

- PGM
- Iron ore
- Gold
- Uranium
- Coal
- Diamond
- Copper
- Other

AECI serves the top 50 global mine owners, mining over 80 different commodities, with products and services to match mining methods

AECI Chemicals

Our chemicals business is predominantly South African focused

* Continuing operations.
Our reporting suite endeavours to report on all financial and non-financial information on all our operating regions. Our non-financial disclosures are geared towards South Africa as the Company is currently still predominately South African and are also driven by a stringent regulatory environment. In some instances within our operating countries, local legislation restricts and prohibits the sharing and publishing of information (e.g. demographics). Other regions are not geared towards gathering and sharing information that is comparable to South African specific data requirements (e.g. previously disadvantaged individuals), and as such some disclosures only relate to South Africa.
We will continue to evolve our disclosures as we grow our international presence.

Introduction continued

Our purpose

We are One AECI, for a Better World delivering:

- Sustainable solutions for a better world through innovation and excellence
- Societal and environmental value through our contribution to the achievement of the United Nations Sustainable Development Goals (SDGs) and our commitment to Net Zero by 2050
- A positive impact on the world through responsible business practices that create sustainable enterprise value for the benefit of our stakeholders

Values

Our BIGGER values shape our actions and decisions and help us drive sustainable growth which keeps us aligned with our purpose.

Bold
Embracing new ideas, taking risks and pushing boundaries

Innovative
Continuously seeking creative solutions to challenges and driving change

Going green
Committing to sustainable practices that benefit the environment and society

Engaged
Fostering a culture of active participation and collaboration

Responsible
Always acting with integrity, accountability and care to ensure trust and sustainability

Our ambition

- **Achieve R5.6bn - R6.3bn EBITDA** (annualised run rate) by end of 2026
- **Attain a global market** position in Mining of #3 by 2030

Our strategic pillars

- A high-performance culture underpinned by passionate and engaged employees
- Optimise our portfolio
- Drive operational and functional excellence
- Deliver step change in growth

Enablers

- A disciplined capital allocation
- Strong investment in innovation and technology
- Digitalisation of our business and future proof our systems
- Automatisation of manufacturing assets

Our culture

At AECI, we are building a high-performance culture anchored in service, trust, authenticity, collaboration and empowerment. We roll up our sleeves and lead by example. We push boundaries, innovate and strive for excellence, working together to create a better world.

About this report

Welcome to our Sustainability Report

Welcome to our Sustainability Report (SR) for the financial year ended 31 December 2024. This report offers a transparent overview of our efforts to support a sustainable future. It outlines our initiatives to reduce our environmental impact, promote social progress and drive economic growth.

We are proud of our progress and invite you to explore our achievements and future goals in building a more sustainable and resilient future by:

- Boosting employee retention
- Managing risks and opportunities
- Balancing profitability with sustainability
- Creating a competitive advantage
- Staying ahead of regulations
- Building trust and reputation
- Reducing climate impacts

Scope and reporting boundary

Our SR provides an overview of initiatives addressing the Group's key sustainability challenges, highlighting how we create economic, societal and environmental value. Covering the 2024 financial year, it may include significant events after 31 December 2024 up until the Board's approval of the corporate reporting suite on 29 April 2025.

Maintaining the same scope as the previous year, our reporting focuses on material topics relevant to our operations in more than 20 countries. We are committed to improving the quality and accessibility of information for investors and stakeholders, including detailed disclosures on sustainability-related risks and opportunities that impact our financial, societal and environmental performance.

Navigating our report

How we report

This SR has been optimised for an enhanced digital experience, which makes it easier for readers to navigate. The digital navigation features allow you to move seamlessly between various sections and topics in this report and others.

We have included the following icons in this report for easy navigation and cross-referencing:

🌐 Information available on our website www.aeciworld.com   ↗ Information available elsewhere in our reporting suite

Six capitals

We consider the six capitals in assessing value creation, preservation and erosion. These icons identify the capital in use.

- Financial Capital
- Human Capital
- Manufactured Capital
- Intellectual Capital
- Natural Capital
- Social & Relationship Capital

Material themes

The following icons are used to illustrate the linkage to our material themes:

- Social responsibility and human capital excellence
- Climate resilience
- Business performance and partnerships
- Governance and compliance

Our sustainability drivers

The following icons are used to illustrate the linkage to our sustainability drivers:

- Safety and health
- Environmental stewardship
- Business optimisation
- Social responsibility
- Strategic partnerships
- Climate action and response

Our stakeholders

- Employees
- Customers
- Suppliers
- Media
- Shareholders, investors, analysts and lenders
- Communities
- Governments, industry forums and regulators
- Trade Unions

Our priority SDGs

We prioritise contributions to these SDGs:

- 2 ZERO HUNGER
- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 6 CLEAN WATER AND SANITATION
- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
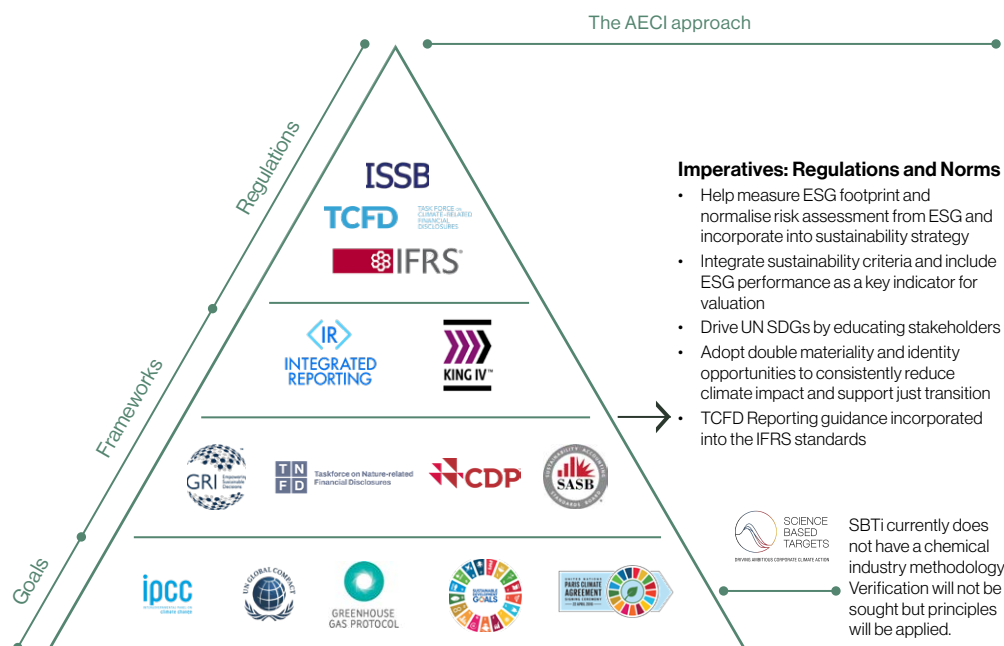- 13 CLIMATE ACTION
- 17 PARTNERSHIPS FOR THE GOALS

About this report continued

Reporting frameworks applied in the preparation of our report

Our sustainability initiatives align with well-established reporting frameworks to ensure transparency, accountability, and meaningful contributions to our stakeholders and communities. We consider and apply the following:

- IFRS S1 Sustainability Disclosure Standard General Requirements for Disclosures of Sustainability-related Financial Information
- IFRS S2 Sustainability Disclosure Standard Climate-related Disclosures
- Taskforce on Climate-related Financial Disclosures (TCFD)
- JSE Sustainability Disclosure
- Sustainability Accounting Standards Board (SASB)
- Prioritised SDGs
- United Nations Global Compact (UNGC)
- CDP Standards: Addressing disclosures related to climate change, water and forest impacts
- Global Reporting Initiative (GRI) Standards
- Greenhouse Gas (GHG) Protocol
- Paris Agreement Climate Objectives

- Responsible Care® Programme
- Principles and Requirements of the International Integrated Reporting Framework (2021)
- King IV Report on Corporate Governance for South Africa 2016
- Broad-based Black Economic Empowerment (B-BBEE) Act
- JSE Debt Listings Requirements
- Companies Act, 71 of 2008, as amended (Companies Act)
- International Financial Reporting Standards (IFRS)

We seek to enhance our sustainability performance, responsibly manage our environmental footprint and contribute to global and local SDGs by voluntarily aligning our reporting with these frameworks.

The AECI approach

Imperatives: Regulations and Norms
- Help measure ESG footprint and normalise risk assessment from ESG and incorporate into sustainability strategy
- Integrate sustainability criteria and include ESG performance as a key indicator for valuation
- Drive UN SDGs by educating stakeholders
- Adopt double materiality and identity opportunities to consistently reduce climate impact and support just transition
- TCFD Reporting guidance incorporated into the IFRS standards

SBTi currently does not have a chemical industry methodology. Verification will not be sought but principles will be applied.

Strategic reporting alignment

Sustainability Disclosures (IFRS S1)

Sustainability strategy and governance	Our sustainability strategy fosters meaningful change by delivering value to stakeholders, promoting responsible growth and enhancing long-term environmental and social well-being. In alignment with the SDGs, we champion a sustainable future, drive inclusive growth and create shared value for both our business and the communities in which we operate.
Key sustainability risks and opportunities	• **Risk:** Transition risks due to stricter regulatory policies on carbon emissions • **Opportunity:** Development of low-carbon products to meet market demand
Material themes	The following themes have been identified as material for our Group:

- Climate resilience
- Social responsibility and human capital excellence
- Business performance and partnerships
- Governance and compliance

Climate-Related Financial Disclosures (IFRS S2)

Governance	Our Group Sustainability and Environment, Health and Safety (EHS) Steering Committee has been established and will monitor climate-related risks and opportunities and report regularly to executive management and the Board.
Risk management and opportunities	We assess climate risks as part of our enterprise risk management framework. Key risks include: • Increased energy costs due to carbon pricing • Supply chain disruptions caused by extreme weather events

Metrics and targets	• Carbon emissions (Scope 1, 2 and 3):
	   • Scope 1: target: 10% reduction by 2025
	   • Scope 2: target: 5% reduction by 2025
	   • Scope 3: target to be set
	• Renewable electricity usage: 4% of our total electricity consumption is derived from renewable sources (target: 6% by 2025)

Alignment with IFRS requirements

Materiality assessment	In line with IFRS S1, our materiality assessment reflects the impact of sustainability-related issues on our financial performance and environmental impact.
Cross-references	This report aligns with IFRS S2, incorporating TCFD recommendations for climate-related financial disclosures.
Assurance	Selected sustainability key performance indicators are independently assured by Deloitte and Touche and provide stakeholders with confidence in our reporting accuracy.

About this report continued

How we align with global standards

As an international business, we recognise the importance of engaging in international agreements and initiatives that address pressing ESG challenges. By aligning our strategy with global standards, we ensure our actions drive meaningful impacts and long-term resilience. Integrating frameworks such as the Paris Agreement, the SDGs and the UNGC ensure that our efforts are impactful and measurable.

We have identified and prioritised relevant SDGs where we can make a direct contribution to ESG drivers. These prioritised SDGs are linked to internal goals and targets in a five-year cycle. Following changes in our business model and the conclusion of our current targets in 2025, we will reassess our baseline, considering divestments, and set new five-year targets to begin in 2026.

Our approach to materiality

We have developed a rigorous materiality process that helps us to identify material matters that significantly affect our ability to create value. We have adopted a double materiality approach to identify and prioritise information that addresses the Group's economic success for investors (*financial materiality*) and our broader impact on society, communities and the environment (*impact materiality*). This report, guided by the double materiality principle, provides a balanced view of our value creation and preservation efforts. No material restatements of information were made for the 2024 financial year.

Time-frame classifications

In this report, we use the following general classifications for time-frame references:

- **Short term:** A horizon of 12 months or less
- **Medium term:** A horizon of one to five years
- **Long term:** A horizon of five years and beyond

Forward-looking statements

This report contains certain forward-looking statements about the Group's financial position, results, strategy, operations and businesses. These statements and forecasts involve risk and uncertainty as they relate to events and depend on circumstances that occur in the future. Various factors could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. Consequently, no reliance should be placed on such expectations, estimates and intentions expressed in such forward-looking statements, as they may change due to new information, future events or otherwise.

Independent assurance statement

Deloitte and Touche completed an independent limited assurance review of selected sustainability KPIs for the Group, resulting in an unmodified assurance report. The reviewed KPIs, aligned with our sustainability goals, are detailed in Appendix A page 74 with definitions and criteria provided in Appendix B on page 76.

The assurance process evaluated our sustainability reporting practices, confirming that the KPIs were prepared according to the reporting criteria. This reinforces AECI's commitment to enhanced sustainability reporting and transparency. For the complete assurance statement, refer to Appendix C on page 78, which provides confidence in the accuracy of selected sustainability KPI data included in the Group's 2024 sustainability report.

Board approval

The Board, supported by the Social, Ethics and Sustainability Committee (SESC) and the Environment, Health and Safety Committee (EHSC), is responsible for ensuring the integrity of this SR. The directors believe this report addresses all material issues and provides a balanced view of our sustainability performance relating to creating and preserving value for our stakeholders over the short, medium and long-term.

Prepared under senior management's supervision, the report undergoes rigorous internal and independent external assurance reviews of selected sustainability KPIs. It was reviewed and approved by the committees and the Board as part of the reporting suite approval process. The SESC and EHSC members believe the information is reliable and accurately reflects the Group's sustainability focus areas. The Board has unanimously approved the report for publication.

Dr Khotso Mokhele – Chairperson

Billy Mawasha – Independent non-executive director

Fikile De Buck – Independent non-executive director

Holger Riemensperger – Group Chief Executive Officer

July Ndlovu – Independent non-executive director

Marna Roets – Independent non-executive director

Nombulelo Moholi – Independent non-executive director

Patty O'Brien – Independent non-executive director

Philisiwe Sibiya – Independent non-executive director

Samuel Coetzer – Independent non-executive director

Stephen Dawson – Independent non-executive director

Walter Dissinger – Independent non-executive director

AECI Mining, Modderfontein

Sustainability key features and imperatives

Performance highlights in 2024

Social performance

Health and safety metrics

Total Recordable Incident Rate (TRIR) ▼

0.31
(incl. Occupational Illness)   2023: 0.35

Fatalities ▼

0   2023: 2

Life-altering injury ▶

1   2023: 1

Occupational illness case ▶

1   2023: 1

Process Safety Total Incident Rate (PSTIR) ▲

0.64   2023: 0.63

Gender metrics

Female representation at Board level ▼

42%   2023: 50%

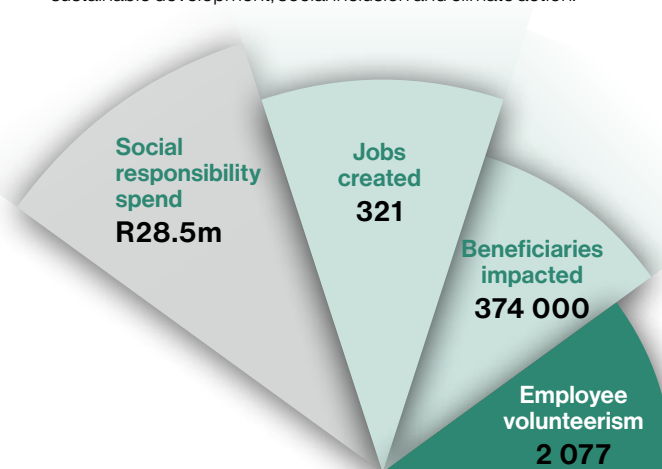**Female representation at top, senior and middle management** ▲

29%   2023: 28%

▲ improvement
▶ unchanged
▼ deterioration

Social responsibility

Our social responsibility programme is central to our commitment to sustainable development, social inclusion and climate action.

- Social responsibility spend **R28.5m**
- Jobs created **321**
- Beneficiaries impacted **374 000**
- Employee volunteerism **2 077**

Underpinned by our culture change journey

As we step into our transformative journey, our moonshot mission will propel us toward building a stronger, more inclusive and resilient organisation. To achieve our moonshot target, we have embarked on an inclusive leadership and culture transformation programme. Our Culture Compact will serve as the foundation for unprecedented collaboration and innovation, enabling us to achieve extraordinary results and shape the next 100 years of impact.

We believe that this journey requires fearless leadership. A leadership that walks with purpose and speaks with conviction. A leadership that serves, that lifts others as it rises, that empowers those who follow.

We are ready to take on bold challenges, together, as we realise our One AECI moonshot.

We have achieved:

- Key leadership and management changes to drive transformation
- Implementation of a new operating model to enhance efficiency and effectiveness
- Establishment of a leadership compact to align leadership behaviours with strategic goals
- Definition of culture codes and desired behaviours to guide organisational conduct
- Improved employee engagement to foster productivity and morale
- Transformative, organisation-wide alignment and commitment to shared values and objectives

AECI Leadership and Culture Masterclass, Gallagher Convention Centre

Sustainability key features and imperatives continued

Environmental performance

Carbon metrics

Scope 1 emissions ▼

7% decrease   2023: 20% decrease

Scope 2 emissions ▼

4% decrease   2023: 20% decrease

Total carbon footprint ▼

5% decrease   2023: 11% decrease

Scope 3 emissions ▼

29% decrease   2023: 4% decrease

Waste metrics

Hazardous waste disposed ▼

8% decrease   2023: 13% decrease

Recycled waste ▼

15% decrease   2023: 13% increase

Environmental incidents

Moderate incidents ▶

3   2023: 3

Energy metrics

Electricity use ▼

8% decrease   2023: 4% decrease

Total energy ▼

1% decrease   2023: 2% decrease

Renewable electricity ▲

8 663MWh   2023: 840MWh

Water metrics

Potable water consumption ▼

2% decrease   2023: 6% decrease

Discharge to sea or sewer ▼

7% decrease   2023: 13% decrease

Solar plant – AECI Mining, Sasolburg

CDP scoring

We have participated in voluntary Carbon Disclosure Project (CDP) reporting since 2009, enabling us to benchmark our environmental impact, particularly in areas such as carbon emissions and water security. This helps us monitor our progress, identify areas for improvement and reaffirm our commitment to sustainability aligned with global best practices. In 2024, we achieved a CDP score of B for both carbon and water, placing us in the Management band. This reflects that we are actively managing our climate and water impact by implementing strategies to address risks and opportunities. Our efforts demonstrate a solid commitment to sustainability, with measures in place to track emissions and water consumption, improve water and energy efficiency and reduce our carbon footprint.

Sustainability key features and imperatives continued

Creating sustainable value

Our sustainability approach drives transformative change by creating value for stakeholders, fostering responsible growth and promoting long-term environmental and social well-being. Aligned with the SDGs, we support a sustainable future, encourage inclusive growth and generate shared value for our business and the communities in which we operate.

Our commitment to achieving our Net Zero target by 2050 strengthens regulatory compliance, business resilience and long-term success in a dynamic global landscape. We uphold ethical, transparent and sustainable supply chain management, endeavouring that every stage – from raw material sourcing to product delivery – meets rigorous social, environmental and economic standards.

As leaders in responsible mining, we empower our customers to reach their sustainability goals by enhancing efficiency, minimising environmental impacts and advancing social responsibility. Our solutions span the mining value chain which improve performance while contributing to upstream Scope 3 emissions reductions.

Our products, services and commitment throughout the mining value chain

Our diverse services and offerings, and responsible business practices, enhance our customers' sustainability performance in the following ways:
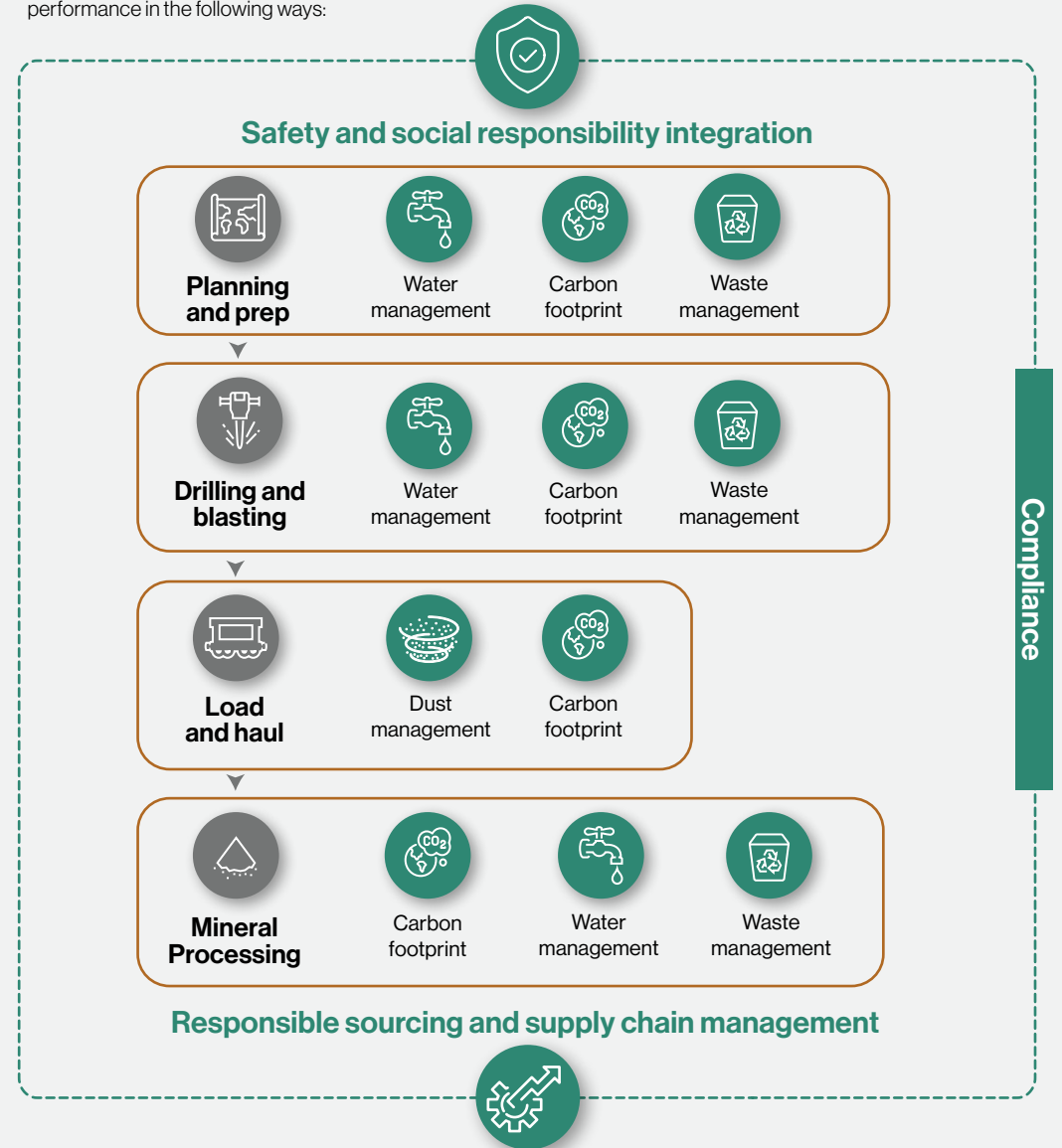
Sustainability key features and imperatives continued

Preparation and planning

Our offering	Biodegradable degreasers	Eco-friendly cleaning products	Industrial Lubricants
Description	An eco-friendly cleaner formulated to tackle grease, oil, and grime on industrial and mining equipment made with biodegradable surfactant and natural solvents. It is designed to be non-toxic, non-flammable, and effective for heavy-duty use in tough conditions.	Eco-friendly cleaning products that reduce water usage are designed to minimise environmental impact while maintaining high cleaning efficiency.	A range of high-performance lubricants and metalworking fluids designed to improve efficiency. Tailored for mining and industrial applications, these solutions focus on innovation and sustainability.
Benefit and value to customer	• Environmentally safe • Non-toxic, reducing worker health risks • Effective cleaning • Regulatory compliance: non-toxic runoff • Works on multiple surfaces, streamlining maintenance	• Reduce rinse water by up to 50% for hand and automatic washing methods • Energy efficiency • Non-toxic runoff	• Improved equipment performance through optimised lubrication • Extended equipment life by reducing wear and friction • Lower environmental impact • Customised solutions tailored to industry-specific needs, especially mining • Increased productivity with enhanced process efficiency and reduced downtime

SDG icons: 6 CLEAN WATER AND SANITATION, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Drilling and blasting

Our offering	The Vertical Emulsion Drop System	Powergel	Electric MCU	Power boost
Description	Enhances safety and efficiency in mining by distributing emulsion from surface to underground storage locations.	An emulsion explosive designed to handle extreme conditions like reactive ground and hot holes.	The MCU ensures that these motors operate efficiently, safely and reliably in harsh mining environments.	A high-powered explosive booster manufactured from non-explosive raw materials.
Benefit and value to customer	• Shortened emulsion supply line by transferring it vertically from surface to underground storage • Reduced tramming by relocating refilling points nearer to work areas • Lower fuel consumption and Scope 3 emissions • Fewer engine hours and extended maintenance intervals • Improved operational efficiency • Enhanced safety due to decreased tramming and traffic underground	• Safer operational conditions • Controlled use in high-temperature areas • Enables blasting in previously inaccessible zones due to emulsion degradation or detonation risks • Access to higher-temperature ore bodies, expanding the mine's operational footprint • Reduce the range of required products baskets as it caters for all mining conditions • Single emulsion and longer sleep time may reduce weekly blasts by around 50%, significantly cutting downtime • Potential to extend the life of the mine	• Delivery systems operate more efficiently with zero fuel emissions • No fuel consumption • Reduced maintenance requirements • Lower greenhouse gas emissions • Reduced noise pollution, leading to improved environmental impact	• Reduction in energy consumption • The PowerBoost process is electrically heated, whereas the Pentolite plant is steam heated • Substitution of high explosives with non-explosive raw materials (e.g. PETN, TNT, etc.) • Enhances safety and supports long-term sustainability goals

SDG icons: 3 GOOD HEALTH AND WELL-BEING, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION

Sustainability key features and imperatives continued

Load and haul

Our offering

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Fleet Efficiency

Dust management

Description

Our innovative technologies and products are designed to enhance fleet efficiency, reduce maintenance costs, and extend the lifespan of heavy-duty vehicles.

Integrated customised dust management solutions for underground and surface mining operations.

Benefit and value to customer

- Improved fleet efficiency
- Reduced vehicle maintenance costs
- Extended vehicle lifespan
- Enhanced diesel engine performance
- Reduce fuel consumption
- Environmentally-friendly solutions for responsible/reduced emissions

- Respiratory dust reduced up to 80%
- Environmental dust reduced up to 98%
- Compliance: promotes employee health and safety
- Operational excellence: minimises material loss due to dust during handling
- Equipment integrity: reduces wear and tear on equipment
- Environmental protection: minimises the impact of dust on the environment

Mineral processing

Our offering

3 GOOD HEALTH AND WELL-BEING
6 CLEAN WATER AND SANITATION
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION

Alternative water sources and process streams

Ore flow enhancers

Description

Reducing environmental impacts by making use of sustainable water supply.

Ore flow enhancers are specialised chemical additives used in the mining industry to improve the flow characteristics of ore during transportation, handling and processing.

Benefit and value to customer

- Conservation – optimise water efficiency
- Water re-use and recycling
- Effluent Compliance
- Metal Recovery

- Improves the efficiency of mud-pumping operations
- Reduces the energy required to process and transport ore
- Leads to lower GHG emissions
- Reduced wear on equipment, which decreases the frequency of maintenance and replacement

Sustainability key features and imperatives continued

AECI Mining's role in developing Powergel X2

Case study

AECI Mining developed Powergel X2, a high-performance emulsion explosive designed for extreme conditions such as reactive ground and hot holes in southern Africa. With an enhanced safety factor, it improves handling, simplifies inventory management and reduces logistical complexity and operational costs, especially in remote areas.

To further support sustainable mining, AECI Mining introduced Powergel Eco, an eco-friendly alternative that incorporates recycled oil that minimises environmental impacts. These innovations reflect our commitment to advancing safety, efficiency and sustainability in the mining sector.

AECI Water and AECI Mining Explosive's water management

Case study

The Group's water reuse project utilises alternative water sources, including PSE, low-grade dam water and Cooling Tower Blowdown, reducing municipal water consumption for Nitric Acid Plants No 9 and No 11 cooling towers and the Demin plant boilers.

AECI Water employs innovative technologies to treat alternative water sources to the required quality standards. In 2024, the plant produced 188 million litres of high-quality water, a slight decrease from 2023 due to lower production volumes caused by ammonia availability. Additionally, 49 million litres of effluent water were reused in 2024.

Water management for Astron Energy

Case study

AECI Chemicals and Astron Energy, a subsidiary of Glencore, have collaborated for over 20 years to address water availability concerns in Cape Town. A water treatment plant was designed, built and commissioned in 2006 to support sustainable water use. It treats sewage effluent from the Potsdam plant through mechanical, physical and chemical processes to replace potable water for Astron's industrial operations.

After Astron's acquisition of the refinery from Chevron in 2019, a fire in 2020 rendered the plant inoperable. During this period, Potsdam water quality deteriorated, requiring the refinery to revert to potable water. In response, AECI Water is working with Astron to install a clarifier that will pre-treat Potsdam water by removing suspended solids and reducing Chemical Oxygen Demand, ensuring it meets feed plant specifications.

Sustainability key features and imperatives continued

Trusted by industry leaders

We appreciate AECI's holistic approach to provide the optimum solution that is safe and cost-effective. Your expertise, collaboration, innovative solutions and partnership approach have helped us develop practical solutions that improve the efficiencies of our mining operations and consequently optimise our mining value chain.

AECI Mining's professionalism and approach, both technically and commercially, was unmatched among the bidders. The implementation process and ultimately, service delivery to our mines, followed suit in a most satisfactory fashion. In addition, AECI Mining is now entrusted with strategic consulting to our wider Menar Group with regard to blast and design and planning for greenfields and brownfields projects.

We have been using AECI explosives and accessories for the past 35 years in both the underground and the opencast coal mining environment. Blasting is the foundation of any successful mining operation and must be accurate, on time and deliver zero defect results every time. AECI provides innovative products that are safe and easy to use confidently, giving you the most "bang for your buck".

AECI provides exceptional services as well as product support. The exceptional service from AECI has enabled Mimosa to achieve and sustain blasting-related KPIs. AECI continues to provide innovative solutions to solve the greatest problems.

Social responsibility and shared value in partnership with our customers

We recognise that our success is deeply connected to the well-being of the communities in which we operate. Our commitment to social responsibility focuses on fostering sustainable, community-driven development through long-term partnerships that promote social inclusion, empowerment and economic growth.

By strengthening collaboration between businesses and communities, we ensure our initiatives are sustainable, meaningful and impactful. We have also established strategic partnerships with industry leaders and mining companies to collectively drive sustainable initiatives across various regions, including:

- Umsibithi Mine (South Africa)
- Shanta Gold Mine (Tanzania)
- Kamoa Mine (Democratic Republic of Congo)
- Eureka Mine (Zimbabwe)
- Debswana (Botswana)
- Wassa Mine (Ghana)
- Sibanye Stillwater (South Africa)
- Harmony Gold (South Africa)

Collaboration with Sibanye Stillwater-Marikana renewal programme

Bread and confectionary completion certificate

Collaboration with Kamoa Mine, Democratic Republic of Congo

Sustainability key features and imperatives continued

Our procurement strategy

The Group's procurement strategy strengthens our supply network by promoting ethical, sustainable and socially responsible practices.

