WBHO

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2023

OUR REPORTING JOURNEY

WE ARE WBHO, ONE OF THE LARGEST CONSTRUCTION COMPANIES IN SOUTHERN AFRICA

SUSTAINABILITY AT A GLANCE

Overview of the Group, our sustainability ethos and the "WBHO Way."

Our integrated approach to sustainability reporting.

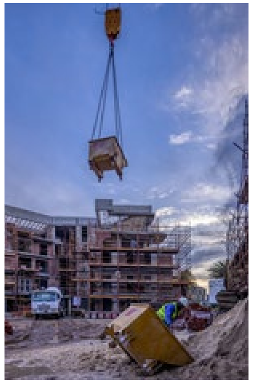
SUSTAINABILITY STRATEGY, GOVERNANCE AND MANAGEMENT

How our sustainability strategy is aligned with our vision and business strategy.

How WBHO governs sustainability, key performance indicators and committee focus areas in FY2023.

SUSTAINABILITY PERFORMANCE

How we performed against our key sustainability performance indicators in FY2023.



GOVERNANCE

SUPPLEMENTARY INFORMATION

REPORTING SUITE

Integrated Report (IR)
The Integrated Report is the primary report to the stakeholders. It is structured to show the relationship between the interdependent elements involved in the value creation story, in compliance with:
- The <IR> Framework
- The Companies Act, No. 71 of 2008, as amended (Companies Act of South Africa)
- The JSE Listings Requirements
- King IV Report on Corporate Governance for South Africa 2016 (King IV™)

Audited Consolidated Financial Statements (AFS)
A comprehensive report of the Group's financial performance for the year, in compliance with:
- The Companies Act of South Africa
- The JSE Listings Requirements
- International Financial Reporting Standards (IFRS)
- SAICA Headline Earnings Circular 1/2023
- Financial Pronouncements as issued by the Financial Reporting Standards Council

Environmental, Social and Governance Report (ESG)
A detailed account of WBHO's performance for the year, including environmental, social and governance elements, in compliance with:
- The Companies Act of South Africa
- The JSE Listings Requirements
- King IV™
- Global Reporting Initiative (GRI core)

Notice of annual general meeting (AGM)
Supporting information for shareholders to participate in the AGM, in compliance with:
- The Companies Act of South Africa
- The JSE Listings Requirements
- King IV™

FEEDBACK

Your feedback is important to WBHO and we welcome input to enhance our report. Please visit **www.wbho.co.za** or contact the Group Company Secretary on +27 11 321 7200 or wbhoho@wbho.co.za.

OVERVIEW

ABOUT WBHO AND OUR APPROACH TO SUSTAINABILITY

OUR VISION

TO BE THE LEADING CONSTRUCTION COMPANY WHEREVER WE OPERATE, ALWAYS STRIVING TO BE "A PLEASURE TO DO BUSINESS WITH" BY DELIVERING QUALITY SOLUTIONS IN A PROFESSIONAL AND COLLABORATIVE MANNER, EVERY TIME.

ABOUT US

ESTABLISHED
1970

B-BBEE STATUS
LEVEL 1

A LEADER
IN TRANSFORMATION

WBHO is one of the largest construction companies in southern Africa, with operations in the United Kingdom, and is listed on the Johannesburg Stock Exchange (JSE).

In the UK, the Byrne Group is based in London, while Russell WBHO operates from Manchester.

Our activities cover the full construction spectrum and are divided into three main operating divisions – Building Construction, Civil Engineering and Roads and Earthworks.

Going beyond compliance

Our approach to sustainability

Managing the health, safety, quality, environmental and social performance alongside our operational and financial performance is at the heart of how we do business.

Operating in a responsible, sustainable and ethical manner guarantees our long-term success and secures our social license to operate.

For us, sustainability is non-negotiable.

THE WBHO WAY

We stand firmly behind our motto of **"Rely on our ability".** This ethos guides us in all that we do, and is experienced by our clients, our people and the communities in which we operate.

01 Reliability

We believe in long-term relationships built on mutual trust – and this can only be achieved by working actively to build a reputation of reliability through excellence in our people, systems and products.

02 Quality

Quality is of utmost importance to us. We constantly pursue it and focus on continuous improvement in all that we do.

03 Culture

We always strive to be flexible, dependable, hard-working and a pleasure to do the business with. These shared values have guided and shaped us, and the big things we achieve are a direct result of the many small acts of consideration, respect and kindness that we show each other every day.

OUR 2023 SUSTAINABILITY PERFORMANCE AT A GLANCE

OUR 2023 SUSTAINABILITY PERFORMANCE DEMONSTRATES OUR CONTINUED DRIVE TO PLACE ESG AT THE HEART OF OUR BUSINESS. WITH SIGNIFICANT PROGRESS ACROSS MOST METRICS, MOST NOTABLY A RECORD SAFETY PERFORMANCE FOR THE SECOND CONSECUTIVE YEAR, THE GROUP IS COMMITTED TO GOING BEYOND COMPLIANCE IN SUSTAINABILITY.

2023

Safety

New safety benchmarks achieved
Progress in advancing zero-harm with best-ever safety performance in 2023

0.27 lost time injuries per million man hours **(new record low)** 2022: 0.30

0.18 recordable case rate per million man hours

Continued reduction 2022: 0.27

1 work-related fatality
2022: 1

People

89% black representation in South Africa 2022: 86%

10,7% Avoidable employee turnover rate across the WBHO Group
2022: 9,7%

National recognition in South Africa
Diamond Award:
Best Construction Company –
1st overall for the 19th consecutive year

Recognition for Russell WBHO
Contractor of the year in the UK
City of Manchester Business Awards – September 2022

Transformation

Level 1 A leading Level 1 broad-based black economic empowerment (B-BBEE) company in South Africa's construction industry

R7,2 billion spent on Black-owned companies in South Africa
2022: R5,1 billion

18% women in the South African workforce
2022: 16%

Environment

Zero penalties or fines for non-compliance across the Group

100% audit coverage across the Group
2022: All regions or businesses achieved 100% except for Byrne Group (93%)

Zero reportable incidents 2022: Zero

Installation of solar energy at a number of facilities in South Africa and the UK

ABOUT THIS REPORT

OUR INTEGRATED APPROACH TO SUSTAINABILITY REPORTING

This report provides our key stakeholders – namely our shareholders, employees, local communities, non-governmental organisations (NGOs), the investment community, customers, business partners, suppliers and government – with a transparent account of how we addressed the most material sustainability issues the Company faced during 2023.

Wilson Bayly Holmes-Ovcon Limited ("WBHO" or "the Group") considers the impact of its business and operations on society and the environment in which it operates. The Group believes that the disclosure of socio-economic and environmental performance is as relevant as financial reporting.

In this report, we provide an overview of the environmental, social and governance issues that the Group aims to balance in the short, medium, and longer-term. Our commitment to safety, the environment and our stakeholders shapes how we manage the business and execute our strategy to deliver sustainable growth and acceptable shareholder returns.

The report also explains our focus on continuously improving the way the Group operates to prevent incidents and to identify, minimise or avoid adverse environmental and social impacts.

REPORTING SCOPE AND BOUNDARY

The scope of this report covers the primary ESG activities of the Group in South Africa and the rest of Africa, as well as selected information from activities in the United Kingdom (UK). Detailed information on investments in which the Group holds less than a 50% interest is not included.

This report covers the financial year from 1 July 2022 to 30 June 2023, along with historical information and forward-looking statements, all of which provide context in respect of the Group's strategy and operations. The selected information has been provided on a 12-month basis.

This ESG Report has been developed in accordance with the GRI standards (Core option), and the GRI content index can be found on page 79.

MATERIAL SUSTAINABILITY MATTERS

Our approach to sustainability reporting is aligned with the responsible, ethical and ongoing success of the business.

This ESG Report, which is supplementary to our Integrated Report (IR), focuses on the key sustainability challenges facing the Group and how it is responding to them, while the IR and AFS predominately deal with economic sustainability.

ASSURANCE AND INDEPENDENT ASSESSMENT

WBHO uses a combined assurance model to provide assurance from management as well as from internal and external assurance providers.

DIRECTORS' RESPONSIBILITY

The Board, supported by the Audit and Social and Ethics Committees (SEC), has overall accountability for this report. It has delegated its responsibility for monitoring and managing the Group's social and economic development; good corporate citizenship, including the promotion of equality; environment; quality; health and safety; good labour conditions; and sound business ethics to the SEC.

The Board has collectively reviewed the content of this report and confirms that it believes this ESG Report addresses the material issues and is a balanced and appropriate presentation of the sustainability performance of the Group.

The Board approved this report on 25 October 2023.

Karen Forbay
Social and Ethics Committee Chairperson

Wolfgang Neff
Chief Executive Officer

REFLECTIONS FROM CHAIRPERSON OF SOCIAL AND ETHICS COMMITTEE

"WBHO believes that managing sustainability well is ultimately good for business. In doing so, we aim to make a positive difference to the environment, society, and our stakeholders. We recognise that acting responsibly is key to our continued success."

KAREN FORBAY

SOCIAL AND ETHICS COMMITTEE CHAIRPERSON

Dear valued stakeholders,

On behalf of the Board, I am pleased to present our Environmental, Social and Governance (ESG) Report for the 2023 financial year.

This is my inaugural report as Chairperson of the SEC following the changes to the Board and subcommittees announced on 5 December 2022. I wish to thank my fellow Board colleague, Mr Hatla Ntene (now Chairman of the Remuneration Committee) for his leadership in previous years, and look forward to my oversight role in supporting WBHO's journey in furthering its commitment to sustainability.

SUSTAINABILITY IN ACTION: THE WBHO WAY

Sustainability is ingrained in WBHO's operational philosophy: it forms an integral part of our DNA. Throughout the year, we remained resolute in positioning the Group for long-term success, despite the prevalent domestic and global challenges we faced.

As the SEC, we are constantly analysing the shifts in the environmental, social and governance landscape, particularly those most relevant to the construction industry globally.

As a business that is reliant on its people, WBHO places great importance on the social aspects of sustainability and holds the well-being, growth, and welfare of its workforce in high regard. Additionally, this commitment extends to positively impacting our surrounding communities. In South Africa, our commitment is deeply rooted in fostering transformation, while elsewhere in Africa, localisation is central to our initiatives.

Beyond these, there's an escalating emphasis on community interaction and collaboration, echoing our dedication to development projects in areas like education and skill enhancement.

At WBHO, the environment is not just a consideration—it's a priority. As we operate across diverse regions, a significant portion of our efforts is dedicated to minimising our environmental impact. This covers various domains from energy utilisation and waste reduction to mitigating carbon emissions. Consequently, we're spearheading innovations in eco-friendly construction techniques and materials, such as our work on low-carbon concrete, especially through our UK entities, Byrne Group and Russell WBHO.

Governance, as the third pillar of ESG, is the anchor of our ESG commitments. WBHO is a respected company in the jurisdictions it operates through its uncompromising emphasis on transparency, accountability, and ethical behaviour. The SEC takes particular pride in our robust governance frameworks that not only ensure regulatory compliance but also mitigate corruption risks and champion equitable business practices.

We acknowledge that embedding ESG principles into our operations is both a moral duty and a strategic asset. For WBHO, a commitment to sustainable and socially responsible practices paves the way for enduring resilience. This approach not only bolsters our reputation but also inspires our talented people to do the right thing all the time, positioning us effectively to navigate risks arising from climate change and the ever-evolving expectations of society.

OUR SUSTAINABILITY STRATEGY

WBHO promotes sustainability by integrating environmental, social and economic considerations into all aspects of the Group's activities and maintains a framework of policies and authorities that govern disciplined decision-making. We believe that we, along with the broader construction industry, have an essential role to play in achieving global sustainability goals.

While we appreciate that the construction industry is generally not seen as a sustainability pioneer, WBHO, in collaboration with key stakeholders, continues to enhance its sustainability strategy in order to:

- Support the personal growth of our people within safe working conditions
- Limit, as far as possible, our contribution to the causes and effects of climate change and seek ways to reduce our energy and water intensity
- Build more sustainable communities
- Foster a sustainability-minded culture throughout the organisation in order to proactively identify and mitigate sustainability risks

IMPROVED SUSTAINABILITY PERFORMANCE

WBHO is proud to have maintained our unwavering commitment to achieving best-in-class sustainability performance in 2023. We have remained steadfast in our pursuit of integrating sustainable practices into every aspect of our operations, recognising their value to our business and stakeholders.

During the year, we prioritised the well-being and safety of our workforce, by further enhancing our robust health and safety protocols to create a secure and supportive working environment. Following our best-ever safety performance in 2022, our performance in 2023 continues to improve.

REFLECTIONS FROM CHAIRPERSON OF SOCIAL AND ETHICS COMMITTEE continued

Additionally, we continued to foster diversity and inclusion, recognising the strength of a workforce that embraces different perspectives and experiences.

We enhanced our environmental stewardship through innovative technologies and practices that minimise our carbon footprint and resource consumption. This includes investing in energy-efficient equipment, adopting sustainable building materials, and optimising waste management practices across our projects.

The key highlights during this period include:

WBHO's sustainability performance against key metrics in the 2023 financial year	
Safety	Our journey towards zero-harm continues, for even a single fatality or injury is one too many. Our goal is to see every colleague return home to their loved ones safe and sound, every day. • The Group achieved a lost-time injury frequency rate (LTIFR) of 0.27 (FY2022: 0.30). • Our recordable case rate (RCR) was at 0.18 (FY2022:0.27). • The African operations in particular achieved a new record low LTIFR of 0.22 down from 0.29 in the previous period. • Regrettably, we had one work-related fatality in 2023 (FY2022: 1).
Certifications	In 2023, WBHO successfully upheld its ISO 9001, ISO 14001, and ISO 45001 certifications across all regions, demonstrating our commitment to maintaining international standards of quality management, environmental stewardship, and occupational health and safety. These ISO certifications serve as vital proof of our dedication to excellence and provide a competitive advantage in the industry by instilling confidence in our clients and stakeholders.
Customers' perception	Our customers' perception of the quality of our on-site performance remained strong throughout the assessed period. This positive sentiment from our customer base underscores the dedication and effort we consistently put into delivering exceptional service. Notably, in South Africa, we attained an impressive 92% customer satisfaction rating. This remarkable achievement highlights our ability to not only meet but also exceed the expectations of our customers in this specific region.
B-BBEE and transformation (South Africa-focused)	We maintained our Level 1 broad-based black economic empowerment (B-BBEE) status, signalling our continued commitment to socio-economic transformation in South Africa. In addition, we are pleased to have developed a new broad-based scheme to mitigate impact of reduced foreign revenue, which was presented to shareholders for approval in the second half of 2023.
Environmental	WBHO achieved no reportable environmental incidents during the period. This achievement highlights our proactive approach to risk management and our commitment to minimising our environmental footprint.

A CONTINUED COMMITMENT TO TRANSFORMATION

A significant highlight within the reporting period was the implementation of the Akani 2 broad-based black economic empowerment (B-BBEE) transaction. This initiative reflects the importance to WBHO of having employees at all levels within the organisation able to participate in its success.

From the standpoint of ownership, the WBHO group firmly believes that promoting black equity ownership within our organisation represents a meaningful step toward economic transformation. Our approach not only contributes to the increased economic participation of black individuals within the South African economy but also holds a strategic role in bolstering the competitiveness and sustainable growth of our Group as a whole.

Through the implementation of the Akani 2 B-BBEE Ownership Transaction, WBHO reiterates its dedication to fostering transformation and the scheme also provides for the participation of the communities we operate in, thereby reinforcing our position as a responsible and forward-looking industry leader.

COMMITTEE OVERSIGHT

Throughout the period under review, there were no significant instances of non-compliance with legislation and adherence to codes of best practice within the areas encompassed by the SEC's mandate, underscoring our dedication to upholding high standards of corporate governance.

The SEC's diligently fulfilled its responsibilities in accordance with its statutory duties and formal charter. A comprehensive account of these activities can be found on page 69 of this report, providing transparency and accountability in our actions.

Furthermore, the Board actively engaged with various stakeholders on crucial ESG matters throughout the year. Our discussions encompassed topics such as carbon emissions, carbon tax, safety measures, and the impact of load shedding. By prioritising these ESG considerations, we proactively address key sustainability challenges and contribute to a more responsible and resilient business model.

These stakeholder interactions embody our ethos of open dialogue and collaboration, ensuring we incorporate diverse perspectives and stay informed about emerging ESG trends. By actively engaging with our stakeholders, we foster a culture of transparency, responsible decision-making, and continuous improvement in our ESG practices.

LOOKING AHEAD

As we navigate an increasingly uncertain world characterised by economic and geopolitical volatility, and the need to further embed ESG into our operations, the importance of delivering shared and sustainable value cannot be overstated.

Our sustainability performance is a crucial foundation for building a resilient and adaptable business that can thrive in the face of change. I am confident that our comprehensive protocols, policies, and procedures will continue to drive our sustainability initiatives forward, ensuring we stay at the forefront of positive transformation.

The commendable efforts undertaken by our management team to enhance the Group's sustainability performance across all key metrics highlight our commitment to going beyond compliance. These achievements are a testament to our dedication and reinforce the WBHO difference.

In closing, I thank our esteemed Board and committee members, CEO Wolfgang Neff, the management team, and all our employees for their unwavering commitment to WBHO's sustainability journey.

With a firm foundation and a collective drive, I am confident that we are well-positioned to deliver enduring value safely, efficiently, and sustainably to all our stakeholders.

Karen Forbay
Social and Ethics Committee Chairperson

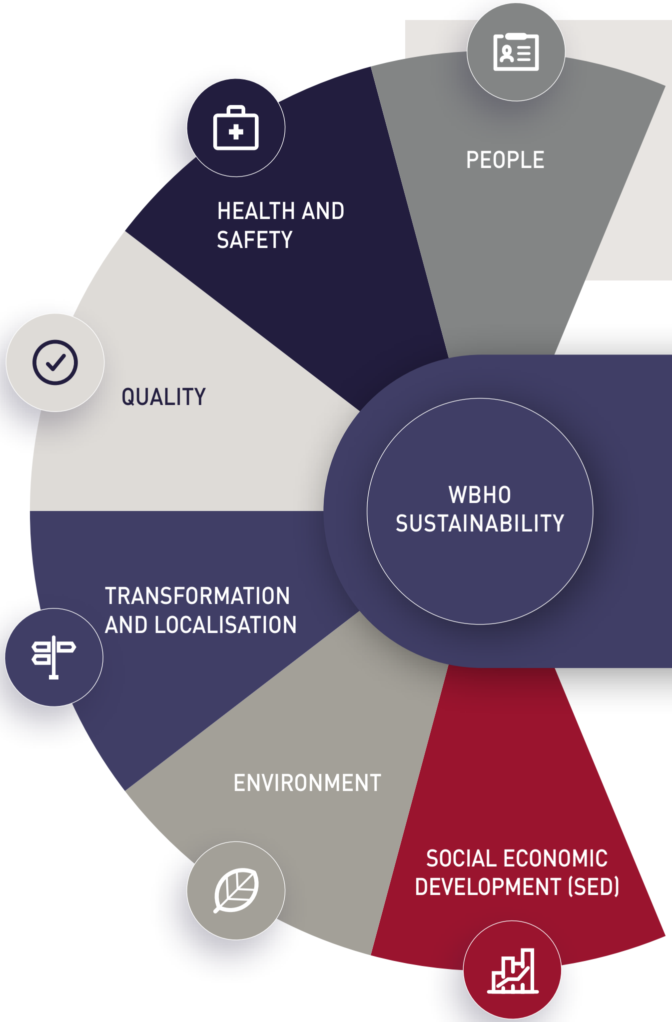
SUSTAINABILITY STRATEGY, GOVERNANCE AND MANAGEMENT

SUSTAINABILITY STRATEGY

As an organisation, WBHO recognises the importance of operating in a sustainable manner, and thereby fulfilling the needs of today without jeopardising our ability to meet the needs of tomorrow.

We believe that our employees come to work trusting in their safety and knowing that they will return home without harm. We strive to limit our environmental footprint by implementing the highest standards of environmental protection, as well as by applying the best construction and quality management practices throughout all phases of construction. This also has a positive impact on clients and suppliers.

OUR SUSTAINABILITY STRATEGY IS FULLY ALIGNED WITH THE GROUP'S VISION AND OVERALL BUSINESS STRATEGY AND FORMS AN INTEGRAL PART OF HOW DAY-TO-DAY BUSINESS IS CONDUCTED.



PEOPLE

Our people are the key stakeholders of the organisation and are essential to its continued success and sustainability. As a result, we are committed to providing a safe, healthy and enabling workplace that is characterised by mutual respect, fairness, integrity, non-discrimination, equal opportunities, growth and upliftment and open, two-way engagement.

For more on our people, see page 16

HEALTH AND SAFETY

Construction is inherently a high-risk activity and we recognise that we have a moral and legal obligation to safeguard and protect the wellbeing of our people. We strive for a work environment that achieves "zero harm", which means operating without fatalities and a minimum of lost-time injuries. We also recognise that our occupational health and safety (OHS) responsibility extends beyond WBHO employees and encompasses every stakeholder involved in our projects.

For more on health and safety, see page 25

QUALITY

WBHO, in fulfilling its motto: "Rely on our ability" signifies a focused group, that concentrates on providing its clients with a quality product. To this end, the Group mobilises its management skills and resources in the most efficient and cost-effective manner to produce projects to the required standards and quality.

For more on quality performance, see page 37

TRANSFORMATION AND LOCALISATION

WBHO takes its commitment to transformation and localisation seriously and it is a priority that continues to be debated, planned and reviewed at the highest levels of the organisation as well as the broader construction industry.

For more on transformation and localisation, see page 43

ENVIRONMENT

The construction industry is deemed a high-impact industry and we fully acknowledge our moral and legal responsibility to safeguard the environment and the wellbeing of all those affected by our activities. We are committed to maintaining the highest standards of environmental protection throughout every phase of the construction process and seek to do so by rigorously applying the best practice principles of environmental management.

For more on environmental performance, see page 49

SOCIAL ECONOMIC DEVELOPMENT (SED)

WBHO considers SED to be a moral responsibility rather than a contractual obligation. Our SED programmes are focused on providing assistance and upliftment to communities in the areas in which we operate, especially in remote rural locations. We seek to support those projects, which provide tangible and measurable benefits to the community directly.

For more on social economic development spend, see page 47

ESG MATERIALITY

For WBHO, materiality in the context of ESG, is focused on those material issues that are likely to impact the Group's financial, operational and long-term sustainability performance – and are therefore most important to investors and other stakeholders. In determining material sustainability matters, a variety of internal and external influences are considered including the operating environment, legislation, key stakeholder needs, strategy and business activities, as well as related risks.

United Nations Global Compact

WBHO's ESG reporting aligns with the ten principles of the United Nations General Council, which are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. We believe that this is an impactful framework for measuring sustainability performance over time.

MATERIAL SUSTAINABILITY MATTERS

Social
- Promoting workplace health and safety
- Quality management
- Employee development
- Meeting WBHO's commitments to transformation and society
- Economic impact

Environmental
- Exceeding environmental compliance standards
- Responding to climate change
- Promoting water management practices
- Responsible waste management

Governance
- Implementing ethical leadership and governance processes

OPERATING ENVIRONMENT | BUSINESS ACTIVITIES | STAKEHOLDER INTEREST | STRATEGY | RISK AND OPPORTUNITY

IMPACT ON VALUE

HEALTH AND SAFETY
A safe and healthy workforce contributes to an engaged, motivated and productive workforce that identifies hazards and minimises incidents, mitigates operational stoppages and reduces potential legal liabilities.

Protecting the safety and health of employees and contractors is also a fundamental human rights imperative.

RESPONSIBLE ENVIRONMENTAL BUSINESS PRACTICES
Responsible environmental management, including the management of energy and climate change, water consumption and discharge, and waste management is a major factor in legal compliance.

Understanding the effects of climate change on the business and how it may impact our value chain is important as WBHO strives to maximise the opportunities associated with the transition to a low-carbon future.

COMMUNITIES
Acting in a responsible and ethical manner is fundamental to WBHO's business philosophy.

Working closely with communities and governments to undertake integrated planning and share the benefits of the business helps WBHO to avoid and mitigate adverse social impacts, optimise development opportunities and maintain its socio-political licence to operate.

GOVERNANCE
Good governance is a philosophy and approach that each level of a company must adopt, with the tone primarily set from the top.