We build secure supplier relationships that promote compliance with ethical, environmental and social standards. We source exclusively from qualified suppliers, conduct regular audits and support continuous improvement. Prioritising local procurement fosters economic growth, job creation and community development.

Responsible supply chain management

We are committed to responsible supply chain management that focuses on ethical, transparent and sustainable practices. From raw material sourcing to product delivery, we adhere to strict social, environmental and economic standards.

We encourage safe labour practices, fair treatment and compliance with local and international laws. We also promote environmentally conscious practices to minimise our impact and drive sustainability. Our robust traceability systems maintain supply chain transparency, enabling continuous performance improvement. We also support small, local, and minority-owned businesses to foster economic growth, create jobs and contribute to long-term community prosperity.

Financial performance

Our stated ambition as the AECI Group is to achieve R5.6bn–R6.3bn EBITDA (annualised run rate) by end of 2026 and attain a global market position in Mining of #3 by 2030.

As 2024 was the first full year of execution against our new strategy, the Group made some necessary concessions which are key enablers in the successful execution of the strategy. The reported results reflect the impact of these strategic enablers which include strategic divestments, transformation investments and one-off impairments. These enablers underpin the transitionary phase of our strategy and form a platform on which the Group can build towards achieving strong and sustainable future performance.

We made steady progress with rolling out the strategy, which resulted in:
- Implementing our new operating model
- Rolling out our leadership compact and culture code
- The signing of sale agreements for AECI Animal Health and AECI Much Asphalt
- Delivering an EBITDA run rate of R800 million for the year and converting R504 million of the run rate into profit and loss
- Gaining traction with our internationalisation strategy by leveraging our exceptional chemical expertise to further internationalise our business, expand into Peru, and significantly enhance our presence in Australia

The achievement of these strategic milestones is essential for establishing the foundations the Group needs in order to fulfil our ambitions.

EBITDA

2024: R3.3bn   2023: R3.7 bn

2024 has set a strong platform from which the Group can build and grow towards meeting our 2026 strategic ambitions. In 2025, our attention will shift from the transition phase of our strategy to execution phase with an emphasis on driving significant cost savings, preparing for growth and concentrating on free cash flow generation.

⬈ Read more in our IR.

Governance performance

Strong governance

We strengthened our governance structures to align with business strategies, enabling better decision-making and accountability, while enhancing stakeholder engagement to address sustainability challenges.

Code of Ethics and Business Conduct

We formalised our Code of Ethics and Business Conduct, promoting integrity and accountability while complying with regulatory requirements and international standards.

We enhanced the assurance of our non-financial reporting, building trust with stakeholders and ensuring credibility through third-party verification.

Data management

We focused on developing a strategic data management plan, rolling out systems and providing training with an emphasis on communication, systems assessment and tool selection.

Looking ahead, we aim to shift to online reporting, improve data ownership and quality and implement on-demand dashboards while enhancing data assurance and integrating regulatory frameworks into a streamlined management system.

ESG integrated in remuneration

ESG drivers are integrated in our remuneration framework, aligning leadership incentives with sustainability goals. By incorporating ESG KPIs such as water management, carbon emissions reduction and gender equality into long-term incentive plans, we ensure our executives are motivated to drive progress in these areas. This promotes accountability and reinforces our commitment to sustainability.

⬈ Read more in our RR.

Sustainability linked financing

We have implemented our Sustainability-Linked Financing Framework (SLFF), reinforcing our commitment to embedding sustainability within our financial governance. This framework facilitates the issuance of sustainability-linked bonds (SLBs) and loans, aligning financial mechanisms with our strategic KPIs, including carbon emissions reduction, water stewardship and gender equality.

AECI Head office, Woodmead

Sustainability key features and imperatives continued

Sustainability achievements and awards

In 2024, we were given several prestigious awards for contributing to social responsibility and sustainability. The awards highlight our impactful initiatives throughout the year.

2024 achievements and awards

Award	About the award
PETCO The 2024 Petco awards • Best partner for sustaining jobs	**AECI buy-back centres** These premier national environmental awards recognise excellence in reuse, recycling and waste minimisation among businesses, organisations, community groups and individuals in the local packaging industry.
SAB in partnership with ESG Africa Conference The Beyond Awards • Sustainability Report of the year • Sustainability Initiative of the year – large-scale organisation	**Top 5 finalist** These awards recognise and celebrate innovative initiatives, projects and individuals that go beyond the norm to make a significant and positive impact.
Responsible Care® – Chemical and Allied Industries' Association • 2024 Responsible Care Initiative of the year – CSR project – Category A • 2024 Responsible Care Initiative of the year Company Project – Category A • Acknowledgement of Contribution to Sustainable Development: AECI Water • First Runner-Up: Top performers regarding the number of KPI improvements achieved in 2023	**Winner:** Project: Level Up **First Runner-Up:** Project: From Bottles to Bags **Second Runner-Up:** Step Up 2 A Green Start Up **Finalist:** Tiny Tania - Purification of ammonium nitrate rich effluent for reuse **Driving sustainable refining and water solutions:** AECI Water Pietermaritzburg site **Specialty Chemicals:** Island View site Responsible Care® envisages a profitable, sustainable chemical sector in South Africa that contributes to the quality of human life and the economy through innovation and production without harming people, property or the environment.
Enviropedia Ecologic Awards 2024 • Eco Fashion and Lifestyle Award	**Bronze winner: From Bottles to Bags** Identify individuals, organisations and communities that contribute positively to a sustainable world.

CAIA Responsible Care awards, Johannesburg

Sustainability key features and imperatives continued

TOP EMPLOYER
South Africa
2025
FOR A BETTER WORLD OF WORK

CHIETA awards 2024, Johannesburg

WE ARE PROUD TO SHARE THAT
AECI HAS BEEN LISTED ON
TIME MAGAZINE'S
WORLD'S BEST
COMPANIES
FOR
Sustainable Growth
2025

#BetterWorld #Sustainability #ResponsibleBusiness
#TIME2025 #AECI

Award

Forbes' World's Best Companies

South Africa's best employers – with one making the top 20 in the world.

Forbes, in partnership with Statista surveyed more than 300 000 employees in over 50 countries who work for multinational corporate groups employing over 1 000 workers.

Time Magazine's World's Best Companies for Sustainable Growth for 2025

In partnership with Statista, this is based on robust research methodology among 70 million companies globally that focuses on measuring consistent sustainability disclosures.

Gordon Institute of Business

Logistics Achiever Award:
• Gold Award

The Chemicals Industries Education and Training Authority (CHIETA) Award

Skills development in partnership with CHIETA.

Aligned to our strategic intent, our development initiatives are aimed at building employee capabilities aligned with our Human capital and Culture strategic pillars.

We are reminded of the power of knowledge and the impact education and skills-building can have on individuals and industries.

Top Employers Institute. Top Employer in South Africa for 2025

This achievement reflects our dedication to fostering a supportive, inclusive and empowering workplace aligned with our culture code.

AECI Industrial Chemicals' Umbogintwini

site has been recognised by the Department of Employment and Labour for outstanding implementation of new Major Hazard Installation (MHI) regulations.

About the award

AECI has been **ranked eighth in Forbes' 2024 list of South Africa's Best Employers,** highlighting the critical role of people and culture in driving our strategy.

AECI was recognised among the top 500 companies for:
• Positive revenue growth from 2021 to 2023
• ESG data focused on corporate responsibility that considers environmental impacts

This award recognises a commitment to consistent revenue growth, financial stability and a positive environmental impact.

Promotion of International Trade in a **Hazardous Product Market.**

The Gordon Institute of Business Science (GIBS), has set new benchmarks in logistics excellence, showcasing unparalleled achievements in supply chain management, sustainability and operational efficiency.

We have been **recognised for our ground breaking apprenticeship models** and for **closing skills gaps** in the specialty chemicals sector.

The Group has contributed R23 million to levies as supported by the Skills Development Levies Act, 1999.

We are proud to be recognised as a **Top Employer in South Africa for 2025** by the Top Employers Institute.

This certification celebrates the commitment to creating a challenging, supportive, inclusive and empowering work environment.

Implementation and alignment with the new MHI regulations within the required time frames.

This award reflects our Environment, Health, Safety and Quality and Operations teams' dedication to safety and excellence.

Sustainability key features and imperatives continued

Certifications update

AECI Limited	B-BBEE 2024: Level 3 maintained
AECI Mining	ISO 14001:2015 – Environmental Management System
	ISO 9001:2015 – Quality Management System
	ISO45001:2018 – Occupational Health and Safety Management System (Underway)
AECI Industrial Chemicals	ISO 45001:2018 – Occupational Health and Safety Management System
	ISO 9001:2015 – Quality Management System
	ISO 14001:2015 – Environmental Management System
	FSSC 22000 – Food Safety Management System
	SANAS (Sulphur) – Inspection and Test Station of SO_2 Cylinders and Drums
	ECOCERT – Organic Fertiliser Certification
	Round Table on Sustainable Palm Oil – Sustainable Palm Oil
AECI Specialty Chemicals	ISO 45001:2018 – Occupational Health and Safety Management System
	ISO 9001:2015 – Quality Management System
	ISO 14001:2015 – Environmental Management System
AECI Water	ISO 14001:2015 – Environmental Management System
	ISO 45001:2018 – Occupational Health and Safety Management System
	SANS 1827/28 – Safety of Water Chemicals for use in the Food Industry
	ISO 9001:2015 – Quality Management System
AECI Property	ISO 14001:2015 – Environmental Management System
	ISO 45001:2023 – Occupational Health and Safety Management System
	ISO/IEC 17025:2017 – International Standard for Testing and Calibration Laboratories
	SANS 3000 – Rail Safety Management: General
AECI Food and Beverage	ISO 22000:2018 – Certificate Food Safety Management System
	ISO 9001:2015 – Quality Management System
	ISO 45001:2018 – Occupational Health and Safety Management System
	FSSC 22000 – Food Safety Management System
AECI Plant Health	ISO 9001:2015 – Quality Management System
AECI Animal Health	ISO 9001:2015 – Quality Management System
	Certificate for Veterinary-Approved Establishment
	AFMA Associate Membership
	FSSC 22000 – Food Safety Management System

We ensure our operational sites maintain certifications aligned with relevant international industry standards, which reflects our commitment to excellence. Regular assessments and updates to these certifications ensure compliance with evolving regulations and support our strategic growth objectives.

AECI Chemicals, Umbogintwini

Operating context

Navigating the complex socioeconomic and geopolitical landscape

Our operations in 2024 were impacted by global market volatility, currency fluctuations in Latin America and sub-Saharan Africa and South Africa's weak economic performance. These challenges created uncertainty, making demand forecasting, pricing adjustments and cost management difficult.

Key emerging ESG trends identified include heightened regulatory scrutiny on biodiversity disclosures, increased carbon pricing and border adjustments (e.g., EU CBAM), and rapidly evolving stakeholder expectations around social license and human rights in supply chains. AECI proactively engages these trends by aligning our strategy and disclosures with international frameworks closely monitoring global policy shifts, and integrating relevant metrics into our sustainability performance management.

To address these, we focused on strengthening supply chain resilience by diversifying suppliers, enhancing logistics and investing in technology for better forecasting and inventory management. These strategies help to ensure business continuity and adaptability in uncertain market conditions.

As the global regulatory environment becomes more complex, we are enhancing our compliance capabilities to mitigate the risks of non-compliance, protecting our reputation and stakeholder trust. The Group's growth strategy includes expanding into high-growth markets such as the Asia-Pacific region, Latin America and North America, including potential mergers and acquisitions (M&A) with a rigorous governance framework to evaluate new opportunities.

We are also optimising our portfolio by focusing on core business units and exiting non-core operations to drive operational excellence. This is aligned with our strategy to deliver sustained value. We also enhanced our capital allocation practices, focusing on efficient resource deployment and solid shareholder returns. We consider these initiatives essential to create sustainable growth and long-term value for stakeholders.

Sustainability trends

We closely monitor key global trends which influence and guide our priorities to foster resilience, innovation and accountability. From decarbonisation efforts to advances in climate technology, these trends represent a commitment to driving meaningful environmental and social impacts.

Climate resilience — Developing infrastructure and strategies to mitigate climate risks

Circular economy models — Focusing on waste reduction through reuse and recycling

Decarbonisation — Reducing carbon emissions and enhancing response to climate impacts

Artificial intelligence and climate technology — Using advanced technologies to drive climate solutions

Biodiversity and nature protection — Preserving ecosystems and addressing biodiversity loss

Water management — Innovating in conservation, recycling and sustainable water solutions

Combating greenwashing — Promoting transparency and accountability in sustainability reporting

Sustainable finance — Expanding ESG-focused investment opportunities

Social equity and justice — Promoting fairness, diversity and representation in sustainability efforts

Operating context continued
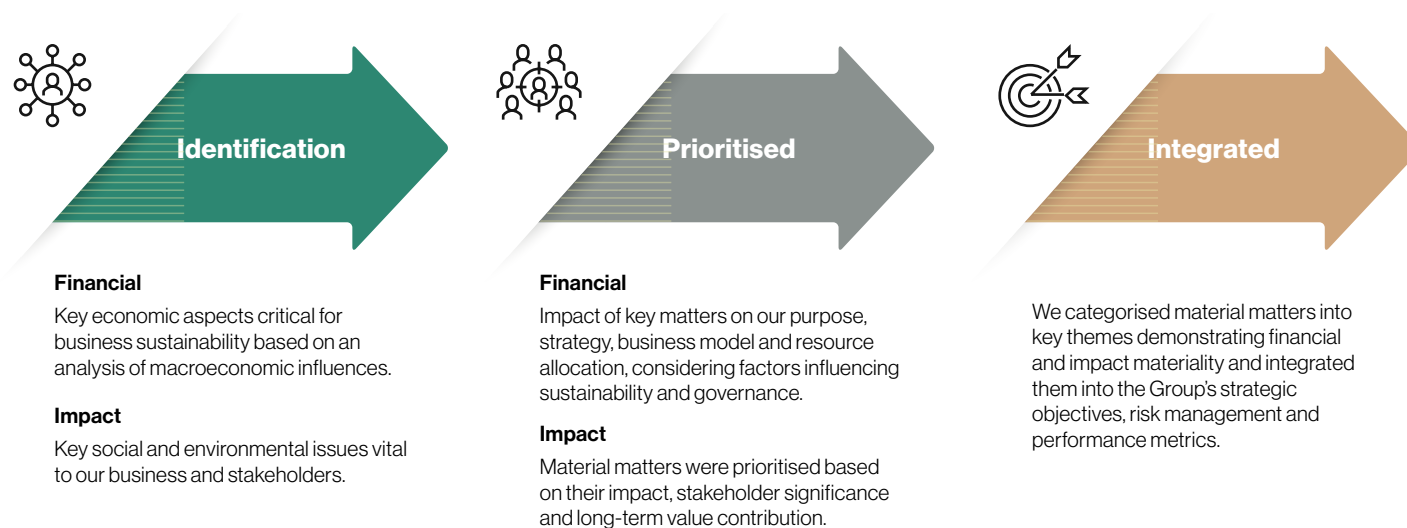
Materiality
Determining our material matters

In our approach to double materiality, we recognise the importance of understanding both how sustainability issues impact our business and how our operations affect the world. This dual perspective enables us to address the expectations of a broad range of stakeholders both internally, from our leadership, employees (national and international) to externally with suppliers, investors, lenders, communities, customers and industry associations.

By integrating financial and impact materiality, we ensure our strategy is resilient, transparent and aligned with global standards. We actively engage with stakeholders across our international footprint to identify and prioritise the most relevant material issues, helping us to create long-term value while contributing positively to society and the environment.

Materiality assessment process

Our materiality assessment enabled us to gain decision-making insights, identify and mitigate risks, assess competitive gaps and meet reporting requirements.

Identification

Financial
Key economic aspects critical for business sustainability based on an analysis of macroeconomic influences.

Impact
Key social and environmental issues vital to our business and stakeholders.

Prioritised

Financial
Impact of key matters on our purpose, strategy, business model and resource allocation, considering factors influencing sustainability and governance.

Impact
Material matters were prioritised based on their impact, stakeholder significance and long-term value contribution.

Integrated

We categorised material matters into key themes demonstrating financial and impact materiality and integrated them into the Group's strategic objectives, risk management and performance metrics.

Operating context continued

Material matters matrix

The identified matters were ranked and evaluated based on their significance and impact, then plotted on a materiality matrix.

Financial materiality (vertical axis, from Moderate to Extreme)

Impact materiality (horizontal axis, from Moderate to Extreme)

- Sustainable innovation
- Product stewardship
- Stakeholder partnerships
- Technology and data security
- Resource and energy use and security
- Health, safety and well-being
- DEI
- Procurement and supply chain
- Water security, consumption and discharge management
- Regulatory compliance
- Climate change and Net Zero
- Talent planning and training
- Waste Management
- Land and biodiversity management
- Human rights
- Geopolitical and socioeconomic shifts
- Local community empowerment
- Workplace culture
- Ethical business
- Stakeholder engagement and transparency

Material themes
- Climate resilience
- Social responsibility and human capital excellence
- Business performance and partnerships
- Governance and compliance

Operating context continued

Material themes

	Climate resilience	Social responsibility and human capital excellence	Business performance and partnerships	Governance and compliance

Material matters

Climate resilience	Social responsibility and human capital excellence	Business performance and partnerships	Governance and compliance
1. Climate change and Net Zero	6. Health, safety and well-being	11. Product stewardship	16. Ethical business
2. Resource and energy use and security	7. Workplace culture	12. Sustainable innovation	17. Regulatory compliance
3. Water security, consumption and discharge management	8. DEI	13. Procurement and supply chain	18. Human rights
4. Waste management	9. Local community empowerment	14. Geopolitical and socioeconomic shifts	19. Technology and data security
5. Land and biodiversity management	10. Talent planning and training	15. Stakeholder partnerships	20. Stakeholder engagement and transparency

Our strategic response

Climate resilience	Social responsibility and human capital excellence	Business performance and partnerships	Governance and compliance
• We remain focused on efficiency, green chemistry and strategic partnerships to address climate challenges	• Utilising our frameworks and associated risk management process to facilitate control implementation to enhance safety	• Enhancing monitoring systems to ensure compliance to evolving regulations and global standards	• Ensuring adherence to corporate governance systems and processes, promoting integrity in business operations
• Resource conservation and a sustainable energy mix approach	• Creating a strong foundation for our culture journey through initiatives such as the Leadership and Culture Masterclass	• Driving product innovation through research and development to reduce environmental impacts	• Scanning the regulatory landscape to remain forward-thinking in ensuring compliance
• Preventing pollution and reinforcing the link between sustainability and operational optimisation by adopting environmentally responsible practices and maintaining applicable ISO certification	• Embedding diversity, equity and fostering a culture of inclusion in our employees management processes	• Using predictive analysis and business analytics in procurement and supply chain management to mitigate potential global disruptions	• Maintaining ongoing communication and engagement with stakeholders
• Managing climate risks by addressing GHG emissions and environmental impacts	• Promoting human rights and supporting freedom of association through our bargaining councils and encouraging employee engagement	• Building robust business strategies which account for changing global political and social climates	• Implementing a robust digitisation strategy within which security is intentionally integrated to prevent breaches
• Aligning with the Paris Agreement and SDGs and developing a Net Zero Pathway	• Building safe and resilient communities	• Collaborating with stakeholders to develop joint risk mitigation strategies and strengthen business sustainability	

Future focus

| Climate resilience	Social responsibility and human capital excellence	Business performance and partnerships	Governance and compliance
• Ongoing investment in initiatives that enable sustainable business practices	• Reinforcing safety initiatives and implementing a shift to a people centric, care-focused culture	• Addressing infrastructure issues with targeted projects, including supply chain improvements and alternative energy solutions	• Implementing the integrated GRC strategy
• Advancing in-house products with a focus on responsible product stewardship and impact management	• Globalising talent management and facilitating effective skills transfer and collaboration	• Leveraging technology to respond to climate and business challenges	• Improving Enterprise Risk Management (ERM) and Business Continuity Management strategy
• Advancing our Net Zero Pathway in support of our 2050 commitment	• Continuously strengthening engagement with stakeholders	• Diversifying the procurement value chain to build in resilience and redundancy	• Embedding integrated combined assurance management and reporting

Operating context continued

Our Enterprise Risk Management Framework

Aligned with our strategy and business plans

We apply ISO 31000:2018 as our risk management standard to assist the Group in integrating risk management into all our significant activities and processes.
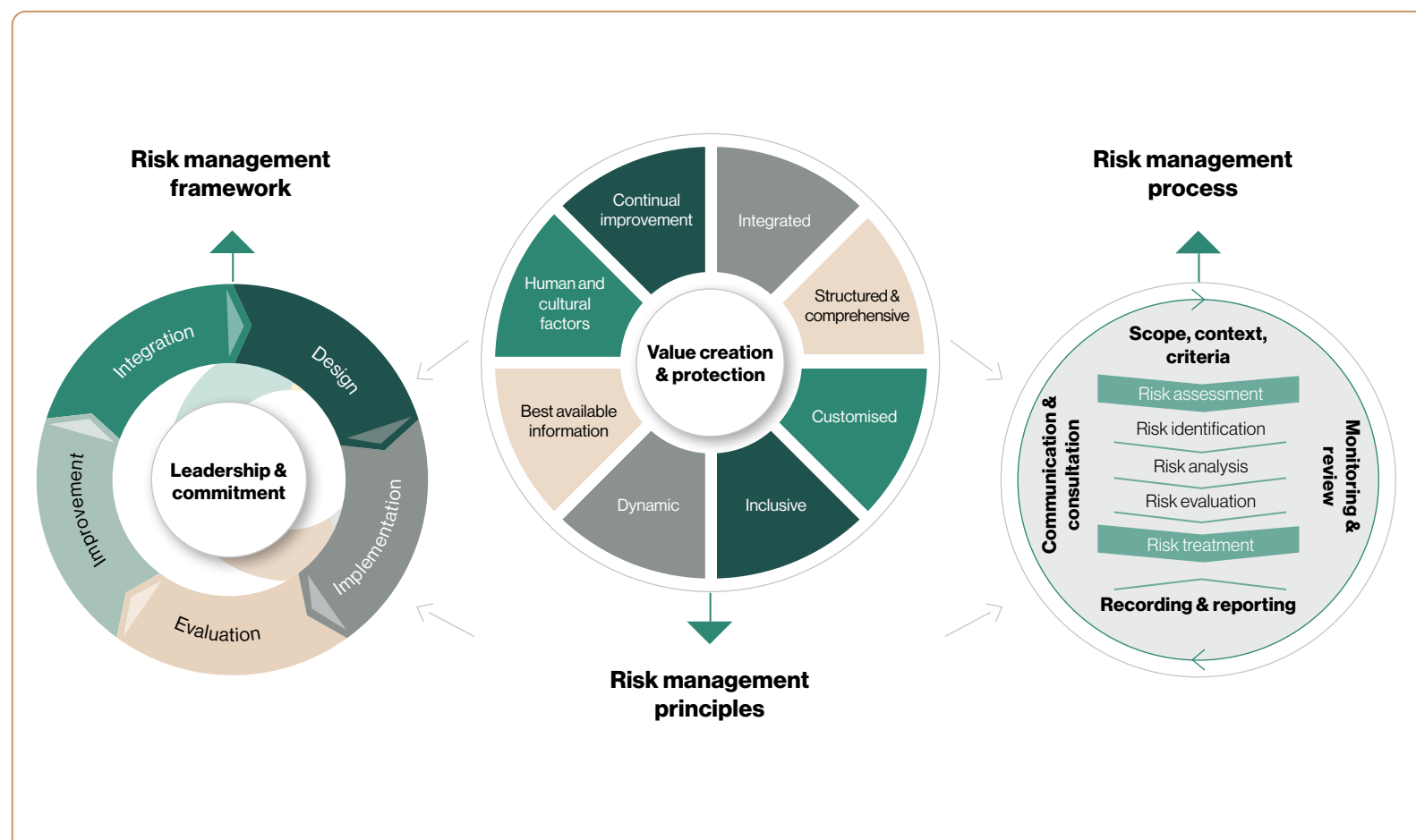
The outcome of risk oversight

Our Enterprise Risk Management (ERM) framework is a vital element of the Group's Integrated Governance Framework

It aligns our strategy, processes, people, technology and knowledge with the purpose of evaluating and managing the uncertainties we face in protecting and creating stakeholder value. In accordance with the ERM plan approved by the Risk Committee,

The ERM framework is applied during our annual strategy and budget setting process. The framework comprises a risk management tool, fully sponsored by our Group Chief Executive Officer, designed to be used by our senior management and their teams to assist them with identifying threats and opportunities relevant to achieving the Group's strategic objectives and operational business plans. The key objective of this tool is embedding a sound risk culture driving the protection and creation of value and business resilience.

Operating context continued

Management of our risks and opportunities

for sustainable enterprise value creation

Our risk appetite framework applied

- The Group's Risk Appetite framework, a crucial part of our corporate governance system, formally articulates our propensity for appropriate levels of risk and the Group's capacity to tolerate risk. The Board is the only authority that can introduce and approve any exceptions to the framework
- The setting of our risk appetite integrates risk with the business strategy and demonstrates a clear link between risk and business decisions. It serves as a bridge between risk management and the business's desired outcomes, connecting the two by highlighting how different levels of risk-taking can either support or hinder the achievement of our long-term objectives

- Our Risk Appetite Statements set out the Group's appetite for risk-taking and tolerance in pursuit of our strategic objectives and normal operating activities. These endorse the Group's commitment to best practice risk management and embody the risk governance principles that should guide risk-taking in decision-making at all levels across the Group
- We aim not to eliminate risk from our activities but to ensure that all our risk management actions are appropriate and critical decisions at all levels are within the limits of our stated risk appetite
- The framework is reviewed annually to align with the Group's strategy and incorporate any learnings from our iterative risk management process. Changes are reviewed by the Executive Committee before being submitted to the Risk Committee and the Board

Our key strategic risks

Our top 10 risks

We have identified these top 10 risks that warrant our attention and proactive management:

1. Governance Process Controls
2. IT Capability and Infrastructure
3. Cyber Security
4. Supply Chain
5. Country
6. Sustainable Profitability
7. Portfolio Optimisation
8. ESG
9. Environmental Health and Safety
10. Commodity Prices

Throughout this report we have made an effort to demonstrate our actions and initiatives taken to address these risks.

Identification of top sustainability risks

We face a range of sustainability risks that require proactive management to ensure long-term resilience and responsible growth. These risks span across ESG factors, including the impact of resource extraction on ecosystems, water usage, energy consumption and carbon emissions.

Our operations must address health and safety concerns for stakeholders, along with labour rights and maintaining ethical supply chains.

Regulatory pressures and evolving stakeholder expectations challenge us to maintain compliance with environmental and social standards while ensuring operational efficiency. Navigating these risks effectively is essential to safeguard our reputation, maintain regulatory compliance and drive sustainable business practices that create value for shareholders and society at large.

Environmental risks
- Carbon emissions and climate change
- Air emissions management
- Water conservation and discharge
- Waste management
- Responsible land remediation

Governance and regulatory risks
- Evolving environmental regulations
- Complexity of ESG and sustainability reporting frameworks
- Compliance and liability
- Ethical business practices

Social and community risks
- Health and safety
- Succession planning and talent management
- Human rights and labour issues
- Social unrest
- Community expectations and engagements
- Fair pay

Supply chain and resource risks
- Ethical sourcing
- Raw material shortages and availability
- Product stewardship
- Dependency on limited water and energy resources

Technological risks
- Digitalisation and information security
- Decarbonisation technology
- Product innovation
- Transition to emerging technological advancements

Messages from our leaders
Message from our Chief Executive Officer

Holger Riemensperger

At AECI, leadership is not about titles – it is about service. Our commitment to building a sustainable future is driven by a deep responsibility to our employees, our communities and our planet. As we mark 100 years of innovation and resilience, our next century will be shaped and built on servant leadership – where leading means lifting others and success is measured by the positive impact we create.

Serving for a sustainable future

The safety and well-being of our workforce remain at the heart of our responsibilities. While we celebrate a year with no fatalities, we deeply regret one life-altering injury. Each incident serves as a stark reminder of the work ahead. Our strengthened safety culture ensures that care for our employees is ingrained in every process and decision. Safety is not a policy – it is a promise, behaviour and a culture we uphold daily.

Guided by the principle, **"If service is beneath you, leadership is beyond you"**, we empower our employees to lead through service, fostering responsibility, collaboration and resilience. In standing together, we are navigating challenges and nurturing a culture where every individual understands that true leadership starts with service.

Sustainability is embedded in every decision we make. Over the past year, we have intensified our efforts to reduce our environmental footprint, enhance safety and drive social responsibility. Our journey towards a low-carbon economy is underpinned by our ambition to achieve Net Zero by 2050 – an ambition that is being realised through investment

in renewable technologies, strategic partnerships and a collective drive to address global challenges such as poverty, inequality and climate change.

This year, our dedication to sustainable growth and people-first leadership was recognised on a global stage. Being named among *Time Magazine's* World's Best Companies for Sustainable Growth for 2025 and *Forbes Magazine's* Best Employers is a tribute to the unwavering commitment of our employees. It is their ingenuity, passion and resilience that continue to shape AECI's journey forward.

As we embrace the evolving global landscape, we remain steadfast in our purpose. By embedding ethical governance, transparency and accountability in our strategy, we are strengthening our ESG commitments and setting ambitious goals. From M&A due diligence to developing industry-leading ESG value propositions, we are ensuring that sustainability is not just a component of our business – it is our way of doing business.

Our centenary is not just a celebration of the past; it is a pledge for the future. We honour the achievements that brought us here, but more importantly, we embrace the

responsibility that lies ahead. With servant leadership at our core, we will continue to innovate, uplift and create meaningful impacts in the industries and communities in which we operate.

With grit, tenacity and a shared vision, we will shape the next century of AECI with determination and purpose. Together, with hands that work tirelessly and hearts committed to service, we forge ahead – because **WE ARE ONE AECI FOR A BETTER WORLD**.

Onwards and upwards.

Holger Riemensperger
Group Chief Executive Officer

29 April 2025

Message from the Chairperson of our Social, Ethics and Sustainability Committee

Driving sustainable impact: a commitment to the future

Fikile De Buck

As we celebrate our centenary, we take pride in a century of responsible growth and a year of remarkable progress in sustainability. This milestone is a testament to our resilience, shared values, and unwavering commitment to environmental and social stewardship. Sustainability is not just a requirement; it is a fundamental pillar of how we do business, shaping our future and the legacy we leave behind.