Good governance is an instrumental component in creating value for WBHO's stakeholders and it necessitates the exercise of ethical and effective leadership in a responsible, fair and transparent manner.

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT

SUSTAINABILITY GOVERNANCE FRAMEWORK

BOARD

SOCIAL AND ETHICS COMMITTEE

EXECUTIVE MANAGEMENT COMMITTEE

TRANSFORMATION EXCO

GROUP SUPPORT SERVICES**

KEY SUSTAINABILITY PERFORMANCE INDICATORS

HEALTH, SAFETY AND QUALITY

- Recordable case rate*
- Lost-time injuries*
- Process safety incidents
- Quality audits
- Supplier inspections
- Client quality perception rating

ENVIRONMENT

- Environmental incidents*
- Water usage and management
- Waste generated and management
- Carbon footprint

PEOPLE

- Employee engagement
- Employee representation
- Talent management*
- Training
- Employment equity*

SOCIAL

- SED investment
- B-BBEE level*
- Enterprise and supplier development*
- Community engagement

** Linked to executive and senior management remuneration.*
*** Group support services include: Health and safety, Environmental, Quality, Transformation, Company secretarial and Legal counsel.*

SUSTAINABILITY GOVERNANCE

We have a structured and systematic approach to managing the most significant social, economic, and environmental impacts and to addressing the material interests of priority stakeholders.

The Board is ultimately responsible for the key governance processes to ensure sustainable growth and acceptable performance of the Group.

The Board has delegated to the Social and Ethics Committee (SEC) its responsibility for monitoring and managing the Group's social and economic development, good corporate citizenship – including the promotion of equality as well as environmental, health and safety – good labour conditions and sound business ethics.

(For more on governance, the Board, and its committees, see page 60.)

WBHO's Chief Executive Officer and his executive management team (Exco) assume accountability for the day-to-day management and performance of the overall sustainability strategy, with relevant performance indicators and the achievement of targets influencing the performance-based remuneration of senior executives.

Responsibility for delivering our sustainability performance rests with the Group support services committee.

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

COMMITTEE RESPONSIBILITIES AND GOVERNANCE

The SEC is constituted in terms of section 72(4) of the Companies Act, No. 71 of 2008, as amended, and its accompanying regulations to implement the mandate prescribed by regulation 43(5).

The committee's primary goals are to provide stewardship and to promote social and economic development, good corporate citizenship and risk management practices at WBHO.

The committee has adopted appropriate formal terms of reference and is responsible for overseeing activities relating to:

- Social and economic development, including the Group's standing in terms of the goals and purposes of:
  - ✔ Ten principles set out in the UNGC OECD recommendations regarding corruption
  - ✔ The Employment Equity Act
  - ✔ The Broad-Based Black Economic Empowerment Act
- Good corporate citizenship, including the Group's:
  - ✔ Promotion of equality, prevention of unfair discrimination and reduction of corruption
  - ✔ Contribution to development of the communities in which its activities are predominantly conducted
  - ✔ Record of sponsorship, donations and charitable giving
  - ✔ The environment, health and public safety, including the impact of the Group's activities and of its products or services
  - ✔ Consumer relationships, including the Group's advertising, public relations and compliance with consumer protection laws
  - ✔ Labour and employment, including:
    - – The Group's standing in terms of the International Labour Organization Protocol on decent work and working conditions
    - – The Group's employment relationships, and its contribution towards the educational development of its employees

The Committee comprises three non-executive directors, the Company Secretary and two members of management.

All members have the requisite business, financial and leadership skills for their positions.

Committee membership and meeting attendance

Member	Committee member since	Meeting attendance
Karen Forbay (Independent non-executive director and Chairperson of SEC)	1 November 2017	2/2
Hatla Ntene (Independent non-executive director)	1 November 2017	2/2
Ross Gardiner (Independent non-executive director)	1 November 2017	2/2
Donna Msiska (Group Company Secretary)	1 April 2021	2/2
Samuel Gumede (Group Legal Counsel)	21 November 2017	2/2
Andrew Logan (Group Financial Manager)	13 September 2013	2/2

Members of senior management from the human resources, safety, environmental, quality, and transformation functions attend meetings by invitation.

WBHO Group SEC Focus Areas

The WBHO Group SEC remains committed to upholding high standards in social and ethical matters. As we move forward, our key focus areas for FY2023 and FY2024 have been outlined, ensuring transparency, growth, and commitment to our stakeholders.

The table below presents a comprehensive breakdown of these focal points, distinguishing between our past year's objectives and our forward-looking aims for the next fiscal year.

FY2023 focus areas:

- ✔ Training conducted in FY2023 and training plans for FY2024 as part of WBHO's anti-bribery and corruption prevention and detection programme
- ✔ Reviewing and assessing reports from management in respect of safety, environmental, human capital training and empowerment and investment in social economic development
- ✔ Continue to assess avoidable staff turnover rates for professional staff and the trends behind resignations
- ✔ Progress on the Commission for Conciliation, Mediation and Arbitration (CCMA) in South Africa and Labour Court matters and consideration of how these could impact future employee relations practices
- ✔ Assessing and understanding the impact of the new Employment Equity Bill on South African operations

FY2024 focus areas:

- ✔ Updating and preparing the regulatory risk matrix for the Group
- ✔ Enhanced reporting of ESG matters in line with international guidelines and standards
- ✔ A committee evaluation to assess performance and identify potential areas for improvement

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

Management approach

Policies and operational risk management

We have implemented various precautionary sustainability-related policies and standards across the Group. Some of the key policies are available online at www.wbho.co.za. These policies set out the goals, principles, policies, management system requirements and performance expectations for managing our core sustainability risks and opportunities.

Policies and standards and site-specific procedures are in place to ensure compliance with legislative requirements, and responsibility for implementing them rests with line management. Group and operational-level safety, health, environmental and quality (SHEQ) specialists support line management in implementing the strategy and in monitoring and managing performance.

Policy implementation is enhanced by our commitment to maintaining ISO certification for various quality, safety and environmental management systems, with audits conducted by internal and external auditors to ensure compliance. During the year under review, the Group maintained all its health, safety and quality certifications.

	2023	2022	2021
ISO 9001 – International Quality Management	✔	✔	✔
ISO 14001 – International Environmental Management Standard	✔	✔	✔
ISO 45001 – International Health and Safety Standard	✔	✔	✔

ETHICAL BUSINESS PRACTICES

Code of conduct and anti-corruption

We have a zero-tolerance approach to unethical and corrupt practices, and every employee is accountable for ensuring that our organisational values are always upheld. These principles are entrenched in our Code of Conduct and reinforced by specific policies and training programmes on issues such as anti-trust and anti-corruption behaviour.

The Group requests a Declaration of Interests from internal and external stakeholders annually in an attempt to prevent corruption within the workplace. In addition to this corruption preventative measure, we maintain an independent anonymous tip-off line which is aimed at providing employees with a platform for the anonymous reporting of potentially corrupt activities within the business. Awareness campaigns regarding both corruption and preventative measures are regularly communicated across the Group.

Human rights

The protection of human rights at a global level is enshrined in the principles of the UN Global Compact. We respect and uphold these values, treating all people with dignity and respect. We are committed to safeguarding the human rights of others and attending to human rights impacts during the course of business operations. We respect freedom of association, seeing it both as an individual and as a collective right, and we do not restrict employees' choices with regard to trade union membership.

WBHO endeavours to uphold corporate citizenship and the law, ensuring that there is no infringement on human rights by requiring adherence to policies and processes.

We seek to prevent any infringements and, as far as practically possible, we hold our suppliers, including security personnel – an outsourced function – and business partners to the same standards.

We have formal mechanisms put in place for reporting human rights grievances and violations at all operations and the corporate office. The Group had no reported incidents regarding human rights, child labour and forced or compulsory labour during the year under review.

Sustainable sourcing practices

We expect all service providers acting on WBHO's behalf to adopt and follow the Group's standards and policies, and the Group has a Supplier Code of Conduct in place aligned with the principles of the UN Global Compact as it pertains to the protection of human rights and ensuring sustainable business practices. This code outlines the minimum standards with which we expect suppliers to comply in the areas of health and safety, human rights, ethics and environmental responsibility.

We encourage all our suppliers to promote the requirements of the code within their own supply chains.

Contributions to political parties

WBHO is politically agnostic and donations to political parties are handled in terms of a Donation Policy across all geographical operations.

Environmental projects

We apply a precautionary and risk-based approach to the management of environmental issues, based on international best practice, legal compliance and the maintaining of the environmental and social licence to operate.

ANNUAL CONFIRMATIONS BY THE SEC:

The SEC confirms that it:

- ✔ Has discharged its responsibilities as mandated by the Board, its statutory duties in compliance with the Companies Act, and best practice in corporate governance as set out in King IV™
- ✔ Is satisfied that the Group's social and ethics procedures and controls are operating appropriate

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

United Nations Global Compact (UNGC)

UNGC principle	WBHO's support of the principle	Relevant WBHO policies and/or frameworks
Human rights *Principle 1:* Businesses should support and respect the protection of internationally proclaimed human rights *Principle 2:* Make sure that they are not complicit in human rights abuses	WBHO supports the United Nation's Universal Declaration of Human Rights. The company is bound by the Constitution of the Republic of South Africa, which contains the Bill of Rights. All employees are bound by WBHO's Code of Conduct and are guided in their behaviour in terms of integrity, loyalty, equity, tolerance, impartiality and discretion. The WBHO service providers, suppliers and trade partners are required to adhere to the Supplier Code.	• Code of Conduct • Employment policies
Labour *Principle 3:* Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining *Principle 4:* The elimination of all forms of forced and compulsory labour *Principle 5:* The effective abolition of child labour *Principle 6:* The elimination of discrimination in respect of employment and occupation	WBHO is committed to fair employment opportunities for all and to create an environment that permits such equal opportunities for advancement to redress past imbalances and to improve the conditions of individuals and groups who have been previously disadvantaged on the grounds of race, gender and disability. In the spirit of promoting organisational policies and practices that are fair and equitable, the company affirms its commitment to comply with the spirit of the Employment Equity Act to the strategic benefit of WBHO. South Africa is a signatory to the International Labour Organization convention, as applicable to fair labour practices, and South Africa has a plethora of labour legislation that reflect the standards. The company's employment policies incorporate these legislative provisions. South African law prohibits forced, compulsory and child labour. WBHO practices freedom of association and recognises the right to collective bargaining as prescribed in the Constitution of the Republic of South Africa and set out specifically in the South African Labour Relations Act.	• Employment policies
Environment *Principle 7:* Businesses should support a precautionary approach to environmental challenges *Principle 8:* Undertake initiatives to promote greater environmental responsibility *Principle 9:* Encourage the development and diffusion of environmentally friendly technologies	WBHO supports the precautionary approach to environmental challenges. Environmental and sustainability are founded in Group's safety, health, environmental and quality policies. The safety, health, environmental and quality policies ensure the WBHO operations are socially responsible, environmentally sound and in line with government requirements.	• Climate change policy • Occupational health, safety and environmental policy • Quality policy • Code of Conduct • Environmental Management System and ISO 14000 certification
Anti-corruption *Principle 10:* Businesses should work against corruption in all its forms, including extortion and bribery	WBHO's Code of Conduct articulates the values and acceptable ethical standards to which all persons associated with the Company are required to adhere. This notwithstanding, WBHO acknowledges that in today's business environment, fraud is prevalent and all business organisations are susceptible to the risk of fraud. In this regard, the Company has a zero-tolerance towards fraud and corruption as well as management's commitment to combat all forms of fraud inherent in the Company's operations. The WBHO Anonymous Tip-off line forms an integral part of the Company's anti-fraud and anti-corruption efforts. The toll-free hotline is independently managed. The conflict of interest policy for the Board and employees requires the disclosure of all direct or indirect personal or private business interests.	• Code of Conduct • Conflict of interest policy • Whistleblowing policy • Fraud prevention plan

SUSTAINABILITY PERFORMANCE

SOCIAL PERFORMANCE

HUMAN CAPITAL AND SKILLS DEVELOPMENT

WBHO'S HUMAN CAPITAL STRATEGY SUPPORTS THE GROUP STRATEGY THROUGH THE ESTABLISHMENT OF EFFECTIVE LEADERSHIP AND OPERATIONAL COMPETENCE AT ALL LEVELS, THEREBY EMBEDDING A CULTURE OF DELIVERY THROUGH HAVING THE RIGHT PEOPLE, CAPABILITIES, SUPPORT AND GOVERNANCE STRUCTURES IN PLACE.

WBHO's commitment

People management is a key focus area. WBHO seeks to **attract and retain the best available talent** within the industry.

When balancing the needs and capacity of the business with the sizes of the teams, WBHO **adopts responsible and ethical labour practices.**

Proactively investing in the development of employees is fundamental to ensuring the long-term sustainability of the business.

Link to strategic objectives

Capacity and talent management

Procurement and execution excellence

Transformation and localisation

HUMAN CAPITAL STRATEGY

Attracting and managing talent
Implementing the right processes, initiatives and culture fundamentals to ensure that WBHO is a leader in attracting, developing, optimising, engaging and retaining the best people in the construction business.

Employee development
Our commitment to the development of our employees prepares and equips them to participate safely and meaningfully in the workplace, and we endeavour to integrate this with their own developmental goals. We have a philosophy of "Growth from within" and, whenever possible, identify internal talent for development rather than hiring externally.

Performance management
Implementing fit-for-purpose performance management to provide consistency and accountability.

Diversity
Driving transformation and localisation objectives in all its markets.

EMPLOYEE VALUE PROPOSITION

Responsible employer
We aim to provide a safe, healthy and enabling workplace that is characterised by mutual respect, fairness, integrity, non-discrimination and open, two-way engagement.

Fair labour practices
We provide well-structured employment contracts and fair and competitive remuneration.

Embrace diversity
Equal opportunities in terms of recruitment, promotion, training and conditions of service.

WORKFORCE PROFILE AT A GLANCE

HOURLY AND MONTHLY CONTRACT EMPLOYEES WORLDWIDE	AVOIDABLE EMPLOYEE TURNOVER RATE	BLACK REPRESENTATION IN SOUTH AFRICA	BLACK YOUTH EMPLOYED
9 515	10,7%	89%	32,8%
(FY2022: 6 528)	(FY2022: 9,7%)	(FY2022: 86%)	(FY2022: 28,8%)

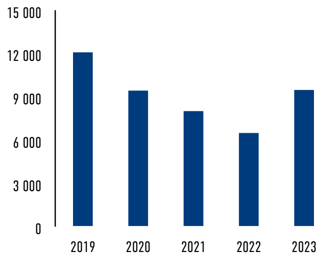
SOCIAL PERFORMANCE continued

CAPACITY MANAGEMENT

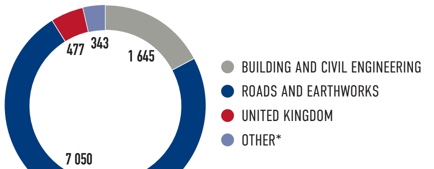
Workforce

With higher activity levels across various regions of the Group's operations, the Group saw a 46% increase in the workforce, bringing our total number of employees to 9 515 (FY2022: 6 528) in the year under review. The increase is mainly attributed to new projects starting in South Africa, as well as in Mozambique and Liberia.

GROUP HEADCOUNT: NUMBER OF EMPLOYEES (FY2023)

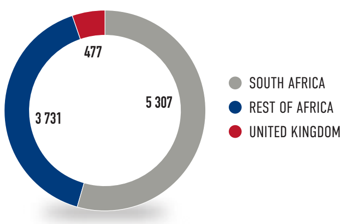


WORKFORCE BY BUSINESS UNIT (FY2023)



* *Other includes administration functions and construction materials.*

HEADCOUNT PER REGION (FY2023)



South Africa

Following the economic downturn seen over the past couple of years – exacerbated by the Covid-19 pandemic – the South African construction industry is regaining strength. Construction consistently ranks among the top 10 largest industries in the country. In 2022, the construction industry contributed approximately R107 billion to the country's gross domestic product (GDP).

Consequently, this sector is not only a major employer but also holds the potential to expand employment opportunities and skills development further. WBHO acknowledges its significant role in the South African construction landscape and beyond and prides itself as an employer of preference within this sector.

Following strong growth of 42% in the region, a robust order book and optimistic prospects within all divisions, along with favourable market trends in areas like renewable energy, logistics, warehousing, data centres and national road projects, our South African employee base grew from 4 088 to 5 307 – an increase of 1 219.

89% of our South African workforce hails from previously disadvantaged backgrounds while women constitute 18% of our total workforce, up from 16% in FY2022. 88% of our female staff come from previously disadvantaged backgrounds (FY2022: 83%).

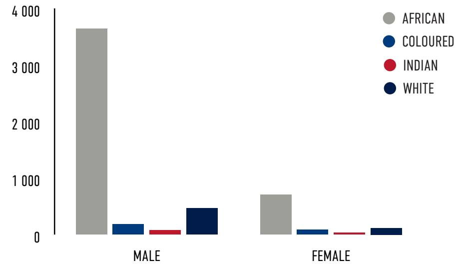
Employee retention is undeniably a hurdle not only for the construction sector but across various industries, especially concerning skilled labour.

The high demand for skills internationally, combined with South Africa's perceived economic and political uncertainties, has led to increasing levels of emigration.

To counteract this, we're continually updating our retention strategies, which include ensuring that our remuneration packages are competitive and market-related, while also supporting our employees in advancing their careers within WBHO through our training programmes, as well as providing support for professional registrations.

(Please see page 18 for more information on our talent retention approach).

SOUTH AFRICAN WORKFORCE DEMOGRAPHICS FOR 2023



Rest of Africa

The Group's activities in the rest of Africa are mainly driven by opportunities from the mining and gas sectors. Despite lower activity levels in Botswana and Zambia, our workforce in the region increased to 3 731 employees in the year under review (FY2022: 2 060). This increase is mainly attributed to increased activity in Mozambique as well as new projects in Tanzania and Liberia.

When hiring employees in the rest of Africa, the Group seeks to employ citizens from local regions where possible as well as offer training opportunities that will allow them to enhance the skills they need for their employment. As a result, we have developed strong local teams across all of our African operations. At the end of the FY2023 financial year, 94% of the workforce in the rest of Africa represented citizens of the host country (FY2022: 93%).

Operating in the broader African continent presents unique risks and opportunities. While WBHO actively promotes local employment, key expatriate employees are essential when implementing the construction, safety and environmental best practices of the Group. Appropriate and competitive remuneration benefits are adopted for all employees spending significant time away from home.

Localisation in major African countries

93%	Botswana (FY2022: 98%)	98%	Ghana (FY2022: 98%)
24%	Lesotho (FY2022: 37%)	96%	Mozambique (FY2022: 89%)
83%	Madagascar (FY2022: 92%)	87%	Zambia (FY2022: 80%)
91%	Tanzania (FY2022: 100%)	91%	Liberia (FY2022: no comparator available for prior year)

United Kingdom

The UK construction industry has experienced considerable workforce fluctuations between 2019 and 2023, influenced by factors like workforce shortages and the combined impacts of Brexit and Covid-19.

Within the UK operations, the total headcount increased from 380* to 477 following personnel from the O'Keefe group of companies that entered administration being absorbed within the Byrne Group.

Employee levels within the remainder of the Byrne Group were largely static.

* *Restated from 617 in FY22 to exclude self employed personnel.*

At Russell WBHO, there was a natural reduction in the workforce of 28 people from 165 to 137 employees commensurate the with lower revenue achieved in the year. However, following good order book growth and a number of letters of intent and pre-construction service agreements now in place with various clients, the business is once again recruiting for certain key roles.

SOCIAL PERFORMANCE continued

TALENT MANAGEMENT AND RETENTION

Forging strong and lasting relationships with all employees is a priority for WBHO. We understand that a healthy relationship with our people translates directly into productivity, efficiency and competitiveness for us as a business and we take our commitment to building these relationships seriously. The infographic depicts the four cornerstones of WBHO's approach to ensuring our business is considered an "employer of choice" by cultivating a supportive working environment that promotes both the objectives of the business and the aspirations of our employees.

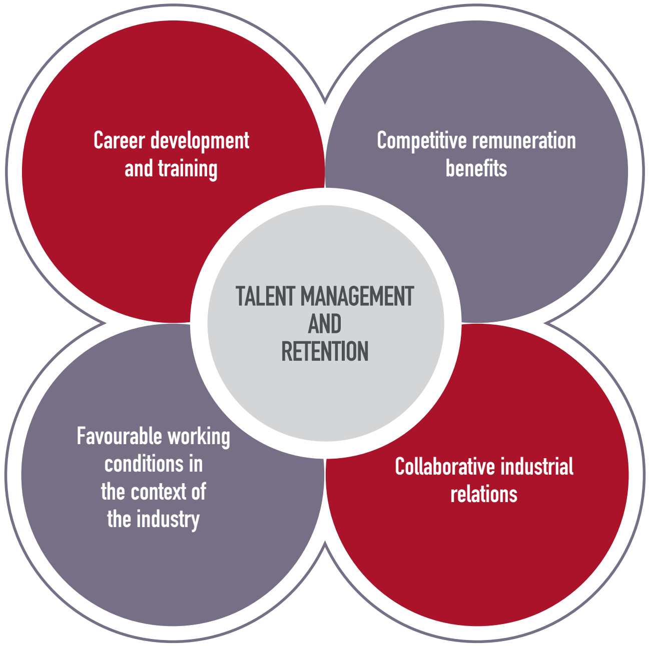
The talent pool of skilled and professional construction workers in South Africa has faced various challenges over recent years. The domestic, political and social environment together with historically weak economic activity within construction markets has created heightened levels of uncertainty. When combined with a high international demand for engineering skills, this has led to increased levels of emigration within the construction sector.

As recent as June 2023, the Department of Employment and Labour in South Africa began hosting a number of Irish companies looking to recruit highly qualified South Africans to work in Ireland's construction sector. The focus of this drive, among many others across other countries, is typically on civil engineering and related skills. Such initiatives as these pose a challenge to the retention of skilled professionals in South Africa's own construction sector.

Another factor that continues to influence established industry players in South Africa are the procurement regulations prescribed by most public institutions. Under these regulations, a fixed percentage of construction contracts are required to be subcontracted to black-owned small and medium enterprises. After gaining sufficient experience within the ranks of the business, some of our potential young black leaders seek to take advantage of these regulations and begin their own construction businesses. This dynamic is further reducing the talent pool available to larger contractors as well as creating new challenges toward achieving our employment equity targets. Having said that, WBHO remains an attractive employer to young graduates.

Within the African operations, we have introduced a number of retention schemes aimed at rewarding and developing key employees in order to mitigate these trends. The award of a number of large-scale mega-projects over the last two years also offer promising opportunities for growth for employees in our middle management structures.

The overall labour environment in the UK has seen shortages across a range of sectors, including construction, due to some European workers leaving the country post-Brexit. In June 2023 there were an estimated 37 000 vacancies within the UK construction sector.



As demands on the sector increase in the medium to long term, more than a quarter of a million extra construction workers will be needed by 2026 in the sector more broadly. There have been positive movements from the UK government to deal with these shortages.

In July 2023, the UK Home Office announced that bricklayers, plasterers and other construction jobs have been added to the government's "shortage occupation list", making it easier for foreign builders to come to Britain amid labour shortages partly caused by Brexit. This is in a move to aid the delivery of key national infrastructure for the UK, and stimulate the growth of a number of industries in its private sector.

Within the Byrne Group, we continue to maintain and enhance the experience of our employees, as part of our efforts to retain and develop them in an environment where there is competition for talent in the UK and globally. At Russell WBHO, despite staff levels reducing during 2023, all key experienced personnel were retained. Russell WBHO is committed to developing future construction talent within our company and the construction industry and we invest considerable time and resources into our 'Building Student Programme' and internal vocational training.

Although not specified by law, the retirement age in Africa is 60 years old to allow new talent to grow within the Group. This may be extended as senior management sees fit. The UK does not have a retirement policy in place but retirement generally occurs at the age of 65.

WBHO's approach to inclusion and diversity

WBHO firmly believes that every employee deserves to be treated with dignity and respect in the workplace. We are steadfast in our commitment to fostering an inclusive environment where a diverse workforce can flourish, irrespective of race, gender, or age. Our employees are central to WBHO's success and pivotal in shaping our company into an ideal workplace.

The sustained success of our business hinges on the retention of proficient and seasoned staff. Therefore, WBHO prioritises identifying latent talent within the company and fervently supports their advancement. This approach not only addresses the current gaps in the construction sector but also remains attuned to employment equity objectives and transformation benchmarks.

We wholeheartedly support and welcome individuals from all backgrounds, with the goal of ensuring workplace inclusion for people of every age, gender, and race. While the construction industry has traditionally been male dominated, with a scant representation of women, there is a promising shift in dynamics. This change is evident in our RSA workforce demographics, where the proportion of female employees has risen by almost 40%.

SOCIAL PERFORMANCE continued

Competitive remuneration and benefits

Remuneration is determined by management with reference to the remuneration policy and with oversight from the Remuneration Committee, a subcommittee of the Board. WBHO offers an equal rate of pay to both male and female employees of equivalent experience.

The benefits that WBHO provide to its full-time employees include at a minimum:

- Life insurance
- Healthcare
- Disability and invalidity benefits
- Parental leave
- Retirement provision

Additional benefits provided to eligible employees include:

- Travel allowances
- Subsistence allowances
- Share ownership

WBHO endeavours to pay inflation-linked increases to all its employees when possible. Levels of inflation together with prevailing market conditions, affordability, shareholders' expectations and operational performance are the factors considered when determining appropriate increases.

In the current year, the Remuneration Committee approved inflationary increases for senior management and executives within the African operations of 11.11% (FY2022: 4,02%). The average increase for the remainder of the employees in Africa was also 9.02% (FY2022: 6,5%). Russell WBHO granted a 7,5% increase for FY2023 (FY2022: 3,75%), while the Byrne Group granted an increase of 7% (FY2022: 5,7%).

For a detailed discussion on remuneration, please refer to the comprehensive Remuneration report included in the Integrated Report for 2023 as well as our Remuneration policy which can be found on the website of the Group.

Collaborative industrial relations

At WBHO, we are committed to supporting workers' rights to exercise their freedom of association and collective bargaining across all regions.

Collective bargaining

In South Africa, the Company is fully compliant with the Labour Relations Act that promotes and supports all levels of collective bargaining. We have recognition agreements in place with the National Union of Mineworkers and the Building Construction and Allied Workers Union. The level of union representation decreased during the year under review from 26% to 19%. Wage negotiations are conducted and concluded centrally at the bargaining council annually.

Negotiations on substantive matters within the civil engineering labour market take place at the industry level with the South African Federation of Civil Engineering contractors (SAFCEC) and the representative unions. This process covers the majority of the hourly-paid employees while the balance of our personnel is covered by various other bargaining councils and voluntary bargaining forum agreements. A total of 77% of employees in South Africa are covered by collective bargaining agreements. The current minimum wage for the industry in South Africa is R44,79 per hour (FY2022: R41,72 per hour). WBHO abides by the terms and conditions of the national wage agreement. To this end, no employee within the Group is paid below the national minimum wage of the industry.

Notice periods prior to the implementation of operational changes that could affect employees are specified in the collective agreements as follows:

- Four weeks' notice period if an employee has worked for a year or more.
- Two weeks' notice period if an employee has worked for more than six months, but less than a year.
- One week's notice period if an employee has worked for less than six months.

The existing wage agreement negotiated by SAFCEC will expire on 31 August 2024. A three-year wage agreement was concluded with the Gauteng Building Council during the 2022 financial year.

Employees in the United Kingdom do not form part of a central bargaining council. Employees may, however, join a union. Fees are paid by the individuals directly to the union. Membership lists are not maintained by the respective businesses.

Person days lost

"Person days lost" is the number of days lost due to strikes, work stoppages or non-attendance multiplied by the number of employees affected. The total number of person days lost increased from 13 839 in FY2022 to 20 145 in FY2023 primarily due to the continued challenge of local business forums and community unrest.

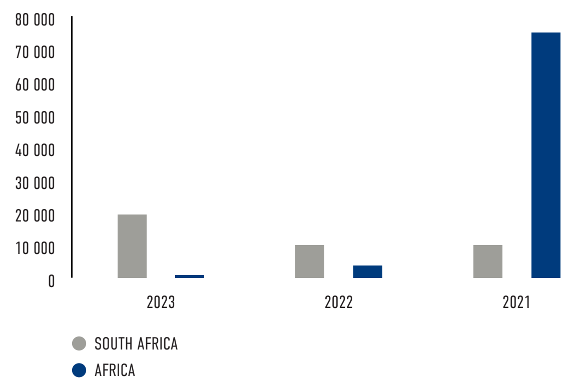
Unauthorised work stoppages stemming from community protests and business forums often involve elements of violence and intimidation, hampering employees eager to fulfil their work responsibilities. Such disruptions have become a recurrent challenge in the industry. Data from before the pandemic indicates that these illicit activities caused construction site delays industry-wide, costing the economy over R68 billion across 186 projects.

WBHO has developed the necessary strategies and protocols to proactively deal with these events in a manner that causes the least interruption to business activities (refer to the 2023 Integrated Report for detailed information). These interventions include early engagement with communities and business forums where possible, the appointment of a liaison officer, transparent tender processes for available work packages, and insistence on compliant business and tax registrations.

More recently, public infrastructure projects include formal processes for developing, approving and implementing community participation plans aimed at limiting site disruptions.

There has been little strike activity by the construction labour force in South Africa over recent years. With new wage agreements having been concluded within both building and civil labour markets, this trend is expected to continue. While South Africa saw no formal strike action, there was a significant rise in days lost to unprotected strikes – 4 037 this year compared to 62 the previous year. This marked increase is partly because the Group is involved in several large contracts, especially in the mining sector. Such projects typically employ a significant number of contractors on fixed-term agreements. This structure can lead to more lost man-days, given various associated risk factors.

PERSON DAYS LOST FY2023



SOCIAL PERFORMANCE continued

Favourable working conditions within the industry context

Construction is by its very nature demanding, both physically and emotionally. WBHO is committed to providing employees with a safe and balanced working environment. Resignations within the industry can regularly be attributed to lifestyle choices due to the long hours often required to meet contractual programmes and committed deadlines as well as in some circumstances, cross-border secondments and travel.

As part of its employee engagement programme, WBHO manages its high-risk employees to support an appropriate work-life balance by monitoring the length of "out-of-town" engagements, and overtime levels as well as implementing mandatory rest and recuperation periods. In addition, the Group monitors the overall wellness of its employees through a variety of wellness interventions as discussed below.

The Group defines avoidable staff turnover as the number of resignations in a year as a percentage of the average number of permanent salaried employees in that year. As a Group, the avoidable staff turnover rate increased from 9,7% to 10,7% this year. In South Africa, we saw an increase of 1,8% in the avoidable turnover rate to 9,3% for FY2023. A total of 71 of the 159 employees who resigned in South Africa during the year were engineers, skilled people whom we regard as critical to the business. Nonetheless, we subsequently appointed 126 similar people during the year.

WBHO makes use of exit interviews in South Africa as a guideline to establish the main drivers behind why employees are leaving the business. Working conditions accounted for 65% of the reasons given for resigning, personal reasons accounted for 14%, and emigration accounted for 13%. Only 8% of employees that completed the interview suggested that remuneration was the primary reason behind resigning. 87% of employees felt that the business had a positive image and culture and 93% indicated they would return to work for WBHO in South Africa if their circumstances changed.

Employee wellness

WBHO is committed to the sustained wellness and personal growth of its employees. Due to the impact that the overall health of our staff can have on their own safety and that of their peers when engaging in construction activities, it carries even wider importance for the business. The Group follows a holistic and integrated approach to employee wellness, which includes collaboration with on-site occupational health services and enlisting the service of wellness experts. These wellness campaigns are centred on health issues identified by occupational health services that are provided on site, including medical-related issues such as illness management, diabetes and cancer awareness and general health management.

The wellness drive includes other behavioural issues that also have an impact on employee performance and raise awareness through education on substance abuse, the promotion of healthy eating habits, physical fitness, fatigue and stress management, mental health, financial fitness and maintaining a work-life balance.

In addition to the wellness campaigns, the Group conducts medical surveillance examinations which have the dual purpose of assisting with employee wellness as well as ensuring employees do not present a safety risk while on-site.

In Africa, HIV/Aids can have a significant impact on our business, our employees and the broader communities in which we operate.

HIV/Aids awareness programs are designed to educate and increase the understanding of all employees by providing them with more information and possible support systems available. We actively encourage early testing, awareness and lifestyle changes. We have an HIV/Aids policy that advocates our commitment to confidentiality, and non-discrimination and to developing and implementing programs for treatment and prevention.

We also conduct regular on-site HIV/Aids awareness, counselling and testing programs. Further awareness is generated though our toolbox talks and posters that are distributed to sites and regional offices. With regard to treatment, we provide antiretroviral therapy to permanent employees through a medical aid scheme and managed healthcare provider. Non-permanent employees are provided with five counselling sessions before being transferred to state services. WBHO offers a number of health services to its employees, including:

Africa

- ✔ Medical surveillance
- ✔ Annual medical fitness screening, which includes an HIV prevention training session and voluntary testing as well as a counselling session by a reputable medical service provider for any person testing positive
- ✔ Vaccinations for cross-border travel, which are managed in conjunction with a travel clinic
- ✔ Malaria prophylactics issued to any employee travelling into malaria areas
- ✔ Chronic conditions amongst employees, monitored and managed by the medical service provider

UK

Byrne Group

- ✔ Hearing tests – safety-critical medicals
- ✔ Employee Assistance Programme – A 24-hour helpline from Health Assured to support staff through any of life's issues or problems. These include:
  - Stress and anxiety
  - Consumer issues
  - Family issues
  - Work advice
  - Financial wellbeing
  - Childcare support
  - Relationship advice
  - Legal information
  - Medical information
  - Alcohol and drug abuse
- ✔ Occupational health surveillance
- ✔ Cycle to work scheme

Russell WBHO

- ✔ Drugs/alcohol testing
- ✔ Hearing tests
- ✔ Eye tests
- ✔ Dedicated mental health first aiders (including support from the Lighthouse Club)
- ✔ Annual occupational health assessments
- ✔ Flu vaccinations

Mental health and well-being awareness

The importance of mental health and well-being has always been recognised at WBHO.

Several factors contribute to overall mental health and well-being challenges within the construction sector. These range from the stigma and apprehensions surrounding mental health issues and seeking help, to the high-stress nature of the industry characterised by tight deadlines, extended work hours, and frequent overtime. The latter can lead to fatigue, and separation from family when employees have to fulfil on-site requirements.

SOCIAL PERFORMANCE continued

In response to these challenges, WBHO is deeply committed to promoting a culture that prioritises mental health and well-being. Our leaders continuously engage with teams to ensure they receive the necessary support. We are devoted to fostering an environment where mental well-being is championed. Furthermore, we consistently amplify mental health awareness, equipping our staff with essential resources and strategies to navigate these challenges.

(See page 36 for a case study on mental health and well-being).

Career development and training

WBHO regards the training and development of our people as a cornerstone of our success. It is ingrained within the company culture to ensure the long-term sustainability of our business. We continuously invest in tailored training programs aimed at maintaining a competent and skilled internal talent pool from which future leaders can emerge that will enable the sustainability of our Group.

WBHO seeks to provide the resources and environments for learning and creativity to assist employees to achieve the highest standards of performance and to inspire innovation. WBHO continually looks to the use of technology and relationships with training providers to be able to offer a wide range of learning opportunities available to all employees.

The transfer of skills and economic benefits to the previously disadvantaged and local residents as well as representation within our management structures are key issues across all of the geographies in which WBHO operates. Dictated by our training policies, our multifaceted core and non-core training programs empower our people across all regions, while also supporting the transformation objectives of the Group in South Africa. During the year under review, the policy was reviewed and no amendments were made to it.

Africa

Talent retention initiatives

As part of WBHO's policy of developing skills from within, the organisation has developed various programmes to support the development of employees in fields critical to the long-term sustainability of the business. Key amongst these are the Management Development Programme (MDP) and WBHO's Engineering School. The MDP is a formal training course designed to equip managers with the necessary competencies to implement the strategic objectives of the Group. In collaboration with the University of Stellenbosch Business School and aligned with the National Qualifications Framework NQF Level 6, the MDP provides managers with the opportunity to broaden their knowledge and understanding in the different fields of management and leadership, and to provide them with an alternative way of thinking and problem-solving. The programme consists of two study blocks, four assignments, and a final group presentation.

WBHO has developed an Engineering School aimed at supporting the growth of graduate engineers right up to senior management. The school consists of three levels that mirror the job requirements of engineers at each stage of their development. Engineers and quantity surveyors are required to maintain a logbook through which they can track their progress and development within the business. Retention of engineers and quantity surveyors is a focus area for developing future leaders, building a corporate culture, and delivering on the needs of the business.

The Group works with the Engineering Council of South Africa (ECSA) to assist with the retention of this vital skill. The Group has registered qualified engineers who act as mentors with ECSA to assist our candidates to obtain the Professional Engineering (PR Eng) designation. Attaining this qualification is of tremendous professional value for the engineers and the financial and mentoring support successfully eases the difficulties that can be associated with this challenge. During the year under review, six candidate engineers were successfully registered with the ECSA and five Candidate quantity surveyors were registered with the South African Council for the Quantity Surveying Profession.

In the current year, WBHO also focused on registering engineers and safety personnel with the South African Council for Project and Construction Management Professions (SACPCMP). An external mentor has been appointed to assist candidates with their registration process.

Five construction health and safety officers and five construction managers registered with the SACPCMP. Four candidate construction managers and two construction health and safety managers were also registered.

Training statistics	2023	2022
Total training and skills development spend (R'000)	**88 029**	78 928
Total black training and skills development spend (R'000)	**63 147**	55 659
Total employees trained	**1 983**	1 821
Average hours spent per employee	**24**	24
Average spend per employee (R'000)	**44**	43

The total investment in training for FY2023 amounted to R88 million (FY2022: R78,9 million) within the African operations. In FY2023, formal training remained directed toward management, artisanal skills and safety training interventions. The number of employees trained increased from 1 821 to 1 983 employees, while the average training investment per employee also increased to R44 392. Looking ahead, and as business prospects have become more favourable, we have increased our allowance for training in FY2024.

SOCIAL PERFORMANCE continued

Courses attended

Course	Description	Number attending 2022	Number attending 2023	% Black 2023	Average spend per person 2023
Engineering School 1	This internal training and development course is focused on inducting operational employees to the policies, procedures, strategies, internal services, culture and structure of the Company. It is aimed at engineers, assistant site agents and junior and assistant quantity surveyors.	21	**41**	**73%**	**R8 000**
Engineering School 2	This course builds on the knowledge gained in Level 1, including *ad hoc* training, such as problem solving, presentation skills, and managerial and leadership training. It is aimed at more senior engineers; the course is more in-depth and focuses primarily on technical training.	25	**63**	**80%**	**R12 000**
Engineering School 3	This course includes training such as people management, managerial and leadership skills and the importance of responsibility and accountability. It is aimed at senior site agents, senior quantity surveyors and contracts managers.	38	**21**	**80%**	**R35 000**
Management Development Programme	This course equips participants to effectively implement strategic objectives, identify opportunities through innovation, and build management and leadership capabilities. It is aimed at Site Agents, Senior Site Agents, Quantity Surveyors and Senior Quantity Surveyors.	4	**2**	**50%**	**R38 000**
Senior Management Development Programme	This course equips participants with the business, leadership and change management acumen to cope with the changing business and organisational landscape. It is aimed at contracts manager and alternate directors.	3	**2**	**50%**	**R58 000**
Management Training	This includes training on contract law, project management, Construction Computer Software and construction regulations.	211	**179**	**72%**	**R43 446**
Artisan/skills Training	This includes various courses such as shutterhand training, concrete hand training and trade tests for plumbers.	51	**58**	**98%**	**R2 264**
Finance	Internal training.	2	**–**	**–**	**–**
Safety	Varied, including firefighting, first aid, legal liability, HIRA, working at heights, scaffolding, power tools, flagman.	1 099	**1 356**	**89%**	**R1 440**
Environmental	In-house environmental training.	–	**46**	**93%**	**R1 166**
Quality	ISO 9001:2015 Internal Auditor and QMS implementation.	6	**12**	**41%**	**R2 745**

SOCIAL PERFORMANCE continued

Student bursary, learnership and apprenticeship programmes

WBHO's bursary scheme aims to secure a fresh intake of graduate professionals into the business each year. The scheme provides financial assistance to beneficiaries, enabling them to study on a full-time basis to qualify for a degree or national diploma at a recognised South African educational institution. Financial assistance covers expenses related to books, class fees, accommodation and general expenses. Beneficiaries are selected through a rigorous process where not only academic merit is considered, but specific emphasis is placed on learning potential and historically disadvantaged backgrounds, especially students without financial means. The focus of programmes is largely on scarce skills relevant to the industry such as engineering and quantity surveying.

Student bursaries, apprenticeships and learnerships awarded	**FY2023**	FY2022
Total bursary spend (R'000)	**6 347**	6 063
Black bursary spend (R'000)	**5 921**	5 601
Total number of bursaries	**51**	44
Black bursaries (%)	**64**	70
Number of Bachelor of Science students	**51**	44
Number of National Diploma students	**0**	0
Number of students receiving in-service experiential training	**25**	5
Number of learnerships	**23**	37
Number of apprenticeships	**7**	7

WBHO regards the training and development of our employees as the cornerstone of our success and therefore we assist our employees in obtaining a formal qualification. WBHO offers learnerships and apprenticeships to our foremen, administrative staff, junior managers and earthmoving mechanics. These programmes are scheduled over 18 to 36 months and after completion, employees receive a formal qualification ranging from NQF 2 to NQF 4.

United Kingdom

At the Byrne Group we recognise and value our people as our most important asset. As such, we are committed to maintaining, and enhancing, learning and development programmes to enable our people to reach their full potential, and to ensure that we have a skilled and competent workforce to deliver our business strategy. The Byrne Group Apprenticeship Programmes provide a gateway for participants to learn and develop their skills, offering diverse avenues for career growth within the built environment sector.

Within Russell WBHO we are dedicated to the retention of all committed employees and have market leading staff retention rates. We use a number of measures to ensure this aim is achieved.

This process starts on appointment via detailed induction and formal warm welcome to the business. Our open-door policy is there to provide support and encouragement, both in the early stages of service and beyond.

Our annual Performance Development Review process allows for feedback on individual performance and identifies future training/development needs to enhance the employee's knowledge base as well as providing 360-feedback. Individual's achievements are acknowledged and appropriately rewarded in line with company pay salary bands and benefits. An annual award is presented at the end of the year to recognise the individual and Project Team that have made the most significant contributions to Health, Safety, Environment, and Quality (HSE&Q).

Talent retention initiatives

To retain and develop our future engineering workforce, the Byrne Group graduate scheme has been developed and recognised by the Institute of Civil Engineering (ICE). Our aim is that our graduates and higher apprentices will reach IEng or CEng status with the ICE upon completion of the scheme. In addition, the scheme supports graduates to develop key technical and professional skills and provides an overall understanding of how the business operates. Our graduates are continually supported as they benefit from one-to-one coaching and mentoring with their Delegated Engineer. This support contributes to the achievement of chartered status with the ICE.

We offer work experience placements throughout the year, allowing students to gain a deeper understanding of construction and on-site management, as well as placements within Head Office support functions. We orchestrate site visits at key project stages, welcoming students from local schools as well as from universities. These visits serve provide a better overview of the construction lifecycle.

In the last 12 months Byrne Bros of the Byrne Group has through membership of "Women into Construction", provided learning and training opportunities for females who present themselves with an interest in developing a career within the Industry. This is delivered through the provision of work placements on site, site visits, and collaboration in terms of developing a diversity matrix to increase the number of women entering our business. In June 2023 we achieved "Highly Recommended" status in the category of "Most Engaged Member – South"; essentially 2nd place.

We have STEM ambassador's (Science, Technology, Engineering and Maths) within our business who deliver career presentations, education and career advice to students at schools and colleges. We also work with the Construction Youth Trust and WISE (Women in Science & Engineering), promoting specific subjects and associated careers. Byrne Group provides a minimum of 50 hours of mentoring and coaching to young people and adults when visiting primary and secondary schools, colleges and career events.

Training statistics	**FY2023**	FY2022
Byrne Group		
Total training and skills development (£'000)	**51**	59
Total employees trained	**366**	333
Average hours spent per employee	**8**	18
Average spend per employee (£)	**138**	179
Russell WBHO		
Total training and skills development (£'000)	**25**	30
Total employees trained	**132**	198
Average hours spent per employee	**10**	10
Average spend per employee (£)	**190**	153

Student and graduate schemes

Russell WBHO conducts a well-established five-year apprenticeship programme. This five-year Building Student Training Programme combines a fully funded part-time construction degree at the University of Salford with on-the-job training with Russell WBHO. Students undertake two years of rotations through all operational departments and experience site management, engineering, estimating, design management, purchasing, health and safety, quantity surveying, and building services. They specialise from Year Three and qualify on completion of Year Five with a degree.

	FY2023	FY2022
Russell WBHO		
Total bursary spend (£'000)	**70**	44
Total number of bursars	**21**	25
Number of Bachelor of Science Students	**21**	25

SOCIAL PERFORMANCE continued

Human Capital Case Study

Russell WBHO leads the way with a professional apprenticeship programme for building students

Russell WBHO's Building Student Programme combines a five-year part time degree with in-house and on-the-job training with the Manchester-based contractor. The programme is designed to bring talented young people into the construction industry and provide the company with young professionals with the right skills and qualities to help drive our business forward.

Participating students enjoy rotations through six different departments in their first two years, working on a range of different projects across various sectors. After experiencing everything from pre-construction and quantity surveying to site management and health and safety, the building students then select a specialisation for their final three years.

In July 2023, six Building Students – Alex Galloway, Duncan Kay, George Carus, Marcus Crawford, James Ashton and James Brown – who are part of the programme graduate with top marks from the University of Salford.

The programme, which saw Russell WBHO named Best Large Employer at the University of Salford Apprenticeship Awards in 2020, is overseen by construction director John Millward, commercial manager Andrew Walker and commercial director Nick Sunderland.

Commenting on the success of the programme, John Milward, sponsor for the programme said: "These students have worked extremely hard and the results speak for themselves. The outstanding grades are testament to the hard work put in by students and mentors alike, especially considering the additional challenges this cohort faced through the pandemic challenges. Following their graduation, we will continue to support their career development at Russell WBHO and mentor them through the professional chartership process."

SOCIAL PERFORMANCE continued

HEALTH AND SAFETY

ENSURING OCCUPATIONAL HEALTH AND SAFETY (OHS) FOR ALL WHO WORK WITH US FORMS AN IMPORTANT PART OF WBHO'S SOCIAL, RELATIONSHIP AND INTELLECTUAL CAPITALS, AND WE UNDERTAKE OUR APPROACH TO IT IN TERMS OF OUR STRATEGIC OBJECTIVES OF SAFETY AND ENVIRONMENTAL MANAGEMENT AND REPUTATION AND RELATIONSHIPS. THIS APPROACH IS FOUNDED ON VISIBLE LEADERSHIP, RESPONSIBILITY, ACCOUNTABILITY AND COMPETENCE AND IS SUPPORTED BY CLEAR POLICIES AND PROCEDURES.

Strategic objectives	Strategic imperative
Safety and environmental management	As a contractor with an international footprint, operating across Africa and the United Kingdom, it is essential that WBHO holds itself to the very highest health and safety standards. Protecting the welfare of employees and subcontractors results in healthy morale and undisrupted productivity. A proven safety record is imperative for the procurement of work within certain key markets, particularly mining infrastructure and the public sector.
	Strategic imperative
Reputation and relationships	Our reputation has developed by delivering projects to the highest standards that extend to safely management. A poor safety record can have dire consequences not only for affected employees but also for our clients and ultimately impacts the quality of these relationships.
	Strategic initiative
	• Implementation of global industry best practice • Accident and near-miss reporting • Effective and transparent incident management • Visible Field Leadership (VFL) initiative • Medical fitness programme • Training and awareness programmes • Safety Alert initiative

Health and safety: the strategic foundation

Our employees, suppliers, subcontractors, surrounding communities and government are among our key stakeholders. In recognition of this, and in terms of our Group strategy, we are committed to their continued wellbeing when they are engaged on, or impacted by, our projects. WBHO management foster a complete safety culture which is embedded in all aspects of project planning and implementation. WBHO's safety culture focuses on the three elements of People, Behaviour and Environment.