With regulatory frameworks evolving, we remain dedicated to going beyond compliance, embedding responsible practices into every aspect of our operations. Today's social challenges, from healthcare and education to ethical labour practices, are deeply intertwined with global imperatives such as climate change, resource scarcity, and biodiversity loss. As a business, we recognise our role in addressing these challenges to drive meaningful progress.

Social responsibility is no longer optional – it is essential for fostering trust, creating long-term value, and making a lasting impact on communities worldwide.

Recognising the interconnected nature of sustainability, our strategy is built around six core drivers: safety, environmental stewardship, resource optimisation, social responsibility, strategic partnerships, and climate action. These principles guide our approach to sustainable growth, ensuring that our business success aligns with broader societal and environmental well-being. A notable achievement is the 2024 *Time Magazine* recognition of AECI for positive revenue growth from 2021 to 2023 based on ESG achievements. More detail on this and other achievements can be found on pages 17 and 18 of this report.

As Chairperson, I am immensely proud of our 2024 milestones, which reflect our commitment to sustainability. This year, we have made significant progress in key areas which are detailed in this report.

- **Empowering our employees and communities**
  Through the Culture Compact, we have fostered a more inclusive and cohesive work environment, empowering leadership and employees alike. Our social impact programmes have expanded internationally,

addressing critical challenges in the communities where we operate. In partnership with key stakeholders, we have advanced initiatives in early childhood education, healthcare, food security, and disaster relief – reinforcing our commitment to the UN SDGs and our purpose of driving inclusive, sustainable growth

> International programme expansion includes amongst others:
> - The elevation of the status and welfare of waste pickers in Jakarta, Indonesia
> - The provision of primary health care service in Kolwezi, DRC
> - Emergency water relief in Burkina Faso
>
> More detail on these and other initiatives can be found on page 66 of this report.

- **Championing ethical governance**
  Our dedication to the highest standards of integrity was reaffirmed with the formal endorsement of our Code of Ethics and Business Conduct by our Board and further formally signed by the Chairperson of the Board and the Chief Executive Officer. This reinforces our leadership's unwavering commitment to ethical business practices, which serve as the foundation of our corporate integrity

- **Advancing environmental stewardship**
  We have made significant strides in implementing our Net Zero strategy, establishing a clear roadmap with short-, medium- and long-term initiatives. Through cross-industry collaborations and strategic partnerships, we are tackling complex environmental challenges, from reducing greenhouse gas emissions to advancing circular economy solutions. These efforts are making a measurable impact

Looking ahead, we are embedding sustainability even deeper into our strategy. In 2025 and beyond, we will continue to align with emerging global standards such as IFRS S1 and S2, integrate nature-based solutions, and enhance transparency and accountability. Our priorities include continued focus on our Net Zero transition, strengthening sustainability governance, and scaling our social impact initiatives. We believe that businesses must be a force for good, driving change that benefits both people and the planet.

In a world where ESG is increasingly shaped by political drivers, polarisation and shifting commitments, staying resolute in our principles and purpose is not just a choice – it is a moral imperative. It is our belief that true leadership is demonstrated through perseverance, standing firm on commitments that drive long-term value,

resilience and societal impact. ESG is not a passing trend but a fundamental pillar of sustainable progress and those who remain steadfast will shape the future with integrity, conviction and purpose.

As we embark on the next chapter of our journey, we remain committed to social responsibility, environmental stewardship, ethical leadership, and strong governance. We will honour our proud legacy while shaping a future that reflects our shared values and aspirations. Sustainability is not just about meeting today's needs – it is about building a future where our business, communities, and the planet thrive together. To impact tomorrow we must touch today.

On behalf of the Social Ethics and Sustainability Committee, I sincerely thank our employees, partners, and stakeholders for their invaluable contributions. Your dedication and collaboration are the foundation of our success. Together, we will continue to chart a course toward a brighter, more sustainable future.

To my fellow colleagues on the committee, my sincere gratitude for the support, commitment and dedication to our purposeful work.

Fikile De Buck
SESC Chairperson

29 April 2025

Message from the Chairperson of our Environment, Health and Safety Committee

Protecting our employees: a commitment to safety and well-being

Stephen Dawson

As we reflected on our centenary milestone, it was clear that at AECI, safety has always been at the core of our operations, guided by our values of integrity, responsibility, trust, and care. It shapes our actions, decisions and relationships, ensuring every individual has the tools and support to work in a safe, solutions-focused, and psychologically secure environment.

Safety is a collective responsibility and a key strategic priority for our Group. Our commitment is built on three pillars:

- **A Safety-First Culture:** Empowering every individual to uphold the highest safety standards
- **Proactive Risk Management:** Identifying and mitigating hazards before they occur
- **Continuous Improvement:** Evolving our safety practices to meet emerging challenges

While I regret to report one life-altering injury, we are grateful that no fatalities occurred across the Group in 2024. We remain committed to reducing incidents by addressing root causes and strengthening preventive measures. Through our Sustainability and EHS Taskforce, we launched initiatives to share lessons learned, promote best practices, and take a holistic approach to safety.

The past year brought challenges that tested our safety systems, reinforcing the need for vigilance and adaptability. Despite this, we achieved a notable improvement – reducing our Total Recordable Incident Rate (TRIR) from 0.35 in 2023 to 0.31 in 2024. While we saw an increase in some incident categories, no major process safety or environmental

events occurred, reflecting the effectiveness of our focused safety actions. We are ever mindful of the fact that every incident serves as a reminder of our mission: ensuring every employee returns home safely, every customer feels supported, and every community benefits from our commitment to harm prevention.

Leadership is crucial in embedding a strong safety culture. Through clear communication, training, and capacity-building, we equip our teams to navigate risks effectively. Above all, we lead with empathy – listening to concerns, providing support, and prioritising well-being. This integrated approach strengthens collaboration, enhances workplace safety, and drives us toward excellence.

In recent years, we have strengthened governance and oversight by establishing a dedicated EHS Committee at the Board level. This committee has been instrumental in embedding a culture of care and implementing corrective actions to prevent recurrence. Our safety improvement plan, introduced in 2023, continues to focus on leadership, culture, and leading indicators that drive stronger safety performance. Our commitment to safety and resource optimisation is evident in the recognition from the

Department of Employment and Labour for our Industrial Chemicals' Umbogintwini site as exemplary in implementing the new Major Hazard Installation (MHI) regulations.

As we move forward, I am inspired by the resilience and dedication of our employees, partners, and communities. Together, we are building a legacy of safety and care that drives lasting positive change. By fostering trust and shared responsibility, we are not only protecting lives – we are shaping a sustainable future.

I extend my sincere appreciation to my fellow committee members and all our employees for their continued commitment to safety. Your dedication and collaboration are essential in driving our sustainability and safety initiatives forward

Stephen Dawson
EHSC Chairperson

29 April 2025

Strategy execution

Sustainability strategy and vision

As a forward-looking company, we recognise the need to balance long-term business sustainability with environmental stewardship, financial growth and social responsibility with the ultimate goal of achieving resilience.

Our strategic approach is founded on principles and initiatives that guide us to create value for our stakeholders while safeguarding the environment for future generations. Reducing our carbon footprint, improving operational efficiency and fostering social stewardship are some of the interventions driving innovation and creating long-term value to align with our purpose of creating a **"Better World"**. Furthermore, the safety, well-being and empowerment of our employees is central to achieving our long-term growth and development strategy.

We realise that our journey to a safe and sustainable business is founded on models of eco-efficiency, embracing new opportunities and ultimately contributing to societal change.

Our transformational journey will entail transitioning from simple efficiency improvements to innovative products, services and processes, which reflects a shift from operational compliance to transformative leadership. This will be underpinned by driving a broader change which balances profitability with a positive impact on society and the planet.

Ultimately, our contribution to societal change will be defined by the integration of sustainability in our core strategy and culture, enabling us to influence industry standards and collectively collaborate with stakeholders to create systemic solutions.

Our aspirational sustainability journey

1	WE ARE HERE	**2**		**3**	SAFE SUSTAINABLE BUSINESS

Operational optimism (eco-efficiency)	Organisational transformation (new opportunities)	Systems building (societal change)
Compliance efficiency **"doing the same things better"**	Improved products, services and business models **"doing good by doing new things"**	Innovative business model that requires total integration for success **"doing good with strategic partnerships"**
Focus on reducing harm **"people, process and planet"**	Enhanced focus on reducing harm **"people, process and planet"**	Creating shared value **"people, planet and prosperity"**
Incremental improvements to business as usual	Fundamental shift in business purpose and strategy	Extending commitment beyond AECI and driving impactful institutional change

AECI Chemicals, Chloorkop

Strategy execution continued

Our priority SDGs

Social responsibility

We strive to enhance the well-being of individuals and communities by promoting health, equality and inclusivity.

3 GOOD HEALTH AND WELL-BEING
Good health and well-being

Supporting employee health and safety, promoting mental well-being and enhancing community health outcomes through partnerships and initiatives.

5 GENDER EQUALITY
Gender equality

Advocating for gender diversity and inclusion across our workforce and leadership while empowering women in the communities where we operate.

Environmental stewardship

Environmental sustainability is a cornerstone of our strategy and ensures that we protect resources for future generations.

6 CLEAN WATER AND SANITATION
Clean water and sanitation

Ensuring efficient water use, reducing water pollution and improving access to clean water in our operating regions.

7 AFFORDABLE AND CLEAN ENERGY
Affordable and clean energy

Transitioning to renewable energy sources, improving energy efficiency and supporting innovative clean energy projects.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Climate action

Reducing GHG emissions, innovating for sustainable production and supporting global efforts to combat climate change.

Sustainable economic growth

We aim to create shared value by fostering inclusive economic development and innovation.

2 ZERO HUNGER
Zero hunger

Supporting sustainable agriculture initiatives, food security programmes and innovative solutions in food production.

9 INDUSTRY INNOVATION AND INFRASTRUCTURE
Industry innovation and infrastructure

Investing in sustainable infrastructure and fostering innovation to drive industrial development and resilience.

8 DECENT WORK AND ECONOMIC GROWTH
Decent work and economic growth

Promoting fair labour practices, enhancing employee development and supporting job creation in communities.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Responsible consumption and production

Prioritising circularity through resource efficiency, waste reduction and sustainable practices throughout our value chain.

Governance and compliance

Good governance and collaborative partnerships support our approach to sustainable growth.

17 PARTNERSHIPS FOR THE GOALS
Partnerships for the goals

Building strong partnerships with governments, civil society and businesses to advance shared sustainability objectives.

Our strategic approach

Having identified 23 ESG KPIs (which still remain within business assessments) we prioritised 3 strategic KPIs to execute long-term ambitions. Furthermore these strategic KPIs were factored into the design of our sustainability linked finance framework

Our strategic KPI's

- Carbon footprint ($tCO_2 e$) — Inclusive of Scope 1 and 2 and total energy use
- Gender equality (%)* — Females in top/senior/middle management
- Water (m^3) — Discharge to sea or sewer

SLFF

* Gender equality targets have been redefined to include top, senior and middle management on the basis that previous targets set for Board level and junior management have been achieved

Securing sustainable financing

Led by our Group Treasury department, our Sustainability-Linked Financing Framework (SLFF) reflects our commitment to integrating sustainability in our financial strategies. It links our sustainability goals to financial incentives, with independent verification ensuring the programme's ambition, credibility and transparency. This framework supports our sustainability goals and aligns with our long-term financial strategies, driving progress and integration.

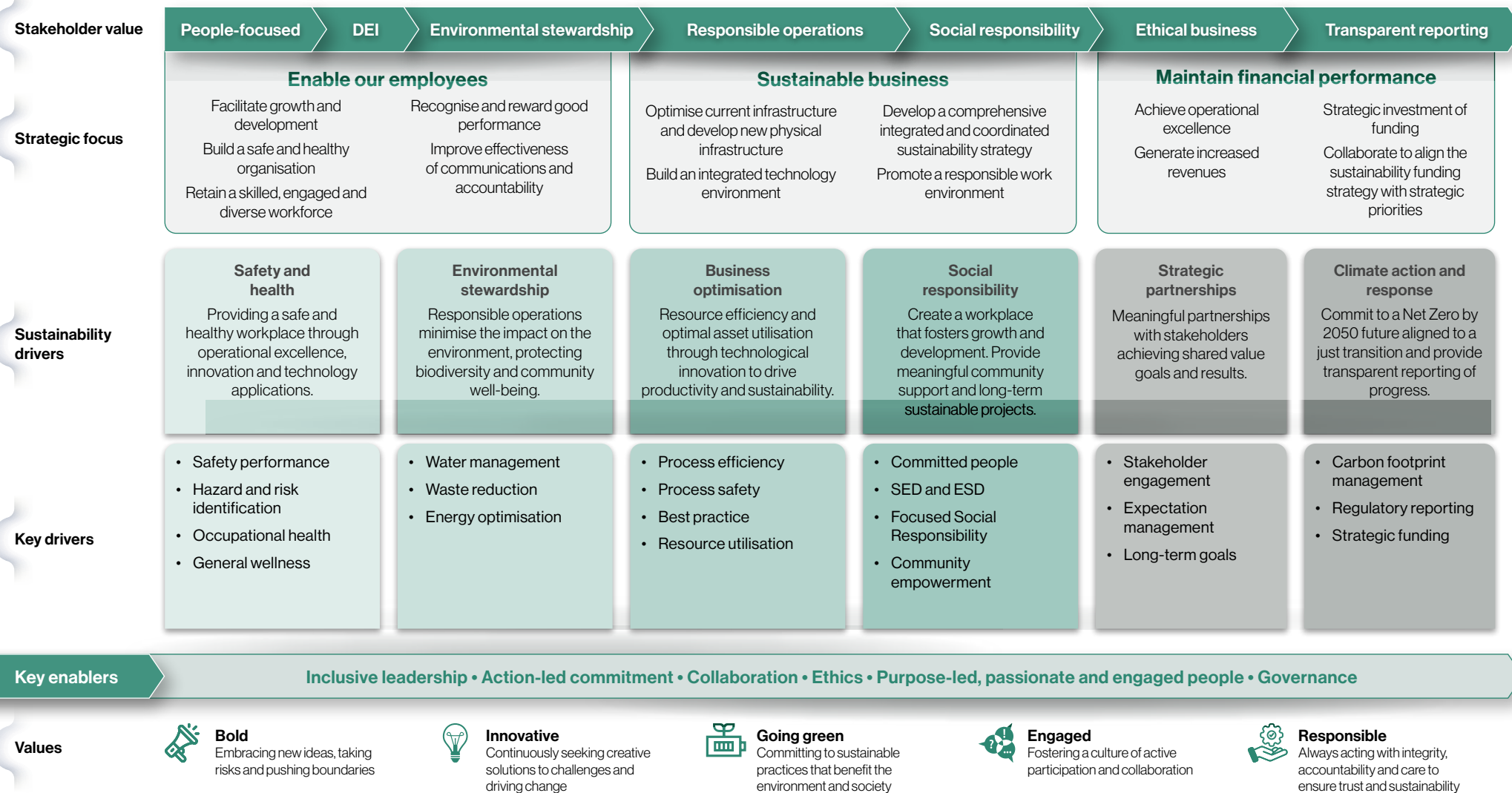### Restatement of baseline and new targets

Based on organisational restructure in alignment with our Group strategy which resulted in divestment of businesses, there is a need to restate our baseline and associated targets. This exercise will be undertaken during 2025.

Strategy execution continued

Our approach to sustainability

We are dedicated to fostering a sustainable future through responsible and thoughtful practices. Our approach to sustainability is guided by our commitment to environmental stewardship, social responsibility and economic viability.

We are committed to delivering sustainable solutions for a better world through innovation and excellence.
By achieving our ambition, we aim to make a positive impact through responsible business practices and innovative solutions.
This is the purpose of "We Are One AECI, for a Better World" and it drives everything we do.

Stakeholder value

People-focused	DEI	Environmental stewardship	Responsible operations	Social responsibility	Ethical business	Transparent reporting

Enable our employees

Strategic focus

- Facilitate growth and development
- Build a safe and healthy organisation
- Retain a skilled, engaged and diverse workforce
- Recognise and reward good performance
- Improve effectiveness of communications and accountability

Sustainable business

- Optimise current infrastructure and develop new physical infrastructure
- Build an integrated technology environment
- Develop a comprehensive integrated and coordinated sustainability strategy
- Promote a responsible work environment

Maintain financial performance

- Achieve operational excellence
- Generate increased revenues
- Strategic investment of funding
- Collaborate to align the sustainability funding strategy with strategic priorities

Sustainability drivers

Safety and health	Environmental stewardship	Business optimisation	Social responsibility	Strategic partnerships	Climate action and response
Providing a safe and healthy workplace through operational excellence, innovation and technology applications.	Responsible operations minimise the impact on the environment, protecting biodiversity and community well-being.	Resource efficiency and optimal asset utilisation through technological innovation to drive productivity and sustainability.	Create a workplace that fosters growth and development. Provide meaningful community support and long-term sustainable projects.	Meaningful partnerships with stakeholders achieving shared value goals and results.	Commit to a Net Zero by 2050 future aligned to a just transition and provide transparent reporting of progress.

Key drivers

• Safety performance • Hazard and risk identification • Occupational health • General wellness	• Water management • Waste reduction • Energy optimisation	• Process efficiency • Process safety • Best practice • Resource utilisation	• Committed people • SED and ESD • Focused Social Responsibility • Community empowerment	• Stakeholder engagement • Expectation management • Long-term goals	• Carbon footprint management • Regulatory reporting • Strategic funding

Key enablers

Inclusive leadership • Action-led commitment • Collaboration • Ethics • Purpose-led, passionate and engaged people • Governance

Values

Bold
Embracing new ideas, taking risks and pushing boundaries

Innovative
Continuously seeking creative solutions to challenges and driving change

Going green
Committing to sustainable practices that benefit the environment and society

Engaged
Fostering a culture of active participation and collaboration

Responsible
Always acting with integrity, accountability and care to ensure trust and sustainability

Strategy execution continued

Value creation, preservation and erosion

At the core of our business is a steadfast commitment to creating value that extends beyond economic returns. By integrating the six capitals – human, social and relationship, natural, financial, manufactured and intellectual capitals – we ensure our operations deliver meaningful and lasting contributions to all our stakeholders.

Our activities aim to strike a balance among the capitals to maximise value creation while mitigating the risks of value erosion.

Human

Our employees are at the heart of everything we do. We are committed to their safety, well-being and professional growth and foster an inclusive and innovative culture. We strengthen our collective ability to achieve shared goals by equipping our workforce with the tools, skills and development opportunities they need to thrive.

Social and relationship

Solid relationships with communities, governments and industry partners underpin our success. We actively engage with stakeholders to ensure our operations create shared value and contribute to societal progress through transparent communications, collaboration and mutual respect.

Natural

We prioritise the responsible use of natural resources, reducing our environmental footprint through efficient resource management and conservation and ensure that we safeguard the planet for future generations.

Value creation

Financial

Our financial capital enables us to allocate resources effectively, supporting innovation, operational resilience and sustainable growth. By managing our finances responsibly, we strengthen our ability to meet stakeholder expectations and invest in initiatives that enhance value creation.

Manufactured

We enhance efficiency, safety and environmental responsibility through optimised manufacturing processes. Whether we are refining minerals or producing essential chemicals, we focus on technological advances and product stewardship to meet the demands of a dynamic and evolving market.

Intellectual

Innovation and knowledge are essential for our progress. By harnessing intellectual capital, we develop advanced technologies and improve operational efficiency. Our focus on research and development ensures we remain at the forefront of sustainable practices.

Value creation

We are committed to driving sustainable growth by delivering innovative mining and chemical solutions that align with our strategic priorities.

We continuously optimise our portfolio to maximise value creation through operational excellence and disciplined capital allocation. Our research and development efforts are focused on advancing efficient, environmentally responsible products and reinforce our position as a leader in sustainability. By fostering trust through transparency and proactive stakeholder engagement, we ensure long-term resilience and success in a rapidly evolving global landscape.

We preserve value by steadfastly upholding our ESG commitments and aligning our operations with our purpose and our Net Zero by 2050 goal.

By prioritising safety, quality and regulatory compliance, we ensure operational efficiency and resilience. This approach safeguards financial performance and reinforces stakeholder confidence while driving sustainable long-term value preservation.

Value preservation

Value erosion

We proactively address value erosion by mitigating risks associated with economic shifts, market dynamics and climate impacts.

We strengthen our resilience to challenges by prioritising safety, risk management and adaptability. Our robust EHS systems, coupled with targeted climate response strategies, enhance our ability to navigate evolving conditions. By staying ahead of industry trends and cultivating secure stakeholder relationships, we ensure the sustainability of our operations and our capacity to create enduring value.

Strategy execution continued

Governance and leadership

Established Board with diverse expertise and experience levels relevant to AECI

The Board provides oversight and strategic guidance to the Group.

Khotso Mokhele [69]
Chairperson
BSc (Agriculture), MSc (Food Science), PhD (Microbiology)
Appointed: Board 2016, Chairperson in 2017

Billy Mawasha [46]
BSc Electrical Engineering (UCT)
Appointed: January 2025

Philisiwe Sibiya [47]
CA(SA)
Appointed : 2018

Stephen Dawson [60]
BEng (Hons) Mining, Engineering, MBA GAICD, Australian Institute of Company Directors
Appointed: 2020

July Ndlovu [59]
BSc (Metallurgical Engineering), MBL
Appointed: January 2025

Walter Dissinger [62]
MEng (Industrial)
Appointed: 2020

Patty O'Brien [59]
BSBA Industrial Marketing, MBA
Appointed: 2021

Fikile De Buck [64]
BA Economics and Accounting, FCCA (UK)
Appointed: 2019

Nombulelo Moholi [65]
BSc Electrical and Electronics Engineering, Stanford Executive Programme
Appointed: 2024

Samuel Coetzer [63]
BEng (Mining)
Served as interim CE
Appointed: 2022

Marna Roets [58]
CA(SA)
Appointed: 2020

Holger Riemensperger [(55)]
Dipl.Ing (FH) (Mannheim University) Global Management Certificate (INSEAD), Akzo Nobel MDP (Hult International Business School, UK)
Appointed 2023

Committee

- ■ Audit Committee
- ■ Investment, Innovation and Technology
- ■ Nominations and Directors' Affairs
- ■ Risk
- ■ Remuneration and Human Capital
- ■ Social, Ethics and Sustainability
- ■ Environment, Health and Safety
- ● Chairperson

Board committees

The Board of Directors oversees our governance, strategic direction and management, ensuring long-term success and sustainability. Its roles are defined in the Board Charter, reviewed annually to ensure compliance and alignment with best practices. Seven specialised committees, each dedicated to areas such as safety, sustainability, audit, remuneration and risk, provide focused expertise and robust oversight. This structure supports informed decision making, accountability and alignment with stakeholder interests and reinforces our commitment to strong corporate governance.

The AECI Board

Board Committees

Audit Committee	Risk Committee	Social, Ethics and Sustainability Committee	Remuneration and Human Capital Committee	Nomination, Governance and Directors' Affairs Committee	Investment, Innovation and Technology Committee	Environment, Health and Safety Committee

Group Executive

Group Executive Committees

IT Steering Committee	Sustainability and EHS Steering Committee	Foreign Investment Committee

Business and Functional Areas

Stakeholders

Strategy execution continued

Strengthening sustainability governance

As we navigated the changes and challenges in our business it was imperative for us to reassess governance structures and ensure that the control mechanisms we put in place aligned with our new strategy. Although we had implemented a revamped governance structure, it became clear that driven by our new operating model, it required further refinement. The basic principle of Board and senior executive oversight remains critical and unchanged, but there was a need to expand supporting structures aimed at achieving our sustainability governance objectives.

Our refinement process resulted in the establishment of a Group Sustainability and EHS Steering Committee which reflects our concerted efforts to integrate these critical functions for our Group. The committee has been established to guide and oversee our efforts in achieving our sustainability and EHS objectives. It will ensure alignment with our values, regulatory requirements and stakeholder expectations while promoting a culture of continuous improvement.

This governance approach is enhanced by establishing critical function-focused councils. These councils will be responsible for ensuring adherence to Group policies and protocols and compliance to regulatory requirements and the implementation of best practice. The execution of key imperatives in daily operations is vested in our sustainability and EHS task force.

The AECI Board				
SES Committee		EHS Committee		
Group Executive Committee				

Established	Group Sustainability and EHS Steering Committee			
	Sustainability Council	Social Responsibility Council	Health and Safety Council	Process Safety Council
	Group Sustainability and EHS Task force			

As needed	Working Group	Working Group	Working Group	Working Group	Working Group
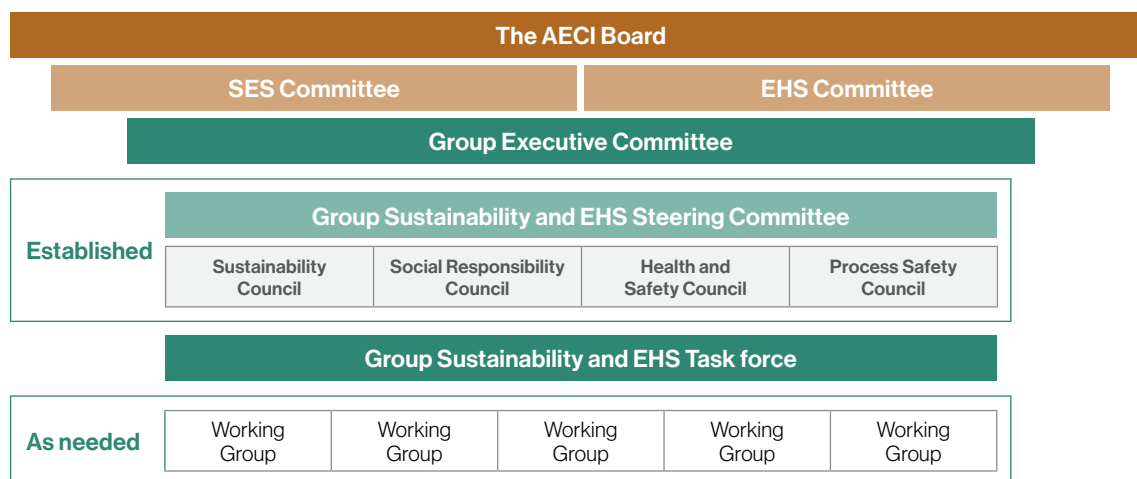
The Group Sustainability and EHS Steering Committee will be responsible for:

- Developing strategies to enhance sustainability and EHS performance
- Monitor and evaluate KPIs
- Provide recommendations on policies, procedures and programmes

- Ensure compliance with relevant laws, standards and best practices
- Foster engagement and awareness among employees and stakeholders
- Serve as an advisory body for strategic imperatives to the senior executive

We recognise the importance of good governance to realise our long-term goals and preserve our values and will constantly endeavour to assess our structures and processes for optimal results.

" We are all here to play different roles for an AECI that will win, an AECI that must win"

Dr Khotso Mokhele, AECI Board Chairperson

Strategy execution continued

> **Our Board is the cornerstone of our corporate governance framework and champions responsible business practices governed by strong compliance. By aligning governance with the Group's vision and purpose, the Board instills a culture of accountability and integrity throughout the organisation.**
>
> Good governance is integral to our corporate culture. By embedding strong ethics, transparency and integrity in every facet of our operations, we build trust among stakeholders and reinforce our reputation as a responsible corporate citizen. This increases stakeholder confidence and drives sustainable business practices.

Purpose-driven governance

Driving governance, sustainability and ethical excellence

Our core principles and strategic objectives:

Skills, experience and contributions
- Diverse Board composition ensures informed decision making
- Committees of independent directors enhance risk governance
- Strategic alignment, risk appetite and tolerance to ensure sustainable success

Community involvement
- Long-term community empowerment through self-sustaining projects
- Collaboration with NGOs and stakeholders
- Education, skills training and environmental conservation

Technology governance and innovation
- Resilient IT governance and cybersecurity focus
- Innovations aligned with climate and sustainability goals
- R & D drives sustainable product solutions

Compliance monitoring and reporting
- Emphasis on legal, regulatory and ethical compliance
- Comprehensive monitoring system for risk identification and mitigation
- Frameworks: SASB, IFRS S1 and S2 for ESG alignment

Human rights
- Policies that support freedom of association and ethical conduct
- No incidents of discrimination or labour violations in 2024
- Supplier code reinforces human rights practices

Politically neutral stance
- Prohibit donations to political parties
- Uphold transparency, accountability and integrity
- Prohibit political bias in business practices

Sustainable sourcing practices
- Supplier Code of Conduct aligned with UNGC principles
- Environmental standards, fair labour practices and community well-being
- Collaboration with suppliers to uphold our values

Ethical business practices
- Zero tolerance for unethical practices
- Annual declarations and independent reporting mechanisms
- Embedded Code of Conduct and ongoing training
- Anti-bribery and corruption policy

Environmental stewardship
- Climate response
- Aligned with Paris Agreement and SDGs
- Focus on reducing GHG emissions
- Net Zero Pathway development
- Circular economy principles
- Environmental protection
- Risk-based environmental management
- Collaboration with regulators and stakeholders
- Promoting a culture of sustainability
- Biodiversity

Strategy execution continued

Task Force on Climate-related Financial Disclosures (TCFD) and The Taskforce on Nature-related Financial Disclosures (TNFD) alignment

We recognise the environmental impact of our operations and are committed to addressing climate challenges while conserving resources. Our approach focuses on managing climate-related risks and promoting responsible resource use.

By aligning with TCFD and TNFD frameworks, we enhance transparency, systematically address risks and uncover sustainability opportunities. The TCFD helps us manage climate risks, support low-carbon transitions and drive innovation, while the TNFD focuses on nature-related risks like biodiversity loss.

Integrating these globally recognised standards in our strategy strengthens our governance, enhances resilience and supports long-term value creation for our stakeholders.

Governance

TCFD

Board

The Board is responsible for the overall governance, strategic direction and management of the Group. It has delegated the primary responsibility for overseeing climate change and environmental matters to the SESC and EHSC. The Board ensures that corporate governance principles, including integrity, accountability and transparency, are embedded throughout the Group.

In response to the growing impact of climate change, we integrate climate considerations into our governance framework to ensure long-term resilience and regulatory compliance. The Board is committed to transparency, stakeholder engagement and building the necessary skills to effectively address climate challenges.

TNFD

Management's role

Our sustainability strategy, which includes climate change and environmental stewardship, is led by the Vice-President of Sustainability, ESG and EHS, with support from the senior management committee and the Sustainability and EHS Steering Committee. This committee drives the Group's sustainability initiatives, ensuring they align with long-term goals.

The Sustainability, Social Responsibility, Health and Safety, and Process Safety councils, along with the Group Sustainability and EHS Task Force, oversee the implementation of daily sustainability measures, ensuring that each department's activities contribute to broader sustainability objectives.

By fostering collaboration and providing necessary resources, the Group ensures the effective execution and continuous improvement of our sustainability and climate-related initiatives, enhancing environmental protection and business resilience.

Strategy

TCFD

Our climate strategy is designed to meet short and long-term climate targets, ensuring resilience in a transitioning low-carbon economy. While we do not seek formal verification from the Science Based Targets initiative (SBTi), we align with its principles and continuously verify and adjust our climate initiatives.