People
Knowledge, skills, abilities, intelligence, motive, attitude

Behaviour
Wearing PPE, lifting correctly, LOTO*, cleaning up spills, coaching peers

Environment
Equipment, tools, machines, housekeeping, climate, management systems

A "safe system of work" requires all three elements to be deployed effectively. Of the three areas, the behaviour of people can have a significant influence on the level of risk for any given task. Only through developing a holistic health, safety and environment (HSE) awareness culture can we achieve our goal of an incident free workplace. By focusing on management leadership and employee involvement, WBHO is better able to manage HSE issues and the other key focus areas of workmanship, schedule and cost.

* *Lock out Tag out.*

HEALTH AND SAFETY PERFORMANCE AT A GLANCE

ALL OPERATIONS ARE
ISO 45001 CERTIFIED

NEW RECORD LOW
LTIFR: 0.27 AND RCR: 0.18
FY2022: LTIFR: 0.30 AND RCR: 0.27

SITES ADHERE TO HEALTH AND SAFETY AUDITS
100%

WORK-RELATED FATALITIES
1
FY2022: 1

SOCIAL PERFORMANCE continued

OUR OHS PHILOSOPHY

At WBHO, OHS is founded on seven pillars which underpin strong visible leadership and competence, supported by clear policies and procedures.

- **OHS policies** cascaded throughout WBHO
- Establishing **a culture of safety** supported by incentive programmes for lost-time injury-free hours
- Formalised risk **assessment** and mitigation plans
- **Reporting and monitoring** at senior executive level
- **Workforce representation** in safety and health management
- Ongoing focus on **training** and **process improvement**
- OHS key performance indicators (KPIs) incorporated into **incentive schemes**

A STRUCTURED APPROACH

Responsibility

The Board assumes overall responsibility for the occupational health and safety of our employees and stakeholders. Each operational managing director assumes responsibility for occupational health and safety within their individual business unit upon which they report to the Executive Committee.

Risk Management

Health and safety forms part of the WBHO strategic risk management framework and is managed through the Risk Committee.

Operational health and safety risks are identified through on-site risk assessments, root cause analyses of health and safety incidents, feedback from the VFL programme and Directors' Tours as well as the health and safety compliance audits conducted. Health and safety protocols and procedures are then updated with any relevant risk mitigation measures necessary.

Procedures and Assurance

We apply best practice when implementing our health and safety policies and procedures through the health and safety management system and we obtain external assurance on the legal compliance and effectiveness of the system.

The safety department obtains internal assurance of compliance with the system by the individual operations of the Group. No amendments were made to the occupational health and safety policy during the year in South Africa and the UK.

Monitoring and Reporting

The Group monitors and reports on all health and safety incidents, including high-potential incidents, near misses and observations. Persistent trends are identified and used to raise awareness and develop and implement health and safety initiatives and training continuously.

Compliance and Auditing

Quarterly compliance audits and regular inspections are conducted. Incidents are investigated and reported to the divisional Board meetings. These include high-potential incidents (HPI) as well as lost-time injuries (LTI). Incidences of fatalities are escalated to the Executive Committee as well as the Board. In these feedback sessions, incidents are evaluated to ensure that prevention measures are identified and implemented throughout the business as a standard. Feedback on substandard audits and non-conformances are raised and actioned where applicable.

Performance overview

A health and safety intervention meeting is held each year with top management, at which we discuss the prior year's health and safety performance, future developments and new health and safety targets for the year ahead. Implementation of the initiatives are driven from the top down and performance is measured weekly and reported monthly.

SOCIAL PERFORMANCE continued

Health and safety governance

All health and safety procedures, management, reporting and recording are governed by a formal health, safety and environmental policy. During the year, this policy underwent its annual review, in which it was found to be fit-for-purpose, and as a result there were no changes made.

In January 2023, a high-level HSE meeting took place at which the previous Health, Safety and Environmental First interventions were reviewed for efficacy. New OHS measures and environmental measures were added to ensure compliance as well as to improve the overall health, safety, and environmental culture.

As part of these new measures, we have enhanced engagement with contractors to provide guidance and support in implementing more robust Health, Safety and Environmental (HSE) management systems. This not only benefits the contractors but also significantly contributes to the overall well-being of the Group.

Safety performance

The Group achieved its best ever safety performance in FY2023, reflecting the progress and effort we continue to make to advance 'zero harm'.

Summary of our safety performance:

- ✔ Lost-time injury frequency rate (LTIFR) of 0.27 (FY2022: 0.30)
- ✔ Recordable case rate (RCR) of 0.18 (FY2022: 0.27) in the year
- ✔ In particular, the African operations achieved a new record low LTIFR of 0.22 down from 0.29 in the previous period
- ✔ In the UK the LTIFR deteriorated from 0.32 to 1.00. The UK is legally subject to the "*Reporting of Injuries, Diseases and Dangerous Occurrences Regulations of 2013*" to measure lost-time in respect of reportable injuries, which utilises a different and more stringent measurement framework to those used by the wider Group. For FY2023, this has resulted in a higher LTIFR.

The Group recorded an all-injury frequency rate (AIFR) of 0.44 (FY2022: 0.60) per 100 000 hours worked. Root cause investigations are undertaken for all accidents and incidents and methods are developed and implemented to prevent similar incidents from recurring.

A focus on detailed health, safety risk assessments and stringent supervision over Subcontractor health and safety management over recent reporting periods has contributed to a substantial improvement in the safety statistics within the South African building divisions. The VFL and Director Tours interventions continue to play an integral role in demonstrating the commitment from senior management to a proactive and hands-on approach to safety within the business that is led from the top down.

As part of these programmes, scheduled visits are conducted by members of senior management to evaluate sites from a health and safety perspective, giving constructive feedback to the project team and sharing good health and safety practices and initiatives implemented on other projects. In this way, senior management is seen to be leading by example, raising awareness of specific health and safety concerns. Unfortunately, one work-related fatality occurred in South Africa in FY2023 (FY2022: 1).

Managing health and safety

As a Group, we make every effort to provide and maintain a working environment that is healthy and safe and without risk to our employees. To this end, we have in place a well-established hierarchy of risk control alongside, a well-defined set of actions to support our health and safety interventions.

The Safety First interventions were first developed in 2018 are updated annually and include specific procedures and actions covering various aspects of health and safety management. In FY2023, environmental management was incorporated into this initiative and will continue to be reported on separately within this ESG report.

Policies to eliminate fatalities, reduce injuries and safety incidents

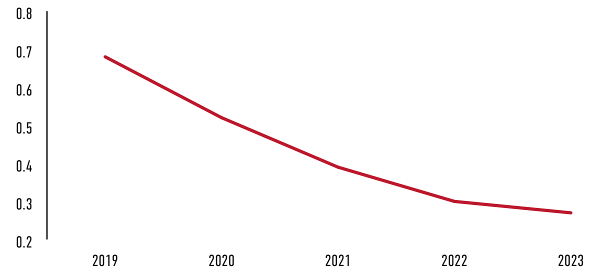
We strive for a work environment that emphasises safety and achieves 'zero harm', which means operating without fatalities and minimum lost-time injuries.

We also recognise that our Occupational Health and Safety (OHS) responsibility extends beyond WBHO employees and encompasses every stakeholder involved in one of our projects. We aim to create and maintain a safe, healthy work environment for all employees and contractors working on our projects.

WBHO OHS-related policies – addressing eliminating fatalities, reducing injuries and other safety incidents – are wide-ranging and encompass:

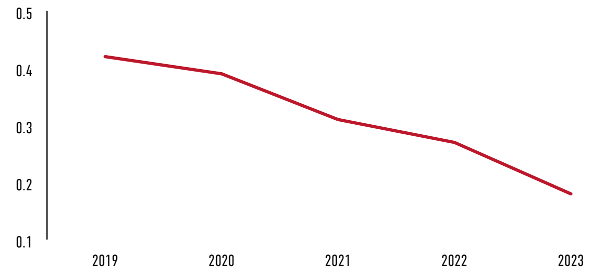
- ✔ Health and Safety Policy
- ✔ HSE Induction Policy, Safety Notice Policy
- ✔ Workplace Policy

GROUP: LOST-TIME INJURY FREQUENCY RATE



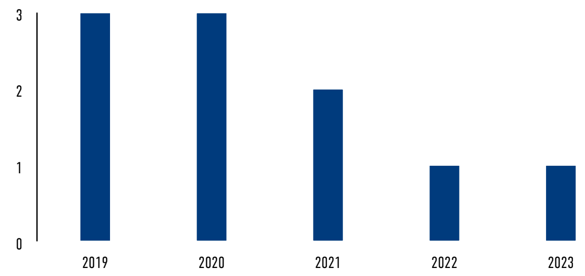
The LTIFR represents the number of injured persons booked off work for every 1 000 000 hours worked.

GROUP: RECORDABLE CASE RATE



RCR represents the number of medical treatment cases for every 200 000 hours worked.

GROUP: WORK-RELATED FATALITIES
(Rm)



SOCIAL PERFORMANCE continued

HEALTH, SAFETY AND ENVIRONMENTAL KEY INITIATIVES

Initiative	Objective	Action	Measure
1 HEALTH, SAFETY AND ENVIRONMENTAL ACCOUNTABILITY AWARENESS AND TRAINING	• Clearly communicate legal roles and responsibilities to all HSE legal appointed staff in terms of the OHS Act, Construction Regulation and environmental legislation. • Ongoing HSE Awareness and training for all relevant members of the project teams.	• HSE training for all legal appointees. • Monthly HSE Legal Awareness Campaign for better understanding of the legislation. • Lessons Learnt – All incident investigations to be distributed to the group.	• HSE Legal Liability training. • Contractor legal appointees completed HSE Legal Liability and HIRA training. • Monthly HSE Legal Awareness to reach all legal appointees as per schedule. • Lessons learnt to reach all legal appointees. • The appointed Construction Manager CR 8(1) will sign off all HSE reports.
2 LEGAL APPOINTMENT PROCESS	• Every legal appointee is competent to accept the appointment, have a thorough understanding of the OHS Act, Construction Regulation as well as relevant environmental legislation and understand their responsibilities in terms of the appointment.	• Each person who makes legal appointments shall discuss the contents, responsibilities and accountability of the appointment with the appointees. All in accordance with the WBHO guidelines on Legal Appointments and Titles document. • The person making the appointments shall reasonably satisfy themselves of the appointees' competence. • The above shall also apply to any contractor appointee on the project.	• Appointment interviews must be recorded and filed by the person who makes the legal appointments and will be monitored through scheduled audits.
3 RISK IDENTIFICATION AND MITIGATION PROCESS	• Implement a risk review process that is developed from first principals. • Continuous review of risk plans for existing projects without using existing risk assessments in order to encourage proactive thinking and a culture that values safety as much as production and profit as well as recognising the ever-changing risks on a project. • New employees, new tasks not previously performed and monotonous work activities. • Waste management practices are implemented, seeking to reduce, reuse and recycle waste before disposal to landfill. • Only water sourced from legal sources to be used for construction purposes on WBHO projects.	• Risk review pre-plan to be developed in conjunction with project program and commercial start-ups to be led by the appointed CR 8(1). • As part of the project pre-plan, include a section for HSE. • Projects required to have an updated (reviewed) HSE Baseline Risk assessment process in place and managed by the Construction Manager CR 8(1). • Risk assessment process shall include HSE Representatives and key workforce team members and contractors. • Planned Task Observations (PTO) will be done for new employees, new tasks not previously performed and monotonous work. • Minimise environmental impact through proper hazard and risk identification process. • Project Management team to ensure legal water sourcing as per Sourcing of Water Checklist.	• All projects shall review and maintain the project HSE Baseline Risk Assessment during the project life cycle. • New employees, new tasks and monotonous work shall be identified during the Safe Start Meeting and Legal appointee Supervisor shall conduct PTO's on these until reasonably satisfied that the tasks are understood and the risk are reduced for injuries to occur. • Divisional Construction Health and Safety Managers (CHSM) will conduct scheduled audits and feedback will be send to the Divisional MDs.

SOCIAL PERFORMANCE continued

HEALTH, SAFETY AND ENVIRONMENTAL KEY INITIATIVES

Initiative	Objective	Action	Measure
4 DEVELOPING A HEALTH, SAFETY AND ENVIRONMENTAL FIRST CULTURE	• Leadership to demonstrate commitment to safety by leading weekly project walks with all stakeholders. • VFL process is a WBHO standard. • Start each week with safety. • Minimise the impact of WBHO's activities on the environment.	• Weekly HSE Site Walk to be conducted towards the end of the week and led by appointed Construction Manager 8(1). Walk to include Assistant Construction Managers CR 8(2), Construction Health and Safety Officer's (CHSO) CR 8(5) appointees and Contractor's Legal Appointees. Appointed supervision CR 8(7)/8(8) are to participate in the walk when their sections are reached. • Managing Directors (MDs) to attend walks when on site. • Each MD to conduct a VFL when on a site walk on a project within his division. • Each Contract Director to conduct monthly VFLs on projects under his control. • Each project will start the week with a morning Safe Start meeting. Where cranes are in use, a separate meeting with crane operators and banksmen and riggers will be held to plan for the week's activities.	• CHSO to record notes of the walk and include in project safety meetings. • Weekly HSE Site Walk and Weekly Safe Start Meeting information will be sent to the contracts Directors and Divisional MD's by the appointed CR 8(1) Construction Manager. • Weekly notes from the Weekly Safe Start Meeting to be circulated within 24 hours. • Project CR 8(1) will respond to the VFL owner and close out any deviation which was found.
5 IMPROVING INCIDENT INVESTIGATIONS (NEW)	• All HSE incidents to be investigated. • Improve incident investigation process. Improve quality of initial documents and incident investigations. • Reduce hand, leg, knee, ankle and foot injuries. • Reduction relating to wastage of resources, i.e. water.	• Incident close out reports must become a "knowledge sharing" platform for individuals to comment. • Flash reports and incident investigations must be reviewed and approved by the appointed Construction Manager CR 8(1) before being sent out. • Root causes must be identified and effective measures put in place to prevent similar incidents. • Where supervision was not present at the workplace at the time of an incident, a root cause analysis must be conducted to determine the cause. • Supervisors to give a toolbox talk to the project they are working on when an incident occurs in their area of responsibility.	• Interactive HSE communication process – constructive criticism on investigations is to be encouraged. • All HSE incident documents shall be signed off by the appointed Construction Manager CR 8(1) before it gets sent out. • LTIs and HPIs presented by the Construction Manager CR 8(1) to the divisional board. • LTIs and HPIs caused by a contractor, will be presented by the senior management of the contractor to the divisional board. • Fatalities presented to Exco by project management team.
6 MANAGEMENT OF CHANGE AND CONTINUOUS RISK ASSESSMENT (CRA)	• Preventative Management of Change. • Improve overall management of the Management of Change process. • Monitor effectiveness of operational Management of Change processes. • Monitoring and on the job training of new or unfamiliar employees.	• Job Safety Analysis or JSA to be completed and discussed with the team, by the appointed Supervisor of Construction Work CR 8(7), or in his absence, the Assistant Supervisor of Construction Work CR 8(8) before the work starts. • If the task, hazards or risks change during the day, the CR 8(7)/CR 8(8) will revise the JSA, before work continues. • Directly after lunch, a compulsory evaluation will be conducted by the appointed CR 8(7)/CR 8(8) to ensure the same task, hazards and risks exist for the afternoon. • Where changes in the task, hazards or risks are identified, the CR 8(7)/CR 8(8) will amend the JSA and communicate the changes to the team before work starts. • The CR 8(7/8(8) are required to complete PTO's for different tasks as per the project PTO schedule. • CR 8(1) and CR 8(5) will be responsible to develop a PTO schedule based on the identified risks of the project and to implement and monitor the PTO schedule. • New employees must be placed in a team where they can be mentored until they are familiar with the site conditions and tasks.	• CR 8(2) will review and sign the JSA when visiting the area, under his or her control. • CR 8(1) will sign the JSA when visiting the area and check the identified hazards and risks, will make comments where needed on the JSA and communicate to the team. • CR 8(5) CHSO will visit the areas and sign each JSA before entering the area, will check the identified hazards and risks and amend where needed. Any changes will be communicated to the team. • CR 8(1) will ensure all legal appointees are trained in conducting JSA's. • CR 8(7) will ensure PTOs are performed on new employees, monotonous work, new tasks and high-risk activities. • CR 8(1), 8(2) and 8(5) will monitor compliance with PTO schedule.

SOCIAL PERFORMANCE continued

HEALTH, SAFETY AND ENVIRONMENTAL KEY INITIATIVES

Initiative	Objective	Action	Measure
7 SUBCONTRACTOR AND SUPPLIER MANAGEMENT	• Improve Subcontractor Compliance with Legislation. • Improve overall HSE. • Ensure subcontractors have the necessary skills and resources to perform the work safely. Only low risk, registered waste service providers are appointed.	• Each appointed CR 8(1) with his appointed CR 8(5) will ensure the following: • Provide subcontractors, with Client HSE specifications. • Subcontractors made sufficient provision for HSE measures. • No Subcontractor is appointed, unless competencies and resources to perform their scope of work safely can be proved. • Subcontractors are in good standing with the compensation fund or with a licensed compensation insurer. • Appoint each Subcontractor in writing for their scope of work. • Take reasonable steps to ensure that each Subcontractor's HSP is implemented and maintained. • Periodic (monthly) site audits and document verification. • Stop any Subcontractor from executing work who is not compliant or which poses a threat to the health and safety of persons. • Where changes to the design and/or construction occur, provide sufficient health and safety information and resources to execute the work safely. • Approve the health, safety and environmental plan of each Subcontractor before they start. • All employees have a valid medical certificate of fitness. • Complete Service Provider Evaluation Form after project for each waste service provider.	• HSE Contractor Selection Questionnaire for each Subcontractor is completed. This will be audited by the divisional CHSMs monthly. • The Construction Manager CR 8(1) will ensure a Mandatory Agreement Section 37(2) (for all RSA projects or where RSA legislation is used as good practise) are completed and signed by the Contractor and himself before the Subcontractor is allowed to start work. • The Construction Manager CR 8(1) will ensure a completed Waste Management Checklist and Service Level Agreement prior to appointing service providers are signed off and service providers are evaluated at the end of the contract. • Monthly Contractor Audit results and the management of deviations are conducted by the CHSO on all subcontractors. Divisional CHSM will audit as per schedule and send results to divisional MD and Group HSE Manager.
8 WASTE MANAGEMENT AND WATER, ELECTRICITY AND FUEL CONSUMPTION	• Monitor and accurately record and report all waste figures, water, electrical and fuel consumption to establish an accurate baseline for future target setting. • Limit wastage of water and fuel to reduce our impact on natural resources.	The Construction Manager CR 8(1) with the assistance of his management team will ensure that: • Alternative waste management practices are identified (i.e. reclamation/recycling centres; reuse for waste etc.). • Adequate resources are available on site to ensure that identified waste management practices are implemented. • On-site specific training for all responsible parties in terms of requirements of the identified waste management practices are implemented. • Water conservation initiatives on site are implemented (e.g. awareness posters; toolbox talks). • Alternative dust suppression methods are investigated and implemented. • Implement energy conservation initiatives (e.g. awareness posters; toolbox talks). • Investigate the use of alternative energy resources where feasible (e.g. LED lighting).	• Construction Manager CR 8(1) shall sign off the monthly HSE Report. • Sites to measure reduction of generated waste from landfill through recycling or reuse where possible. • Appropriate mitigation measures are in place on all sites through weekly and monthly Inspections and periodic audits in line with project risks. • Implement resource conservation initiatives on all projects and offices (e.g. awareness posters; toolbox talks). • Implement alternative dust suppression methods where feasible.

SOCIAL PERFORMANCE continued

HEALTH AND SAFETY KEY INITIATIVES

United Kingdom

Integration of O'Keefe to Byrne Group

- The integration necessitated an OHSE review through inspections and internal audits. This ensures conformity and consistency of standards across all business units.

Compliance with Building Safety Act 2022

- Training and awareness have been provided to business units.
- This ensures that all changes mandated by the Building Safety Act 2022 and associated legislation are incorporated within the business unit procedures and processes.

Regulatory developments on safety

Preparing for the implementation of a new safety regime in the UK – Building Safety Act

In last year's report (FY2022), we provided an update on the Building Safety Act 2022 in the United Kingdom, which is intended to 'create lasting generational change' to the way in which high-risk and high-rise residential buildings are both constructed and maintained. This act has a number of implications for our UK businesses, Byrne Group and Russell WBHO. We are pleased that our UK-businesses have undergone significant preparatory work to reckon with the implications of this Act, once enforceable.

The UK Building Safety Act at a glance

The Building Safety Act (BSA/the Act) was granted Royal Assent on 28 April 2022. This pivotal primary legislation introduces sweeping changes to the legal and regulatory landscape that oversees building safety throughout its design, construction, and occupation phases. While many of its provisions are universally applicable, the Act also establishes a notably rigorous regulatory system for higher-risk residential buildings.

This legislative overhaul emerges six years post the Grenfell Tower disaster, which laid bare critical flaws in numerous construction practices, and four years subsequent to Dame Judith Hackitt's in-depth Review of Building Regulations and Fire Safety.

What this means for WBHO in the UK

The new regime under the BSA 2022 applies from and including 1 October 2023, and applies to both occupied buildings and those under construction. From and including 1 October 2023, new buildings which fall within the regime and are "completed" after this date must be registered before the building is occupied.

The Act empowers authorities to define competence requirements for the main duty holders, as pinpointed by the Construction Design and Management (CDM) Regulations. This encompasses the Client, Principal Designer, Principal Contractor, Designer, and Contractor. While these competency standards will span all project types, they will demand even greater rigour for those overseeing higher-risk structures. Furthermore, clients will be mandated to formally declare their confidence in the competence of the duty holders they commission.

Amendments to the Building Regulations will also intensify the obligation on duty holders to collaborate, circulate information, and guarantee that all undertaken work aligns with the Building Regulations.

Implications of the Building Safety Act of 2022 for WBHO's UK-based Businesses

Section title	Implication and details
Limitation	• Claims under the DPA for buildings completed post-Act can be started up to 15 years post-Practical Completion (previously 6 years). • Retrospective 30-year limitation for buildings pre-Act for DPA claims. • 1 year grace period for claims close to the 30 year limit.
Refurbishment Works	• Introduction of section 2A of the DPA extending potential liability to refurbishments/extensions; originally, DPA was only for new buildings.
Section 38 of the Building Act 1984	• Allows claims for physical damage caused by a breach of building regulations now being enforced. • Applies to all buildings, with a limitation period of 15 years.
Building Liability Orders	• Potential joint liability for associated companies (parent companies, successor companies, etc.). • Pertains to claims under the DPA, section 38 of the Building Act, or building safety risk claims.
Gateway Process	• Framework for an additional approvals process for "higher-risk buildings". • Two additional "Gateways" in addition to the current approval at the planning application stage. • Gateway Two applies pre-building work, Gateway Three post-building work. • Criminal offence if a building is occupied prior to a completion certificate. Operates from October 2023.
Higher-Risk Buildings	• New regulatory regime for buildings ≥18 metres tall or with ≥7 storeys and ≥2 residential units. • Need for an "Accountable Person" to manage fire and structural safety. Multiple Accountable Persons possible, but one Principal Accountable Person required.
The 'Golden Thread'	• Duty-holders must maintain a continuous record of building information throughout the lifecycle of higher-risk buildings. • Post-construction, Accountable Persons become the duty-holders.

SOCIAL PERFORMANCE continued

HEALTH AND SAFETY RISKS

At WBHO, the occupational health and safety of our employees, contractors, and all those impacted by our operations is paramount.

Our foremost aim is to consistently achieve and uphold the most stringent levels of health and safety controls across all operational facets of the company. We are committed to actively minimising risks and hazards, taking proactive measures against potential health issues and injuries, and ensuring full compliance with relevant legislation and our Health & Safety Management System. We uphold stringent health and safety standards, rigorously enforce safety measures, and remain vigilant in protecting both our workforce and the broader public from potential risks associated with our operations.

(Please refer to page 33 for detail on our health and safety awareness, which forms part of health and safety-related risk mitigation).

Key health and safety risks identified this year included:

- ✔ Temporary works
- ✔ Installations at heights
- ✔ Erecting and dismantling scaffolding
- ✔ Manual handling of materials
- ✔ Crane slewing loads
- ✔ Hand and finger Injuries
- ✔ Excavating near underground electrical cables
- ✔ Man machine interaction
- ✔ Driving at night
- ✔ Working at heights
- ✔ Poor housekeeping
- ✔ Lifting operations
- ✔ Collapsing of structure
- ✔ Material and manual handling

INCIDENT MANAGEMENT

All health and safety incidents are reported to the appointed construction health and safety officers on each project as well as in the office environment. All incidents are investigated to determine the root causes.