We recognise the critical importance of addressing Scope 3 emissions. Our current maturity level is foundational, focusing initially on robust data collection, supplier engagement, and category identification. In 2025, we will finalise our Scope 3 emissions roadmap, initially focusing on our five most significant Scope 3 emissions categories: use of sold products, purchased goods and services, downstream leased assets, downstream transportation, and fuel- and energy-related activities. We expect to establish clear quantitative targets and timelines by early 2026.

At the core of our strategy is our company value of **"Going Green"**, which commits us to sustainable practices that benefit the environment and society. We embed sustainability in our strategy by prioritising a circular economy, resource efficiency and carbon neutrality. This includes water conservation, industrial process optimisation and resource repurposing, aligned with our commitments to responsible mining, water stewardship, sustainable agriculture and greener chemistry. Our R & D focuses on low-carbon, climate-resilient solutions.

To achieve our Net Zero by 2050 goal, we are implementing operational efficiencies, investing in renewable energy and launching emission reduction projects such as improving catalyst efficiency in industrial processes. We also closely monitor carbon pricing and taxes as financial risks and opportunities, proactively adjusting our strategy to mitigate rising carbon costs and capitalise on low-carbon solutions. We actively assess physical and transition risks, ensuring that our business remains resilient under various climate scenarios, while staying committed to our **"Going Green"** value and a greener future.

TNFD

Our biodiversity strategy centres on sustainable resource use, ecosystem restoration and responsible land management, to minimise environmental impacts and promote long-term ecological resilience. We prioritise responsible sourcing, ensure the remediation of impacted ecosystems and enhance biodiversity through active restoration projects.

Our approach includes capacity-building programmes that engage employees, stakeholders and communities in biodiversity conservation, as well as collaboration with environmental organisations and policymakers. By aligning our operations with conservation goals, we aim to mitigate nature-related risks, capitalise on biodiversity opportunities and embed biodiversity considerations into our financial and operational decision making for long-term sustainability.

Strategy execution continued

Risk and impact management

TCFD

Board

We recognise the significant risks posed by climate change and are committed to actively reducing our GHG emissions. Our risk assessment process evaluates physical risks (e.g. climate conditions) and transition risks, including evolving laws, policies, market dynamics and technological advancements.

As climate-related risks become more frequent and severe, we have developed robust risk management strategies to enhance our resilience. We conduct climate scenario analyses alongside materiality assessments to prioritise climate-related risks, which are then integrated into our broader risk management process, considering their short-, medium- and long-term impacts.

Identified climate risks and opportunities are reported to the Risk Committee for evaluation. Tailored responses are developed at the business-unit level to ensure alignment with the Group's risk appetite and objectives.

Our pathway development follows best practices, including the World Economic Forum model, to improve strategic decision making. We actively monitor and comply with current and emerging regulations such as South Africa's Air Quality Act, carbon tax legislation and the EU's Carbon Border Adjustment Mechanism, while tracking regulations in key regions like Europe, China and Australia to ensure compliance.

We also account for technological innovations and market risks in our climate-related assessments. Solutions like desalination technology and climate-resilient crop treatments are leveraged to address challenges such as water scarcity and improve agricultural productivity.

Reputational risks are managed by focusing on compliance with regulatory standards and effectively managing GHG emissions to prevent damage. Our proactive approach also addresses acute physical risks, such as extreme weather events and water scarcity, particularly in Africa, by implementing targeted water treatment solutions. To mitigate chronic risks like shifting rainfall patterns and rising temperatures, we invest in technologies that reduce water usage for irrigation while maintaining agricultural yields.

TNFD

Management's role

We proactively identify and assess nature-related risks across our operations, focusing on biodiversity loss, habitat degradation and ecosystem disruption. Through comprehensive risk assessments, we develop targeted mitigation strategies to minimise environmental impacts and protect ecosystems.

Our approach includes continuous monitoring to track the effectiveness of our biodiversity initiatives and adapt to emerging challenges. We prioritise brownfield site management, implementing restoration programmes to rehabilitate degraded land and enhance biodiversity.

By ensuring compliance with environmental regulations and collaborating with stakeholders, we manage risks while fostering positive environmental outcomes and promoting long-term ecological resilience.

Metrics and targets

TCFD and TNFD

We have implemented a strategy aligned with the SDGs in response to the growing need for sustainability. This strategy prioritises key SDGs, establishes specific metrics and sets measurable targets to guide our efforts.

To address climate change and manage nature-related risks, we closely monitor a range of environmental metrics, including:

- Potable water consumption (m³)
- Discharge to sea or sewer (m³)
- Carbon footprint (tCO$_2$e)
- Renewable energy usage
- Hazardous waste generated (tonnes)
- Number of environmental incidents

These metrics help us assess and manage climate-related risks and opportunities. We track our carbon footprint annually and have achieved a 24% reduction in overall GHG emissions (inclusive of Scope 1,2 and 3) from 2023. In the spirit of transparency, the Group undergoes third-party verification and actively participates in the CDP, maintaining a B score since 2019 for Climate Change assessment and 2022 for Water Security assessment.

During 2025, we will be rebasing our targets as the current ones expire. This ensures we remain focused on continuous improvement in our climate-related goals.

Strategy execution continued

Stakeholder engagement

Our relationship-building principles

We are building strong, productive relationships with stakeholders based on transparency, inclusivity, cooperation, significance and respect. Through open communication, we foster trust, ensure all voices are heard and collaborate towards shared goals. Our engagements focus on key issues to create long-term value, strengthening relationships and ensuring accountability. By adhering to these principles, we drive sustainability, innovation and long-term success for all stakeholders.

Our stakeholder management and governance approach

Our stakeholder management follows a Board-approved framework for consistent engagement in more than 20 countries where we operate. This framework integrates stakeholder insights in our strategies, enhancing governance, coordination and responsiveness.

Accountability is key, with regular evaluations to address needs, minimise risks and create value. Stakeholder input shapes our decision making and makes engagement a core part of our strategy, operations and governance. By systematically incorporating feedback, we ensure long-term sustainable success and strengthen relationships with stakeholders, staying responsive to their evolving needs.

Our commitments to our stakeholders

Employees
- Provide job security, fair pay and appropriate benefits in a safe, supportive work environment
- Foster inclusivity, respect and continuous learning to promote employee well-being and growth
- Offer competitive compensation and career advancement opportunities
- Prioritise health, safety and workplace fairness to empower employees
- Recognise employees as central to our success, supporting their professional and personal development

Shareholders, investors, analysts and lenders
- Deliver sustainable value to shareholders, investors, analysts and lenders
- Prioritise long-term financial performance and responsible growth
- Align strategies with expectations for transparency, profitability and sustainability
- Focus on sustainable practices and robust governance to build trust and mitigate risks
- Uphold high standards of corporate governance, accountability and performance
- Cultivate strong, mutually beneficial relationships with financial stakeholders

Customers
- Provide high-quality goods and services to customers
- Understand customer needs and exceed expectations with innovative, sustainable solutions
- Maintain rigorous quality standards and focus on continuous improvement
- Build long-term, mutually beneficial relationships to ensure customer satisfaction and success
- Prioritise customer-centric values to encourage trust and loyalty
- Adapt to evolving market demands with reliable and responsive solutions

Suppliers
- Build and maintain strong, ethical partnerships with suppliers
- Promote trust, transparency and mutual respect in supplier relationships
- Ensure a sustainable and responsible supply chain aligned with our values
- Promote innovation and enhance quality through close collaboration with suppliers
- Commit to ethical sourcing and supplier diversity initiatives
- Drive positive environmental, social and economic impacts across the supply chain

Government, industry forums and regulators
- Ensure full compliance with all legislative and regulatory requirements in all jurisdictions
- Engage actively with governments, industry forums and regulatory bodies to align operations with laws and standards
- Maintain open communications and stay updated on regulatory changes
- Contribute to the development of policies that promote sustainable business practices
- Advocate for responsible regulations and ensure compliance
- Foster positive, collaborative relationships with stakeholders in the regulatory landscape

Communities
- Continuously invest in social responsibility initiatives to empower communities
- Address local needs by supporting education, health and economic development
- Encourage community well-being through collaborative efforts and sustainable programmes
- Enhance the quality of life and contribute to social and environmental resilience
- Build strong, mutually beneficial relationships that promote long-term prosperity

Labour organisations
- Negotiate terms of employment, such as wages, benefits and working conditions
- Ensuring a structured dialogue between management and employees
- Represent workers' collective interests,
- Resolve disputes, improve morale, and maintain a stable workforce through collective agreements

Media
- Inform: Share relevant updates, initiatives, and developments with stakeholders
- Position AECI in the Market: Establish and reinforce AECI's role, expertise, and value in the industry
- Reputation Management: Shape public perception and address any concerns proactively
- Public Relations Management: Build and maintain strong relationships with the public, customers and key stakeholders

Safe and engaged workforce

Health and safety

We believe that our employees are at the core of our performance and are key to realising our strategy.

Central to this is prioritising their health and safety above all else. Health and safety are imperative for a thriving and productive workplace, driving organisational resilience and operational excellence. Safeguarding our employees has never been more important in this pivotal year of transition. We understand that health and safety are regulatory necessities and critical to productivity, retention and employee engagement. This is why we have focused on strategies, initiatives and innovative measures to strengthen our safety culture and foster accountability and responsibility across all levels of operation.

The successful execution of safety-focused initiatives was enhanced by visible leadership from the Board and executives to operational and functional leaders, engaging with our employees at site level. In response to increased demands, we launched a targeted safety intervention focusing on three pivotal themes:

• Production pressures • Fatigue • Substance abuse

Recognising that these factors are often exacerbated during periods of uncertainty and challenges, the intervention sought to proactively mitigate risks by empowering employees with the requisite knowledge, tools and support to maintain safety standards without sacrificing productivity. Through a blend of communication tools, this initiative aimed to reinforce a culture of safety amid the pressures that accompany change. As further reinforcement, leadership across the business initiated and participated in safety stand-downs to demonstrate commitment to employee well-being, to proactively prevent incidents before they occur and to encourage a culture of accountability.

This multifaceted intervention was successful in cultivating a proactive approach to safety. Through consistent communications, open discussions and a supportive environment, the programme effectively engaged employees in prioritising safety, leading to a safer and more productive workplace culture.

Outcomes and monitoring

Our commitment to health and safety extends beyond compliance and reflects our dedication to cultivating a workplace where every individual feels valued, supported and empowered. We prioritise employee involvement in health and safety practices, with 7% of our workforce comprising joint management / worker health and safety committees. These structures ensure that employees are directly involved in decision-making regarding workplace safety, with designated representatives playing a key role in shaping and implementing safety measures across the organisation.

By embedding safety as a shared responsibility and championing initiatives that address real-world challenges, we are building a resilient culture that safeguards our employees and strengthens the foundation for sustained excellence and growth.

Protecting our people

Health and safety imperatives

• Commitment to safety, health and well-being
• Protecting our employees and stakeholders
• Risk and hazard management
• Continuous improvement
• Leadership visibility
• Collaboration
• Compliance and best practice

Material matters

• Plant, process and people
• Effective and appropriate training
• Communication and engagement
• Suitable and adequate equipment

SDGs we contribute to

3 GOOD HEALTH AND WELL-BEING   8 DECENT WORK AND ECONOMIC GROWTH   9 INDUSTRY, INNOVATION AND INFRASTRUCTURE   12 RESPONSIBLE CONSUMPTION AND PRODUCTION   13 CLIMATE ACTION

Key metrics

Environmental, health and safety incidents

0.31 TRIR (2023: 0.35)	0 fatalities (2023: 2)	1 life-altering injury (2023: 1)	57 first aid injuries (2023: 72)	0.64 PSTIR (2023: 0.63)
0 major or serious environmental incidents (2023: 0)	0 major process safety incidents (2023: 0)	1 major product transportation incident (2023: 1)	0 EHS legal directives (2023: 0)	3 moderate environmental incidents (2023: 3)

Work-related injuries

30 recordable work-related injuries (2023: 36)	19 non-lost time work-related injuries (2023: 15)	11 lost time work-related injuries (2023: 21)	20 156 961 total number of hours worked (2023: 20 896 880)

Occupational illness cases

1 occupational illness case (2023: 1)

Leading and lagging indicators were identified during 2024 for safety, process safety and environment. These are currently being integrated into operational reporting and performance related reporting will commence in 2025.

Increased awareness

Improvement in workers' awareness of the risks associated with production pressures, fatigue and substance abuse

Behavioural change

Reduction in reported fatigue and a decrease in substance-related incidents

Continuous improvement

Continuous adjustment of the intervention for sustained impact

Safe and engaged workforce continued

> **We are pleased to report that our safety initiatives delivered improved results over the year. While we achieved zero fatalities across all our operations, we regret to report one life-altering injury and 11 lost-time injuries (LTIs). These incidents serve as a stark reminder of the critical importance of our unwavering commitment to achieving zero harm.**

Total recordable incidents decreased to 30 from 36 in 2023, reducing the TRIR from 0.35 to 0.31. This indicates an improvement in performance based on targeted interventions, but we are aware that safety performance and improvement can easily deteriorate when we lose focus.

One case of noise-induced hearing loss was confirmed, reaffirming the need for robust occupational health management across our diverse operations.

Noise-induced hearing loss remains the most common occupational health-related concern identified during routine medical surveillance. To mitigate risks, we focus on reducing workplace noise through engineering controls, task redesign and enhanced personal protective equipment. Regular medical surveillance, aligned with employees' occupational risk exposure profiles, ensures early risk detection and compliance with legal requirements.

We will strengthen safety measures, enhance oversight and work on continuous improvement. We remain committed to learning from these incidents, implementing corrective actions and prioritising proactive risk management to ensure employee and stakeholder safety.

Total recordable incident rate (TRIR)

2020	2021	2022	2023	**2024**
0.42	0.23	0.27	0.35	**0.31**
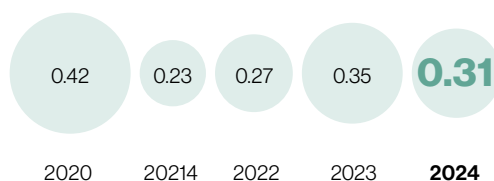
Process safety

No major process safety incidents were reported in 2024, demonstrating the effectiveness of our ongoing commitment to operational excellence. We also make a concerted effort to report and assess near misses for improvements and implementation of lessons across the Group where applicable. Unfortunately, 65 process safety incidents were recorded, categorised as 14 reportable (serious) and 51 moderate. This process safety performance emphasises the need to strengthen our process safety management system and focus on continuous improvement in performance as a critical component of operational excellence.

Technical and engineering proficiency have been the cornerstone of our growth and development philosophy. We consistently apply best practice to align with emerging global standards as technology and engineering have advanced. Our development of relevant process safety standards has focused on the critical elements as supported by the Risk-Based Process Safety model, which has also been adopted by our industry association.

We remain committed to progressive development and advancement of our process safety management system to improve operational and community safety in alignment with Major Hazardous Installation (MHI) regulations across relevant operations.

Process safety total incident rate (PSTIR)

Non-reportable incidents

51

2020	2021	2022	2023
90	77	70	55

Reportable incidents

14

2020	2021	2022	2023
22	9	10	11

PSTIR

0.64

2020	2021	2022	2023
1.1	0.8	0.81	0.63

Product transportation and stewardship incidents

In 2024, 27 product transportation incidents occurred, all involving road transport and primarily heavy-duty vehicles (2023: 22). The major product incident reported related to a contracted transporter collision with a third party. Due to the volumes of product involved, the incident was classified as major. All product related matters were successfully addressed without any environmental impact.

The Transportation Indicator of Performance (TiOP) is a key metric for assessing incident rates relative to the kilometres travelled during product transportation. In 2024, inbound and outbound transporters collectively covered an estimated 35.8 million kilometres by road (2023: 40 million), with a significant portion of travel occurring across Africa. Road transportation remains inherently risky due to challenges such as poor infrastructure, extreme weather conditions and criminal activity.

To mitigate these risks, we have implemented rigorous safety protocols, regular transporter assessments and enhanced driver training programmes. We have also launched a trial AI-based fatigue management programme for transporters. Once the pilot is completed, we will apply key learnings to develop a comprehensive fatigue management strategy. By prioritising proactive risk management and collaborating closely with our transport partners, we aim to reduce the frequency and severity of transportation incidents while upholding the highest standards of product stewardship.

> **We view sustainability as both a responsibility and an opportunity. By embedding sustainable practices into our business strategy, we mitigate risks, drive innovation, enhance our brand reputation and secure long-term success in an ever-evolving world.**

Safe business practices
Our safety practices in action

"AECI has evolved from merely an explosives supplier to a business partner. Our shared values and goals continue to pay off in sustainability, cost efficiency, drill and blast optimisation and diamond value management."

Dennis Mtombeni: Acting Chief Executive Officer (Zimbabwe Consolidated Diamond Company)

"Not only does AECI assist Khoemacau to ramp up to fill production and sustain it at that level, but AECI also assisted in optimising our processes together with the supply of inherently safe products and safe and efficient blasting processes assisted with the achievement of an acceptable total cost of ownership."

John Ferreira: Chief Executive Officer (Khoemacau Mine – Botswana)

"Thiess' almost 10-year strategic partnership with AECI in Australia is underpinned by a unique collaborative relationship which has delivered significant value to Thiess. Over this period, the joint operations have been lost time injury-free which is a testament to AECI's safety culture."

Spencer Jose: Group Executive Officer Australia East (Thiess Group)

"Thank you for continuing to commit to developing a safety culture in AECI operations to serve good blasting services at KPC. I appreciate the time, knowledge and effort that has been given."

Hermanto Pardee: SNE drill blast manager (KPC Mine – Indonesia)

Safe and engaged workforce continued

Our aspirational safety journey

Our safety journey is evolving from a purely compliance-driven approach to a culture of leadership, care and psychological safety where protecting our employees is not just a goal but a shared value. We address the complexities of diverse operating environments by integrating accountable leadership, employee empowerment and risk-based management. While milestones have been achieved, recent challenges related to business and organisational restructuring and associated transformation underscore the critical importance of strengthening safety measures and proactive risk management. We remain resolute in prioritising stakeholder well-being and driving meaningful safety improvements through this journey.

Safety and risk management

- Coordination and support from senior leadership
- Collaboration with operations, supply chain, human capital, IT and multiple support functions
- Governing aspects
  - Leadership and culture
  - Integrated management system

Communication

Effective safety communication

- Feedback provided to sites and input received from sites
- Visual management and effective story telling
- Tailored and targeted communication based on data, trends and lessons learnt

Governance

Strong and robust governance structures in place

- Clear and relevant KPIs cascaded down from leadership to the front line
- Clear and respected line accountability
- Discussion of trends, deviations and changes leading to alignment

Change management

- Establishment of key assumptions and operating limits
- Clear understanding of change
- Deviations managed by clear process
- Structured management of changes to logistics, systems and personnel

Mindsets, beliefs and behaviours

- Underlying beliefs and mindsets supporting long-term safety goals
- Key messages from leadership highlighting commitment and support
- Clear articulation of acceptable versus unacceptable risks
- Enhancing a safety-focused culture that fosters care and psychological safety

Tone at the top

- Leadership **"walk the talk"** ensures alignment between verbal commitment to safety and key decisions and priorities
- Leadership is credible and safety is felt as a value
- Safety is integrated in policy, values and metrics
- Supportive organisational structure highlights safety as a priority
- Everyone is a safety leader

People management

- Clear metrics related to safety and risk, part of team and personal scorecards
- Progressive motivation and discipline
- L&D focusing on competency development
- Coaching and mentoring
- Clear articulation of expectations

Risk integration

- Effective integration of risk into management and reporting
- Actionable and relevant performance into metrics
- Effective use of visual management
- Safe production driven by supportive execution and tools

Continuous improvement

- Suitable data management systems
- Tracking and trending of information from incident investigations, safety observations and critical controls
- Evaluation of information for improvement opportunities
- Problem solving and troubleshooting
- Escalation of unresolved matters to higher governance structures

Looking ahead

We are dedicated to enhancing our safety culture by establishing strong governance structures and defining clear safety and process safety indicators. The Group will prioritise improving incident reporting and management protocols, providing comprehensive training and implementing lessons learnt from past incidents. We will assess and refine our EHS Framework with a focus on continuous improvement, ensuring that safety remains a core focus across all levels of management through visible leadership interventions.

Board EHS Committee site visit to AECI Chemicals, Chloorkop

Safe and engaged workforce continued

Purpose-led, passionate and engaged people

We recognise that the success of our business is deeply intertwined with the well-being and development of our employees. As we celebrate 100 years of innovation and growth, we are embarking on a new chapter of transformation, one that places our employees at the core of our strategy. We are committed to building an inclusive, high-performance culture where every employee is empowered, valued and equipped to contribute to our business goals and our broader ESG commitments. This commitment to our employees is integral to our long-term vision of creating a more sustainable, resilient organisation where every individual plays a role in shaping a better world for future generations.

During our 100-year legacy commemoration, we reflected on how culture evolves over time, recognising its key role in driving engagement and collaboration to support our strategy. We focused on key trends, valuable experiences and insights to enhance best practices and unlock the potential of our employees, leveraging our competitive advantage. Throughout the year, our cultural journey gained momentum, culminating in a Group-wide leadership and culture masterclass at the end of the year.

Our leadership and culture masterclass focused on unpacking the Group's Leadership Compact, developed through dedicated workshops and engagement with leadership and employees. Our resultant Culture Code is a set of shared values, norms, beliefs and behaviours that define and shape the culture of our business. It reflects the underlying principles that guide how we interact, make decisions and approach our work and activities.

Our Leadership Compact is driven by four fundamental commitments

At AECI, we are dedicated to living the philosophy of serving others. We lead with the purpose of transforming lives, unlocking the full potential of our employees, creating value for our customers and shareholders and leaving the world in a better place than we found it.

If service is beneath you, leadership is beyond you

1 Commitment
We are dedicated to leading with a service-first mindset by building trust with our employees, fostering loyalty among our customers and earning the respect of the communities we impact. Through these efforts, we aim to drive positive transformation while creating lasting value for our shareholders.

2 Commitment
We are committed to leading with courage, resilience, integrity and humility, continuously striving to grow into the best versions of ourselves. We believe that by developing better individuals, we cultivate stronger leaders.

3 Commitment
We are committed to leading by example, embodying our values through action. We will roll up our sleeves and work alongside our team with dirty hands and a full heart.

4 Commitment
We are committed to unlocking the full potential of those who bring our purpose to life by fostering an environment that nurtures, empowers and recognises their growth and contributions.

Better people make better leaders

Dirty hands, full heart

Unearthing potential

Tone	In service			
Leadership commitments	If service is beneath you, leadership is beyond you	Better people make better leaders	Dirty hands, full heart	Unearthing potential
	Deep trust			
Culture characteristics	Trust	Authenticity	Better together	Empowered
A culture that invites you to show up with:	Trust	Honesty	A "can-do" attitude	Courage
	Transparency	Humility	A value for collaboration, diversity and inclusion	Dedication
	Accountability	Vulnerability	Empathy and understanding	Excellence in everything we do
Lived experience	When employees feel seen, heard, celebrated and feel that they truly belong, it fosters passion and engagement. This drives a high-performance culture where everyone thrives.			

AECI values

Our BIGGER values shape our actions and decisions and help us drive sustainable growth which keeps us aligned with our purpose.

Bold
Embracing new ideas, taking risks and pushing boundaries

Innovative
Continuously seeking creative solutions to challenges and driving change

Going green
Committing to sustainable practices that benefit the environment and society

Engaged
Fostering a culture of active participation and collaboration

Responsible
Always acting with integrity, accountability and care to ensure trust and sustainability

Safe and engaged workforce continued

Our performance

Our key imperatives

- Promote a culture of performance excellence
- Cultivate an inclusive, engaging and empowering work environment
- Build organisational capacity and leadership to meet current and future goals
- Maintain our recognition as an employer of choice in the industry

Material matters

- Health, safety and well-being
- Workplace culture
- Gender
- DEI
- Social and labour
- Talent planning and training

Key drivers

Key drivers are the critical factors that shape our ability to succeed in executing our human capital strategy. These include:

- **Change management:** Effectively guiding our employees through transformation and adapting to new ways of working
- **Rewards and incentives:** Aligning employee efforts with our objectives, recognising performance and encouraging the motivation to embrace change
- **Human capital digitisation and systems:** Streamlining HR processes, enhancing employee experiences and improving organisational efficiency

Key enablers

Key enablers are the factors that empower us to successfully implement our human capital strategy. These include:

- **Inclusive leadership:** Driving a DEI culture while empowering employees to thrive
- **Engaged and purpose-led people:** Cultivating a passionate workforce aligned with our vision for sustainable growth
- **Decisive and courageous management:** Leading with confidence, agility and a forward-thinking mindset to navigate challenges and seize opportunities

The SDGs we contribute to

3 GOOD HEALTH AND WELL-BEING   4 QUALITY EDUCATION   5 GENDER EQUALITY   8 DECENT WORK AND ECONOMIC GROWTH

Key metrics

Employee profile

| 6 938 permanent employees (2023: 7 130) | 744 temporary employees (2023: 696) | ▼ 22.9% of SA employees covered by a collective bargaining agreement (2023: 25.6%) | ▲ R5.5 billion spent on total employee remuneration (2023: R5.7 billion) |

Diversity, equity and inclusion

| ▲ 86.7% of our SA employees are Black (2023: 85.7%) | ▲ 24.6% of our employees are women (2023: 24.1%) | ▼ 0.8% of our employees are people living with disabilities (2023: 1.2%) |

AECI Leadership and Culture Masterclass

AECI Leadership and Culture Masterclass

Safe and engaged workforce continued

Employee value proposition

We are in the process of formalising a work environment where employees feel valued, engaged and proud to be part of AECI by cultivating a culture of pride and belonging. Our employee value proposition (EVP) will reflect this commitment, outlining the unique offerings that position the Group as an employer of choice. We will focus on delivering an exceptional employee experience by prioritising the well-being and personal growth of our employees.

In 2024, we restructured our operating model and refined our Human capital to ensure alignment with strategic objectives and the demands of a dynamic, global environment. At the heart of this is our EVP, which reflects our commitment to empowering employees to make meaningful contributions. It is captured in our ethos of **"a better world, a better community, a better family and a better me"**.

Our EVP represents the unique benefits, opportunities and rewards we offer for the dedication and talent of our employees. It defines the value we bring to their professional and personal lives and promotes a compelling environment to join, grow and thrive.

Built on the core pillars of inclusive culture, connection, care, responsible business practices and career growth, our EVP aligns with our strategic goals and inspires employees to reach their potential. Through diverse communication channels, including one-on-ones, town halls, roadshows and videos, we actively engage with employees, reinforcing our dedication to their well-being, development and growth.

Change management and enablement

Recognising that ambitious goals come with challenges, we view setbacks as opportunities to innovate, adapt and grow. In 2024, we restructured our operating model and refreshed our Human Capital Strategy to embed a culture of excellence and position the Group for sustained success. This was driven by boldness, collaboration and an unwavering belief in what is possible, propelling us to our ambitious moonshot goals. By embedding principles of performance excellence, innovation, adaptability, inclusion and social responsibility, we stay true to our **"Better World"** purpose.

Change management is pivotal to guide the organisation and our employees through transformation, ensuring that transitions to new ways of working are seamless and supported. This creates a resilient workforce that can adapt to evolving challenges and opportunities. A robust change enablement framework ensures a well-structured process to energise and guide employees through this journey. Agility and continuous improvement are embedded in leadership development and organisational practices, promoting a dynamic culture aligned with our strategic goals. Together, we shape a culture of excellence that inspires growth and drives us towards a brighter future.

Key people enablement priorities

Employee relations

We prioritise continuous engagement with several employee forums, including union-led groups and employment equity committees. This ongoing dialogue ensures that employee feedback is consistently integrated in our operations, culture and strategic planning.

We believe that employee insights are invaluable in shaping our organisational direction and informing our decision making. These insights play a pivotal role in our strategic review process, helping us adapt and evolve to meet current and future needs. As we expand globally, we are building on these practices, working closely with our culture team to drive meaningful change that aligns with our growth strategy.

Continuous development and growth

We are committed to the continuous development and growth of our employees, recognising that their success is integral to our long-term success. We provide robust internal and external training programmes designed to enhance skills, nurture leadership and support personal and professional growth. Our culture emphasises the importance of adaptability and continuous learning, ensuring that employees are well-equipped to navigate evolving work environments and industry trends. By fostering a culture that values purpose-led, passionate and engaged individuals, we inspire our workforce to contribute meaningfully to our shared vision of creating a better world.

AECI Chemicals, Chloorkop

AECI Chemicals, Chloorkop

Safe and engaged workforce continued

Skills development in partnership with CHIETA

Our partnership with the Chemical Industries Education and Training Authority (CHIETA) supports skills development in the chemical industry, addressing sector-specific needs. This underscores our commitment to skills development as a key driver of sustainable growth.

The Group has contributed R23 million to skills development levies, emphasising the importance of a high-performance workforce. Our Learning and Development L&D programmes focus on upskilling, reskilling and multiskilling and are aligned with the SDGs, particularly of quality education and decent work.

We offer programmes such as management development, learnerships, internships and apprenticeships, investing R10.6 million in 315 bursaries in 2024.

These initiatives ensure a resilient, adaptable workforce with 91 employees participating in development programmes to support employee mobility and youth employability. Our focus on strategic, future-oriented skills development prepares our workforce for long-term success.

Organisational effectiveness

Organisational effectiveness focuses on structuring work processes, roles and tasks to support the successful execution of the strategy. It involves optimising workflows, ensuring that roles align with strategic objectives and fostering efficient coordination across departments and teams. By fine-tuning these, we can deliver our goals more effectively and achieve desired outcomes. Organisational effectiveness ensures that every part of the Company is working in harmony to drive performance, productivity and long-term success.

Future-proofing our organisation

A future-proofed organisation continuously adapts and evolves to stay ahead of industry changes and challenges. This involves developing differentiating capabilities and talents that can execute the vision and drive the strategy forward.

By investing in talent development and fostering a culture of agility, we can future-proof our organisation to remain resilient, innovative and ready to seize opportunities. It is about being proactive in shaping the future and ensuring that we have the right skills and capabilities to succeed in a rapidly changing world.

Diversity, equity, inclusion and belonging

Our inclusivity efforts are guided by applicable legislative frameworks, the principles of the UNGC and the SDGs. We are building a diverse, equitable and inclusive workforce that reflects the communities we serve and aligns with our strategic goals.

Our efforts have earned us Top Employer accreditation and reflect our dedication to authentic transformation and inclusivity. With a goal of achieving balanced gender and race representation, we continue to increase female representation in management roles and empower under-represented groups. By promoting a high-performance, inclusive culture, we create opportunities for all, contributing to sustainable growth and reflecting the diversity of the communities in which we operate.

Looking ahead, we will strengthen DEI impact measurement through expanded employee engagement surveys and detailed demographic analytics, ensuring continuous improvement and proactive response to employee feedback.