This information is collated into an incident register from which trends and areas for improvement are identified. This information is used to distribute health and safety alerts and inform the training and awareness initiatives to be implemented.

Trends causing accidents that were identified this year include:

- ✔ Machinery and plant incidents
- ✔ Material handling
- ✔ Struck-by and struck-against incidents
- ✔ Shutters and scaffold incidents
- ✔ Falling incidents
- ✔ Temporary works
- ✔ Subcontractor non-compliance
- ✔ Dust and eye-protection
- ✔ Working at height
- ✔ Tethering of equipment

As a result, we introduced improvements on current projects, and implemented the following steps in order to mitigate the identified risks:

- ✔ Subcontractors having the majority of the non-conformance reports (NCR) are to present their Corrective Action Plan at the MANCO Meeting
- ✔ Implemented non-conformance reporting to track compliance and contractor compliance
- ✔ Every Thursday is a training day for safety, health, and environmental topics
- ✔ Use of video links for training sessions; Training Tracker in place
- ✔ Training sessions specifically target subcontractors listed in the NCR
- ✔ Observations included in monthly safety reports
- ✔ Introduction of safety forums on site; opportunity for team members to chair
- ✔ Friday meetings between safety officers and contracts managers. Monthly meeting with the director
- ✔ Hand campaigns, interviews for legal appointees, competency training
- ✔ Internal training on:
  - Basic fundamentals of construction
  - Housekeeping
  - Stacking and storage
  - Legal compliance
  - Roles and responsibilities
- ✔ Health, safety, and environmental intervention training
- ✔ Internal training on scaffold management
- ✔ Internal training on housekeeping
- ✔ Internal training on legal liability
- ✔ Workshop with subcontractors about WBHO's systems
- ✔ HSE Interventions focus on individual behaviour and place new employees with experienced ones for coaching and care. (specific to the African operations)
- ✔ A high-level delegation of top management revised and improved the HSE Intervention document. Rolled out to all divisions and projects with top management driving the implementation. (specific to the African operations)
- ✔ Designer assessments to assess design capability and competence. (specific to the Byrne Group)
- ✔ Edge protection designed for each application, moving away from a generic SG1 design. This includes awareness training on the use of netting and the wind load factor for edge protection. (specific to the Byrne Group)
- ✔ Introduced a new mental health card to allow individuals to discreetly access information on the Byrne Group Employee Assistance Programme (EAP)

SOCIAL PERFORMANCE continued

HEALTH AND SAFETY AWARENESS

During the year under review, we revised our incident reporting to include an incident recall after a full investigation had been concluded. The incident recall is then distributed, with comments received along with incident notifications in the form of "Flash Reports" to all parties concerned. The safety alerts issued during the year are shown in the table below:

Type	Description	Detail
Fatal notification	• Fall from Height	• Height safety measures reinforced. Importance of proper supervision emphasised.
Flash notification	• Mobile Scaffold Incident	• Reinforced the need for regular equipment checks and training for scaffold assembly.
Flash notification	• LTI Finger Injury	• Highlighted the need for proper PPE and careful handling of tools and equipment.
Flash notification	• MTC Finger Injury	• Stressed on immediate first aid and prompt medical attention after injuries.
HSE campaign	• Hand Injury Prevention	• Underlined the importance of hand safety in daily operations.
Flash notification	• Truck Collision with Limit Bars	• Emphasised safe driving within work zones and proper signage.
Flash notification	• HPI Overhead Powerline Damaged by Excavator	• Promoted safe practices and awareness of overhead lines.
Flash notification	• HPI Confined Spaces	• Reinforced training on confined space risks and rescue procedures.
Flash notification	• LTI – Load Fell from Forklift Resulting in Finger Injury	• Highlighted forklift operation safety and load securement practices.
Flash notification	• HPI – Partial Deck Collapse	• Stressed the importance of structural integrity checks.
Awareness	• Trench Safety	• Emphasised need for shoring, sloping, and protective systems in trenches.
Flash notification	• LTI – Man-Machine Interface	• Reinforced the importance of clear communication and machine handling procedures.
Flash notification	• HPI – Falling Objects	• Highlighted the importance of securing overhead loads.
HSE awareness	• Hijacking and Avoidance	• Emphasised situational awareness and safe driving practices.
HSE awareness	• Cholera Outbreak	• Underlined the importance of personal hygiene and clean water sources.
Flash notification	• LDV Incident	• Stressed vehicle maintenance, driver training and completing journey management plan.
Flash notification	• LTI – Rebar Mesh Collapse	• Reinforced safety checks for temporary structures.
Flash notification	• Weather	• In FY2023, we issued several alerts detailing the challenges associated with operating in extreme weather events – such as inclement weather in the UK and heatwaves in the Africa region – and the impact on operations and potential mitigating actions.
Flash notification	• Mental health	• Recognising mental health as an essential part of our commitment to employee well-being, we issued alerts geared to create awareness and break the stigma of mental health issues. • Alerts, particularly in the United Kingdom, were issued on: ✔ Suicide Prevention Day 2022 ✔ World Mental Day 2022 ✔ Mental Health Week 2023 – Anxiety ✔ Menopause ✔ Modern Slavery
Flash notification	• Vehicle safety	• Operators of construction vehicles and motor vehicle drivers were encouraged, through a safety alert, to ensure that vigilance around the risks of on-site and off-site vehicle collisions.
Flash notification	• New coding for slings at Byrne Group	• In FY2022/3, the Byrne Group in the UK implemented new coding for its slings, to indicate the working load limit on each sling. Alerts were issued to educate employees about this intervention.
Flash notification	• Electrical-related risks	Safety alerts were developed for a number of electrical-related risks, including: ✔ The safe use of generators ✔ Overheard electric powerline safety
Flash notification	• Safety vigilance	Recognising the need for safety vigilance in a number of contexts, safety alerts were issued on: ✔ Mobile elevating work platforms ✔ Unsafe use of ladders ✔ Fall from heights ✔ Hand injuries ✔ Hilti grinders and skill saws ✔ Pipeline boom placement

SOCIAL PERFORMANCE continued

INDUCTION PROGRAMME

All employees, contractors and visitors to any project across all operations of the Group are required to complete an induction process. Visitors will generally complete a simplified induction and are escorted by a site representative at all times while on site. Moreover, no physical work may be conducted with a visitor's induction.

In South Africa, we introduced facial recognition systems in order to manage access control more effectively. We envisage that this tool will be linked to valid inductions as well as medical certificates of fitness. Russell WBHO is using an online offsite induction process which covers the company's overall health, safety and environmental policies and requirements that enables physical distancing and saves management time. This is followed by a shorter, focused site-specific induction on their construction sites.

In the UK, employees at both the Byrne Group and Russell WBHO, have new starter inductions during which they are briefed on the respective safety policies and other relevant health and safety information.

SAFETY ASSURANCE

In South Africa, we've successfully maintained our ISO45001 certification across all operations. Throughout the reporting period, our safety assurance teams have carried out routine project audits in every region.

In the UK, both the Byrne Group and Russell WBHO employ an Integrated Management System (IMS) that holds accreditations for ISO45001, ISO9001 and ISO14001. This system emphasises proactive planning and management, starting from the initial stages of project design. Our audits evaluate both the legal and operational safety compliance of projects in line with the Group's safety management system.

At Russell WBHO in the UK, Director Safety Tours have recommenced after the pandemic and are undertaken monthly. These tours aim to increase worker engagement and demonstrated top level leadership commitment to Russell WBHO's health and safety.

The operations of O'Keefe Group were absorbed by the Byrne Group in the financial year. A total of 11 additional internal audits were undertaken to review OHSE and incorporate them with the ISO 45001 and 14001 accreditations for Byrne Group. O'Keefe Construction (Byrne Group) Ltd and O'Keefe Demolition (Byrne Group) Ltd are now certified under ISO 14001 and 45001.

These audits test the legal compliance of projects insofar as it relates to safety as well as operational compliance with the safety management system of the Group.

The table below provides information on the number of audits conducted together with the number of non-compliance findings, the number of sites using the safety management system and the percentage of sites audited in the current reporting period:

	Africa		United Kingdom			
			Byrne Group		Russell WBHO	
	FY2023	FY2022	**FY2023**	FY2022	**FY2023**	FY2022
Number of audits	**392**	202	**39**	25	**47**	49
SMS coverage (%)	**100**	100	**100**	100	**100**	100
Audit coverage (%)	**100**	100	**100**	93*	**100**	100
Number of major non-compliance findings	**19**	19	**2**	1	**15**	15

WORKERS' REPRESENTATION

WBHO's commitment to employees' rights to representation and freedom of association is aligned with our support of UNGC Principle 3, and forms an integral part of our social and relationship capital. While health and safety topics are not covered in formal agreements with trade unions, all of our employees enjoy representation on formal joint management-worker health and safety committees, which operate within a well-defined framework. In South Africa, there is a monthly union-management meeting chaired by the Group HSE Manager and represented by senior union members working for WBHO.

Each project is required to have monthly on-site HSE management meetings with HSE representatives who represent the workforce, with the safety committee meeting chaired by the construction manager. Weekly Toolbox Talks are also held with all employees, where they have an opportunity to raise any health and safety concerns.

In the UK, Byrne Group's monthly and quarterly Safety Leadership Team meetings are attended by our site supervisors, project engineers, project managers, safety managers and construction managers that constitutes a forum for discussing incidents, learning, best practice and areas for improvement. All the project directors attend these quarterly meetings, and the meeting is chaired by the Managing Director. 100% of our workers are represented by formal joint management worker health and safety committees. Control of substances hazardous to health assessments are conducted for each product used on site with regard to Silicosis, Covid-19, Lyme Disease and Asbestosis.

At Russell WBHO the legal requirements under The Health and Safety (Consultation with Employees) Regulations 1996 are fully met, and to enhance compliance, the Workwise digital application is utilised which provides all persons affected by Russell WBHO projects the ability to communicate with the senior management structure. In turn, the senior management structure is then able to implement any identified improvements resulting from consultation with the workforce overall.

SOCIAL PERFORMANCE continued

SAFETY TRAINING

Course	Description	FY2023 Number of attendees	FY2023 Average spend/person	FY2022 Number of attendees	FY2022 Average spend/person
AFRICA					
Safety	Includes firefighting, first aid, legal liability, working at heights, scaffolding and power tools	**1 356 89% black**	**R1 440**	1 099 88% black	R1 258
UNITED KINGDOM					
Byrne Group					
Health, Safety and Environment Training	Traffic Marshall, temporary works, safety awareness, slinger, appointed person, mental health, PASMA WAH, streetworks, Cat & Genny	**403**	**£157**	256	£150
First Aid/CPR	First Aid and Requalification	**42**	**£321**	22	£253
Incident Investigation	In-house or external specialist	**0**	**£0**	0	£0
CSCS Test	Site card and test	**125**	**£24**	78	£21
CPCS Test	Plant	**31**	**£28**	17	£28
SSSTS	Site Supervisor	**11**	**£265**	16	£251
SMSTS	Site Manager	**22**	**£382**	20	£409
NVQ Training	Concrete pump, Lifting, Construction Management	**42**	**£777**	16	£1 152
Russell WBHO					
Management Training	SMSTS, SSSTS, MEWPs & PASMA for Managers, Temporary Works, etc.	**64**	**£275**	78	£194
First Aid Training	First Aid at Work Training	**28**	**£258**	24	£258
Crane Training	Appointed Persons Training	**2**	**£720**	3	£748
Competency Training	Harness, MEWPs, PASMA, Plant Training, etc.	**59**	**£423**	17	£136
Professional Qualifications	NVQs	**2**	**£800**	0	£0

LOOKING AHEAD

With a record performance in safety in FY2023, the Group continues to make progress in living up to its commitment of "zero-harm". Improving our safety performance remains a priority going into FY2024 and beyond.

Key focus areas for safety enhancement in Africa include:

No.	Focus area
1	Improving safety management
2	Training of new employees
3	Contractors Workshops
4	Complying with safety intervention items
5	Internal Training
6	Improving management involvement in safety

Effective audits based are implemented and further development into A-site is continuing to ensure operations and monitoring is more effective.

We will also continue to drive our HSE Interventions and engagement sessions with subcontractors. Processes have been reviewed and implemented, reducing administrative time and improving overall performance of HSE Staff.

In the UK, new objectives for the Byrne Group for the next two years include:

No.	Focus area
1	Reduction in LTIFR, TCR, and AFR.
2	Mental health briefings and training.
3	OHS audit findings closed out within four weeks.
4	Provide training modules to meet business requirements.
5	Integration of Fieldview software to digitise the OHSE business.

SOCIAL PERFORMANCE continued

For Russell WBHO, the key focus areas for the year ahead include:

Categories	Key Focus Areas
Safety Initiatives	• Continuing our accident and near-miss reduction initiatives. • Developing new accident reduction strategies. • Maintain the current low number of accidents, incidents, and near misses. • Reduction in identified summer incident trends.
Construction, Design, and Management (CDM) Enhancements	• Enhancing the implementation of CDM within our preconstruction teams. Working with our CDM partners to enhance compliance when engaged as Principal Designer. • Deeper engagement with commercial teams to amplify their understanding of duties under CDM. • Collaborate more closely with Design Teams to design out risks wherever feasible.
Training and Development	• Cooperation with commercial teams to target level 3 compliance with the Royal Institution of Chartered Surveyors (RICS) accreditation. • Expand our training program to include agency labour. • Collaborate with the department and commercial teams to craft a Health & Safety (H&S) centric internal training course. • Further evolve and expand our Mental Health programme.
Subcontractor Engagement	• Work with subcontractors to deepen knowledge and foster cooperation in best practices.

"It's okay not to be okay".

Stamping out the stigma on mental health through conversation and expert help across the Byrne Group

Even before the pandemic, mental health issues such as anxiety, stress, and depression were widespread, constituting a leading cause of diminished well-being. The World Health Organization labelled employee burnout a medical condition in 2019, noting that its cause is chronic workplace stress.

Despite this, stigma on mental health persists both at home and in the workplace. One plausible reason for both the stigma is the perception that conditions such as depression are less "real" than clearly physical ailments, moreover, the treatment of mental illness is often perceived as being taboo.

Using QR-code technology, the Byrne Group have designed a mental health card that allows employees to discreetly access information on the Byrne Group Employee Assistance Programme (EAP). Through this initiative, there has been positive take-up of the support provided through the EAP, a 24-Hour helpline from UK Health Assured to support staff through any of life's issues or problems.

Russell WBHO has developed a programme where mental health first aiders visit construction sites for a Mental Health Awareness. Tackling preconceptions and the stigma around mental health issues are the focus for our joint briefings by Human Resources manager Olivia Lea and Health and Safety lead Darren Williams.

The pair host regular workshops with site teams, inviting subcontractors and suppliers to attend alongside Russell WBHO staff. Darren Williams said: "It's good to talk about stuff, this is the key message in our mental health program at Russell WBHO.

Delivered jointly by the HR department and HSEQ team, we bring staff together for open and honest discussion aimed at dispelling the stigma around talking about feelings and negative thoughts. In order to tackle the problem we have to help people to identify it in the first place. Making mental health as regular a part of the conversation as physical health is a great starting point.

SOCIAL PERFORMANCE continued

QUALITY MANAGEMENT

QUALITY MANAGEMENT IS INTEGRAL TO OUR STRATEGIC OBJECTIVES OF PROCUREMENT AND EXECUTION EXCELLENCE AND REPUTATION AND RELATIONSHIPS.

Strategic objective	Strategic imperative
Procurement and execution excellence Reputation and relationships	Our goal is to minimise the negative impact of the construction processes on the natural environment and the community at large, while maximising the quality of the built environment for future generations.

THE STRATEGIC FOUNDATION

The aim of quality management is to ensure that the highest levels of quality are consistently attained on all projects by using the best and latest construction practices within the core activities of the Group. By continuously improving and evolving our processes in a collaborative way, we ensure compliance with our own internal standards as well as external specifications, thereby enhancing client satisfaction.

THE STRATEGIC FOUNDATION

- Quality management systems and procedures implemented throughout WBHO
- Ongoing quality assessment of key systems and processes by WBHO's quality department
- Quality audits and inspection conducted on key suppliers and manufacturers
- Independent certification of quality management systems
- Reporting and monitoring at senior management level
- Ongoing focus on training and quality improvement

SOCIAL PERFORMANCE continued

THE QUALITY MANAGEMENT SYSTEM

To achieve the objectives outlined in our quality management philosophy, we have implemented a formal quality management system (QMS) adopting a risk-based approach. Compliance with the system is monitored through risk-based audits. This risk-based approach helps identify high-risk projects, processes, and suppliers, as well as assess the impact of decisions on outcomes.

Our QMS is certified against ISO 9001 requirements in all operational areas. A dedicated team of quality personnel ensures ongoing compliance with this standard. The primary objective of the QMS is to consistently meet client, statutory, and regulatory requirements. We establish, implement, maintain, and continually improve the QMS, including its processes and interactions. Regular evaluation of important factors such as risk, resources, methods, inputs, outputs and responsibilities takes place for the purpose of improvement.

The QMS includes a formal process for reviewing and auditing all projects and regional offices. We measure QMS compliance across all our projects, and our internal quality auditors visit sites to ensure proper system implementation. Monthly quality reports are compiled and shared during subsidiary and divisional Board meetings. Summaries of these reports are presented as a standard agenda item during main Board meetings.

Our quality policies remained unchanged during the year. Continuous improvement is a key element of the QMS. Site personnel use non-conformance reports (NCRs) to record instances of quality-related non-conformance. NCRs from all projects are consolidated regionally to identify common trends, failures, and to quantify rework and waste costs.

Subsequently, corrective action notices (CANs) and quality alerts are issued to raise awareness about common issues, prevention methods, and ensuring the root cause of incidents is addressed at every site.

Current Certification

The ISO 9001:2015 audits for the WBHO Group were successfully concluded in December 2022. Within the Group, a total of 16 ISO 9001 certificates are currently in effect. WBHO Construction (Pty) Ltd is the principal certificate holder for the African operations and received a renewed group certificate that remains valid until December 2025.

The Byrne Group's ISO 9001:2015 certification is undertaken by the Bureau Veritas Certification. The Byrne Group was recertified in the 2022/23 audit year and their certification is valid until 30 August 2026.

Separately, O'Keefe initiated a certification process for ISO 9001, 14001, and 45001 with Bureau Veritas. They achieved this certification in August 2023 with their certificates valid until 30 August 2026 in line with the Byrne Group.

Russell WBHO has a valid ISO 9001 certification until September 2024.

Company	Standard	Certification Body	Expiry Date
WBHO Construction (Pty) Ltd. – Head Office	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
WBHO Construction (Pty) Ltd. – Plant yard	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
Roadspan Surfaces (Pty) Ltd. – Head Office	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
Roadspan Surfaces (Pty) Ltd. – Plant yard	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
Tekfalt Binders (Pty) Ltd. – Head Office	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
Tekfalt Binders (Pty) Ltd. – Meyerton	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
Ikusasa Rail (SA) (Pty) Ltd. – Head Office	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
Ikusasa Rail (PLANT) (Pty) Ltd.	ISO 9001:2015 (QMS)	TUV Rheinland	Dec 2025
WBHO Construction	ISO 3834 (Welding)	SAIW	Oct 2024
Kalcon Construction	ISO 9001:2015 (QMS)	BOBS (Botswana)	Feb 2025
Byrne Group Limited	ISO 9001:2015 (QMS)	Bureau Veritas	Aug 2026
Byrne Bros.	ISO 9001:2015 (QMS)	Bureau Veritas	Aug 2026
F.B. Ellmer Limited	ISO 9001:2015 (QMS)	Bureau Veritas	Aug 2026
Russell WBHO	ISO 9001:2015 (QMS)	DAS Certification	Sept 2024
O'Keefe	ISO 9001:2015 (QMS)	Bureau Veritas	Aug 2026

SOCIAL PERFORMANCE continued

QUALITY AUDITS

During the fiscal year 2023, WBHO's internal quality department for the African operations undertook a total of 116 quality audits. This number marks a reduction from the 157 audits conducted in the preceding fiscal year, FY2022. Simultaneously, 54 audits were executed within the United Kingdom, showcasing an increase from the 44 audits performed in the fiscal year 2022.

Africa

The decline in the number of audits in Africa can be attributed to the following factors listed in the table below.

Factors	Explanation
Reallocation of key personnel	Key personnel from the Quality department were assigned to major projects in Mozambique and KZN.
Repositioning of Quality Assurance Manager and Supplier Auditor	Both roles were moved to site locations, leading to reduced staff in the quality department for several months.
Shift in departmental focus	The department emphasised Quality Management System (QMS) training over audits, leading to an increase in personnel trained on the QMS from 6 to 333.

A total of 102 Corrective Action Notifications (CANs), were issued in FY2023 across South Africa and other African regions. This figure reflects a decrease from the 263 CANs recorded in FY2022. In a different vein, operations in the United Kingdom witnessed the issuance of 61 CANs, indicating a slight upswing from the 40 CANs noted in FY2022. CANs serve as concise descriptions of identified issues, outlining the requisite corrective actions aimed at preventing their recurrence.

Turning attention to Non-Conformance Reports (NCRs), there was a notable upsurge in Africa. The count escalated from 806 NCRs in FY2022 to 1,155 NCRs in FY2023. Similarly, the UK also experienced an increase, with 302 NCRs reported in FY2023 compared to 237 in FY2022.

Reasons for the increase in NCRs recorded include continuous QMS training which improves understanding by site staff, resulting in additional NCRs being reported. More sites in Africa are also using the electronic ASite and SnagR systems to raise NCRs which is more streamlined and user-friendly than paper reporting processes.

Byrne Group:

- The increase of audits was as a result of the audits undertaken on the O'Keefe operations that were incorporated into the Byrne Group in July 2022.
- 61 CANS were issued (FY2022: 40). The increase was also a result of the additional audits undertaken on the O'Keefe operations and the additional CANs raised during those audits.
- 290 NCRs were raised compared to 211 in FY2022. The increase in the number and cost of NCRs due to the inclusion of NCRs from the O'Keefe operations and improved NCR reporting within F.B. Ellmer Ltd.

Russell WBHO:

- The number of quality audits at Russell WBHO remained broadly in line with the number of audits conducted in FY2022.
- The company recorded fewer non-conformance reports this year, 12 compared to 26 in FY2022.
- Russell WBHO appointed BM Trada as their new external auditors for quality standards. BM Trada is a reputable and independent provider specialising in certification, inspection, and training services.

	Africa		United Kingdom			
			Byrne Group		Russell WBHO	
	FY2023	FY2022	**FY2023**	FY2022	**FY2023**	FY2022
Quality audits	**116**	157	**37**	26	**17**	18
CANs	**102**	263	**61**	40	**0**	0
NCRs	**1 155**	806	**290**	211	**12**	26

	FY2023			FY2022		
	Cost of rework and waste R'000	**QMS coverage %**	**Audit coverage %**	Cost of rework and waste R'000	QMS coverage %	Audit coverage %
South Africa and rest of Africa	**13 322**	**100**	**37**	10 878	100	54
United Kingdom						
Byrne Group	**2 679**	**100**	**100**	1 759	100	100
Russell WBHO	**n/a**	**100**	**100**	n/a	100	100

SOCIAL PERFORMANCE continued

SUPPLIER AND MATERIALS MANAGEMENT AND PROCESSES

WBHO relies on a vast network of material suppliers and subcontractors across its operations. Their ability to meet contractual timelines and uphold required standards holds paramount importance for WBHO, directly impacting our strategic goals of procurement and execution excellence, as well as reputation and relationships. We have established protocols to screen, appoint, manage, and monitor suppliers, along with their products and services. These steps are crucial to achieving the key pillars of our wider strategy.

South Africa

At WBHO, the quality of our work is heavily influenced by the materials and services we procure.

Recognising this, we prioritise the selection of our essential suppliers, choosing them through our rigorous Supplier Approval Process.

This in-depth evaluation is not merely about meeting certain benchmarks; it's about ensuring our suppliers resonate with our values and can consistently deliver to our exacting standards.

Once they've proven their standards by successfully passing our Supplier Approval Process, suppliers are then catalogued on our Supplier Ratings List.

More than just a roster, this list serves as a continuous assessment tool, grading suppliers based on quality and dependability. These evaluations lead to their categorisation into three risk levels: high, moderate, and low.

During our periodic audits, we expect suppliers to furnish tangible evidence of their adherence to the set standards. It is imperative that they segregate and distinctly mark any materials that do not meet our criteria, ensuring they don't get mixed with conforming items.

Further solidifying their commitment to quality, many of our suppliers are affiliated with reputable certification bodies, undergoing schemes such as the SANS Mark Permit or ISO 9001 QMS.

Such certifications require annual on-site evaluations, product testing, and rigorous audits by the respective certification institutions, ensuring an unwavering commitment to quality and reliability.

The WBHO supplier management process is outlined in the table below.

Step	Process	Description/Details
1	Supplier Approval and Categorisation	• Rigorous approval process • Addition to Supplier Ratings List • Risk Categorisation: High/Moderate/Low
2	Supplier Evaluation	• Buyers fill out an External Provider Evaluation Questionnaire to determine capacity and quality assurance
3	Specification Management	• Specification Register completion • Data transferred to Material Schedule
4	Material Approval	Materials Approval Register for: • Approval forms and statuses • Receipt of samples and photos
5	Purchasing Protocols	Buyers incorporate: • Quality tasks • Inspection and test criteria in purchase order
6	On-site Inspection	• Critical item/material inspection • Guided by Responsibility Matrix • Authorised personnel listed in Authorisation of Signature
7	Documentation and Compliance	• Data book for each work segment • Maintenance of Materials Certificate Register
8	NCR Management	NCRs for non-compliant materials: • Sent to suppliers for corrective steps
9	Routine Inspections	Supplier auditor or inspector conducts mandatory inspections as needed

SOCIAL PERFORMANCE continued

United Kingdom

The Byrne Group

All subcontractors must go through our OHSEQ grading procedure (*PR11 'Subcontractor Management in QED'*) before an order is placed with them. However, the primary focus of this assessment is health and safety. Following an assessment of the completed questionnaire, subcontractors are then given a grading "Satisfactory plus" and "Satisfactory" are both approved for use while "Unsatisfactory" is unapproved for use until additional information is submitted and the assessment updated. The Subcontractor's grading is listed on our business management intranet database, QED, which acts as our approved Subcontractor list.

The *'Temporary Works (TW) Procedure'* governs how temporary works are managed. In compliance with the procedure, where it is proposed to engage a Subcontractor who will control their own TW, and whose TW procedure has not previously been vetted by Byrne's Designated Individual (DI), the Subcontractor's TW procedure is requested and sent to our DI for evaluation prior to appointment.

Similarly, where the project team propose to use external TW designers, the DI will be notified in order to undertake an assessment of the company before they are formally engaged.

We also undertake reviews of third party designers or subcontractors, where applicable, utilising the Design Questionnaire, as part of our approval process.

Concrete and rebar suppliers are assessed against a separate OHSEQ questionnaire (as per *QA.PR07 'Suppliers HSEQ Grading Procedure'*), and an approved list is maintained in QED.

Timber suppliers are managed in accordance with our Programme for the Endorsement of Forest Certification and Forest Stewardship Council certification whereby all new suppliers must be assessed before being placed on the approved list maintained in QED.

We have commenced the process of collating periodic Subcontractor ratings from assessments undertaken by our project teams. This will allow us to not only compare subcontractors' performance on individual sites, but also evaluate different project teams working on different projects from the same Subcontractor. This information can then be shared with the estimating and pre-construction departments.

Outside of these assessments, audits and inspections of suppliers take place on a risk-based approach or in line with project and client requirements.

Russell WBHO

The quality inspection regime for subcontractors is discussed and agreed at the earliest possible time on site to determine their inspection requirements, management of materials and programme of works. This is then recorded in the Project Quality Plan. Materials delivered to site are checked against the specification requirements and relevant details are recorded. Subcontractors are to provide a completed quality inspection check for their work prior to handing the work over to Russell WBHO. At this point Russell WBHO carries out our internal quality inspections. All information is loaded into the Quality Folder on the project SharePoint. Regular progress meetings are held where the management of quality issues and good practices are discussed.

Russell WBHO has internally developed a QA inspection and recording system using Microsoft's PowerApps software which has been successfully implemented on our projects.

Subcontractors' performances are reviewed and scored against four main topics. The results are automatically uploaded onto our SharePoint database using Microsoft's PowerApps platform.

There four topics against which are scored are Health and safety; Quality; Programme subcontractors and Commercial.

Russell WBHO recently implemented a supplier performance evaluation system which is separate to the Subcontractor reviews. The feedback received from the site management teams in relation to products and services received from our suppliers is then reviewed accordingly.

SUPPLIER AUDITS/INSPECTIONS

	FY2023	FY2022
United Kingdom		
Byrne Group		
Supplier inspections	**5**	9
Supplier audits	**204**	69
Russell WBHO		
Supplier inspections	**n/a**	n/a
Supplier audits	**4**	57

The increase in the number of suppliers audits within the Byrne Group is due to a re-assessment of all suppliers within the supply chain of the O'Keefe operations. This exercise was undertaken through desktop audits.

Quality Management Learnings

Managing the quality of gabion baskets in South Africa effectively through collaboration with the South Africa Bureau for Standards (SABS)

WBHO recognises that the quality of its suppliers represents a significant risk. We routinely audit our suppliers to ensure they have the capability and capacity to meet our site-specific standards. As part of this process, we have noticed defects in the wire used for gabion baskets, and these are being actively managed with manufacturers and the SABS. Gabion baskets are sturdy wire mesh containers filled with rocks, stones, or other durable materials. They are frequently used in construction and landscaping as retaining walls, for erosion control, and to stabilise riverbanks. These rock-filled wire mesh structures are often seen alongside motorways, rivers, and in parks.

Ensuring the quality of gabion baskets is undeniably crucial. High-quality baskets guarantee stability, resilience, and longevity. In contrast, subpar quality can lead to structural failures, which can increase maintenance costs and pose significant safety hazards, particularly in areas vulnerable to flooding or heavy rainfall. Consequently, the importance of verifying the integrity of these baskets and the appropriateness of the filler materials cannot be overstated in construction and landscaping projects.

While various clients necessitate gabions to be tested according to the SANS 1580 standard, compliance has been challenging, especially with the twist and mesh tests. However, the SANS 23-3-2020 standard, similar to EN 10223-3:2013, has proven more achievable. WBHO has actively observed tests for compliance to the SANS 23-3-2020 standard, and it is gratifying to report that all our suppliers meet its requirements. We have communicated these positive test results to clients and consulting engineers, who are now accepting units compliant with the SANS 23-3 standard.

SOCIAL PERFORMANCE continued

Our role in developing green products for the construction industry

The Byrne Group is extensively involved in testing novel, lower-carbon concrete solutions with industry partners, including AKTII, Wagners and AMCrete in the UK.

Following trials and mock-ups undertaken last year, Byrne Bros. successfully completed a public realm project using a novel, lower-carbon concrete for a leading UK landowner and developer. Further to these trials, representatives from Byrne Bros. contributed to the publication of the Low Carbon Concrete Working Group, the Institute of Civil Engineers' Low Carbon Concrete Routemap, and the development and launch of the ConreteZero initiative.

At post-tender stage for the concrete frame works for the Elephant Park project, the principal contractor, Lendlease, set Byrne Bros. a challenge to achieve a 15% reduction in ECO^2e/m^3 compared to one of their neighbouring developments of similar scale and configuration without any impact to cost or programme.

Byrne Bros. achieved a significant 25% reduction in ECO^2e in comparison to the adjacent development, resulting in an impressive 1 223t of ECO^2e saved – this with no impact on the programme and minor cost increases.

CLIENT PERCEPTION

South Africa

On completion of a project, we request clients to assess our performance across a number of key areas which include:

- ✔ Site management
- ✔ Safety
- ✔ Workmanship, materials and equipment
- ✔ Programme management
- ✔ Supplier and Subcontractor quality and management
- ✔ Labour force and labour relations
- ✔ Attitude and cooperation
- ✔ Rectification

Although the ratings are highly subjective, they nonetheless provide us with valuable feedback of how we are perceived as a business. The satisfaction rating achieved in SA was 92% in the current year (FY2022: 92%).

Russell WBHO

For several years, clients have commended Russell WBHO for our meticulousness and dedication and our timely programme execution. A substantial number of our undertakings involve recurring work awarded by our established clients. Simultaneously, we continue to nurture and cultivate new partnerships, all of which have appreciated our contribution and the value we bring during the pre-construction, delivery and customer-care phases.

Byrne Group

Byrne Group continues to receive positive feedback from its clients on various aspects, encompassing the quality of finishes, effective resolution of defects, and the company's unwavering commitment to quality management. Furthermore, it's noteworthy that the O'Keefe sites have garnered commendable feedback for their cleanliness, organisation, and commitment to safety.

QUALITY MANAGEMENT ACHIEVEMENTS

WBHO has actively assessed and adopted the building information modelling (BIM) landscape over the past few years. WBHO views BIM as the foundation of its broader digital transformation approach. WBHO has utilised and developed workflows at different depths within the different divisions across the dimensions of BIM. Aligned with our core business of construction, WBHO has, and continues, to develop its skill and workflows related to the Common Data Environment (CDE) utilisation.

WBHO has gravitated towards the United Kingdom's BIM standards and nomenclature. WBHO has thus built its project templates and is digitising its processes within a PAS1192 guided environment at this stage, with a move to ISO19650 envisaged in due course. WBHO aims to deliver on its BIM-related goals and those of its clients in a collaborative way and through the BIM Execution Plan processes; we typically agree on optimal strategies to do so. WBHO has established a BIM Workgroup within the business.

The BIM Workgroup comprises cross-functional skills and competencies ranging from estimating, construction, quantity surveying, construction management, quality management, network infrastructure, software programming, and dedicated BIM implementation resources to develop our workflows further and assist with the adoption learning curve.

This year we established a dedicated Virtual Design and Construction (VDC) department, led by an experienced VDC Manager with a strong background in construction. The department also includes a senior VDC technician along with several junior personnel to form a well-rounded team.

LOOKING AHEAD

In South Africa, short-term objectives include the full roll-out of ASITE as the digital common date environment for all new projects, and therefore the complete digital Quality Management System platform.

The Quality department is also responsible for the development and implementation of the Nuclear Quality Program in line with the ASME NQA1 International requirements. This project will start this year.

The development and improvement of major and critical suppliers and Subcontractors will remain a focus point this year.

At Russell WBHO, focus will be on:

- Produce trend analysis reports from our in-house produced QA inspection app which is used on all our construction projects
- Following the introduction of Autodesk, implement the use of the issues feature for snagging across all projects
- Provide quality training, workmanship and technical knowledge to all operational staff
- Undertake in-depth analysis of project NCR's to identify trends
- Increase the number of project and quality audits across all sites.

At the Byrne Group, focus will be on:

- ✔ Ensuring Byrne Group's QMSs are reviewed and updated to manage the requirements of the Building Safety Act 2022
- ✔ Delivering in-house briefings on the Building Safety Act 2022, including changes to Byrne Group policies and procedures
- ✔ Reviewing O'Keefe QMS policies and procedures, and further aligning them to our systems and requirements
- ✔ Reviewing Ellmer Design and Commercial procedures
- ✔ Rolling out and implementing new or updated Byrne Bros. procedures such as the updated NCR Procedure and Site Concrete Control Procedure.

SOCIAL PERFORMANCE continued

TRANSFORMATION AND SOCIAL RESPONSIBILITY

THE INITIAL DEVELOPMENT OF WBHO'S TRANSFORMATION APPROACH AND STRATEGY WAS AIMED TOWARD REDRESSING HISTORICAL INEQUALITIES WITHIN SOUTH AFRICA. ALTHOUGH THIS REMAINS RELEVANT, THESE INITIATIVES HAVE ALSO MIGRATED INTO VITAL TOOLS THAT ARE NOW USED TO ADDRESS THE WIDER SOCIAL CHALLENGES OF POVERTY, INEQUALITY AND UNEMPLOYMENT.

Transformation: the strategic foundation

Strategic objectives	Strategic imperative	Strategic initiative
Transformation and localisation	We are committed to achieving long-term, meaningful broad-based transformation within the business and the industry as a whole.	Social-economic development (SED) initiative, through which the Group is committed to the empowerment, development and growth of disadvantaged communities.

OUR TRANSFORMATION PHILOSOPHY

An inclusive and representative economy in which all South Africans are able to participate is vital for the future sustainability and success of the country and by virtue thereof, the sustainability of WBHO. Consequently, WBHO is committed to achieving long-term, meaningful broad-based transformation within the business and the industry at large. Our commitment is to actively pursue the transfer of skills and economic benefits to currently disadvantaged individuals and local communities, while also seeking to promote an equitable distribution of all race groups and genders within the management structures of WBHO. This includes adhering to the Amended Construction Sector Codes, promoting and supporting the implementation of employment equity, skills development and training (see page 46) and enterprise and supplier development. While recognising the need to positively engage with communities, WBHO believes that our primary responsibility is to our own employees.

TRANSFORMATION OBJECTIVES

- Ensure that WBHO **achieves the highest possible B-BBEE scorecard** rating
- **Fast-track the growth and development** of young black professionals within the organisation via intensive mentoring and skills transfer
- **Ensure that transformation objectives** are channelled downstream through the industry by prioritising spend with B-BBEE compliant suppliers and subcontractors
- **Grow, develop and mentor small** emerging contractors and suppliers through structured enterprise development
- Make a **positive and sustainable impact** on the quality of life of the communities in which WBHO operates
- **Develop and empower** disadvantage communities through skills transfer and training
- **Educating our employees' children** The Akani Scheme empowers qualifying employees' children. 33 employees' children are receiving scholarships

SOCIAL PERFORMANCE continued

IMPLEMENTING TRANSFORMATION

A dedicated management committee, comprising the executive directors, managing directors of each business unit and the transformation director, monitors and reports on transformation within the organisation. Taking direction from the Board, the Transformation executive committee meets quarterly to review the Group and divisional scorecards against predetermined targets which are aligned with the Amended Construction Sector Codes, employment equity plan, and overall strategy. In addition, the committee conducts an annual review of the latest applicable legislation and approval of the budget for social investment. We develop initiatives to improve performance where necessary, and these are implemented within the business units by the managing directors and the transformation department. Each business unit reports on its individual performance quarterly. The transformation department works closely with all divisions and subsidiaries of the Group to ensure that the required target for each element of the scorecard is achieved.

In addition, the department manages and administers the procurement spend, enterprise development programme and socio-economic programmes from a Group perspective. By managing transformation in this integrated way, the department ensures that individual elements are not pursued in isolation. We see training as an essential tool in developing emerging companies, and where there are overlaps between elements such as training and enterprise development, we harness the capabilities within our support structures to achieve the deliverables of both elements. Similarly, by investing in mathematics and science at school level through our SED programmes, and following this up with tertiary education bursaries, we ensure a steady progression of students whose skills qualify them for recruitment into the construction industry.

MEASURING TRANSFORMATION PERFORMANCE

B-BBEE STATUS MAINTAINED
LEVEL 1

BLACK-OWNED
70,6%
(FY2022: 58,7%)

BLACK EMPLOYEE REPRESENTATION IN SOUTH AFRICA
89%
(FY2022: 86%)

TRAINING SPEND ON BLACK EMPLOYEES IN SOUTH AFRICA
R63,1M
(FY2022: R55,7 MILLION)

TRANSFORMATION AND LOCALISATION CHALLENGES

The protracted weak economic growth experienced in South Africa, has had a devastating effect on communities with unemployment levels at an all-time high. The construction industry employs the highest percentage of unskilled workers of any industry and works in remote areas with high levels of unemployment. Furthermore, it is one of the highest employers of the youth in the country. Most public projects also have a requirement for "local spend" aimed at ensuring that the distribution of wealth generated from these projects directly benefits communities within the area, and creates employment opportunities and a transfer of skills. Hence, as an industry we are able to make a significant contribution toward achieving government's social objectives.

Sadly, this initiative regularly translates into unrealistic expectations of community benefit. In addition, local leaders and business forums have often exploited these projects for personal gain under the guise of community benefit. It has therefore become imperative for WBHO to implement a practical strategy at the start of these projects prior to the deployment of staff and specialist equipment from outside the local area. We have developed the necessary community engagement strategies that include defined procedures for managing "local spend" requirements. While these strategies and procedures were initially developed for State sponsored projects, they are being increasingly relied upon on private projects in urban areas as the demand for community benefit has spread. A further consequence of the State-owned entities' "local spend" requirements has been a loss of up and coming black professionals within our ranks where some of our potential young black leaders have left the company in order to take advantage of the opportunities offered by these regulations.

This dynamic is further reducing the talent pool available to larger contractors as well as creating new challenges toward achieving our employment equity targets.

The procurement of certain State-sponsored projects as well as many mining infrastructure projects are only available to, or at least favour, citizen-owned companies when working in the rest of Africa. We have faced increasing pressure from a number of our traditional clients to address this concern. In response, WBHO has developed sustainable, long-term, mutually beneficial partnerships with certain entities and individuals to execute targeted projects while at the same time transferring our skills and knowledge.

SOCIAL PERFORMANCE continued

CONSTRUCTION SECTOR CODES

WBHO fully supports the Department of Trade Industry and Competition in terms of the Broad-Based Black Economic Empowerment Act, No. 53 of 2003 (B-BBEE Act) and the amended Codes of Good Practice on Black Economic Empowerment (B-BBEE Codes) of 2019, where this applies to suppliers or service providers. WBHO, via MBSA is a signatory to the Construction Sector Charter, and in December 2017, the industry adopted the Amended Construction Sector Codes.

WBHO has made significant efforts in improving its empowerment levels over the past seven years, moving from a Level 4 in FY2016 to a Level 1 in FY2017 and has retained that Level 1 status ever since.

B-BBEE AND OWNERSHIP

Black ownership in the Company has increased from 24,4% in 2008 to 70,57% in FY2023, with black women ownership up from 3,5% to 17,89% over the same period. In the current reporting period, the Group's black ownership increased from 58,74% to 70,57%.

As part of WBHO's commitment to transformation in South Africa, the Group continues to implement its Akani Broad-Based Incentive Share Scheme and in June 2023 introduced Akani 2 into the ownership structure of WBHO. This scheme allocates shares to South African employees with more than five years of service. Approximately 2 966 employees have benefited from the vesting of shares under Akani 1, while about 517 new participants await first time participation in an incentive scheme, via Akani 2. Since its inception, 88% of Akani shares have been issued to black employees and 777 484 shares have vested with beneficiaries.

The new broad-based scheme, Akani 2 introduced in FY2023, significantly reduces the timeframe of when economic benefits flow to participants by providing access to dividend income as soon as participants become eligible. The scheme will operate through three trusts having differing beneficiaries.

- The WBHO Broad-Based Employee Share Incentive Scheme (BBESI) operates for the benefit of South African employees up to junior management level who meet certain minimum qualifying criteria including having been employed for a minimum of five years and who do not participate in other share-based incentive schemes.
- The Akani Share Incentive Trust (ASI) is a newly established employee share ownership plan which will operate for the benefit of South African employees above junior management level who meet certain minimum qualifying criteria including those set out above for the BBESI Trust, but specifically excluding prescribed officers and directors of WBHO.

10-YEAR BLACK TRAINING SPEND

NUMBER OF BLACK LEARNERS	NUMBER OF BLACK FEMALE LEARNERS	TRAINING SPEND ON BLACK EMPLOYEES	TRAINING SPEND ON BLACK FEMALE EMPLOYEES
1 801	**567**	**R483M**	**R123M**
(FY2022: 1 824)	(FY2022: 553)	(FY2022: R443 MILLION)	(FY2022: R107 MILLION)

- The Akani Defined Incentive Trust (ADB) will benefit black women, youth and black people including women and youth in rural areas – and will undertake programmes to improve their education and skills development.

MANAGEMENT CONTROL AND EMPLOYMENT EQUITY

WBHO implements various initiatives to cultivate a representative management structure within the business. These initiatives are aimed at developing the existing and next generation of leaders already within our ranks and have contributed to a significant improvement in the management control pillar over the past 11 years.

Alongside on-site growth development, these initiatives include the various management development programmes discussed under the Human Capital section of this report as well as an informal mentoring programme where identified individuals have the opportunity to spend time with a member of senior management outside of their line management to discuss their career aspirations, career paths, development areas and training requirements and progress made against these.

SOCIAL PERFORMANCE continued

SKILLS DEVELOPMENT AND TRAINING

We believe that thorough and ongoing training is the foundation of empowerment for our workforce and our aim is to foster an informed, knowledgeable and dedicated workforce from which leaders can emerge. Our commitment to training at all levels over more than a decade has resulted in significant numbers of black junior and middle managers within our ranks, and has improved gender representation at all levels.

We undertake training needs-analyses annually in order to identify and prioritise the training of black people in alignment with our scorecard objectives while still meeting operational requirements. In doing so, we pay specific attention to providing appropriate and relevant training to ensure a systematic progression of career path for our black employees – one that will prepare them for potential middle and senior management positions over time. During the year under review, we invested R63,1 million in training black employees (FY2022: R64,4 million) and R18 million (FY2022: R18,7 million) on the training of black female employees in South Africa.

WBHO has a proud record of supporting engineering schools at a number of top tier tertiary institutions. Applications for bursaries are prioritised toward individuals from previously disadvantaged backgrounds and operational management conduct interviews annually for potential bursary candidates.

WBHO has recognised that bursary students from rural areas experience great adjustment difficulties at University in their first year, with unfamiliar surroundings and lectures delivered in a second language. An engagement system was formalised where every new student is paired with a bursary student a year ahead who is responsible for mentoring, weekly meetings and ongoing assistance.

Over the past decade, 551 bursaries have been awarded and 732 employees have progressed through the WBHO Level 1 and Level 2 Engineering Schools.

In addition, we have a comprehensive in-house programme to aid newly qualified engineers and construction management professionals to register with the Engineering Council of South Africa and The South African Council for Project and Construction Management Professions. WBHO's Engineering School level 3 and management development programmes equip identified individuals with the necessary skills to perform at a management level, and over the past year 17 black candidates have successfully completed the Level 3 Engineering school and two black candidates completed the MDP and SMDP programmes respectively.

In addition to these programmes, we facilitate on-the-job coaching and mentoring which takes place with regular interaction with senior management. These engagements have confirmed the gratifying reality that participants' insist on being recognised for their skill and contribution on merit alone.

For more on our training programmes initiatives and frameworks, see pages 21 to 23.

PREFERENTIAL PROCUREMENT SPEND

PROCUREMENT SPEND WITH B-BBEE ACCREDITED COMPANIES	PROCUREMENT SPEND ON BLACK-OWNED COMPANIES	PROCUREMENT SPEND ON EME AND QSE COMPANIES	PROCUREMENT SPEND ON 35% BLACK WOMEN-OWNED COMPANIES
R12BN	R7,2BN	R5,4BN	R3,1BN
(FY2022: R8,8 BILLION)	(FY2022: R5,3 BILLION)	(FY2022: R4,1 BILLION)	(FY2022: R2,1 BILLION)

ENTERPRISE AND SUPPLIER DEVELOPMENT

We monitor and manage procurement spend on an ongoing basis to ensure that early on in the bidding phase of a project, we direct spending towards black-owned businesses and black women-owned businesses, as well as qualifying small and micro enterprises and other sufficiently empowered enterprises. South Africa's B-BBEE Codes have always included designated groups under the procurement pillar, however the Amended Construction Sector Code of good practice stipulates much higher targets for the industry.

This facilitates opportunities for suppliers and contractors in the rural areas where WBHO operates and allows us to focus on supporting youth in business. Our transformation department compiles detailed reports on procurement spend, highlighting expired and expiring scorecards as well as any non-compliant vendors, which are then shared with individual business units. All new and expired scorecards are checked and verified by members of the transformation department.

During the year under review, WBHO spent R7,2 billion (FY2022: R5,1 billion) with black-owned business, of which R3,1 billion (FY2022: R1,9 billion) was spent with black women-owned businesses, where women own a minimum of 35% of the business. The gradual increase in spend reflects our commitment to continuously empowering designated groups through procurement opportunities.

SUPPORTING SMALL BUSINESS ENTERPRISES

WBHO has invested a substantial amount in enterprise development (ED) over the past decade, having directed R149,3 million toward ED beneficiaries. WBHO has accumulated a wealth of intellectual property that we share with enterprise development companies via mentors assigned to them during the course of their development.