Our focus areas include:

Inclusive talent attraction practices

Implementing strategies to attract, recruit and retain diverse talent at all levels of the organisation

Equity in opportunities

Ensuring fair access to career development, training and leadership opportunities for under-represented groups

Leadership accountability

Embedding DEI goals in leadership objectives and holding leaders accountable for progress

Pay equity and transparency

Conducting regular audits to identify and close pay gaps across demographic groups

Community partnerships

Building relationships with organisations that promote diversity and equity in local and international communities

Data-driven decision making

Using analytics to measure the impact of DEI initiatives and guide future priorities

South Africa: Permanent employee racial profile

	2021	2022	2023	2024
African	3 000	3 000	3 017	2 950
Coloured	267	281	291	268
Indian	239	248	246	235
White	657	814	599	539
Foreign national	31	36	28	23

South Africa: Temporary employee racial profile

	2021	2022	2023	2024
African	180	211	284	329
Coloured	14	19	24	30
Indian	21	13	9	13
White	68	39	23	24
Foreign national	2	–	1	3

The above data is specific to the South African context and is influenced by the Broad-Based Black Economic Empowerment (B-BBEE) code.

Safe and engaged workforce continued

Group: permanent employee gender profile

	■	2021
	■	2022
	■	2023
	■	**2024**
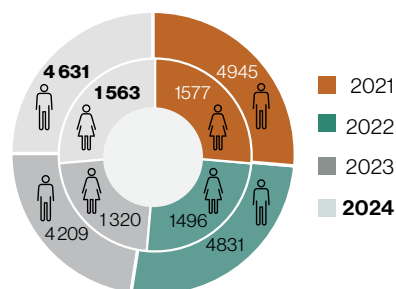
Group: temporary employee gender profile

	■	2021
	■	2022
	■	2023
	■	2024
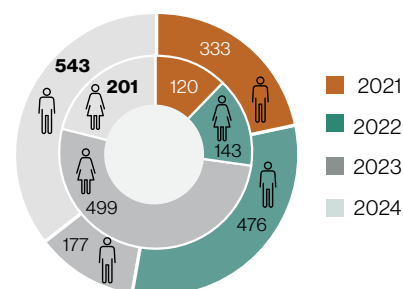
In previous years the Schirm employee data was not included in the reporting. This data has since been included from 2024.

2025 target

We are committed to achieving gender parity across all Group levels. While we have made progress in advancing gender equality at top management level, we recognise that more work is needed for equitable representation at all levels. To achieve this, we have set clear targets for 2025 to increase female representation in senior leadership, management and operational roles. These targets focus on areas where gender gaps remain, with an emphasis on tracking progress to ensure balanced representation.

Our strategy includes targeted recruitment, mentorship and leadership development programmes, along with a supportive work environment that fosters equal growth opportunities. By reaching these targets, we aim to create a more inclusive, diverse workforce aligned with our values of fairness, respect and responsibility.

Targets and achievements for gender representation in 2024

265
Total women representation in top, senior and middle management

2021	2022	2023
267	**263**	**273**

42% target 50%
Women on AECI Board

2021	2022	2023
36%	**44%**	**50%**

29% target 31%
Women representation in top, senior and middle management

2021	2022	2023
27%	**28%**	**28%**

Due to restructuring activities during 2024, we have not realised our gender equality targets. Achieving these target will continue to remain a key area of focus.

Educating, empowering and engaging our women in 2024

38
Women promoted

2021	2022	2023
55	**70**	**59**

31
Women enrolled in leadership programmes

2021	2022	2023
46	**47**	**27**

Leadership and gender diversity at AECI

We are committed to increasing the representation of women in leadership and decision-making positions across all organisational levels. At the core of this is the ambition to build a high-performance culture fuelled by passionate and engaged people to promote DEI. We have implemented a comprehensive diversity and transformation policy and strategy designed to achieve equitable representation of designated groups in all occupational categories.

The Group boasts 29% female representation in top, senior and middle management with a goal to reach 31% by 2025. During 2023, the Group achieved a significant milestone in its transformation journey, attaining 50% female representation at the highest levels within our Board and Exco. Although recent changes have resulted in a shift to 42% female representation, we remain committed to advancing gender diversity and are actively working to restore and strengthen female representation at leadership levels.

We have taken steps to address gender pay parity as part of our ongoing commitment to gender equity. Pay parity assessments have been conducted at individual levels with actions taken to resolve identified discrepancies. Our leadership strategy prioritises the recruitment, retention and development of female talent, ensuring that gender diversity at management levels is achieved and sustained. Through these efforts, we are building an empowered, collaborative and inclusive workplace where all employees can thrive.

Protecting human rights

As advocates of the UNGC principles, we remain committed to upholding human rights and pledge to treat all individuals with dignity and respect. Our policies and business approach actively support the freedom of association, ensuring no constraints on employees' choices regarding trade union membership. We also actively uphold corporate stewardship and the law and minimise human rights infringements by enforcing strict adherence to policies and processes.

We are pleased that no incidents related to human rights discrimination, child labour or forced or compulsory labour were reported throughout the reporting year.

Broad-based ownership schemes

Broad-Based Black Economic Empowerment (B-BBEE) aims to achieve social and economic inclusion in South Africa. Post year-end we introduced a new B-BBEE scheme to be implemented as a Broad-Based Ownership Scheme (B-BOS).

The B-BOS Transaction entails the AECI Foundation (formerly known as the "Tiso AEL Development Trust") (Foundation) subscribing for a new class of ordinary shares (B Ordinary Shares) in AECI Mining) resulting in the Foundation holding an effective interest of 15.5% in AECI Mining. The B Ordinary Shares will entitle the Foundation to participate in the economic interest arising from the South African operations of AECI Mining, comprising the AECI Mining Explosives and AECI Mining Chemicals divisions..

Learning and development

Effective leadership is more crucial than ever in today's dynamic and challenging work environment. To equip our leaders for success, we offer three leadership development programmes to provide the essential skills needed to thrive in complex situations. They are the:

- Foundation Management Development Programme (FMDP)
- Middle Management Development Programme (MMDP)
- Senior Management Development Programme (SMDP)

In 2024, we invested R112 million in skills development and celebrated the completion of participants from the 2023/24 MMDP (2023: 30 participants) and 16 from the SMDP at our Johannesburg head office (in partnership with GIBS). These programmes are open to all operating businesses and attract participants predominantly from across South Africa and Africa, cultivating a diverse and skilled leadership pipeline.

Bursaries

We offer internal and external bursaries to strengthen our organisational value proposition and attract top talent. These bursary programmes also support employee development and extend to the dependants of employees, ensuring they have access to educational opportunities without the burden of daily expenses. This initiative enhances our employee brand and demonstrates our commitment to promoting learning and growth in the organisation and the wider community.

Safe and engaged workforce continued

Development programmes

	2020	2021	2022	2023	2024	Comments
Leadership development	–	144	133	99	**91**	Our Leadership Development Programme nominations were strategically aligned with our succession planning and talent management processes to strengthen leadership capabilities at all management levels.
Learnerships/internships/ graduates	256	188	376	245	**376**	In 2024 we strengthened our pipeline for future skills and talent to ensure long-term sustainability, while simultaneously targeting females to foster a more diverse and inclusive workforce.
Participation in at least one learning opportunity	1 982	1 985	1 636	1 414	**2 294**	There was a strong focus on employee development, driven by improved access to training and strategic on the job training initiatives.
Female participation in at least one learning opportunity	29%	27%	47%	26%	**31%**	
Employees living with disabilities	89	66	67	40	**76**	We employed 38 female employees living with disabilities and placed them on our various learning programmes.
Female employees living with disabilities accessing learning opportunities	46%	67%	64%	38%	**53%**	

Student from Mabogopedi secondary school

Strength in Numbers programme school engagements

We recognise the importance of continuous learning and career development, which is why we provide financial support for employees pursuing tertiary studies. This is a key part of our broader commitment to professional growth and skills enhancement. By offering this assistance, we ensure our employees have the resources they need to further their education and qualifications, empowering them to take on more complex roles in the organisation.

Our external bursary scheme

In 2024, we partnered with Student Village to disburse R5 million in higher education funding for African and Coloured students in key fields essential to our future, including computer science, data science, engineering and information security. This investment aims to attract young talent and build a pipeline of critical future skills in a competitive market.

We funded 54 students, with 16 graduating in 2024 and 32 continuing in 2025. In partnership with Sustainability, ESG and EHS, we will also award bursaries to 18 students from our partner schools in 2025.

The 18 graduates will join our graduate development programmes from April 2025, with six students achieving a combined 20 distinctions across key fields, including computer science, crop science, logistics management, human resources, electrical engineering and chemistry.

Our external bursary scheme

Field	
Computer science and computer engineering	3
Chemistry	2
Human resource management	2
Marketing and communications	2
Agriculture science	1
Chemical engineering	1
Crop science	1
Electrical engineering	1
Logistics management	1
Mechanical engineering	1
Mining engineering	1

Gender profile*

38% male

62% female

Bursaries (external and employee dependants)

42 — 2020
37 — 2021
26 — 2022
24 — 2023
104 — **2024**
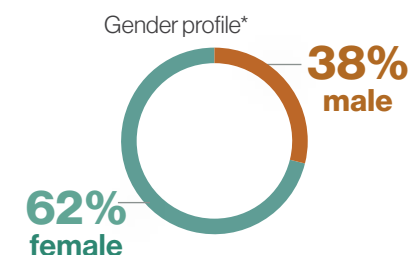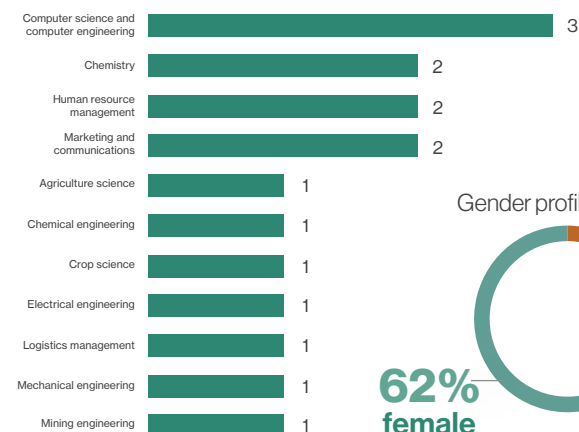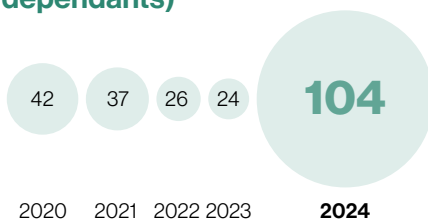
Learnerships, internships and bursaries
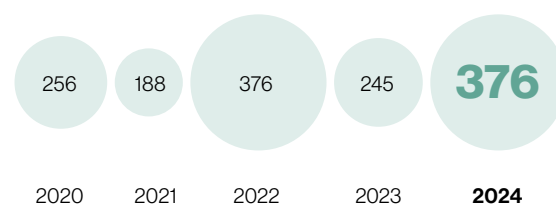
256 — 2020
188 — 2021
376 — 2022
245 — 2023
376 — **2024**

Number of employees who have attended leadership development programmes

— — 2020
144 — 2021
133 — 2022
99 — 2023
91 — **2024**
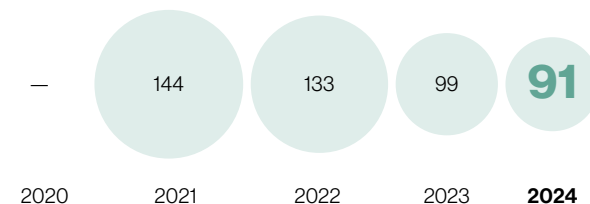
Safe and engaged workforce continued

Supporting development

In-house Plant Health graduate programme

Our in-house graduate programme at AECI Plant Health was launched in 2022. It is designed to equip graduates with specialised technical skills. The 12-month programme offers rotational experiences in various technical areas including laboratory research, field trials and sales and provides graduates with a comprehensive understanding of the business. The programme aims to build a strong pipeline of skilled specialists who will contribute to the Group strategic objectives and future growth, ensuring we have the talent to meet business challenges.

Chemical Operations Learnership Programme

During 2024, we successfully ran a Chemical Operations NQF 2 to 4 programme across our manufacturing business units. This programme developed skilled operators for the chemical manufacturing industry as supported by CHIETA. The programme combines theoretical training with practical workplace exposure, equipping learners with essential knowledge and hands-on experience in chemical production processes, safety protocols and operational efficiencies. A total of 61 permanent employees were enrolled with 22 successfully completing and contributing meaningfully to operational excellence across our various sites. The remaining 39 employees are expected to complete their programme in 2025, supporting the Group's commitment to talent development and industry growth.

Mentorship

Our support extends beyond financial aid as managers and mentors play an essential role in guiding and encouraging employees throughout their academic journey. This ensures that employees can successfully balance their studies with their professional responsibilities while gaining valuable career insights.

By fostering an environment where L&D are prioritised, we contribute to the personal and professional growth of our employees and strengthen our talent pipeline and future workforce. This investment in young talent and ongoing education is crucial to ensuring we remain competitive and well-positioned for long-term success.

Skills turnover

In 2024, we experienced a voluntary employee turnover rate of 4.1% (2023: 3.4%). The average tenure of departing employees was eight years. Our developmental programmes play a major role in building a sustainable pool of skills and is supported by our investment in leadership development. Our EVP emphasises growth opportunities in the Group and talent development as key drivers of retention. Retention strategies vary across business units, but share a common goal: to create a supportive and rewarding culture where employees are motivated to stay, grow and thrive.

We employed 598 new employees (2023: 793) of which 36% were female (2023: 27%). There were also 800 terminations at our operations (2023: 626) largely due to business restructuring.

Reward and recognition

By promoting a culture of excellence, innovation and entrepreneurial thinking, we empower our workforce to make meaningful contributions to the Group's strategic objectives. Recognising that engaged and motivated employees are essential to sustainable growth, we continuously enhance our reward and recognition initiatives to drive high performance and commitment.

↗ Read more in our RR.

Wage gap

We remain committed to fair and responsible pay practices. While the amendments to the Companies Act - requiring formal wage gap disclosures - have been promulgated, they are not yet effective, and may still be subject to revision. As such, we have elected not to adopt the Companies Act requirements at this stage, but we continue to monitor developments and will comply in full once the provisions come into effect.

In the interim, we continue to disclose wage gap information in accordance with the JSE Sustainability Disclosure Guidance (2023), which we have followed since last year. These are aligned to the spirit of the Companies Act amendments, and include:

- The ratio of the Group CEO's annual guaranteed package (GP) to the lower quartile, median, and upper quartile of employees' pay. GP is defined as basic salary plus benefits;
- Remuneration of the highest- and lowest-paid employees in the Group
- Average and median remuneration of all employees
- The ratio of GP between the top 10% and bottom 10% of employees

This proactive and transparent approach ensures alignment with good governance standards, while maintaining readiness for full regulatory compliance once the Companies Act provisions become effective.

	Annual GP	Ratio to highest 2024	Compared to prior year	Ratio to highest 2023
Highest	R11 258 000	1	←	1
Upper Quartile	R863 247	13	↓	17
Average	R706 680	16	↓	19
Median	R545 161	21	↓	22
Lower Quartile	R400 947	28	↓	30
Lowest	R168 017	67	↓	71
Top 10% Average	R1 887 687	1		1
Bottom 10% Average	R279 012	7	↓	8

Notes:
The figures in the table are for South African employees and exclude non-permanent employees. The only non-permanent employee included in the dataset is the CEO. The figures exclude variable remuneration items and expatriate benefits.

Salaries and benefits are included on an annualised basis.

Year-on-year we have seen an improvement in our efforts to close the wage gap because we actively investigate and address pay gaps. This will continue to be a focus for the Committee and management, as the organisation implements its People strategy.

Fair, responsible and equitable remuneration

We uphold fairness, responsibility and equity in remuneration across our operations. The Remuneration and Human Capital Committee conducts annual pay equity reviews, now expanded to assess links with talent management and succession. We aim to close unjust pay gaps and enhance employees' living standards within broader social and ethical contexts.

Our rewards strategy enhances shareholder value, supports our strategic goals and helps to attract and retain top talent.

↗ Read more in our RR.

Safe and engaged workforce continued

Living wage principles and initiatives

We continue to engage with WageIndicator to gather global living wage data across our operations, considering housing, education, family size and overall cost of living to ensure fair pay.

Gender gap

We are committed to increasing female representation in management and addressing gender pay parity. Pay parity assessments have been conducted where possible, with actions taken to address inequities. Overall, the pay gap reflects the Group's demographic and we aim to improve this as we achieve our gender representation goals.

Gender profile*

28.8% female

71.2% male

*SA employees only

Remuneration profile**

29.4% female

70.6% male

**SA employees, cost to company

Running for a cause, JP Morgan corporate race
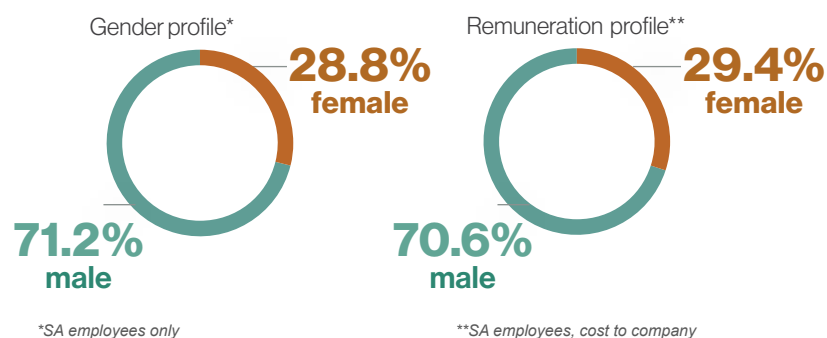
Employee wellness

Employee wellness is at the heart of our commitment to a purpose-driven, engaged workforce and our Zero-harm goal. Through the **"Better You for a Better World"** programme, we take a holistic approach to well-being, providing employees with the tools to enhance their physical, mental and emotional health. By promoting balance, energy management and a healthier lifestyle, we cultivate a culture of wellness and safety – empowering employees to thrive and contribute to the Group's success.

The programme prioritises three core focus areas:

	Focus area	Description
	Physical health	We prioritise physical health to help employees maintain energy, prevent illness and perform at their best. By encouraging regular physical activity, proper nutrition, sufficient rest and stress management, we aim to encourage productivity, resilience and overall well-being in employees' personal and professional lives.
	Financial wellness	We promote financial wellness by empowering employees to make informed decisions that enhance long-term stability and peace of mind. Through resources and education on budgeting, saving and planning for unexpected events, we aim to help reduce financial stress, improve overall well-being and build a more secure workforce.
	Mental and emotional health	We prioritise mental health to help employees build resilience, manage stress and cultivate positive relationships. By providing resources, support systems and education, we empower employees to navigate challenges, sustain performance and contribute to a thriving and productive workplace.

We strive to achieve a set of core objectives through various proactive initiatives and standardised practices aimed at fostering a culture of well-being and personal growth among our employees.

Awareness and education

Awareness and education are key pillars of our approach. They empower employees with knowledge and resources to maintain their physical and mental health, manage stress and improve work-life balance.

Culture and support

We foster a culture of continuous learning and collaboration, ensuring that employees feel supported professionally and personally while living our **"Better World"** purpose.

Motivation

By focusing on motivation, we inspire employees to reach their potential by offering recognition, encouragement and resources that align their personal and professional growth with the Group's strategic objectives.

Skills, tools and opportunities

The Better You programme promotes holistic well-being by offering health screenings, lifestyle guidance and psychosocial support. These initiatives equip employees with the skills and tools needed to build a more balanced and healthier life while nurturing a sense of belonging and shared purpose.

Safe and engaged workforce continued

Financial wellness initiative

Group financial education sessions continued to help employees better understand their income and expenses, build personal financial plans and create savings buffers to confidently navigate change.

One-on-one financial coaching and access to tax consultants were also offered to support employees in achieving their financial goals.

Wellness days

International Wellness days offered a variety of activities tailored to site-specific needs such as breast screening, financial coaching, health risk assessments and HIV testing. These events promoted physical fitness, stress management and self-care with over 1 801 employees participating in voluntary screenings, marking a 78.1% increase from 2023 when 1 200 employees participated.

Pulse survey

As part of our commitment to fostering a transparent and inclusive workplace, we utilise a pulse survey as a two-way engagement tool that enables real-time feedback and continuous dialogue with our employees. This ongoing process creates a structured feedback loop, as part of our employee listening strategy.

This proactive engagement mechanism allows us to address key issues decisively and reinforce our culture of responsiveness. In support of this we have initiated a Group-wide culture survey in 2025, the results of which will be used to further embed a robust and resilient culture. Employee engagement will also be included as an LTI metric.

Employee wellness and social responsibility-sponsored runs

A series of initiatives to enhance our employees' physical, social and mental wellness were implemented under the banner of. **"Running for a Better You and a Better Community".**

A total of 1 122 employees participated (2023: 374 employees) in four regional races, promoting community engagement and wellness.

Mental health awareness month

Mental health awareness is a core focus of the Better You programme and aims to reduce stigma, enhance resilience and improve productivity. Key initiatives include the global launch of the Better Manager Programme to upskill managers in supporting team wellness, self-care workshops and mental health self-care. These initiatives are tailored to the diverse countries, cultures and languages where we operate.

Awareness and education campaigns

Our monthly campaigns featured expert-led sessions, employee testimonials and panel discussions addressing the impact of change on health and wellness. Carefully selected topics supported employees through restructuring. These initiatives empowered employees to prioritise their health during uncertainty and engaged over 3 400 participants across 11 topics. We notably achieved a 4.8% increase in attendance from our international operations from 2023 to 2024.

Executive Wellness Programme

The **"Better You"** Executive Wellness Programme is a strategic initiative to promote health, resilience and sustainable performance among the Group's leadership. This tailored programme offers onsite wellness screenings. In 2024, we screened 20% of our executives with the remainder scheduled for 2025.

Better Manager Programme

This initiative empowers leaders with essential skills to become resilient, effective and focused on wellness. The programme addresses: psychological safety, leading through change, well-being conversations, pressure management and resilience mastery. In 2024, over 200 managers completed the psychological safety module.

Employee Assistance Programme expansion

In 2024, we successfully launched our expanded Employee Assistance Programme (EAP) in two international locations. These EAPs provide employees and their dependants with access to psychosocial, financial and other support. This helps them to manage personal conflicts, emotional issues and health concerns, while enhancing their health, wellness and productivity.

Looking ahead

We are focused on embedding our culture in our EVP and talent attraction and retention strategies to strengthen engagement and alignment with our vision.

Prioritising change management is key to sustaining cultural transformation and ensuring long-term success. Conducting an employee experience survey will also enable us to evaluate our culture and work environment, ensuring we continue to create a supportive and inspiring workplace.

We aim to enhance employee health and well-being through our **"Better You"** programme, while promoting innovation and creative thinking via targeted training and diversity initiatives.

Advancing gender equality and empowerment remains a priority as we champion gender main streaming and an inclusive, diverse workforce.

Group wide wellness intitaives

Thriving ecosystems

Environmental sustainability

We are committed to long-term sustainability through our environmental, sustainability and climate-related policies. We ensure full compliance with all environmental laws and regulations, including reporting of annual carbon emissions. Our approach focuses on mitigating direct environmental impacts and encouraging sustainable practices across our operations. To track our performance, we measure key indicators like energy consumption, carbon emissions, water usage and waste management, while investing in renewable energy and infrastructure to support essential services and emission reductions across our value chain.

Our environmental commitments

- Compliance with environmental legislation
- Precautionary environmental management
- Sustainable practices
- Innovative problem-solving methods and systems thinking
- Energy efficiency and renewable energy investments
- Climate change and emission reductions
- Water and waste management
- Water security
- Performance measurement

Material matters

- Climate change and Net Zero
- Resource and energy use and security
- Water security, consumption and discharge management
- Waste management
- Land and biodiversity management

Our environmental programmes are designed to promote environmental sustainability, social responsibility and long-term resilience.

6 CLEAN WATER AND SANITATION   7 AFFORDABLE AND CLEAN ENERGY   12 RESPONSIBLE CONSUMPTION AND PRODUCTION   13 CLIMATE ACTION

Key metrics

Performance in 2024

0 serious or major environmental incidents for more than 10 years	2% decrease in potable water consumption	3% improvement in water use efficiency	8% improvement in water discharge efficiency
5% reduction in total carbon footprint (Scope 1 and 2)	7% reduction in discharge to sea or sewer	6% improvement in carbon efficiency	Total energy consumption 3 224 506 GJ (2023: 3 219 641 GJ)
8% reduction in hazardous waste disposed	8% reduction in electricity consumption	8 663MWh electricity generation from renewables	1% reduction in total energy use

Environmental incidents

We maintained our strong environmental performance in 2024 with no major or serious incidents recorded. A total of 83 environmental incidents were reported during the year (2023: 119) of which three were classified as moderate (2023: three) and 80 were minor (2023: 116). This continued improvement reflects our ongoing commitment to managing environmental risks effectively in our operations and across our extended value chain.

An analysis of the reported incidents revealed a strong link between environmental impacts and process safety incidents, primarily caused by transport-related events and loss of primary containment. Our focus has largely been on identifying risks, preventing incidents and enhancing the safe handling of chemicals. We believe this proactive approach reduces environmental impacts, supports sustainability goals and builds trust with stakeholders and communities.

Environmental incidents (Moderate)

2020 **29**
2021 **14**
2022 **6**
2023 **3**
2024 **3**
Base Line **6**

2025 target
Zero moderate environmental incidents

2024 performance
3 moderate environmental incidents
0% change
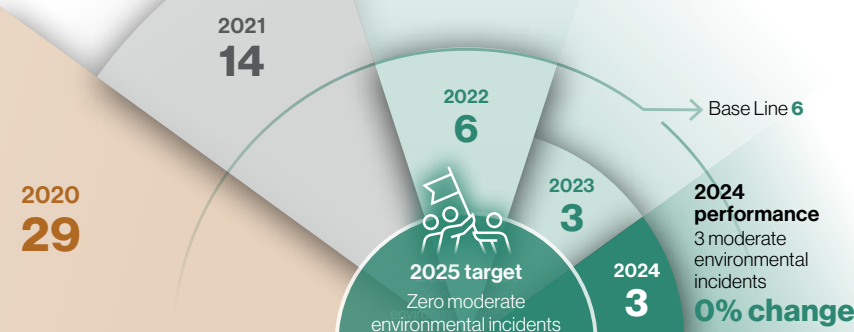
Thriving ecosystems continued

Water management

Our water stewardship approach recognises water as a scarce and invaluable environmental resource. Our approach prioritises precautionary measures to address environmental challenges while promoting responsible water use. By integrating AECI Water's expertise, we optimise our internal resources and operational efficiencies to deliver innovative and sustainable water and process treatment solutions. These solutions cater to a range of sectors including public utilities, mining and industrial applications, and reflect our alignment with core sustainability goals and key ESG targets.

Water management is a strategic ESG KPI for the Group and underscores our dedication to environmental sustainability. Significant attention has been given to monitoring and improving potable water consumption and managing wastewater disposal to the sea and sewer systems. This focused approach has led to tangible improvements in our water management practices, demonstrating our ongoing commitment to conserving this critical resource and contributing meaningfully to broader environmental sustainability efforts.

Potable water consumption (m³)

2020	2021	2022	2023	2024
2 034 467	1 755 929	1 793 455	1 678 865	**1 638 050**

2022 baseline	2025 target	2024 performance
1 793 445	1 614 168 ▼ 10%	▼ 2%

Effluent discharged to sea and sewer (m³)

2020	2021	2022	2023	2024
619 357	722 573	751 880	652 572	**603 672**

2022 baseline	2025 target	2024 performance
751 880	679 170 ▼ 10%	▼ 7%

Water use efficiency (m³/tonnes)

2020	2021	2022	2023	2024
0.87	0.62	0.60	0.60	**0.58**

Water discharge efficiency (m³/tonnes)

2020	2021	2022	2023	2024
0.26	0.25	0.25	0.23	**0.22**

Waste management

Our waste management strategy integrates circular economy principles which are core to our broader sustainability goals. The key principles guiding our approach include developing processes to eliminate waste and pollution, fostering the circulation of products and materials and enabling regenerative systems.

Through this strategy, we focus on several important elements of circularity:
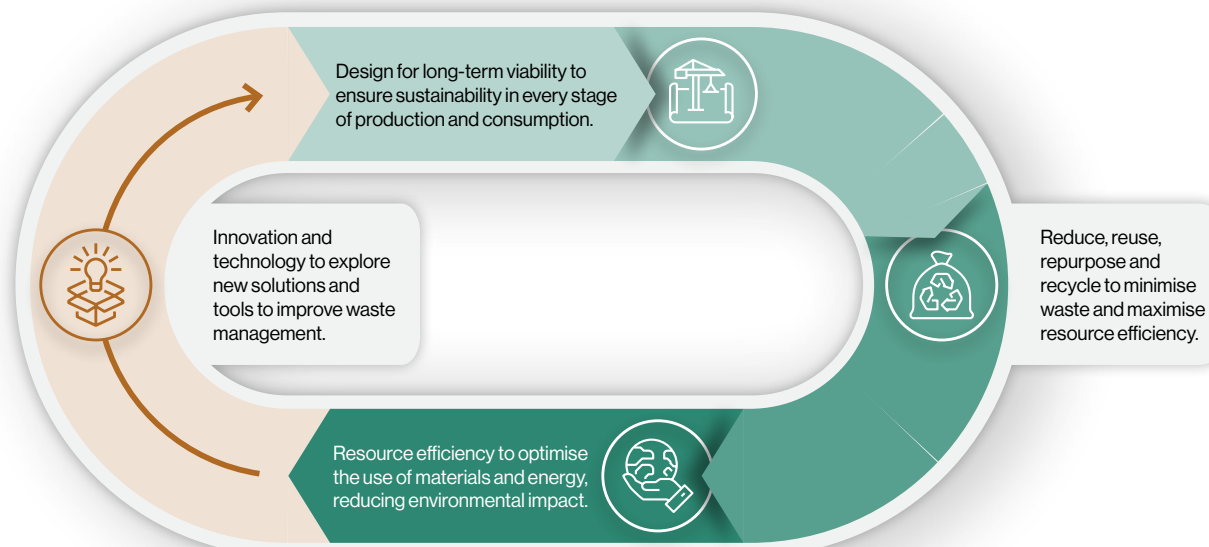
Historically, we faced challenges with hazardous waste volumes due to the lack of effective waste management interventions. However, over the past two years, we have made significant progress in reducing waste across our operations. Having navigated previous challenges in waste reporting, our targeted efforts in responsible waste management have yielded pleasing results. We are pleased to report a Group-wide reduction in hazardous waste volumes.

Going forward, we will continue to focus on refining and expanding these efforts to further reduce waste and enhance recycling practices, cementing our role as a responsible and sustainable business.

Hazardous waste disposed (tonnes)

2020	2021	2022	2023	2024
15 844	14 035	16 783	13 866	**12 722**

2022 baseline	2025 target	2024 performance
16 000	14 000 ▼ 13%	▼ 8%

Efficiency calculations for waste are not feasible due to the low volumes generated

Recycled waste (tonnes)

2020	2021	2022	2023	2024
3 288	3 372	3 571	4 016	▼ **3 407**

Elements of circularity

Design for long-term viability to ensure sustainability in every stage of production and consumption.

Innovation and technology to explore new solutions and tools to improve waste management.

Reduce, reuse, repurpose and recycle to minimise waste and maximise resource efficiency.

Resource efficiency to optimise the use of materials and energy, reducing environmental impact.

Thriving ecosystems continued

Climate resilience, response and action

Climate change is an escalating global crisis with profound socioeconomic impacts. As environmental concerns intensify, our climate initiatives are increasingly under scrutiny from investors, governments and clients who are seeking transparency and action in addressing climate-related risks and opportunities.

With global temperatures surpassing the 1.5°C threshold for the first time, the urgency for immediate action on climate change has never been more pressing. In response, we intend to reduce our carbon emissions by 20% by 2030 from a 2022 baseline, aligning with global decarbonisation goals. Our baseline will need to be restated during 2025 to respond to our evolving operating model.

We support a just transition, ensuring that the shift to Net Zero emissions is fair and inclusive, particularly for vulnerable communities affected by climate change and historical inequalities. The Group recognises the critical role of the private sector in this transition by contributing through partnerships, risk management and policy collaboration. We are integrating just transition principles in our business strategies.

This year, we have made significant strides in advancing projects that contribute to this objective, particularly the transition to renewable electricity sources, which support our decarbonisation efforts and improve our electricity security. Our comprehensive approach to managing electricity supply risks, along with our decarbonisation pathways and strategies for addressing climate-related risks underscore our ongoing commitment to fostering a sustainable, low-carbon future.

2024 GHG Scope 1 emissions (tCO$_2$e)

199 708

2020	2021	2022	2023
334 225	266 291	267 919	213 711

2022 baseline 267 919

2025 target 242 292 ▼ 10%

2024 intensity 0.07

2024 performance ▼ 7%

2024 GHG Scope 2 emissions (tCO$_2$e)

216 629

2020	2021	2022	2023
241 150	235 043	225 882	226 177

2022 baseline 225 882

2025 target 215 538 ▼ 5%

2024 intensity 0.08

2024 performance ▼ 4%

Total carbon footprint (tCO$_2$e)

416 337

2020	2021	2022	2023
575 375	501 334	493 801	439 888

2022 baseline 493 801

target 2025 intensity 0.17

442 820 ▼ 10%

2024 intensity 0.15

2024 performance ▼ 5%

2024 carbon footprint (tCO$_2$e)

Scope 1 **13%**
Scope 2 **15%**
Scope 3 **72%**
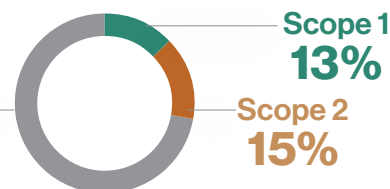
Carbon tax

Currently, only our South African operations are affected by carbon tax which was introduced on 1 June 2019. The tax applies to companies exceeding specified GHG emission thresholds, particularly those using fossil fuels in stationary combustion equipment with a capacity of over 10MW thermal. AECI Mining Limited, which produces nitric acid, is also subjected to this tax because of the process emissions from the production of nitric acid.

We renewed our carbon tax registration with the South African Revenue Service and submitted our tax account for 2023. The carbon tax paid in July 2024 covering our 2023 emissions was R5.9 million (carbon tax paid in July 2023 covering our 2022 emissions: R6.1 million) with an expected 2024 liability of R9.6 million which is payable in July 2025. We anticipate that the basic tax-free allowance of 60% will be reduced from January 2026 onwards, as per National Treasury's discussion paper on phase 2 of the carbon tax. This will increase our carbon tax liability. To mitigate this, we have incorporated the carbon tax into our capital application process using an internal shadow carbon price for informed investment decisions. We continue to work towards our Net Zero by 2050 goal, with active efforts to reduce carbon emissions across our operations.

Our sustainability and tax teams ensure compliance with carbon tax regulations while business units, supported by the sustainability team, focus on reducing emissions. Our GHG emissions and carbon tax liabilities are verified every year. In line with our Net Zero Pathway, we have identified key projects in energy, technology and supply chain areas. We are also focusing on the top five Scope 3 emissions categories, which will help us set specific targets to support our goal of achieving Net Zero by 2050.

Four companies in the AECI Group are carbon taxpayers	2023 carbon tax liability (actual) Rm)	2024 carbon tax liability (accrual) (Rm)
AECI Limited	1.1	1.6
AECI Mining Limited	3.3	6.4
East Coast Asphalt Proprietary Limited	0.1	0.1
Much Asphalt Proprietary Limited	1.3	1.5
Total	5.8	9.6

GHG Scope 3 emissions (tCO$_2$e)

	2023	2024
Use of sold products	899 050	491 890
Purchased goods and services	415 210	384 952
Downstream leased assets	112 465	81 366
Downstream transportation	47 397	54 241
Fuel- and energy-related activities	23 717	29 063
Processing of sold products	14 042	14 273
Employee commuting*	7 178	11 024
Upstream transportation	8 115	7 345
Waste generated in the operations	5 402	5 117
Business travel	724	1 882

* Based on fuel claims submitted by employees

2024 GHG emissions (tCO$_2$e) per business

Group total: 199 708 | 216 629 | 1 081 154

Scope 1: Corporate 3%, Mining 64%, Chemicals 23%, Managed Businesses 10%

Scope 2: Corporate 2%, Mining 60%, Chemicals 12%, Managed Businesses 26%

Scope 3: Corporate 10%, Mining 69%, Chemicals 9%, Managed Businesses 12%

- Corporate
- Mining
- Chemicals
- Managed Businesses
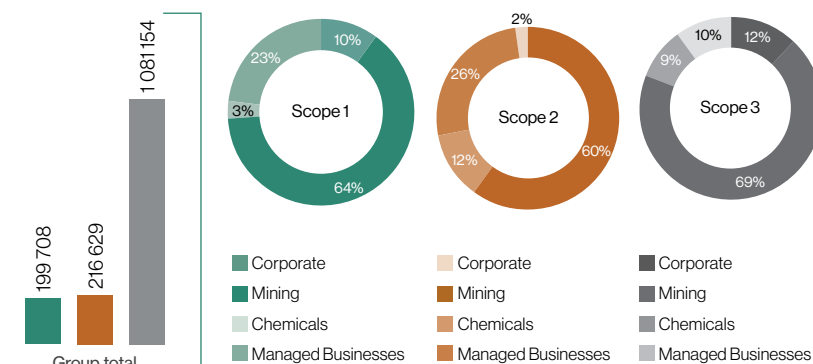
Thriving ecosystems continued

Our Net Zero Pathway: advancing to a low-carbon future

Achieving Net Zero is more than an aspiration, it is a responsibility we owe to the environment, our communities and future generations. By focusing on meaningful carbon reduction, we are proactively minimising our environmental impact, enhancing operational efficiency and creating sustainable long-term value.

Our Net Zero Pathway is built on a foundation of measurable actions, collaborative efforts and transparent practices, ensuring we contribute to a more resilient and sustainable world while aligning with global climate goals.

In 2023, we launched our Net Zero Pathway Project, aimed at strengthening our resilience to climate-related challenges. We began with an in-depth review of our carbon footprint, identifying major energy consumers and key emission sources throughout our operations. This critical analysis guided the development of targeted strategies to reduce our Scope 1 and Scope 2 emissions.

GHG Scope 1 and Scope 2 emissions (tCO$_2$e)

	2020	2021	2022	2023	2024
Scope 1	334 225	266 291	267 919	213 711	**199 708**
Scope 2	241 150	235 043	225 882	226 177	**216 629**

Key milestones achieved:

- 12 site assessments completed to identify emission reduction opportunities
- 234 emission reduction opportunities identified with 201 fully quantified
- Potential to reduce emissions by 27%

Energy savings: **98 438 128 kWh** (15%)	Capital: **R578 862 693**
Emission reduction: **90 882 kWh** (27%)	Savings (annualised): **R126 455 086**

Our emission reduction opportunities have been classified based on the required capital investment and their impact on achieving Net Zero goals:

- **Priority 1:** Low- or no-cost initiatives aimed at improving operational efficiencies for immediate, quick-win savings
- **Priority 2:** Moderate capital projects that require additional evaluation to determine financial viability and potential returns
- **Priority 3:** High-investment opportunities that necessitate comprehensive feasibility studies to ensure alignment with our long-term Net Zero objectives

Base year 2022 | Priority 1 (37 645) | Priority 2 (7 640) | Priority 3 (45 538) | Residual emissions (Scope 1 and 2 only) (303 146)

Emission reduction per priority grouping
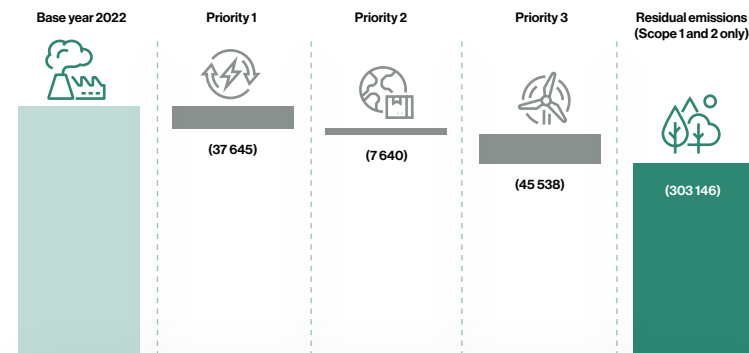
Recognising financial constraints, the evaluation of priority initiatives will strategically balance trade-offs to support informed, value-driven decisions.

Indicative Net Zero transition journey

Theoretical Net-Zero Pathway Scope 1 & 2

Legend: Scope 1 (fuel) · Scope 1 (process) · Scope 2 (electricity) · Scope 2 (steam) · Total Scope 1 and 2 (without mitigation)

Aspirational

- **Base case scenario emissions**
- **Green steam generation**
- **Renewable electricity and reduction in grid emissions** (50%)
- **Green ammonia implementation** with additional abatement technology ~ 100% reduction in nitric acid process emissions
- **Carbon capture** 100% reduction in fuel combustion emissions
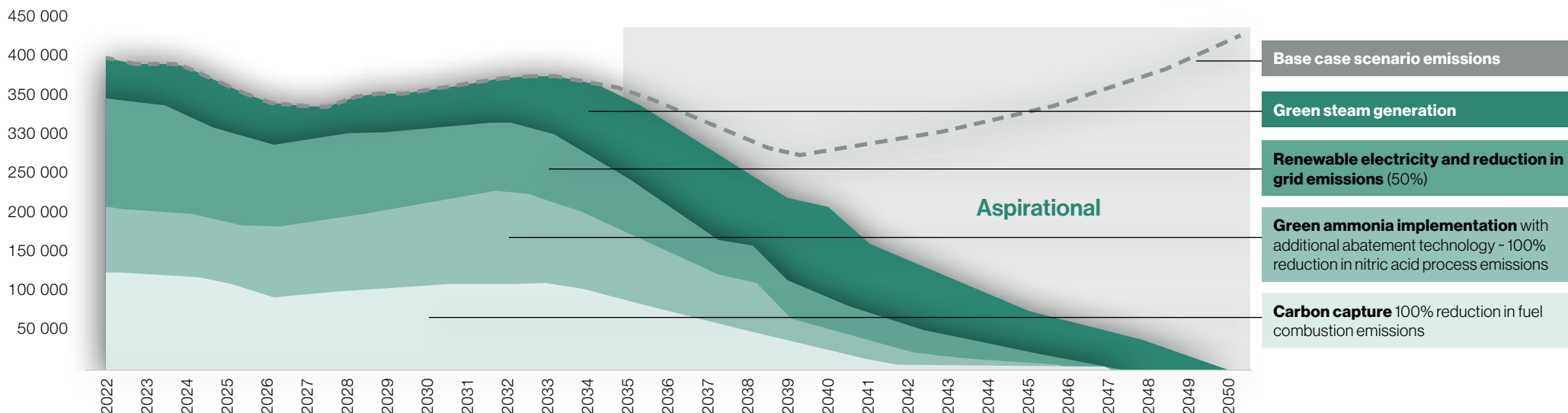
Thriving ecosystems continued

Decarbonisation – Implemented, completed and ongoing initiatives

Business unit	Renewable energy	Heat recovery	Process optimisation	Technology
Mining	• Modderfontein: 4MW solar farm providing 8 669 MWh/year of renewable energy - commissioned • Sasolburg: 1.5MW solar installation - commissioned • Electricity generation from excess waste steam	• Steam distribution system: ensure efficiency and prevent steam loss • Boiler insulation improvements to minimise heat loss	• Compressed air audit: identified and fixed leaks, reducing energy wastage • Process automation at Ammonium Nitrate Solution Plant to improve efficiency • Process automation at Ammonia Plant: reduced NH_3 loss with automated concentration control	• Condition-based monitoring of pumps: predictive maintenance to optimise motor and pump usage and assessing real-time tracking for improved efficiency • Enhance catalyst loading at Nitric Acid Plants; replacement of secondary catalyst for higher yield efficiency
Chemicals	• Chloorkop: 1MW Solar Installation rooftop plant operational • Solar-powered gate motors reducing grid reliance	• Waste heat recovery from processes – captured and reused waste heat from processes	• Improved Formalin plant (FA) efficiency and run rates; reduce FA plant shuts by incorporating stabilised formaldehyde and increased storage capacity (550 to 1 100 tonnes) • Heat requirement optimisation on products; Isolated vessels to cut unnecessary heating	• Lighting & AC management (sensors, timers); installed sensors and improved HVAC efficiency • External lighting replacement; transitioning from halogen to LED fixtures
AECI Property Services		• Blowdown heat recovery; captured waste heat from steam blowdown • Steam line insulation; improving efficiency and reducing steam losses		• VSD installed on high lift pumps, enhanced pump efficiency with variable speed drives • Steam distribution network metering; installed new meters for improved steam tracking

Feasible and under investigation initiatives

Mining and Chemicals

Green ammonia implementation
Evaluating green ammonia plant for raw material supply.

Condensate recovery
Energy savings by reducing heat loss.

Insulation on steam and condensate lines
Implementing data analytics for energy optimisation.

Energy management system implementation

Green steam via solar PVT
Investigating solar-powered steam options.

Boiler upgrade for higher efficiency
Reviewing options for high-efficiency models.

Permanent power monitoring
Improved energy management through sub-metering.

Install VSDs on cooling tower fans
Potential energy savings by adjusting fan speeds.

Electric forklifts to replace diesel
Assessing feasibility of transitioning to electric.

Process optimisation related to temperature and pressure
Investigating potential energy savings.

Compressed air leak refurbishment
Reducing unnecessary compressor loads.

Strategic actions ahead:

Develop a detailed implementation plan, prioritising initiatives based on impact, cost and feasibility.

Explore diverse pathways to emission reduction, leveraging technological advancements and adapting to regulatory changes.

Design a roadmap with clear short-, medium- and long-term targets tailored to each business unit.

Conduct regular progress reviews to monitor outcomes and refine strategies as needed to stay on track.

To meet our 2050 Net Zero target, we have adopted a structured, phased approach that drives consistent progress while fostering innovation and resilience:

• **Phase 1:** Establish a comprehensive framework for our Net Zero strategy, built through collaboration across all business functions
• **Phase 2:** Roll out site-specific action plans that align seamlessly with our overarching Net Zero framework

Thriving ecosystems continued

Renewable energy for a sustainable future

Harnessing clean energy to drive innovation and preserve our planet

We are committed to addressing the global energy crisis. As part of our environmental stewardship, we are integrating renewable energy in our energy mix to enhance resilience and reduce our environmental footprint.

In 2024, we achieved a reduction in electricity consumption which was driven by renewable energy projects and operational efficiency. Our renewable energy initiatives, including several successfully commissioned pilot projects, lay the foundation for long-term scalability. We remain focused on expanding these efforts, reducing GHG emissions and contributing to a sustainable, low-carbon future.

Solar panel installation

Installing solar panels across facilities to harness renewable energy.

Electricity transition

Transitioned **4%** of electricity consumption to solar and hydroelectric sources in 2024.

Carbon footprint reduction

Achieved a **5%** reduction in carbon emissions through sustainable practices.

840 MWh renewable energy in 2023

> 900% increase

8 663 MWh renewable energy in 2024

Making steady progress towards achieving our 2025 target of **6%** electricity from renewables

Electricity consumption trends and targets

2020: 228 065 MWh
2021: 223 419 MWh
2022: 217 992 MWh
2023: 209 906 MWh

2024: 193 720 MWh

Electricity consumption trends

Baseline and targets

2022 Baseline: 267 919 MWh

2025 Target: 200 292 MWh

2025 Performance: 8% Reduction

Kafue Gorge dam hydropower station, Zambia

Renewable energy projects

We have successfully integrated renewable energy in our operations with 4% of our electricity now sourced from renewables, including purchased hydro energy and self-generated solar power. Renewable energy consumption grew from **840 MWh in 2023 to 8 663 MWh** in 2024, marking a significant step in our decarbonisation journey.

To further reduce reliance on conventional energy, we are expanding solar generation with key projects:

- Sasolburg Plant – 1.5MW, completed Q4 2024
- Modderfontein Plant – 4MW, completed September 2024
- Chempark Plant – 1MW, operational since 2023

These initiatives strengthen our operational resilience, reduce our carbon footprint and reinforce our commitment to a lower-carbon, sustainable future.

Renewable energy

Solar energy 54%

Hydro energy 46%
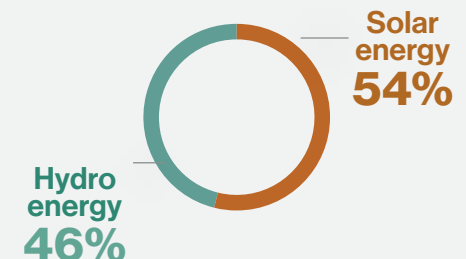
Solar farm - AECI Mining, Sasolburg

Rooftop solar - AECI Chemicals, Chloorkop

Thriving ecosystems continued

Biodiversity management

Our biodiversity management philosophy integrates an industry-specific approach to managing biodiversity in brownfield operations in line with our commitment to environmental sustainability. Brownfield sites, which refer to land that has been previously developed or is contaminated, present challenges and opportunities in industries such as manufacturing, energy production and infrastructure development. These operations demand a unique approach that balances environmental preservation with the redevelopment or repurposing of land for future use.

Our approach to responsible brownfield operations is rooted in principles that prioritise environmental integrity and promote sustainable economic growth and community well-being.

Biodiversity conservation

Natural resources		
Connectivity	Rare ecosystems	Habitat

Benefits		
Recreation, culture and aesthetics	Public health	Genetic diversity

Drivers of change			
Recreation/ overuse	Pollution	Invasive species	Land management

Principles of responsible brownfield operations

By incorporating these principles in our biodiversity management strategy, we aim to ensure that our brownfield operations comply with environmental regulations and contribute to the long-term restoration of ecosystems, sustainable development and the well-being of surrounding communities. Through proactive engagement and adaptive management, we strive to turn the challenges of brownfield redevelopment into opportunities for positive environmental impact and economic growth.

Our commitment to responsible brownfield practices is guided by:

Remediation and restoration

We focus on rehabilitating contaminated lands to restore ecological balance and enable thriving ecosystems. Our remediation efforts address past industrial impacts, ensuring ecosystem revival and long-term sustainability.

Sustainable infrastructure

We prioritise environmentally responsible infrastructure on brownfield sites, using sustainable materials and practices to minimise ecosystem impact and harmonise with natural surroundings.

Community engagement

We collaborate with local communities in brownfield redevelopment, ensuring that projects align with their needs while supporting environmental goals.
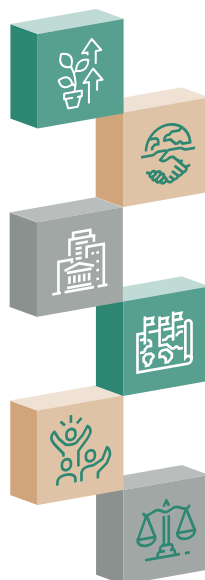
Adaptive land use

We employ adaptive land use strategies, tailoring operations to site-specific conditions to minimise ecological disruption and enable the safe, productive reuse of brownfield sites.

Habitat enhancement

We prioritise biodiversity by restoring brownfield sites. Through sustainable practices, we minimise ecological impact while fostering natural ecosystems that blend seamlessly with their surroundings.

Risk mitigation

We mitigate and manage risks associated with resource consumption by identifying and reducing our environmental impacts. Through proactive measures such as sustainable resource use, we minimise harm to ecosystems. Embedding biodiversity principles into our operations supports long-term risk reduction and environmental resilience.

Adaptive management

We adopt adaptive management for brownfield operations, ensuring continuous monitoring and adjustment of strategies to address evolving environmental conditions and challenges.

Sustainable development

We foster long-term sustainability by integrating environmental, social and economic considerations in every stage of brownfield project development – from initial planning to post-implementation monitoring.

Knowledge-sharing

We actively engage in industry forums, sharing best practices for sustainable brownfield operations. By incorporating these principles in our biodiversity management philosophy, we demonstrate our commitment to responsible redevelopment that harmonises with biodiversity conservation and environmental stewardship.

Economic revitalisation

We leverage brownfield redevelopment to drive economic growth, create jobs and support local communities while minimising environmental impact.

Regulatory compliance

We ensure full compliance with national and international regulations governing brownfield redevelopment, actively engaging with authorities to meet and exceed environmental standards.

Thriving ecosystems continued

A thriving natural world is essential for a sustainable future. Our science-based approach prioritises ecosystem preservation, restoration and responsible resource use while fostering collaboration with communities and stakeholders.
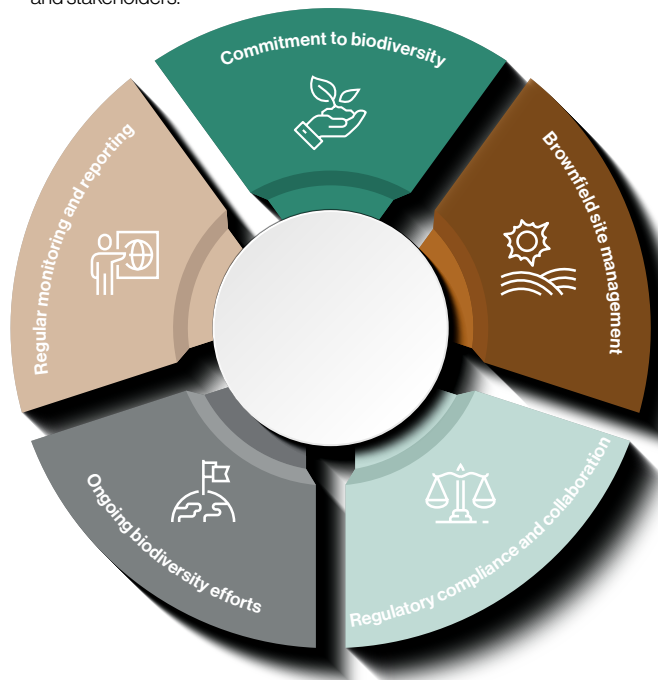
We integrate sustainability, innovation and collaboration to minimise environmental impacts and support long-term conservation.

Sustainable resource use – implementing responsible sourcing to reduce habitat destruction and resource depletion.

Remediation and restoration – investing in initiatives to restore ecosystems affected by operations.

Education and awareness – engaging employees, stakeholders and communities in conservation efforts.

Innovation for sustainability – using eco-friendly technologies and nature-based solutions for biodiversity conservation.

Partnerships and collaboration – working with environmental organisations and policymakers to enhance biodiversity management.

We address environmental challenges at previously developed sites through:

Ecological remediation – restoring impacted land to enhance biodiversity.

Adaptive land use – repurposing sites sustainably to minimise disruption.

Habitat enhancement – reintroducing native vegetation and creating conservation opportunities.

Risk mitigation – conducting assessments to prevent environmental hazards.

Continuous monitoring – tracking conservation progress and adapting strategies accordingly.

We go beyond compliance to ensure lasting ecological resilience:
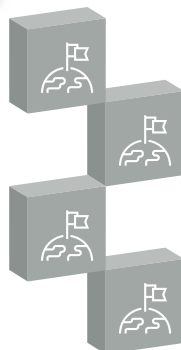
Ecosystem restoration projects – supporting biodiversity and climate resilience.

Educational initiatives – empowering stakeholders through sustainability workshops and awareness campaigns.

Sustainable business practices – reducing our carbon footprint, promoting circular economy principles and using renewable energy.

Biodiversity monitoring and reporting – implementing assessment frameworks to measure impact, ensure transparency and drive improvements.

We strengthen environmental sustainability and long-term business resilience by embedding biodiversity conservation in our core strategy. We remain committed to creating a legacy of ecological stewardship.

We comply with environmental regulations and work with policymakers to advance biodiversity management and global conservation. By embedding biodiversity in our strategy, we balance environmental responsibility with business resilience. We remain committed to integrating conservation across operations, building a legacy of sustainability.

We assess impacts and share progress to ensure transparency, providing stakeholders with insights on our conservation efforts and challenges.

Cultivating conservation, biodiversity and environmental education

We are dedicated to conservation and environmental education through initiatives at the Umbogavango and Modderfontein Nature Reserves. Established in 1991, the 36-hectare Umbogavango Nature Reserve in KwaZulu-Natal serves as a key conservation site with diverse ecosystems, six scenic trails and over 200 bird species. Managed by the Wildlife and Environment Society of South Africa (WESSA), its Environmental Education Resource Centre has provided hands-on learning to 120 000 learners over 32 years, offering climate change games, forest walks and critical thinking activities. The programme also supports environmental graduates through internships in education and project management.

We expanded the initiative to the 265-hectare Modderfontein Nature Reserve in Johannesburg in partnership with WESSA and the Modderfontein Conservation Society. Home to over 290 bird species and diverse wildlife, the reserve now hosts an Environmental Education programme reaching five schools, 6 000 students and 110 teachers in 2024 from communities like Alexandra and Tembisa. Through guided tours and experiential learning, the programme enhances biodiversity awareness while promoting physical and mental well-being.

Thriving ecosystems continued

Leveraging technological advancements and innovation

Immersed and virtual reality-based learning

Disruptive Technology Centre

At AECI Mining, we merge over 130 years of innovation with cutting-edge advancements at our Disruptive Technology Centre in Modderfontein. This space showcases our pioneering technologies, customer-driven solutions and unwavering commitment to safety, efficiency and sustainability in mining.

Visitors start their journey in a historically inspired underground tunnel, honouring our origins in Johannesburg's 1886 gold rush. The experience then shifts to a modern exhibition space featuring advanced electronics, initiation systems, vertical delivery technologies, eco-friendly explosives, water management solutions and metallurgical resource extraction technologies – all enhanced by interactive 3D platforms and virtual reality.

Blended learning and virtual reality training

We optimise employee development through a blended learning model that integrates online training, virtual reality and hands-on coaching. Virtual reality creates immersive, risk-free training experiences, simulating real-world scenarios for practical skills application.

To further this initiative, we launched a dedicated learning centre at Modderfontein in 2024, equipping employees with cutting-edge tools to align with industry best practices.

Remote Smart Monitoring System

At AECI Water, we drive sustainability with our Remote Smart Monitoring System, which uses solar energy for real-time water quality monitoring – even in off-grid locations. This system ensures continuous wastewater monitoring against environmental standards, helping maintain regulatory compliance and mitigate risks proactively. By providing real-time data, it enables quick decision making to prevent environmental harm.

By harnessing solar energy, we reduce our reliance on conventional power, lower operational costs and minimise environmental impact. This reinforces our commitment to sustainability, technology and responsible water management.

Looking ahead

We are committed to environmental sustainability through strong governance, clear performance indicators and continuous improvement. We will enhance impact reporting, provide training and ensure compliance with focused leadership oversight.

Our priority is reducing Scope 3 emissions by strengthening collaboration across our value chain with partnerships playing a key role. As carbon markets grow, we see opportunities for investment in low-carbon solutions. Monitoring carbon tax and offset developments will be crucial as we work towards Net Zero, bridging gaps through innovation and carbon offsets.

AECI Mining Disruptive Technology Centre, Modderfontein

AECI Mining Disruptive Technology Centre, Modderfontein

Resilient communities

Social stewardship

We believe that social responsibility is a vital pillar of our sustainability journey. Our commitment extends far beyond charity; it embodies our dedication to cultivating meaningful partnerships and making impactful investments that drive societal change.

In a world grappling with high rates of inequality and poverty, political instability and the far-reaching effects of climate change, we are committed to executing our responsibilities by addressing these challenges, especially for the most vulnerable communities. Embracing social responsibility is not just a moral obligation, it is embedded in our purpose and values. It is also a key sustainability driver that will enable our growth strategy – a social licence to operate that empowers us to create lasting, positive change.

We believe that our success is intrinsically linked to the well-being of the communities and the environments in which we operate.

Our Board and executive actively support and oversee our social responsibility initiatives, ensuring that they align with our core values and strategic business objectives.

As a business, we understand that we cannot accomplish this alone. It is through building collaborative partnerships with key stakeholders who share our vision that we can amplify our impact and strengthen our commitment to social responsibility.

We celebrated our centenary this year which highlighted a proud legacy of action and responsibility. As we look to the future of AECI over the next 100 years, we are focused on driving meaningful change in our local communities, united in our pursuit of a brighter future for generations to come.

It is through our purpose, **"We Are One AECI, for a Better World"** that we remain committed to being a force for good and making a positive impact.

SDGs we contribute to:

2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 6 CLEAN WATER AND SANITATION | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES | 13 CLIMATE ACTION | 17 PARTNERSHIPS FOR THE GOALS

Key metrics

Performance in 2024

R28.5 million spent	32 799 learners reached	19 181 early childhood development (ECD) learners reached
257 teachers trained	355 schools benefitted	18 bursaries awarded to top performing students / 1.8 million meals distributed
23 ECD centres	12 176 youth trained in green entrepreneurship	17 enterprises supported / 321 jobs created
374 000 direct beneficiaries	10 000 tonnes of carbon emissions reduced	8 000 tonnes of waste recycled

250 households received emergency relief during the Tongaat tornado disaster

AECI social responsibility commitments

- Addressing national and local development imperatives in our areas of operation
- Commitment to inclusive communities
- Ethical and responsible business practices
- Impactful and outcomes-based investment strategy
- Long-term community well-being
- Needs-driven development
- Positive, lasting impacts
- Strategic partnerships and collaboration
- Supporting sustainable livelihoods
- Sustainable development

Material matters

- Local communities and engagement
- Health, safety and well-being

Our philosophy

At AECI, we have always been passionate in our belief that the communities in our areas of operation are integral to our social licence to operate.

Social responsibility is an overarching value-based framework, which encompasses all aspects of business operations. Our social responsibility philosophy seeks to promote people-centred, needs-driven sustainable development of communities around our operations. Our investment strategy is focused on effective and impactful community-focused initiatives which promote social inclusion, advancement and empowerment.