Apart from the core competency of contracting, these include quality, safety, environmental, insurance, tendering, accounting, human resources and preferential procurement systems.

We currently have 19 black-owned contractors on our ED programme. The draft procurement regulations from SOEs not only prescribe that a fixed percentage of black-owned SMMEs be used on projects, but in most instances also prescribes that they be employed from the local area.

This has had an impact on our enterprise development programme in that participants can no longer move from project to project alongside our operational teams which has made it difficult for us to invest in their long-term growth and development. Sadly, while local communities gain some benefit from our projects, it is harming the wider industry as smaller black-owned construction businesses struggle to advance in size.

SOCIAL PERFORMANCE continued

SOCIO-ECONOMIC DEVELOPMENT (SED)

WBHO has always embraced the concept of social responsibility as a moral obligation, having implemented SED programmes well before the introduction of legislated spend. We have an SED policy to ensure that our programmes are implemented according to approved guidelines. Programmes are designed to benefit both the community and the Group in a sustainable, measurable, tangible and transparent manner, and are typically an extension of the interventions already in place in the areas of skills development and training, HIV/Aids awareness and employment equity. We also recognise that investment in education is a platform for advancing the future of the Group and the industry. Maths and science interventions at school level provide a pool of bursary candidates eligible for future employment within the Group and engineering and construction industries.

For more on bursaries and science, technology, engineering and mathematics support, see pages 21 to 23.

The volume of requests for assistance is an indicator of the dire circumstances of many communities in South Africa. We know and understand that initiatives implemented alongside our projects have the greatest benefit for the communities amongst which we operate and also improve community relationships.

SED selection criteria

Projects must have the potential to be sustainable after measured interventions to avoid donor dependency

To provide **relief, assistance and opportunity** to currently disadvantaged people and for each intervention to benefit as many underprivileged people as possible

To provide **relief, assistance and opportunity** to currently disadvantaged people and for each intervention to benefit as many underprivileged people as possible

Projects must provide **ongoing employment**

In order to provide sustainability, particular **attention should be given to education in the area of maths and science** in schools so that pupils can be identified for tertiary education assistance and employment with WBHO or within the engineering and construction industry

The principle of "**less is more**" – although the temptation exists to assist with as many needs as possible, the greatest success has been with few well-managed interventions rather than a multitude of projects and random donations

Infrastructure projects – could incorporate the repair and improvement of buildings such as schools, clinics, crèches or the provision of services

Clustering – experience has shown that projects are more likely to gain momentum and ongoing success if they can establish an interface with other projects

AKANI SCHOLARSHIP PROGRAMME

As part of our Akani Broad Based Incentive Share Scheme, the trustees of the scheme have established the Akani Scheme which actively supports qualifying employees in the areas of education, health and housing.

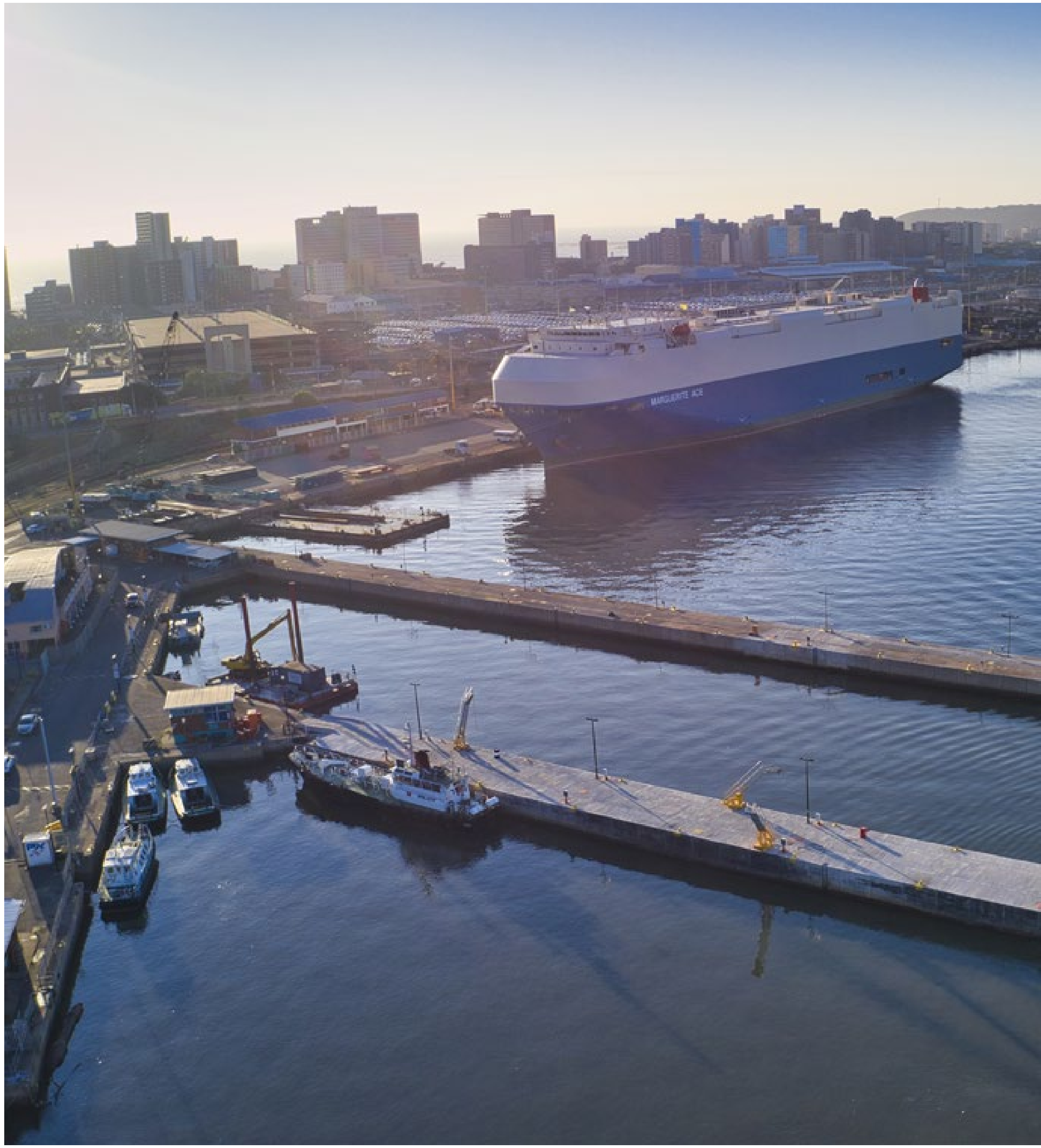
We have recognised that the greatest assistance that WBHO can offer our South African employees is to help them ensure that their children are employable. The trust administrators undertake an annual roadshow where all site and office employees are given guidance on the different routes to success their children can take.

Topics include the importance of subject choices in grade 8, application to tertiary institutions, academic routes, gaining experience in trades as an alternative to tertiary education and work-place experience.

Thus far, the Akani Scheme has provided scholarships to the children of 33 employees and we currently have 37 students on the Akani scholarship programme. Increasing volumes have necessitated the on-boarding of a full-time trust administrator to facilitate these applications and we anticipate significant growth in these numbers and the assistance we provide in the near future.

SOCIAL PERFORMANCE continued

Programme	Description	10-year spend	Number of beneficiary organisations as at FY2023
COMMUNITY ASSISTANCE AND DEVELOPMENT PROGRAMMES	WBHO's community care and assistance programmes aim to contribute towards the health, happiness and wellbeing of society in terms of physical, emotional and spiritual wellbeing. A significant portion of our funding goes into caring for communities, especially those in rural and impoverished areas.	R35,3 million	51
HEALTHCARE	WBHO is committed to improving healthcare in South Africa. Our programmes target a range of diseases and healthcare categories and in addition to building healthcare facilities, we support awareness campaigns, and rural health programmes.	R6,2 million	3
EDUCATION	WBHO firmly believed education has the power to change lives and to reduce poverty by equipping people with the means to create new opportunities and seek meaningful employment. WBHO supports numerous education initiatives by investing in the development of much-needed infrastructure and by donating time and resources to educational institutions.	R5,2 million	36
ARTS, CULTURE AND SPORTING DEVELOPMENT PROGRAMMES	A lack of infrastructure means that talented youth in impoverished communities are not afforded the opportunity to advance their skills. In addition, the need for, and impact of, arts, culture and sports in these impoverished communities also decreases the risk of criminal behaviour and drug and alcohol abuse. The implementation of these programmes in these communities provides youth with hope, purpose and a sense of wellbeing. It is with this aim that WBHO has contributed towards numerous events and activities.	R842 thousand	14



ENVIRONMENTAL PERFORMANCE

OUR ENVIRONMENTAL PHILOSOPHY

THE CONSTRUCTION INDUSTRY IS DEEMED TO BE AN INDUSTRY WITH A HIGH IMPACT ON THE ENVIRONMENT, AND WBHO ACKNOWLEDGES ITS MORAL AND LEGAL RESPONSIBILITY TO SAFEGUARD IT AS WELL AS THE WELLBEING OF ALL THOSE AFFECTED BY THE ACTIVITIES OF THE GROUP. IN SUPPORT OF OUR COMMITMENT TO SUSTAINABILITY AND SOUND ENVIRONMENTAL MANAGEMENT, WE FOCUS ON ENSURING COMPLIANCE WITH ALL APPLICABLE LEGISLATION AND REQUIREMENTS ASSOCIATED WITH RELEVANT LICENSES, PERMITS AND AUTHORISATIONS.

WBHO believes in the constitutional right of all employees, clients and communities to exist and work in an environment conducive to sustainable development and we are committed to the highest standards of environmental protection throughout all phases of construction by upholding the basic principles of environmental management.

Stakeholders are also becoming more aware of environmental issues, increasing the demand on businesses to operate in a sustainable and responsible manner. This increased expectation is not limited to our national market, but is driven and influenced by international trends and pressures.

Aspects of environmental sustainability form a critical part of maintaining a good reputation within the industry as well as with our investors, clients and even our staff. It is therefore important that WBHO is seen by stakeholders as having a firm awareness of the impact of sustainability and environmental issues. These include the effects of our business on climate change and proactively addressing all the issues in a transparent way. We work with our clients to promote sustainable alternative materials, equipment and methods, and we cascade our environmental and wider sustainability values through our supply chain, encouraging a progressive approach. Our approach to environmental management is thus constantly developing in accordance with legislative updates, our clients' requirements, best practice and innovation.

Strategic objectives	Strategic imperative	Strategic initiative
Environmental management	WBHO has an ethical and legal duty to minimise and reduce its impact on the environment in which it operates. Compliance with the environmental regulations and legislation strengthens WBHO's reputation and avoids legal and financial consequences.	• Water usage management • Waste Management Initiatives • Flora and Fauna Protection • ISO 14001 Accreditation

MATERIAL ENVIRONMENTAL MATTERS

By acknowledging the impact of our activities on the environment, the Group strives to limit this impact by implementing, documenting, reviewing and maintaining an Environmental Management System that is aligned to both Environmental Legal requirements and acceptable international standards. These impacts are related but not limited to energy and climate change, water shortages and environmental compliance through responsible construction management. Four material matters relating to the environment and its stewardship have been identified:

✔ Energy and climate change (Net Zero philosophy)
✔ Water scarcity and pollution
✔ Waste management
✔ Environmental compliance

ENGAGING WITH STAKEHOLDERS

Engaging with stakeholders whose environment could be impacted by our projects or who could impact the environment within the vicinity of our projects is an important part of our environmental responsibility. We engage with local communities, government, non-governmental organisations, our clients, consultants and subcontractors in this regard.

The global increase in awareness around sustainability, environmental protection and limited natural resources has influenced the way we do business, enabling us to move beyond mere compliance. We have embraced the importance of protecting the environment and have made sustainable development one of our overall strategic goals.

MEASURING ENVIRONMENTAL PERFORMANCE

No major reportable environmental incidents

ISO 14001 certification maintained
FY2022:ISO 14001:2015
Audit results: No minor non-conformities requiring attention were identified

No penalties or fines for non-compliance with environmental laws across the Group

ENVIRONMENTAL PERFORMANCE continued

ENVIRONMENTAL COMPLIANCE AND GOVERNANCE

The Group adheres to best practices in environmental policies and procedures through our Environmental Management System (EMS), aligning with ISO 14001:2015 standards and implemented across all sites. After a thorough audit during the past year, WBHO successfully maintained its ISO 14001 compliance across all regions. Our EMS, validated by external assurance, guarantees adherence to all relevant legislation, thus lessening our environmental impact. Regular site audits and inspections by qualified professionals ensure that potential risks are identified and addressed. Any identified non-conformances are promptly resolved within set timeframes.

Our commitment to environmental diligence is anchored in the Health, Safety, and Environmental Policy. We're devoted to reducing negative environmental impacts and pursuing sustainable business practices.

In FY2023, there was an increase in the number of internal audits, attributable to the growth of the business and tighter environmental compliance obligations on some projects. This mandated more frequent audit checks to sustain compliance. All non-conformities noted during audits and inspections were addressed, and we proudly report no major reportable environmental incidents in FY2023.

For the Byrne Group, the spike in audits resulted from the incorporation of the O'Keefes operations, leading to an extended audit scope encompassing additional projects and locations.

	Africa		United Kingdom			
			Byrne Group		Russell WBHO	
	FY2023	FY2022	**FY2023**	FY2022	**FY2023**	FY2022
Number of audits	**103**	92	**39**	25	**47**	49
EMS coverage (%)	**100**	100	**100**	100	**100**	100
Audit coverage (%)	**100**	100	**100**	93	**100**	100
Number of major non-compliance findings	**3**	8	**2**	1	**–**	–

ENVIRONMENTAL PERFORMANCE continued

ENVIRONMENTAL IMPACT

As an organisation, we have embraced the importance of protecting the environment and have made sustainable development one of our overall strategic goals.

We strive to achieve this goal in four key operational ways: being transparent about our environmental management; maintaining an environmental management system (EMS) that is compliant with ISO 14001 international standards; minimising our construction footprint by adhering to all legislative requirements and improving awareness throughout the organisation through training initiatives.

The significant aspects of the Group's activities relate to various compliance obligations, including but not limited to legal, client and voluntary obligations. We assess risks at each site using the Aspects and Impacts Register.

This tool evaluates the severity, frequency, and likelihood of activities to gauge their potential environmental repercussions. The table below details the WBHO Group's significant environmental aspects and impacts.

Significant Aspects and Impacts	Description
Atmospheric emissions	• Emissions of gases and pollutants into the atmosphere resulting from the Group's activities.
Biodiversity	• Effects on the variety of plant and animal life in the ecosystems affected by the Group's operations.
Environmental management system	• The effectiveness of the system in place to manage and monitor environmental impacts.
Energy efficiency	• The efficient use of energy resources within the Group's operations.
Hazardous chemical substances	• Management and control of chemicals with potential adverse effects on health and the environment.
Heritage	• Protection and preservation of cultural and historical heritage within the operational areas.
Land and soil management	• Management practices to maintain healthy soil and prevent land degradation.
Protected areas	• Impacts on areas designated for conservation and protection of ecosystems.
Waste management	• Strategies to manage, reduce, and dispose of waste generated by the Group's activities.
Water management	• Management of water resources and reduction of impacts on water bodies.

The WBHO Group constantly evaluates principal environmental risks, integrating robust mitigation strategies throughout its operations. Our forward-thinking methodology guarantees that emerging environmental challenges are not only identified but also adeptly managed.

Our commitment to sustainability and continuous improvement is evident in our meticulous assessments of environmental risks and their respective countermeasures.

The tables below (and on the following page) illustrate our risks and the mitigating measures that we've instituted. Through these endeavours, we aim to consistently elevate our environmental performance.

Africa

Key Risks	Mitigating Measures
Waste management Identifying solutions for various waste streams to minimize landfill waste.	• Improved engagement with waste service providers for recycling solutions. • Encouraging recycling initiatives on site.
Sourcing of materials Ensuring legal sourcing of materials used in operations.	• Increasing awareness of legal requirements for sourcing construction materials.
Sourcing of water Ensuring legal sourcing of water used in operations.	• Increasing awareness of legal requirements for sourcing construction water.
Handling of hazardous chemical substances Preventing environmental pollution.	• Enhancing environmental awareness training for handling hazardous substances on site. • Integrating health, safety, and environmental processes for better management.

ENVIRONMENTAL PERFORMANCE continued

United Kingdom

Byrne Group

Key Risks	Mitigating Measures
Ensuring legal compliance with relevant environmental legislation	• Maintaining the Byrne Group Environmental Legislation Register using the Legislation Update Service (LUS) online portal.
Adhering to permits and consents issued by local or national authorities (e.g., Section 61 by Councils, Discharge consents by Environmental Agency – EA)	• Engaging waste service providers that pass waste duty of care checks.
Proper waste management	• Effectively managing the control of substances hazardous to health (COSHH).
Addressing noise, vibration, and dust nuisance	• Implementing Best Practicable Means to control noise, vibration, and dust nuisance.
Preventing pollution events on land and in water	• Utilising project-specific Site Waste and Resource Management Plans for efficient waste and material, water, and energy management.
Avoiding mismanagement of resources	• Conducting Waste Acceptance Criteria testing of materials before earthworks.
Managing historical contamination effectively	• Developing Site Environmental Management Plans that address project-specific risks before commencement.

Russell WBHO

Key Risks	Mitigating Measures
Ensuring compliance with relevant environmental legislation	• Maintaining a comprehensive legal register for environmental legislation and certified environmental systems and procedures (ISO 14001).
Effective waste management	• Implementing waste management procedures on all projects and closely monitoring company and site waste reports.
Addressing environmental pollution (noise, vibration, air, water, ecological)	• Developing pollution control plans and project-specific environmental risk registers.
Incorporating Net Zero principles in projects, including products and materials	• Involving in-house design managers for early assessment of materials, conducting Environmental Product Declaration reviews, and identifying low-carbon materials for longer lead times.
Meeting Net Zero Commitment per UK Government targets	• Establishing a clear Net Zero Strategy endorsed by the Board of Directors with defined targets.
Navigating potential cost increases in the supply chain due to more UK cities adopting Ultra Low Emission Zones (ULEZ)	• Identifying cities adopting ULEZ during tender stages to account for potential cost increases.
Proper management of COSHH	• Conducting regular site audits and promoting COSHH awareness through bulletins for effective substance management.

ENVIRONMENTAL PERFORMANCE continued

PREVENTING CONTAMINATION AND MANAGING HAZARDOUS MATERIALS AND SUBSTANCES

In FY2023, WBHO had no reportable incidents relating to Hazardous Chemical Substances. This achievement can be attributed to the fact that, as part of our Environmental Management System and holistic approach to safety, WBHO acts with the utmost consideration to prevent contamination, manage hazardous materials and substances that may affect people and the environment. Our environmental management processes enable us to identify the harmful impacts of hazardous chemicals and materials in use in across our various operations and allows us to put mitigation measures in place to limit these impacts on the environment.

Aligned with the Hazardous Chemical Substances Regulations of South Africa, the National Environmental Management Act (NEMA) and the National Water Act our approach:

- ✔ Provides for the control of substances which may cause injury, ill-health or death because of their toxic, corrosive, irritant, strongly sensitising or flammable nature or the generation of pressure thereby in certain circumstances
- ✔ Provides for the control of substances which may cause harm to the environment because of their hazardous nature
- ✔ Provides for the division of such substances or products into groups in relation to the degree of danger
- ✔ Provides for the correct handling and disposal of hazardous waste that is generated as a result of our activities

CLIMATE CHANGE AND CARBON DISCLOSURE

With global temperature levels rising and weather patterns becoming more violent and unpredictable, managing the risks associated with climate change has become an integral part of the planning process for construction projects. Greater focus is placed on reducing greenhouse gases through reducing, re-using and recycling materials and efficient measures relating to plant maintenance and operation.

The Paris Agreement, adopted in 2015, was concluded due to Global urgency and pressure to act against climate change and reduce GHG emissions. In response to the global adoption to this agreement, South Africa made climate commitments, which were subsequently revised in later years. Understanding that our activities have an impact on Climate Change and the countries commitments, WBHO has a Climate Change Policy which governs our approach to reducing our impact. The Climate Change Policy is currently under review and the intension of this revision is to outline our strategies to reduce our GHG Emissions and our strategies to decarbonise our various business units. The South African and UK construction industries are required to report their GHG Emissions annually.

The South African Greenhouse Gas Emissions Reporting System is a Greenhouse Gas Reporting Module of the National Emissions Inventory System). This portal is a web based platform for the registration and submission of GHG emissions data by category A data providers in terms of the GHG Reporting Regulations 3 April 2017 as amended, and promulgated under the National Environmental Management: Air Quality Act No 39 of 2004. In South Africa, we make use of The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, with conversion factors according to Defra 2019.

WBHO also reports annually to the Carbon Disclosure Project (CDP) on a voluntary basis. Voluntary disclosure also allows us to understand our emissions impacts by measuring, managing and ultimately reducing our greenhouse gas emissions. It also aids in staying ahead of regulatory and policy changes, identifying and tackling growing risks, and finding new opportunities that clients and investors worldwide are demanding.

In the UK, The Climate Change Act 2008 sets legally binding targets to reduce carbon emissions by 100% by 2050 from 1990 levels. The Energy Savings Opportunity Scheme, require businesses to assess the energy used by their buildings, industrial processes and transport to identify cost-effective energy-saving measures and to report to the Environmental Agency. The Streamlined Energy and Carbon Reporting is a reporting framework introduced in April 2019 by the Department for Business, Energy and Industrial Strategy designed to make carbon reporting easier and more accessible. Energy data is obtained from a variety of verifiable internal and external sources, including bills, delivery records and expenses: mileage claims.

The Act also established the Committee on Climate Change (CCC) to ensure that emissions targets are evidence-based and independently assessed. In addition, the Act requires the Government to assess the risks and opportunities from climate change for the UK, and to adapt to them. The CCC's Adaptation Committee advises on these climate change risks and assesses progress towards tackling them.

While the amended Climate Change Act imposes a legal obligation on the government, it is not clear how this will be enforced or how this will be scaled to the private sector. The proposed Office for Environmental Protection would have enforcement powers – and the courts have also shown they are willing to intervene where they do not think the government has taken proper account of its climate change commitments.

Russell WBHO have established a Net Zero Strategy and Policy, committing to be Net Zero by 2038, 12 years ahead of the target set by the UK Government. Our strategy interventions are being implemented, with some already actioned.

Our Scope 1 and Scope 2 emissions from 2022 have seen an 8% decrease from our 2021 baseline data. Our Carbon Reduction Plan is publicly available on our website.

	Africa		United Kingdom			
			Byrne Group		Russell WBHO	
	FY2023	FY2022	**FY2023**	FY2022	**FY2023**	FY2022
Scope 1 (tCO_2e) Direct emissions from owned or controlled sources	**46 710**	27 919	**2 303**	493	**115**	146
Scope 2 (tCO_2e) Indirect emissions from the generation of purchased energy	**9 093**	7 089	**136**	140	**41**	103
Scope 3 (tCO_2e) Indirect emissions (not included in scope 2) occurring in the Company value chain	**20 412**	31 373	**16 412**	24 556	**133**	127
Total (tCO_2e)	**76 215**	66 381	**18 851**	25 189	**289**	376

ENVIRONMENTAL PERFORMANCE continued

IMPLICATIONS OF THE CARBON TAX ACT

Promulgated in South Africa in 2019, the Carbon Tax Act was promulgated to introduce emission reduction measures with the objective of inducing behavioural change on the part of producers and consumers alike. At present, the weight of the carbon tax falls mainly on heavy emitters, however there will be a knock-on effect resulting in price increases for the construction industry with mining, electricity generation, fuel production and process industries such as cement production, being most affected.

The South African government has indicated that the impact of the Carbon Tax will be reviewed before the next phase is implemented and changes to rates, thresholds and allowances will be made thereafter. The implication of this on our business is that Carbon Tax will initially be relatively low, but will escalate over time. As a result, WBHO will monitor these developments and assess implications, if any, on the company's activities.

Pressure from stakeholders, investors and clients to advance GHG and carbon reduction initiatives and strategies will likely continue to increase. This will have an impact on our own business, especially as we review our energy management initiatives that encapsulate energy efficient offices, equipment and fuel.