Creating sustainable livelihoods involves developing ways to ensure that vulnerable communities have stable and sustainable sources of income, security and well-being. This philosophy allows us to build more resilient communities.

ECD centre: Santa shoebox handover

Resilient communities continued

Shaping the future and sustaining livelihoods

The communities we operate in are a vital stakeholder group for us. Our approach focuses on enhancing the quality of life in vulnerable areas by implementing sustainable, high-impact initiatives that create enduring value. We are dedicated to fostering resilient, self-reliant and thriving communities as a cornerstone of our commitment to shared progress.

Our focus is on creating self-sustaining, inclusive communities by aligning our operations with local needs and promoting health and well-being, education, food security, water provision, climate resilience and overall sustainable livelihoods to drive social impacts. Our ambition is to contribute to the well-being of society, the environment and stakeholders, including employees, customers and the broader community. Ultimately, we wish to ensure that we operate in an ethical, sustainable and socially responsible manner.

2024 strategic focus areas

Our core focus will remain on sustainable and lasting impact, driven by scalable programmes across our footprint through the implementation of robust and effective social responsibility practices. Our strategy centres on the following key elements:

Integrated programme development: Focusing on collaborative development that have a multiplying impact on communities. In addition, leveraging the strengths from all our partners to drive more holistic and meaningful change.

Scalable models: Scaling our best practice programmes in different regions, ensuring broader reach and impact.

Partnerships and collaboration: Strengthening our collaboration with nonprofit partners, customers and community leaders to enhance resource sharing, creating shared value and maximising impact.

Impact measurement: Our social impact measurement and theory of change guide our monitoring and evaluation process and hold our partners accountable to specific programme indicators and outcomes.

Focus on sustainability practice: Emphasising long lasting impact that can be sustained by local communities over time.

Good corporate governance: Practice open communication with all stakeholders and fostering transparent reporting. Ensuring responsible investments aligned to fund strategy.

International social responsibility: Driving best practice and building sustainable programmes.

Our framework

The AECI Social Responsibility Framework sets out the pillars that contribute to our overall ambition to improve the quality of lives in vulnerable communities through sustainable initiatives.

Vision

Target group
- Vulnerable members in the communities around our operations
- Those living below the poverty line

Needs
- Programmes are based on national development imperatives. Aligned with the SDGs and UNGC Principles

Funds
- AECI Social Responsibility Fund
- AECI Foundation
- AECI International Social Responsibility
- Value-in-kind support

Focus areas
- Education and training
- Climate action and response
- Disaster relief
- Support for orphans and vulnerable children
- Food and water security
- Primary healthcare

Improving the quality of lives in vulnerable communities around our operations through sustainable initiatives

| Equity | Empowerment | Economic inclusion | Advancement | Social inclusion |

Economic inclusion

Shared value

Partnership driven collaboration

Sustainable development

Restoring dignity

Social inclusion

Advancement

Empowerment

AECI®

Level Up programme delivery vehicles

Level Up agripreneurship

Resilient communities continued

Governance and operating model

Our governance model ensures effective oversight and alignment with the Group's strategic goals. The Social Responsibility Committee coordinates initiatives, manages expenditure and supports community-focused organisations near our operations. It fosters long-term partnerships and guides decisions to ensure social responsibility remains central to our operations. Centralising efforts maximises impact by leveraging resources across business units. The AECI Foundation, governed by a board of trustees, drives socio-economic development, creating sustainable value for AECI and society.

Social, Ethics and Sustainability Committee

Group Executive

AECI Foundation Board of Trustees

Manage day-to-day business of the Foundation

Independent trustees

Company appointed trustees

Social Responsibility Council

Responsible for all AECI operations

Group Vice President: Sustainability [Chairperson]

Vice Presidents Operations: Mining + Chemicals

Vice Presidents Human Capital : Mining + Chemicals

Managing Executive: Property

AECI Management

Programme management	**AECI Limited**
AECI Group social responsibility portfolio	• Financial • Legal • Administration • Taxation • CoSec support

External services

- Monitoring and evaluation done by Tshikululu Social investment
- Annual financial audit conducted by Deloitte and Touche
- Verification done by Empowerlogic
- Minutes done by HM Davies Secretarial Services CC (Minute Taking Specialists)

Leadership site visit, Siyabonga Africa

Kusa Kusa primary school, Ezimbokodweni

Our legacy of good corporate citizenship and evolution to strategic social responsibility

Our commitment to social responsibility dates to 1924 with the first community investment programme launched long before it became a regulatory requirement. This evolved into a strategic approach focused on larger, high-impact investments aligned with our core brand purpose.

Our shift from traditional Corporate Social Investment (CSI) to a strategic social responsibility approach marks a significant evolution in community engagement. Initially viewed as a cost and separate from core business, early efforts focused on cash donations and lacked alignment with business goals. Over time, we integrated social responsibility into our strategy, focusing on proactive project selection and measurable outcomes. This shift now includes a broader range of resources and emphasises transparency, reporting and collaboration. This commitment to sustainable change and impactful partnerships is central to our approach, ensuring a lasting, positive societal impact.

Today, our social responsibility efforts are intentional and focused, driving systemic change through projects that create sustainable ecosystems, job creation and income generation.

Resilient communities continued

Strategic focus areas in 2025

Our core focus will remain on sustainable and lasting impact, driven by scalable programmes across our footprint through the implementation of robust and effective social responsibility practices. Our strategy centres on the following key elements:

Focusing on collaborative development that has a multiplying effect on communities. In addition, leveraging the strengths from all our partners to drive more holistic and meaningful change.

Scaling our best-practice programmes in different regions, ensuring broader reach and impact.

Strengthening our collaboration with non-profit partners, customers and community leaders to enhance resource-sharing, creating shared value and maximising impact.

Our social impact measurement and theory of change guide our monitoring and evaluation process and hold our partners accountable for specific programme indicators and outcomes.

Emphasising long-lasting impacts that can be sustained by local communities over time.

Practise open communications with all stakeholders and fostering transparent reporting. Ensuring responsible investments are aligned to our fund strategy.

Strategic focus areas in 2025
- Integrated programme development
- Scalable models
- Impact measurement
- Good corporate governance
- International social responsibility
- Focus on sustainability practice
- Partnerships and collaboration

Strengthening best practice and building sustainable programmes.

Various employee volunteerism initiatives

Highlights and achievements in 2024

- An increase in international social responsibility investment and reach
- Improvement in the quality of projects supported internationally
- Collaborative implementation with key partners to drive sustainable and impactful programmes
- Increase in employee volunteerism participation
- Enhanced monitoring and evaluation plan, theories of changes and more impact focused measurement
- Collective impact that programmes are making on the same communities to multiple demographic groups such as children, youth and parents
- Continued collaboration with key customers in mining regions
- Recognition for the impactful work by:
  - PETCO
  - Ecologic Awards
  - Responsible Care Awards

Rise Against Hunger food packing initiative supported by leadership

Resilient communities continued

Geographic reach

Improving the quality of lives of vulnerable communities around our operation through sustainable initiatives.

Social responsibility spend

2024	**28.5***
2023	40
2022	36
2021	35
2020	35
2019	31

* Reduced spend due to lower NPAT and dividend declaration in 2024.

- 🟢 Education
- 🔵 Water security
- 🔵 Climate action and response
- 🟠 Primary healthcare
- 🔴 Disaster relief
- ⚫ Holistic support of orphans and vulnerable children
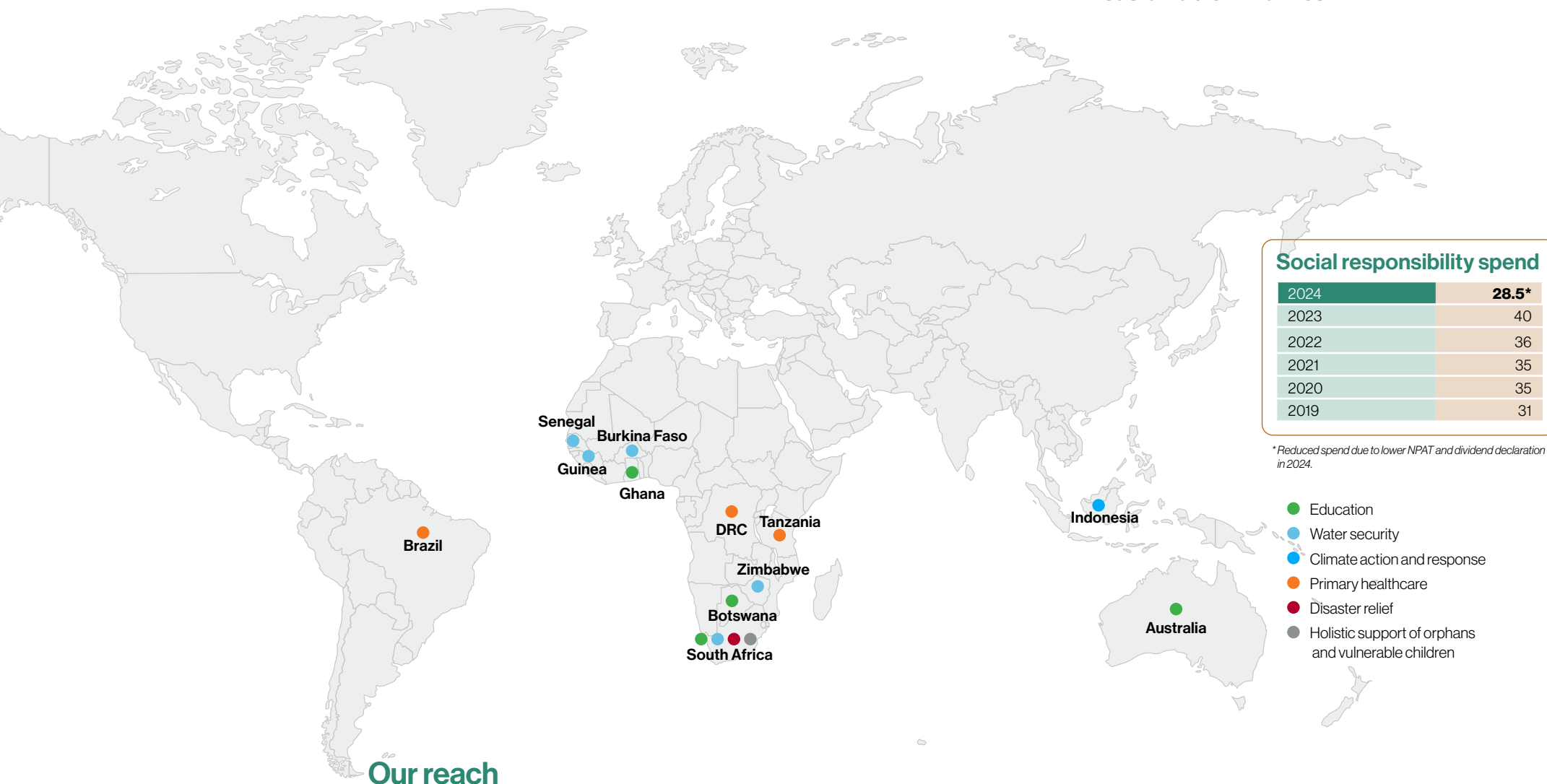
Our reach

14	24	374 000
countries	communities	beneficiaries

Resilient communities continued

Our work in action

We recognise that systems are connected and that the needs of our communities are multifaceted. We look at the key enabling support that is necessary for individuals to thrive such as food, water, sanitation, healthcare, safety, well-being, psychosocial support, but to mention a few. This provides for a more holistic and sustainable impact on the development programmes.

1 Investing in health outcomes
2 Investing in the development of enterprises
3 Investing in psychosocial support
4 Empowering communities through knowledge to improve their health outcomes
5 Small-scale infrastructure development support
6 Investing in skills aligned to future world of work
7 Teacher development
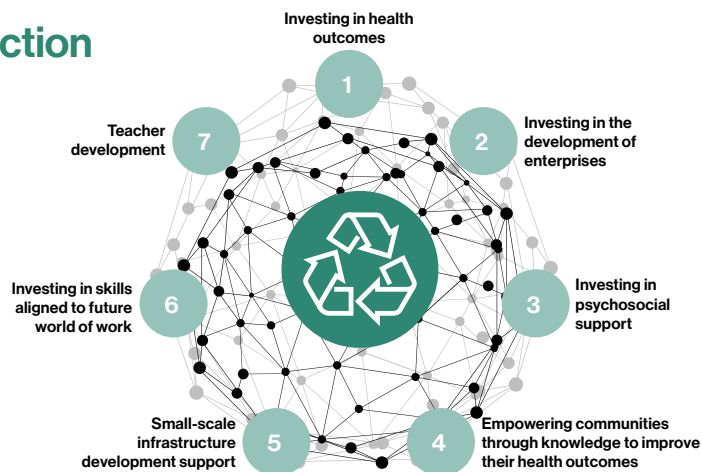
The systemic connection of nutrition and health in education outcomes

Our investments in organisations such as ForAfrika, Oliver's Village and Unjani has been testament to how quality educational outcomes and nutrition are integrated. By providing meals through ForAfrika, for example, preliminary assessments indicated an increase in school attendance by approximately 20%, alongside positive feedback from educators about improved cognitive engagement among the children.

Establishing a strong foundation

Our focus on Early Childhood Development (ECD) investing sets learners up for success for the long term. Mothers whose children attend our 23 ECD Centres highlighted the improvement in their children's performance and comprehension. Our AECI Foundation focuses on the holistic development of vulnerable children, which is instrumental to ensure that our investments have a lasting and sustainable impact on their development. This holistic investment at foundation phase helps to create better education, health and social outcomes that reduces the need for costly social development support later. To help address the challenges that our ECD centres face, we have partnered with ForAfrika, Afrika Tikkun, Unjani Clinic and Breadline Africa. In collaboration with these partners, we work together to help with nutrition and well-being, infrastructure development as well as curriculum aligned training for both educators and learners.
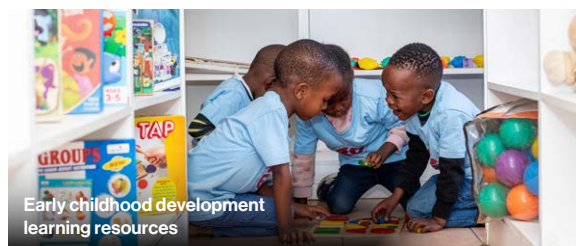
Early childhood development learning resources
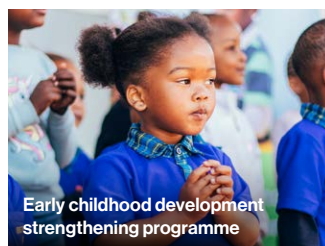
Early childhood development strengthening programme

Access to quality education

In partnership with Primestars, we aim to create a young population of problem solvers who are equipped with the right skills, and fully prepare Grade 12s for the final Mathematics and Science exams.

Case study

4 QUALITY EDUCATION

Objective

- Providing access to quality education
- Improving learner and educator outcomes
- Providing holistic support

The focus of the programme is:

- Providing participating learners access to some of the best educators in Math and Science as well as detailed revision material to deepen their understanding of the subjects – free of charge

- Developing a pipeline of critical and scarce skills (critical thinking, problem-solving etc.) required to address skills shortages in key industries. Thereby, increasing the learner's probability of entrance to the economy in the future

- Motivating South African youth to not only pass Math and Science but to excel in these subjects, with the long-term view of enabling access to tertiary education and economic opportunity

- Improving both teacher and learner outcomes is a key element to drive improved performance in the schools around our operations. A key focus is to promote science, technology, engineering, and mathematics (STEM) education to equip students with skills needed in a rapidly changing job market.

These are the required skills that AECI seeks to attract talent for both bursary and job opportunities.

As such the Educate programme, seeks to strengthening the matriculants performance through the following support initiatives:

- Revision programmes
- Preparation for final matric examination
- Provision of additional textbooks for maths and science
- In-school support

The impact of the programme demonstrates a general improvement in learner performance of 14.8% between the Grade 11 year-end examination and the final National Senior Certificate (NSC) examination in Grade 12 in Mathematics and an improvement of 13.4% in Physical Science. This amounts to an aggregated average improvement of 13.65%.

Resilient communities continued

Providing quality education in Africa

In Ghana, Botswana and Tanzania we supported local schools to strengthen infrastructure and enhance the quality of education:

Botswana:

We refurbished classrooms and provided desks and chairs at Kuke Primary School, benefiting over 600 learners by creating a more comfortable learning environment.

Tanzania:

Essential furniture donations at Viwandani Primary School improved the work conditions for 20 staff members, supporting their efforts in providing quality education. In partnership with Shanta Gold Mine, in Mwau village, we also constructed a classroom for children, who had to travel approximately 8 km to attend school. This new classroom will be the first of its kind in the area.

Ghana:

At Dumasi Basic School in Prestea Huni-Valley, we renovated six classrooms, an office and added new toilet facilities, enhancing the educational experience for both learners and teachers. In partnership with WASSA Mine, we also provided the infrastructure for teachers and to be learners accommodated.

Safety and well-being

South Africa:

3 GOOD HEALTH AND WELL-BEING

Objective

- Strengthening the development of vulnerable children
- Providing access to Primary Health Care services
- Ensuring healthy lives and well-being for all

Our partnership with UNICEF has flourished into a safe haven for the community of Tembisa in 2022. We started our partnership to establish a safe park in Tembisa, one which we would blueprint before scaling and rolling out to other regions of operation, which has now expanded into Emalahleni. The Bophelong Safe Park was built on an existing drop-in centre which was completely dilapidated and no activities taking place. We also made use of multi-faceted approach by leveraging their major partners with key expertise in various fields. With doing the necessary community advocacy, 16 schools were engaged whom now access the Safe Park daily.

The capacity of 67 Social Workers, Child and Youth Care Workers, and community volunteers has been enhanced to provide holistic interventions supporting approximately 1,675 children. Their roles are crucial: social workers conduct home visits, provide case management, and facilitate access to grants and essential services, while child and youth care workers create a nurturing environment within the Safe Park, offering structured play, mentoring, and emotional support. Where additional specialised support is required, referrals are made to relevant government departments, such as education, health, and home affairs, to ensure that children and families receive the necessary assistance based on their specific needs.

The Safe Park offers the following services:

- Education support
- Daily feeding
- Sanitation and water
- Play area
- Health referral
- Psychosocial support

- Meals provided – 55 000
- Educational support – 758
- Youth development and accelerator programme – 700
- Psychosocial support and health referral services – 500

This multifaceted approach to safety and well-being is essential to ensure that children are empowered to thrive in society.

Case study

Primary healthcare services: DRC

To improve healthcare access for underserved communities, a mobile clinic was deployed to Kolwezi, which significantly increased residents' access to essential primary healthcare services. This initiative focused on addressing key health challenges in the region, particularly regarding maternal and child health.

Case study

Provision of primary healthcare: Tanzania

In partnership with Shanta Mining Company Limited we hosted a collaborative community-based health bonanza in the Songwe region. The event aimed to raise health awareness, provide free medical services and promote healthier lifestyles in the Songwe district. Local communities, especially from Maleza and Patamela villages, actively participated. Hundreds of community members including children, and the elderly were provided with health checks, medical assessments, vaccinations, and further referrals where necessary.

Resilient communities continued

Sustainable livelihoods through social entrepreneurship

8 DECENT WORK AND ECONOMIC GROWTH

Objective

- Reducing inequalities
- Creating social and economic inclusion

Our flagship programme, Oliver's Village, inspired the scaling of this best practice across our geographic footprint. Spanning 4.5 hectares, it operates as an off-the-grid, self-sustaining ecosystem supporting 600 beneficiaries. This model drives meaningful societal change by providing multidimensional socioeconomic support and development opportunities for diverse community groups.

- Commercial agriculture
- Baking
- Agricultural college
- Soup kitchen

These services include:

- ECD centre
- Primary healthcare
- Youth skills centre
- Water security

In an effort to scale up our flagship programme we have taken key success insights and developed a community impact programme called Level Up. The Level Up Programme, launched in 2024 through a partnership with Siyabonga Africa and AECI, focuses on economic inclusion through business development and social responsibility in South Africa. The initiative aims to enhance the sustainability and impact of existing community bakeries and food gardens, building on past successes to create more jobs, foster economic participation and drive positive change through the following initiatives:

- Commercial agriculture
- Sustainable stitching
- Poultry farming
- Baking
- Delivery bicycles
- Solar powered sales pods
- Rainwater harvesting
- Business coaching and mentorship

Key outcomes of the Level-Up Programme

131 jobs created

75% women owned

18% increase in collective income

10% increases in profits

This programme exemplifies how integrating business with social initiatives can foster economic inclusion and resilience in vulnerable communities. By promoting sustainable practices and empowering local enterprises, the programme reduces dependency on external aid and paves the way for lasting positive change in South Africa.

Level Up Programme, Umbogintwini

Level Up agripreneurship

Level Up bakery

Case study

XSProjects, Indonesia:

We partnered with the XSProjects Foundation, a non-profit organisation that works to improve the lives of poor families living in waste-picker communities, primarily in Jakarta. The core purpose is to help elevate the status and welfare of waste pickers to escape poverty. The programme is an integrated model that focuses on multiple elements of society to make a holistic impact on vulnerable communities. It focuses on education development, health provision and community development to provide economically viable opportunities for the waste pickers and their families to thrive in society.

Resilient communities continued

Climate action

Objective

- Fostering environmental stewardship
- Addressing climate change-related disasters
- Supporting the just transition to a low emissions and climate-resilient economy

Our climate action and response focus area, significantly focused on committing to moving towards a low carbon economy and enabling a just transition. This consciousness is integrated into our overall sustainability philosophy.

For example, we have strategically chosen certain partners that reflect their environmental consciousness, but which have a significant positive impact on the social elements. Partners like PETCO, Step Up to a Green Start Up, Siyabonga Africa and Oliver's Village, align to efforts with the objectives of waste reduction, climate resilience, climate skills for the future, environmental restoration and enabling a circular economy.

Adopting a circulatory framework
Our objectives towards circularity span across various pillars. These include aspects like waste reduction, reducing food waste as well as developing enterprises aligned to circularity.

Environmental stewardship
Creating awareness and educating communities about environmental stewardship.

Fostering economic inclusion in green economy
The Just transition in the South African context is complex as it is layered and intersects between environmental challenges and socio-economic challenges. Our contribution to programmes that specifically focus on skills that create jobs that will be applicable in a transitioned economy is important.

Climate response
We play a role in further aligning their disaster relief efforts in response to the climate related challenges that communities face, an example of this is the provision of water filters or drinkable water to communities.

Enterprise development leveraging green skills

Case study

Step Up to a Green Start-Up empowers South African youth to seize green economy opportunities through technology and entrepreneurship. The programme helps tackle youth unemployment by shifting mindsets from jobseekers to job creators. It offers practical entrepreneurship training through a South African narrative including a booklet, a national challenge, business model adjudication, pitching and awards. The 2024 rollout reached a total of 11 943 learners, 233 teachers and 165 schools.

Enviro-Care management systems – fostering sustainable environmental practices

Case study

Founded in 2017 by Lucky Nombika and Sibahle Maphanga, Enviro-Care Management Systems is a 100% Black-owned small enterprise based in Ezimbokodweni in KZN. The company began by volunteering for the Wise Wayz Water Care project, supported by AECI, and later joined AECI's ESD programme. Through this partnership, Enviro-Care has expanded significantly and created over 20 local jobs.

A key milestone for the business was acquiring essential equipment such as a vehicle, chainsaws and brush-cutters, which facilitated growth. Part of the revenue is reinvested in the directors' education to further develop their business management skills.

Today, Enviro-Care provides essential services to AECI, including:

- Management of invasive plant species
- Gardening and conservation services

Enviro-Care also serves tenants in the Umbogintwini Industrial Complex.

The collaboration between the Group and Enviro-Care demonstrates the positive impact of corporate partnerships in driving green economy growth and community empowerment, scaling Enviro-Care's operations while benefitting the business and the communities it serves.

Resilient communities continued

Disaster relief

6 CLEAN WATER AND SANITATION

Objective

- Emergency relief
- Provision of emergency support and basic human needs to those in need

We address disaster management challenges by delivering emergency relief and sustainable solutions to crisis-affected communities. Recognising the critical need for clean water and sanitation during disasters, we provide resources such as water purification systems, portable sanitation units and hygiene kits and work closely with local governments and NGOs to reach vulnerable populations. Beyond immediate aid, the installation of durable water systems and the rehabilitation of sanitation infrastructure ensures long-term resilience, which is supported by community education on hygiene and resource management.

Tongaat disaster relief

Case study

Gift of the Givers, South Africa's largest disaster relief organisation, in partnership with the AECI Foundation provided aid to 250 informal settlements in the surrounding Tongaat region for the victims impacted by the recent devastating tornado.

The floods in Tongaat in June 2024, left many families displaced and in urgent need of emergency assistance. In response to the crisis, Gift of the Givers mobilised swiftly to provide essential relief items, daily hot meals, clean water, clothing and other critical supplies to those hardest hits by the disaster. In addition, we funded the provision of blankets, mattresses, food parcels as ongoing support.

The Malawi cholera outbreak

Case study

In 2024, Malawi faced its worst cholera outbreak in two decades, with over 29 000 cases reported and more than 900 people deceased. We partnered with Malawi Red Cross Society (MRCS) to implement a three-month project to support government efforts in prevention and control of Cholera in Lilongwe district. This plan included raising community awareness on Cholera risk factors and ensured that communities can identify, manage and timeously refer suspected cases to health facilities.

Employee volunteerism

We actively promote employee volunteerism across our locations, with employees participating in international celebratory days, such as Nelson Mandela Day, World Literacy Day, World Clean Up Day and other United Nations celebratory days, demonstrating a hands-on commitment to community service. In 2024 we had nine organised volunteerism campaigns with over 2000 participants.

77% growth in volunteerism from 2023 to 2024

2 077
(2023: 1 171)

16 International Day of Women and Girls in Science	**863** Running for a Cause	**838** Nelson Mandela Day	**90** Strength in numbers
38 Local handovers	**40** International handovers	**192** Santa Shoebox	

Future outlook

Our focus remains on fostering self-sustaining societal change, addressing current challenges and preparing communities for a more resilient future.

Cradle to career model

Holistic development: Enhance educational programmes that support individuals from early childhood through tertiary education. This initiative aims to create a skilled talent pool by:

- Providing access to quality education
- Development of science, technology, engineering, arts and mathematics skills
- Collaborating with our bursary, learnership and internship programmes to ensure continuous growth

Future-proofing our communities

Sustainable practices: Promote environmental sustainability through renewable energy initiatives, water conservation and waste reduction.

Economic resilience: Support local social entrepreneurship and job creation, fostering economic stability and preparing communities for future challenges.

Strengthening and scaling international programmes

Global standards: Adopting best practices to drive more impactful international social responsibility programmes with local contexts for maximum effectiveness.

Collaboration and partnerships

Strategic alliances: Further strengthening solid partnerships between internal capabilities, customers and credible non-profit organisations to amplify impact.

By focusing on these key areas, we aim to create self-sustainable societal change that addresses current challenges and prepares communities for a resilient future. Together, through education, sustainable practices and strong partnerships, we can foster empowered communities that thrive in the face of adversity. This commitment to holistic development and collaboration will drive meaningful impacts and ensure a brighter future for stakeholders.

Strengthening our strategic growth aspirations in mining

Enhancing the shareholding of the AECI Foundation, an existing Broad Based Ownership Scheme dedicated to driving social impact in the mining communities we serve. Beyond business growth, this initiative also provides sustainable funding to the AECI Foundation, which plays a critical role in uplifting the communities where we operate.

Resilient communities continued

Enterprise and supplier development

We focus on fostering inclusive economic growth by integrating host community enterprises in our supply chain. We design our ESD programmes to assist these businesses in their growth and transition from local to national service providers by promoting economic empowerment and resilience.

Our key commitments include prioritising procurement from local enterprises and supporting the development of resilient Small, Micro, Medium Enterprises (SMMEs) in our value chain. These initiatives contribute to inclusive economic development and align with SDGs promoting sustainable growth and job creation in the communities we serve.

Investment in entrepreneurship

Our ESD commitment is demonstrated through several impactful initiatives aimed at strengthening and transforming our supply chains. We established the AECI Good Chemistry Fund in 2017 as a key pillar of our ESD efforts to support and empower qualifying Black-owned SMMEs. The fund focuses on promoting sustainable growth and economic inclusion by providing critical financial support including loans, equity and grant funding.

By the end of 2024, the fund had invested R26.3 million (2023: R23.9 million) in ESD beneficiaries across various provinces in South Africa including Gauteng, Eastern Cape, KwaZulu-Natal, Limpopo and North West.

Our various businesses across South Africa also run their own ESD projects and investments, further contributing to the development of local businesses. This includes providing business development support, mentorship and resources to help SMMEs grow and thrive. Through these investments, we aim to create a more resilient, diverse and inclusive supply chain while fostering local economic development.

Investment by gender
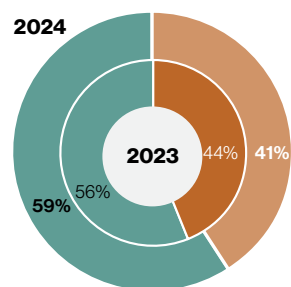
2024
2023
44%
41%
59%
56%

- Black female-owned businesses
- Black male-owned businesses

Investment by ESD category
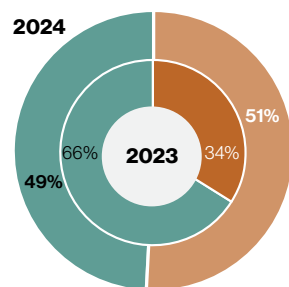
2024
2023
51%
34%
66%
49%

- Spent on enterprise development
- Spent on supplier development

Jobs created and sustained 2024

Enterprise development	**235**
Supplier development	**42**

Sectors were targeted based on their alignment with our value chains where maximum impact can be realised.

Year	2018–2020	2021	2022	2023	2024
Transport	14	24	20	0	**22**
Services	1	1	11	19	**5**
Recycling and waste management	1	1	1	4	**3**
Manufacturing	5	1	9	1	**2**
Engineering	5	18	10	11	**9**
Construction	39	17	8	33	**10**
Chemicals	3	3	7	13	**27**
Agriculture	24	31	28	19	**22**

Cumulative social entrepreneurship spend

2020	2021	2022	2023	2024
98	111	124	138	**149**

Eskom partnership with AECI Enterprise Development

Resilient communities continued

Enterprise development

AECI emerging farmer development programme

Case study

The AECI Emerging Farmer Development Programme, in partnership with Eskom and facilitated by Khula!, is a targeted initiative focused on achieving market and funding readiness for emerging farmers in the selected provinces of Mpumalanga, Gauteng and Limpopo. This initiative adopts the Khula!'s Funding and Market Readiness Programmes strategies in supporting emerging farmers to access finance and improve their competitiveness in formal markets. A total of 19 baseline assessments were conducted and 10 farmers were selected to receive comprehensive support through this programme.

The programme's success will be measured against specific metrics in each focus area:

- **Market readiness:** Improved compliance rates, enhanced operational capabilities and alignment with market standards
- **Funding readiness:** Implementation of proper bookkeeping systems, improved financial literacy among participants and successful submission of financing applications
- **Market access:** Increased number of established market linkages and growth in sales through new market channels
- **Post-investment support:** Increased yields and revenue after the implementation season

A closer look at the season starter: Anelly at Setjhoka farm

Case study

Among the list of this project's farmers, Anelly Mokwena has started making significant progress since her planting season began and has been supported throughout this crucial period. As a key participant in our white maize farming initiative, Anelly's progress demonstrates the effectiveness of our comprehensive market and funding readiness programmes.

Khula!'s funding readiness team prepared and submitted a loan application to the Good Chemistry Fund for Anelly, securing R4.1 million. This funding success enabled her to plant 400 hectares of white maize, marking a significant expansion of her farming operations.

Progress made per activity:

- **Agronomic support:** A dedicated agronomist relationship manager has conducted three site visits since the planting season began, guiding the early stages of crop development. Soil samples were collected and a thorough inspection was performed. Based on these assessments, tailored fertiliser recommendations and a chemical programme were provided to Anelly. An emergency report was also compiled to address immediate concerns and optimise crop management
- **Farm compliance and safety:** A compliance specialist assessed Anelly's farm and confirmed that proper chemical and fertiliser storage facilities were in place, meeting safety standards. Areas for improvement were identified and a follow-up visit is scheduled to implement Personal Protective Equipment for workers and install necessary safety signage
- **Training initiatives:** Significant progress has been made in upskilling Anelly and her team. Farm workers have completed training in chemical handling, hygiene practices and safety protocols. Anelly also received bookkeeping training to improve her financial management skills
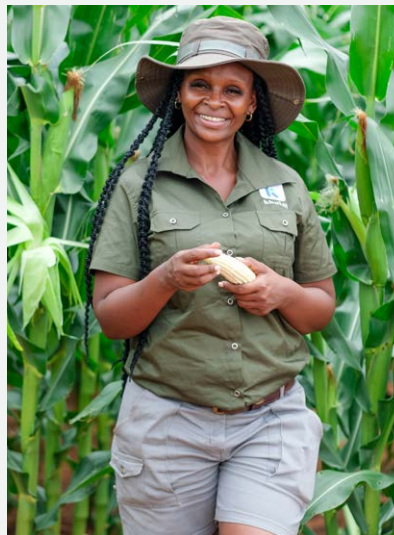
Resilient communities continued

Supplier development programme to support SMMEs

AECI's supplier development programme supported 51 SMMEs in 2024 (2023: 50) across sectors such as construction, engineering, agriculture and waste management, highlighting our commitment to promoting economic growth and inclusion.

With a total spend of R11 million (2023: R14 million), the programme provided mentorship, business guidance, financial grants, product discounts and free access to AECI facilities, helping SMMEs overcome challenges and expand their operations. By empowering small businesses, the initiative drives job creation, strengthens local economies and aligns with AECI's dedication to sustainable and inclusive growth. AECI aims to expand and improve this impactful programme.

Boleng Wash and Wear by Mr. Mosala Tsheko

Case study

Boleng Wash and Wear joined the AECI Supplier Development Programme in 2023. Back then, Mosala ran his laundry service out of his backyard in Mapoteng in Kathu with just two workers. According to the diagnostic study, Boleng Wash and Wear had several serious problems. These included, among other things, a lack of room to operate, problems with internal procedures, and an inadequate plan for future expansion.

Boleng and Wash Wear received several forms of developmental assistance from the AECI Supplier Development Programme. The company now has four workers and offers laundry services to Kathu firms like AECI.

With the programme's assistance, Mosala was able to transform their working environment from a cramped backroom/garage into a spacious Container, which he says has enhanced their productivity and efficiency. And to help them reach a wider range of consumers, the company has a growth strategy in place. To do this, the company ramped up its marketing to raise awareness of the service it offered, and AECI provided financial backing in the form of a container outfitted with laundry equipment.

From the time it started taking part in the AECI Supplier Development Programme, the company has developed significantly due to these initiatives.

Business development support

AECI Plant Health supports emerging farmers through the Khula! app, training users on key aspects such as nutrient inputs to improve their yields, quality and measures to protect their crops. The Khula! app is an online platform that enables emerging farmers to purchase inputs and have them delivered. It also gives beneficiaries access to markets to sell their produce.

Agriculture is an important contributor to the growth of economies. We believe that by supporting emerging farmers, we can add great value through our products and our technical knowledge and experience. To help address the challenges faced by SMMEs in the agricultural industry, we help with business fundamentals such as financial management and marketing. We also provide mentorship as the businesses mature. This is augmented by solid technical and commercial expertise from our AECI business counterparts.

Local procurement

We drive local economic development by prioritising the procurement of goods and services from suppliers in the municipalities where our operations are based. Local procurement, including raw materials and other business essentials, are measured as a percentage of total procurement spend.

With raw materials accounting for over 70% of cost of sales, sourcing locally helps stimulate economic activity, create jobs and build sustainable supply chains. This supports AECI's goal of promoting inclusive economic growth and uplifting the communities surrounding our operations.

Emerging farmers development programme

Resilient communities continued

Preferential procurement

We recognise the importance of preferential procurement in driving economic transformation and inclusivity in South Africa. Our reliance on commodities like ammonia and sulphur, sourced from a limited pool of suppliers, presents challenges in increasing spend with B-BBEE-certified entities to support economic empowerment.

We have set a goal to achieve 22 points for preferential procurement by 2025, we currently achieved 17.64. To reach this target, we are focusing on identifying and integrating majority Black-owned SMMEs in our supply chains. This includes providing mentorship, skills development and resources to help these businesses grow and thrive.

We are also exploring alternative suppliers for non-core commodities and adapting our sourcing strategies to include more Black-owned businesses. This approach aligns with our broader goal of fostering socioeconomic change, supporting Black entrepreneurs and building a more inclusive and sustainable supply chain that benefits our operations and the communities we serve.

The list below represents the B-BBEE status of AECI suppliers:

Not rated

2%

2020	2021	2022	2023
1	1	2	2

Non-compliant

27%

2020	2021	2022	2023
32	30	26	27

Level 5–8

11%

2020	2021	2022	2023
8	8	6	8

Level 1–4

60%

2020	2021	2022	2023
59	57	66	63
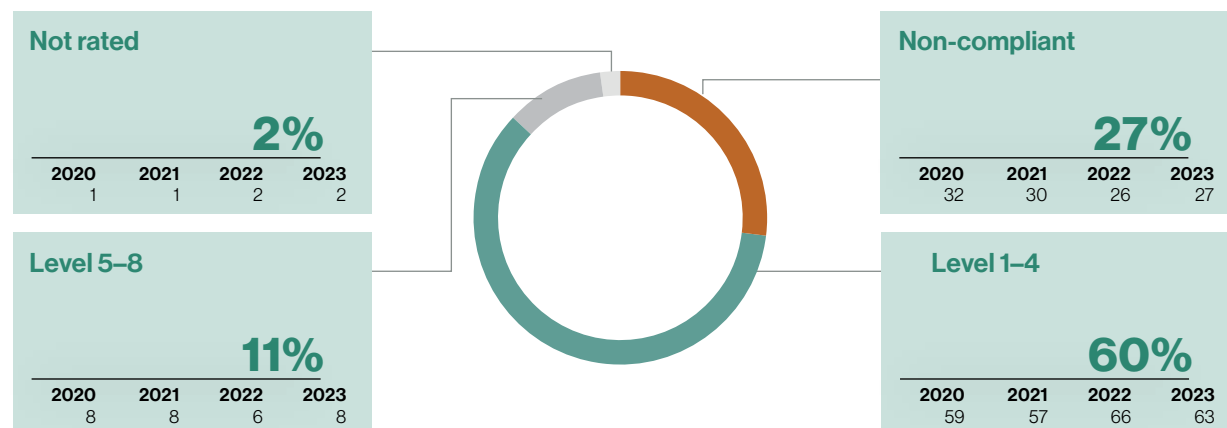
Looking ahead

Our ESD strategy will continue to prioritise support for emerging enterprises in the manufacturing and agriculture sectors, particularly for businesses that supply AECI.

We aim to build on our existing relationships with stakeholders and participating businesses to enhance our ESD efforts and maximise benefits for our beneficiaries. We will continue to support initiatives to support SMMEs in key customer regions.

Supporting emerging enterprises, especially in manufacturing and agriculture, remains a key aspect of our ESD strategy.
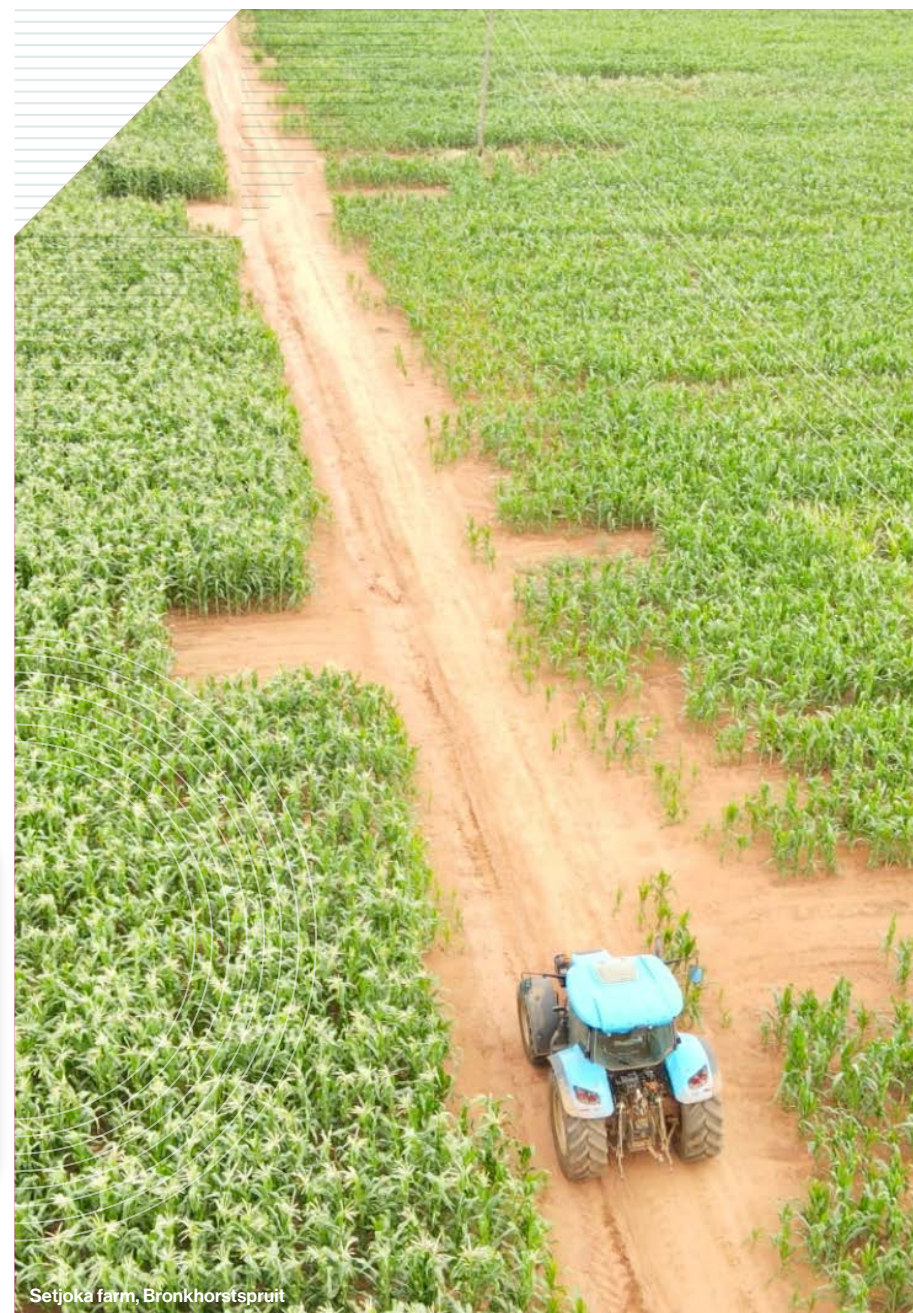
Setjoka farm, Bronkhorstspruit

Appendices

Appendix A

Performance data

		Target 2025	Baseline	2024	2023	2022	2021	2020
Environmental performance data								
GHG emissions								
Scope 1	tCO_2e	242 292	267 919	**199 708^**	213 711	267 919	266 291	334 225
Scope 1 tonnes CO_2e efficiency rate	tCO_2e / tonnes production	none	none	**0.07**	0.08	0.09	0.09	0.14
Scope 2	tCO_2e	215 538	225 882	**216 629^**	226 177	225 882	235 043	241 150
Scope 2 tonnes CO_2e efficiency rate	tCO_2e / tonnes production	none	none	**0.08**	0.08	0.08	0.08	0.10
Total carbon footprint (Scope 1 and Scope 2)	tCO_2e	442 820	493 801	**416 337^**	439 888	493 801	501 334	575 375
Total carbon footprint efficiency rate	tCO_2e / tonnes production	0.17	0.17	**0.15**	0.16	0.17	0.18	0.25
Scope 3	tCO_2e	none	none	**1 081 154**	1 533 299	1 602 633	no data	no data
Energy								
Electricity	MWh	200 292	217 992	**193 720^**	209 906	217 992	233 419	228 065
Total energy consumption	GJ	3 096 747	3 287 645	**3 224 506^**	3 219 641	3 390 023	2 886 457	2 930 501
Net energy consumption	GJ	none	none	**3 193 317**	3 216 617	3 390 023	2 886 457	2 930 501
Energy use efficiency rate	GJ/ tonnes production	none	1.14	**1.14**	1.15	1.14	1.02	1.25
Electricity from renewables	%	6	none	**4**	0	no data	no data	no data
Water								
Potable water consumption	m^3	1 614 168	1 793 455	**1 638 050^**	1 678 865	1 793 455	1 755 929	2 034 467
Potable water use efficiency rate	m^3/ tonnes production	none	0.62	**0.58**	0.60	0.62	0.62	0.87
Effluent discharge to sea and sewer	m^3	679 170	751 880	**603 672^**	652 572	751 880	722 573	619 357
Effluent discharge efficiency rate	m^3/ tonnes production	0.26	0.26	**0.22**	0.23	0.26	0.25	0.26
Waste								
Recycled waste	Tonnes	none	none	**3 407^**	4 016	3 571	3 372	3 288
Hazardous waste disposed	Tonnes	14 000	16 000	**12 722^**	13 866	16 783	14 035	15 844
Recycled materials	Tonnes	none	none	**140 407**	137 455	125 969	no data	no data
Environmental incidents								
Environmental incidents (major and serious)	Number	0	0	**0^**	0	0	0	0
Environmental incidents (moderate)	Number	0	6	**3^**	3	6	14	29
Environmental incidents (minor)	Number	none	none	**80^**	116	112	108	109

^ *Indicates limited assurance*

Appendices continued

		Target 2025	Baseline	2024	2023	2022	2021	2020
Production								
Production volumes	Tonnes	none set	none set	**2 802 922^**	2 789 731	2 990 864	2 835 783	2 340 866
Social performance data								
Zero harm milestones								
Safety								
Fatalities	Number	0	0	**0^**	2	0	0	0
Life-altering injuries	Number	0	0	**1**	1	0	0	1
First aid injuries	Number	0	none	**57^**	72	29	46	40
Occupational illness rate	Rate	0	none	**0.01^**	0.01	0.01	0.01	0.01
EHS legal directives	Number	0	0	**0**	0	0	0	0
Total Recordable Incident Rate	Rate	<0.20	none	**0.31^**	0.35	0.27	0.23	0.42
Major product transportation incidents	Number	0	0	**1^**	1	0	0	0
Repeat incidents (high severity)	Number	0	0	**0**	0	0	0	0
Total Number of hours worked	Number	none	none	**20 156 961**	20 896 880	19 723 383	21 563 200	20 294 557
Process safety								
Major process safety incidents	Number	0	0	**0**	0	0	0	0
Non-reportable incidents	Number	0	none	**51^**	55	70	77	90
Reportable incidents	Number	0	none	**14^**	11	10	9	22
Process Safety Total Incident Rate	Rate	<0.45	none	**0.64**	0.63	0.81	0.8	1.1
Social responsibility data (SR)								
Total SR Spent	Rm	10	none	**28.5˙**	39.9	36.1	35	34.7
SR International	Rm	1.5	none	**4.9**	3.8	5.1	4.1	0
SR South Africa	Rm	8.5	none	**10˙**	14.8	12.5	8	8.2
AECI Foundation	Rm	none	none	**9.8˙**	18.1	8.6	7	8.4
AECI Community Education and Development Trust	Rm	none	none	**0**	0	5.7	14	13.5
Value-in-kind	Rm	none	none	**3.8˙**	3.2	4.2	1.9	4.6
Number of employees who have attended Leadership Development Programmes	Number	120	none	**91˙**	99	133	142	0
Bursaries (external and employee dependents)	Number	none	none	**99˙**	24	26	37	42
Learnerships, internships, apprenticeships and graduates	Number	212	none	**376˙**	248	376	188	256
Gender equality								
Gender equality: female representation in top, senior and middle management levels	Percentage	31	none	**29^˙**	28	28	27	

^ *Indicates limited assurance*
* *Audited and verified by Empowerlogic*

Appendices continued

Appendix B

KPI definitions

Environment	Definition	Unit
1. Potable water consumption	Fresh (drinkable) water withdrawn/extracted or purchased from external sources and used for industrial and domestic purposes.	m³
2. Effluent discharge to sea or sewer	Liquid effluents, treated or untreated, discharged from industrial sites into third-party systems such as sewers or oceans.	m³
3. Scope 1 emissions	GHGs emitted directly from sources that are owned or controlled by AECI.	tCO_2e
4. Scope 2 emissions	Indirect GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling and steam consumed by AECI.	tCO_2e
5. Total carbon footprint (Scope 1 and Scope 2)	The total amount of GHG emissions (Scope 1 and Scope 2) that are directly or indirectly caused by AECI's activities.	tCO_2e
6. Scope 3 emissions	Emissions that result from activities or assets not owned or controlled by AECI, but that AECI utilises through our value chain.	tCO_2e
7. Electricity from renewables	Electricity consumed by AECI from renewable energy sources such as solar or wind.	MWh
8. Total electricity consumption	Electricity consumed by AECI, either purchased from an external electricity supplier or internally generated.	MWh
9. Total energy consumption	Total direct energy use is the sum of all energy inputs (i.e. self-generated and/or purchased. Energy inputs include coal, steam, stationary diesel consumption, electricity, etc). This includes renewable energy	GJ
10. Net energy consumption	Total direct energy use is the sum of all energy inputs (i.e. self-generated and/or purchased. Energy inputs include coal, steam, stationary diesel consumption, electricity, etc). This excludes renewable energy	GJ
11. Recycled waste	Waste recovered from AECI and diverted from disposal for alternative use.	Tonnes
12. Hazardous waste	Hazardous materials produced by AECI and directed to an authorised disposal facility.	Tonnes
13. Recycled materials	Materials repurposed for use in AECI operations and not directed to disposal.	Tonnes
14. Major environmental incident	An incident that has caused a disastrous environmental impact, with long-term effects, requiring major remediation.	Number
15. Serious environmental incident	An incident that has caused a serious environmental impact, with medium-term effects, requiring significant remediation.	Number
16. Moderate environmental incident	An incident that has caused a moderate, reversible environmental impact, with short-term effects, requiring moderate remediation.	Number
17. Minor environmental incident	An incident which has caused a minor, reversible environmental impact requiring minor or no remediation.	Number
18. Production	Production includes the mixing, blending and dilution of one or more chemicals to form a new product with different chemical, physical and hazardous characteristics. Production volume includes all products manufactured by AECI businesses for internal and external customers, excluding toll manufacturing, traded products, mining operation blends on client sites and intermediary products that are used as raw materials in the production process unless it is sold as final products to customers.	Tonnes

Social	Definition	Unit
1. Health and safety		
1.1. Fatality	A death resulting from an occupational injury regardless of the time between the injury and death. A fatal injury is an instantaneous work-related event or exposure that results in death.	Number
1.2. First aid injury	An injury that can be treated from a first aid box or by a professional medical practitioner or nurse at a medical station and which does not require follow-up medical treatment or medical diagnostics.	Number
1.3. Total Recordable Incident Rate	Work-related injuries sustained by employees and any contractor or non-employee working under AECI supervision, which results in any of the following: death, days away from work, restricted duties or medical treatment beyond first aid. Work-related illnesses are included for employees and are recorded according to in-country occupational health standards and included once confirmed by a licensed professional and related to exposures during work-related activities at AECI.	Incidents per 200 000 hours worked over a rolling 12-month period
1.4. Occupational illness	Illness diagnosed by a relevant registered occupational medical practitioner, resulting from exposure to a hazard in the workplace that is known to result in harm to human health. Illnesses are recorded according to in-country occupational health standards and included on once confirmed by a licensed professional and related to exposures during work related activities at AECI.	Number
1.5. Occupational illness rate	Rate – Occupational illnesses per 200 000 hours worked over a rolling 12-month period.	Rate

Appendices continued

1.6. Transport incident	This expresses the number of incidents where vehicles transporting products are involved in an incident as per the definition of product transportation incidents.	Number
1.7. Transportation Indicator of Performance (TiOP)	The TiOP is derived as follows: TiOP = Number of product transportation incidents × 1 000 000/Total number of kilometres travelled.	Rate
1.8. Major product transportation incident	A fatality to a member of the public.	Number
	Major environmental impact (classified as major under environmental incident classification).	
	Loss of licence to transport product.	
	Incident attracts adverse negative national or international media attention from a reputable news authority with the AECI Company name mentioned. Full route closure lasting >24 hours (public/national road).	
	Any community evacuation or sheltering due to actual danger.	
2. Process safety		
2.1. Process safety incident	An incident that resulted in a fire, explosion, or an episodic, unintended release of a hazardous chemical from primary containment or an excursion of pressure energy that causes harm and, in all cases, where chemicals and a chemical process were involved.	Number
2.2. A reportable incident	Refers to an event or situation that is required by law or policy to be reported to relevant authorities or stakeholders. The specific definition of a reportable incident can vary depending on the context, such as workplace safety regulations, environmental regulations, healthcare guidelines or other regulatory frameworks.	Number
2.3. Non-reportable process safety incident	Refers to an event that falls below predetermined thresholds or criteria established by regulatory requirements, organisational (AECI) policies, or industry standards and does not necessitate formal reporting to regulatory authorities.	Number
3. Gender equality		
3.1. Gender equality: top, senior and middle management levels	Female representation in the top, senior and middle management levels.	Percentage
4. Leadership development	Employees who attended the AECI management development programmes.	Number
5. Learnerships/internships/bursaries	Employees who were awarded learnerships, internships, bursaries or study assistance.	Number
6. Employee volunteerism	Employees who took part in community-related volunteerism initiatives.	Number
7. Social responsibility	Actions taken to create a positive impact on the environment and society.	Description
7.1. South Africa	Social responsibility project spend in South Africa.	Rm
7.2. International	Social responsibility project spend outside of South Africa.	Rm
8. ESD local community spend	Percentage of expenditure on local goods and services as a percentage of total expenditure on goods and services.	Percentage
9. ESD	Number of qualifying SMMEs supported with financial and or operational/business assistance.	Number
10. Preferential procurement	Points awarded for procurement against qualifying suppliers in South Africa, per B-BBEE level score, including qualifying small enterprises, exempted micro enterprises, Black-owned, >30% Black women-owned and discretionary bonus points.	B-BBEE points achieved
Governance	**Definition**	**Unit**
1. Responsible leadership		
1.1. Leadership accountability	AECI's Board and Exco are accountable for sustainability.	Description
1.2. Stakeholder engagement	AECI makes sustainable business decisions which consider the interests of all stakeholders.	Description
1.3. Remuneration practices	AECI's performance criteria in our remuneration practices for governing body members and senior executives include economic, environmental and social objectives.	Description
2. Ethical business	AECI has appropriate business policies, procedures and practices in place. All AECI employees attend ethics training and awareness sessions. Where required, declarations on "Conflict of Interest" are made. AECI has an anonymous tip-off hotline. AECI has a legal and compliance function to provide advice on ethical matters.	Description
3. External assurance	AECI receives independent external assurance on applicable standards in place for sustainability reporting and environmental legal compliance.	Description
4. Regulatory reporting	AECI submits regulatory reports which relate to, for example, AECI's water use licence, air emissions licence, carbon tax, GHG reporting and environmental incidents.	Description

Appendices continued

Appendix C

Assurance statement

Independent Assurance Practitioner's Limited Assurance Report on Selected KPIs

To the directors of AECI Limited

Report on selected KPIs

We have undertaken a limited assurance engagement on selected KPIs, as described below, and presented in the Sustainability Report 2024 of AECI Limited ("AECI") for the year ended 31 December 2024 (the Report). This engagement was conducted by a multidisciplinary team including environmental, health, safety and assurance specialists with relevant experience in sustainability reporting.

Subject matter

We have been engaged to provide a limited assurance conclusion on the following selected KPIs, marked with a "^", as set out in Appendix A (pages 74 and 75) of the Report. The selected KPIs described below have been prepared in accordance with the relevant KPI definitions as set out in Appendix B of the Report and the detailed AECI occupational injuries, illnesses and environmental reporting guidelines ("reporting criteria"). The detailed reporting guidelines are available on request.

Environment performance data	Unit of measurement	Boundary
Environmental incidents (Major and Serious)	Number	AECI Group
Environmental incidents (Moderate)	Number	AECI Group
Environmental incidents (Minor)	Number	AECI Group
Potable water consumption	m^3	AECI Group
Effluent discharged to sea and sewer	m^3	AECI Group
Hazardous waste disposed	Tonnes	AECI Group
Recycled waste	Tonnes	AECI Group
GHG emissions: Scope 1	Tonnes CO_2e	AECI Group
GHG emissions: Scope 2	Tonnes CO_2e	AECI Group
GHG emissions: Total carbon footprint (Scope 1 and Scope 2)	Tonnes CO_2e	AECI Group
Electricity	MWh	AECI Group
Total Energy consumption	GJ	AECI Group
Production volumes	Tonnes	AECI Group
Safety performance data	**Unit of measurement**	**Boundary**
Fatalities	Number	AECI Group
First aid injuries	Number	AECI Group
Total Recordable Incident Rate	Rate	AECI Group
Occupational illness rate	Rate	AECI Group
Major product transportation incidents	Number	AECI Group
Process safety: Reportable incidents	Number	AECI Group
Process safety: Non-reportable incidents	Number	AECI Group
Gender equality performance data	**Unit of measurement**	**Boundary**
Gender equality: female representation in top, senior and middle management levels	Percentage	AECI Group

Appendices continued

Directors' responsibilities

The Directors are responsible for the selection, preparation and presentation of the selected KPIs in accordance with the reporting criteria. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. The Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the Report users.

Inherent limitations

The GHG emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases

Our independence and quality management

We have complied with the independence and all other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Deloitte and Touche applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on the selected KPIs based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our engagement to obtain limited assurance about whether the selected KPIs are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of AECI's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process
- Inspected documentation to corroborate the statements of management and senior executives in our interviews

- Performed a walkthrough of the processes and systems used to generate, collate, aggregate, monitor and report the selected KPIs
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria
- Evaluated whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at AECI

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether AECI's selected KPIs have been prepared, in all material respects, in accordance with the accompanying AECI reporting criteria.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, and subject to the inherent limitations outline elsewhere in this report, nothing has come to our attention that causes us to believe that the selected KPIs as set out in the Subject Matter paragraph above for the year ended 31 December 2024 are not prepared, in all material respects, in accordance with the reporting criteria.

Other matters

The maintenance and integrity of the AECI's website is the responsibility of AECI's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may have occurred since the initial date of its presentation on AECI's website.

Restriction of liability

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected KPIs to the Directors of AECI in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than AECI, for our work, for this report, or for the conclusion we have reached.

Signed by:

Deloitte & Touche

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Deloitte and Touche
Registered Auditors

Per Jyoti Vallabh
Chartered Accountant (SA)
Registered Auditor
Partner

29 April 2025

5 Magwa Crescent
Waterfall City, Waterfall
Private Bag x6, Gallo Manor, 2052
South Africa

Appendices continued

Appendix D

Glossary of terms

Term	Description
AGM	Annual General Meeting
B-BBEE	Broad-Based Black Economic Empowerment
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
CSI	Corporate social investment
DEI	Diversity, equity and inclusion
ECD	Early childhood development
EAP	Employee Assistance Programme
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EHSC	Environment, Health and Safety Committee
EHS	Environment, health and safety
ERM	Enterprise Risk Management
ESD	Enterprise and supplier development
ESG	Environmental, social and governance
EVP	Employee value proposition
FMDP	Foundation Managers Development Programme
GHG(s)	Greenhouse gas(es)
GRC	Governance, Risk and Compliance
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standard
IT	Information Technology
JSE	Johannesburg Stock Exchange
King IV™	King IV Report on Corporate Governance for South Africa, 2016
KPI(s)	Key performance indicator(s)
L&D	Learning and Development
LTIs	Lost-time injuries

Term	Description
m^3	Cubic metre
M&A	Mergers and acquisitions
MHI	Major Hazard Installation
MMUs	Mobile manufacturing units
MW	Megawatt
MWh	Megawatt hour
NGOs	Non-governmental organisations
PETCO	A collective organisation set up and owned by members such as Coca-Cola, Unilever and PepsiCo
PSTIR	Process Safety Total Incident Rate
RHCC	Remuneration and Human Capital Committee
Rm	Rand million
SANS	South African National Standard (safety)
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDG(s)	Sustainable Development Goal(s)
SESC	Social, Ethics and Sustainability Committee
SHEQ	Safety, Health, Environment and Quality
SLBs	Sustainability-linked bonds
SMMEs	Small, medium and micro enterprises
SR	Sustainability Report
STEM	Science, technology, engineering and mathematics
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes of CO_2 equivalent
TiOP	Transportation Indicator of Performance
TNFD	Taskforce on Nature-related Financial Disclosures
TRIR	Total Recordable Incident Rate
UN	United Nations
UNGC	United Nations Global Compact

Corporate information

AECI Limited
(Incorporated in the Republic of South Africa)
(Registration No. 1924/002590/06)
Taxation reference No. 9000008608
Share code: AFE ISIN: ZAE000000220
Hybrid code: AFEP ISIN: ZAE000000238
Bond company code: AECI
LEI: 3789008641F1D3D90E85
("AECI" or the "Company" or the "Group")

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Waterfall City
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South Africa

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Absa Bank Limited
First National Bank of Southern Africa Limited
(A division of FirstRand Bank Limited)
Investec Bank Limited
Nedbank Limited
Sanlam Specialised Finance
(A division of Sanlam Life Insurance Limited)
Standard Chartered Bank
The Standard Bank of South Africa Limited

South African JSE equity sponsor
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Illovo
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South Africa

South African debt sponsor
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We Are One AECI, for a Better World