ENERGY CONSUMPTION

Africa

- Diesel: 158 356 MWh
- LPG: 199 MWh
- Petrol: 2 000 MWh
- AV Gas: 411 MWH
- Electricity: 8 743 490 kWh

United Kingdom

Byrne Group

- Natural gas: 341 kWh
- Gas oil: 51 088 kWh
- Diesel: 8 899 713 kWh
- Diesel (HVO): 246 154 kWh
- Petrol: 6 774 kWh
- Propane: 82 780 kWh
- Electricity: 626 660 kWh

Russell WBHO

- Energy intensity: 0,678 CO_2e/£100k turnover
- Electricity 193,985 kWh
- Diesel: 102677 kWh (9 706 litres)
- Diesel (HVO): 535 kWh (3 808 litres)

WASTE MANAGEMENT

Our approach to waste management is governed by our Waste Management Policy.

This policy responds to the challenges facing waste management and resource recovery not only within the construction industry, but also within our society as a whole. It provides a platform for ensuring ongoing legal compliance and commitment to continual improvement of the company's waste management practices.

As a responsible corporate citizen, WBHO recognises the importance of managing waste in an integrated, sustainable, equitable and responsible manner in order to maintain a safe and healthy environment for present and future generations. All operations and facilities within the WBHO Group as well as service providers and subcontractors are expected to uphold the principles contained within this policy, in conjunction with the WBHO Health, Safety and Environmental Policy.

As part of the HSE Interventions for 2023, there was a focus placed on identifying waste streams that could be re-used and recycled across all business units in Africa in an effort to set targets for reducing the quantities of waste disposed to landfill.

The decrease in waste sent to landfill (tonnes) in the Africa region can be attributed to the type of projects that the Group undertook in the year under review and better reporting from the sites.

No reportable spill-related incidents were recorded, consistent with last year's performance. This reflects our commitment to ensuring that we proactively manage the risk associate with hazardous substances.

In South Africa, WBHO does not transport hazardous waste, making use of service providers to fulfil this function. Waste service providers are rigorously audited prior to their appointment to ensure that they comply with the various requirements of the National Waste Act, reducing the risk on legal non-compliances in this regard.

In the UK, the Byrne Group relies on certification to provide assurance that impacts are being managed by our suppliers. Russell WBHO does not transport hazardous waste.

	FY2023		FY2022	
	Reused, recycled or recovered (tonnes)	**Landfill (tonnes)**	Reused, recycled or recovered (tonnes)	Landfill (tonnes)
Africa	**17 317**	**36 002**	20 382	61 858
United Kingdom				
Byrne Group	**13 988**	**90**	4 828	53
Russell WBHO	**1 424**	**39**	2 546	1

ENVIRONMENTAL PERFORMANCE continued

WATER MANAGEMENT

Africa

The construction industry uses large quantities of water as a critical resource for operations. There is a financial impact for the Group derived from business interruptions and increased cost due to scarcity and price increases. This impact is, however, not quantifiable as water availability varies from area to area and fluctuates depending on rainfall. Therefore, as WBHO projects are seldom executed in the same geographical area, the cost implication will vary as they are entirely dependent on individual circumstances prevailing at the time. We investigate alternative water sources such as quarries and waste water treatment plants not only to mitigate water shortages, but also to save costs and reduce the usage of potable water.

Water sources and consumption

Source	Volume withdrawn (Kl)
Municipal	1 689 004
Borehole	104 766
River	32 290
Wastewater	13 772
Wetland	0
Rainwater	6 782
Recycled/Reused	41 362

United Kingdom

Byrne Group

In southern England, the municipal water supply is generally drawn from deep chalk aquifers and reservoirs. Both sources are heavily regulated and monitored. It is therefore considered unlikely that Byrne Group's direct consumption of water affects these sources.

Furthermore, as dewatering construction sites at a rate of >20m^3 within 24 hours is a permitted activity, we have had no requirement for such a withdrawal in the year under review, and no discharges have been made into water bodies.

Russell WBHO

Russell WBHO's water usage is recorded and monitored at its head office and individual construction projects. While the UK is expected to experience increased water stress within the medium term, shortages are not considered likely to directly affect our operations in that country.

KEY ENVIRONMENTAL INITIATIVES

Africa

The Environmental First Interventions for 2023 are set out in the table below:

Initiative	Objective	Action	Measure
1. WASTE MANAGEMENT, WATER, ELECTRICITY AND FUEL CONSUMPTION	• **Monitor and accurately record and support all waste figures, water, electrical and fuel consumption to establish an accurate baseline for future target setting** • **Limit wastage of water and fuel to reduce our impact on natural resources**	The Construction Manager CR8(1) with the assistance of his management team will ensure: • Alternative waste management practices are identified (i.e. reclamation and recycling centres; re-use for waste). • Adequate resources are available on site to ensure that identified waste management practices are implemented. • On-site specific training for all requirements of the identified waste management practices are implemented. • Water conservation initiatives on site are implemented (e.g. awareness posters: toolbox talks). • Alternative dust suppression methods and practices where feasible are investigated and implemented. • Implement energy conservation initiatives (e.g. awareness posters; toolbox talks). • Investigate the use of alternative energy resources where feasible (e.g. LED lighting).	• Construction Manager CR 8(1) shall sign off on monthly HSE Report. • Sites to measure reduction of generated waste from landfill through recycling and re-using where possible. • Appropriate mitigation measure are in place on all sites through weekly and monthly inspections and periodic audits in line with project risks. • Implement resource conservation initiatives on all projects and offices (e.g. awareness posters; toolbox talks). • Implement alternative dust suppression methods and practices where feasible.

ENVIRONMENTAL PERFORMANCE continued

Key environmental initiatives

United Kingdom

Byrne Group

Initiative	Objective	Action	Measure	Progress (FY22/23)
1. WASTE MANAGEMENT	• **Monitor and accurately record and support all waste data**	• Divert >99% of non-hazardous construction waste from landfill	• To be monitored monthly with overall % calculated at the end of the two-year period. % diverted by weight (t). (Byrne Group)	• >99%
		• Reduce non-hazardous construction waste	• <2.49t/£100k turnover (20/21 baseline). Monitored monthly but final review against target at the end of the two-year period (Ellmers)	• 1.29t/£100k
		• Reduce non-hazardous construction waste	• <5t/£100k turnover (20/21 baseline). Monitored monthly but final review against target at the end of the two-year period. (Byrne Bros)	• 4.48t/£100k
		• Reduce non-hazardous construction waste	• Collate data relating to waste generated in 2023 to set a future target for 2024. (O'Keefe)	• Data collection period ended June 2023, Target to be set and agreed with Board
2. CLIMATE CHANGE RESILIENCE	• **Reduction of Embodied Carbon in Concrete purchased and delivered (Byrne Bros.)**	• Founding member and signature to ConcreteZero. ConcreteZero is a global initiative that brings together pioneering organisations to create a global market for net zero concrete. This initiative is led by Climate Group in partnership with World GBC	• Transition to using 30% low emission concrete by 2025 and 50% by 2030, setting a clear pathway to using 100% net zero concrete by 2050. (Byrne Bros)	• Monitored monthly – Results Pending
		• Reduce the mean ECO_2e of the concrete we use	• <234 kg/m^3 (21/22 Baseline). Monitored monthly but final review against target at the end of the two-year period	• 232.83 ECO_2 kg/m^3
	• **Reduction of Scope 1 and 2 Emissions**	• Reduce CO_2e emissions from electricity and fuel consumption	• <1.1 t/£100k turnover (21/22 Baseline). Monitored monthly but final review against target at the end of the two-year period. (Byrne Bros)	• 0.49t/£100k
		• Reduce CO_2e emissions from electricity and fuel consumption	• Collate data relating to waste generated in YE23 to set a future target for YE24. (O'Keefe)	• Data collection period ended June 2023, Target to be set and agreed with Board
		• Procure renewable energy tariffs on all projects where Ellmer is directly paying for electricity	• 100% of eligible projects with renewable energy tariff. Monitored monthly but final review against target at the end of the two-year period. (Ellmers)	• N/A – Ellmers has yet to be procurer of initial electricity account

ENVIRONMENTAL PERFORMANCE continued

KEY ENVIRONMENTAL INITIATIVES

Byrne Group

Initiative	Objective	Action	Measure	Progress (FY22/23)
3. MATERIAL USAGE	• **Responsible Sourcing of Materials**	• Source all timber from certified sources i.e. Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC)	• 100% of total purchased with full chain of custody (m^3). Monthly monitoring with full review at end of 2 year period. (Byrne Group)	• ≥99% (Ellmers and Byrne Bros) • New Target to be set and agreed with Board (O'Keefe)
	• **Reduce Materials Consumption**	• Reduce timber consumption	• <1.3m^3 purchased per £100k turnover. Monthly monitoring with full review at end of 2 year period. (Byrne Bros)	• 1.2m^3
		• Reduce timber consumption	• Collate data relating to waste generated in YE23 to set a future target for YE24. (O'Keefe)	• Data collection period ended June 2023 – target to be set and agreed
4. HAZARDOUS SUBSTANCE MANAGEMENT	• **Pollution Control and Management**	• Zero pollution incidents resulting in enforcement action	• ≤0 count in the period. Monitored monthly but final review against target at the end of the two year period	• Zero pollution incidents across the Group

Russell WBHO

Initiative	Objective	Action	Measure
1. WASTE MANAGEMENT	• **Identify all recycling opportunities** • **Separate waste streams and deliver to Recycling Points** • **Aim to achieve at least 90% by weight or 80% by volume of key non-hazardous construction diverted from landfills**	• Reduce waste and monitor waste sent to recycling facilities. Project SWMP completed and reviewed • Monitor site waste management plans and Waste Reports	• Quarterly waste reports produced and monitored
2. CARBON EMISSION REDUCTION AND MAINTAINING CARBON NEUTRAL CERTIFICATION	• **Reduce Russell WBHO operational and embodied carbon emissions**	• Action Net Zero Strategy – Solar PV installation, install efficient lighting systems, Electrical car company fleet, investigate green tariff electricity suppliers (renewable energy)	• Monitor carbon emissions, collating data and reporting against turnover (Intensity Ratio) for Scope 1, 2 and 3 emissions
3. RAISING AWARENESS	• **Carbon reduction and Net Zero awareness training and awareness**	• In-house and external environmental awareness training to be arranged	• Training certificates for delegates

ENVIRONMENTAL PERFORMANCE continued

Russell WBHO have also developed the following initiatives to meet Net-Zero targets:

Initiative	Status/Completion Date
Commit to our Net Zero Strategy to be Net Zero by 2038	• Agreed and committed
Installation of solar photovoltaics at the head office	• Completed in May 2023
Improved lighting controls at the head office	• Completed in January 2023
Investigate sourcing energy from 100% renewable energy suppliers	• Currently investigating
Adding solar photovoltaics to construction site offices and welfare	• In progress
Consider electrically operated machinery and equipment instead of petrol or diesel	• Ongoing consideration
Design out waste to reduce waste production and removal during construction	• Ongoing initiative

TRAINING

Several business units across Africa have designated a specific day each week to focus on Environmental Management. This initiative ensures consistent emphasis on environmental compliance and allocates dedicated time for environmental awareness training throughout the week. All project team members, irrespective of their roles, participate in this training, enhancing our overall environmental ethos.

The training sessions primarily address common non-conformances to prevent them from becoming recurring issues. In the last financial year, we invested R53,643.94 in environmental training in South Africa, with an average cost of R1,166.17 per trainee. Of the 46 individuals trained, 93% were Black employees. A significant portion of this environmental training was conducted in-house.

We held several virtual training sessions on the Environmental Management System. These sessions enabled on-site environmental staff to join and receive guidance on specific system sections where they needed further understanding.

In the UK, the Byrne Group requires each project to deliver at least one environmental toolbox talk to site staff every month where topics generally cover site compliance issues or updates to the Environmental Management System.

Within Russell WBHO, training was implemented on the ISO in-house systems and the new document management system which includes a mobile application to reduce the number of paper documents. Looking ahead, Russell WBHO intends to provide training to employees on carbon reduction and net-zero awareness along with site environmental awareness.

Russell WBHO has created a resource on 'Net Zero and Carbon Reduction' delivered to our pre-construction team and senior management to assist in client tender interviews and to provide information on how Russell WBHO approach net zero construction. In addition to this, employees carried out environmental awareness training and attended various sustainability events such as:

- Greater Manchester Net Zero Event
- Northern Sustainability Summit

Environmental Case Study

Russell WBHO has been certified as a Carbon Neutral® company

Being accredited as a CarbonNeutral® company is a major milestone on Russell WBHO's journey to becoming Net Zero by 2038.

Carbon Neutral® company certification is awarded to firms operating in accordance with The Carbon Neutral Protocol, the leading global framework for carbon neutrality. The company has fully audited its greenhouse gas emissions, implemented carbon reduction measures across the business, and offset carbon emissions to compensate for what cannot currently be avoided by providing finance to projects across the globe.

Rusell WBHO has pledged a future reduction in greenhouse gas emissions including transferring to a green energy supplier, installing solar panels at the Trafford Park headquarters and on the roofs of project site facilities, improving office lighting and heating efficiency, and decarbonising further by transferring site generators from diesel to biofuel. This is expected to reduce CO_2 emissions by at least 77% by 2030, the halfway point in the Net Zero by 2038 strategy.

The company will also continue rolling out existing carbon reduction initiatives which have already helped reduce greenhouse gas emissions since the firm embarked on its road to Net Zero back in 2020. Petrol and diesel fleet vehicles are being replaced on a rolling basis by electric vehicles, and EV chargers are already installed at head office and construction sites. The team will also maintain its long-term commitment to the sustainable sourcing of materials, and employing local labour and subcontractors.

ECONOMIC IMPACT

As part of a greater socio-economic ecosystem, we recognise that we are dependent on robust relationships with key stakeholders. Value-added indicates the wealth WBHO creates through its activities to the following stakeholders: shareholders, employees, debt providers, suppliers and the government.

VALUE-ADDED STATEMENT

Rm	2023	2022	
CLIENTS			WEALTH CREATED
Revenue*	27 894	20 584	
SUPPLIERS			
Cost of materials and services*	(21 592)	(15 375)	
	6 302	5 209	
Employees			WEALTH DISTRIBUTED
Payroll costs	2 861	2 488	
Share-based payment expense	55	45	
Investors			
Dividends paid to shareholders	–	116	
Financial Institutions			
Interest and finance charges	41	18	
Lease payments	23	13	
Government			
Taxes and duties	2 279	1 632	
Communities			
Socio-economic development	5	5	
	5 264	4 317	
WBHO			WEALTH RETAINED
Attributable earnings (less dividends paid)	790	693	
Depreciation	248	199	
	1 038	892	

** Including value-added tax and sales tax where applicable.*

GOVERNANCE

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE IS MORE THAN A SET OF FRAMEWORKS, PRINCIPLES, POLICIES AND RULES. AT WBHO, IT MEANS ABIDING BY PRINCIPLES AND STRUCTURES THAT FACILITATE AND FOSTER GOOD RELATIONSHIPS BETWEEN THE BOARD OF DIRECTORS (THE BOARD), SHAREHOLDERS, STAKEHOLDERS, AND EMPLOYEES. GOOD CORPORATE GOVERNANCE IS THE VEHICLE TO BUSINESS INTEGRITY, SUCCESSFUL BUSINESS RELATIONSHIPS AND VALUE FOR STAKEHOLDERS

GOVERNANCE FRAMEWORK

Our governance framework, as set out below, enables the Board to maintain effective control while delegating authority through its Board Committees and the Executive Committee. All of the African operations of the Group are directly subject to the operational and governance structures, protocols and procedures set out in the governance framework.

While the governance structures and protocols of the United Kingdom businesses are independently managed in line with local governance practices, they are aligned with those of the Group. Certain executive directors and prescribed officers are members of the United Kingdom boards of directors and subcommittees. They also attend the Main Board and subcommittee meetings by invitation.

ETHICAL CORPORATE CITIZENSHIP

Ethical business practices are set out in our Board approved Code of Conduct. The Code actively promotes a set of core values covering reputation, quality, cost awareness, teamwork and culture, and serves as a guide to employees of the "The WBHO Way" of conducting business. The Code affirms the values of responsibility, honesty, fairness and respect and dictates that all actions must be trustworthy. It promotes ethical conduct amongst our employees and covers topics such as how to avoid possible conflicts of interest within specific areas of competence, Competition Act and Privacy legislation and the duty of confidentiality.

The Code also discusses employees' responsibilities to ensure a safety culture and protection of the environment. It obliges all directors, officers and employees to interact with one another, as well as with stakeholders, with integrity. During the year under review, there were no issues of non-compliance, fines or prosecutions levied against WBHO or its management for non-ethical behaviour.

BOARD

The Board is responsible for strategic leadership and guidance and ensuring that the Company remains a robust, successful business, responsive to stakeholders and accountable to shareholders.

BOARD COMMITTEES

AUDIT COMMITTEE	RISK COMMITTEE	SOCIAL AND ETHICS COMMITTEE	REMUNERATION COMMITTEE	NOMINATION COMMITTEE
Oversight of financial risk management and ensuring the integrity of financial reporting	Oversight of the risk management framework and combined assurance reporting	Oversight of good corporate citizenship, encompassing ethical, legal, social and environmental governance	Oversight of all remuneration policies and practices	Oversight of the evaluation of all subcommittees and main Board directors as well as identifying and sourcing appropriately skilled new directors

CEO

EXECUTIVE COMMITTEE

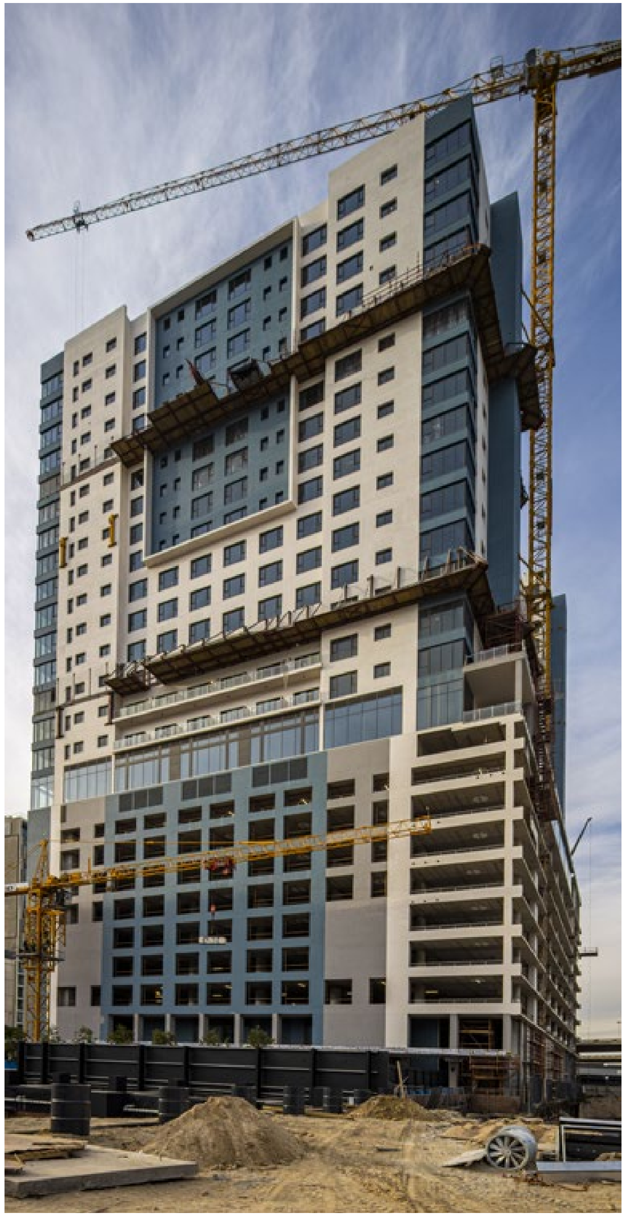
Responsible for implementing the strategy of the Group and assisting the CEO in managing the day-to-day operations. In addition, mandates are given to the committees below to oversee specific areas of importance on behalf of the Executive Committee (Exco).

CREDIT COMMITTEE	TRANSFORMATION COMMITTEE	INFORMATION TECHNOLOGY COMMITTEE	VRP RISK COMMITTEE

KEY GOVERNANCE POLICIES AND PROCEDURES IN PLACE

ETHICAL LEADERSHIP AND GOOD CORPORATE CITIZENSHIP		STRATEGY, PERFORMANCE AND REPORTING	GOVERNANCE STRUCTURES AND DELEGATION
• Memorandum of Incorporation • Board Charter • Code of Conduct • Division of responsibility • Appointment of main Board directors • Declaration of interest • Anti-bribery and compliance policy • Competition compliance policy and programme • Whistleblowing policy • Tax policy • Gender and racial diversity policy • Related Party Policy	• Communication and price sensitive information policy • Gifts policy • Annual independence review of non-executive directors • Climate Change and Environmental policies • Occupational health and safety policy • Quality policy • Corporate social spend policy • Monitoring alignment to the UNGC and OECD principles	• Regular Board meetings including a specific annual strategy meeting • Quarterly review by the Board of the progress against strategic objectives • Alignment of management incentive schemes to strategic objectives • Review and approval of key documents for external communication • Annual site visits by the Board to assess the operational environment	• Delegation of authority policy and framework • Corporate governance framework • Board Committee terms of reference and annual work plan • Combined assurance and risk management framework • Remuneration policy • IT policies • Directors' induction processes and ongoing exposure to the business

CORPORATE GOVERNANCE REPORT continued



CORPORATE GOVERNANCE PRINCIPLES AND STRUCTURES

The corporate governance principles and structures include:

- Adopting a Code of Conduct which applies to all directors and the organisation as a whole to ensure that the Group maintains the highest level of integrity and ethical conduct. Through its various subcommittees, the Board, Exco and the senior management act in the best interests of the Group, considering its stakeholders, the environment and society as a whole, as well as considering risks and overseeing and monitoring implementation and execution of strategy, thereby ensuring accountability for the company's performance.
- The development and implementation of policies and processes to identify and mitigate risks across the various divisions with the Group.
- The establishment of robust structures to ensure compliance with the relevant laws and regulations affecting the Group.

The Board, Exco and senior management recognise that being a 'good corporate citizen' requires the Group to deliberate and act with fairness, responsibility, transparency and accountability. The leadership team is ultimately responsible for the key governance processes and ensure that these processes lead to sustainable growth and acceptable performance of the Group.

OUR LEADERSHIP

The Board is responsible for developing the strategy of the organisation with management. It retains full and effective control of the Company and ensures that management implements the strategy of the Group. The Board holds itself accountable to the principles embodied in the King IV report on corporate governance for South Africa 2016 (King IV™).

Effective governance decision-making

Composition and diversity + Experience + Commitment + Independence and refreshment + Annual performance assessment

LEADERSHIP ROLES AND FUNCTIONS

The role of the Chairman is distinct and separate from that of the CEO in terms of the delegation of power and authority to ensure the appropriate balance exists on the Board. The Board is led by an Executive Chairman and therefore, in compliance with paragraph 3.84(c) of the JSE Listings Requirements (JSELR), and as recommended by King IV™, a lead independent director (LID) has been appointed. The roles and responsibilities of the Chairman, LID and CEO are summarised below.

Leadership role	Description
Chairman	The Chairman is responsible for leading the Board and for ensuring the integrity and effectiveness of the Board and its committees.
Lead Independent Director	The LID is responsible for assisting the Chairman in the execution of his duties and such other functions as the Board may wish to delegate to the lead independent non-executive director. Where the Chairman is absent or unable to perform his duties or where the independence of the Chairman is questioned or impaired, the LID must serve in this capacity for as long as the circumstances that caused the Chairman's absence, inability or conflict exist.
CEO	The CEO is responsible for the effective management and running of WBHO's business in terms of the strategies and objectives approved by the Board.

CORPORATE GOVERNANCE REPORT continued

THE BOARD

The Board is constituted in terms of WBHO's Memorandum of Incorporation (MOI) and is aligned with King IV™. Emphasis is placed on ensuring that Board composition reflects diversity in the broadest sense. Diversity encourages robust debate that ensures that appropriate guidance is provided to management in delivering on our strategic objectives. The Board is committed to ensuring that diversity, including that of background, experience, skills, geography, race, age, and gender is reflected in its composition. The Board has adopted a race and gender diversity policy and has set a target range for minimum representation on the Board by female directors of between 25% and 30% and black directors of 30%. WBHO has a unitary Board structure, comprising mostly of non-executive directors, independent of management.

BOARD CHARTER

The Board follows a stakeholder-inclusive approach in the execution of its governance roles and responsibilities and assumes collective responsibility for strategy, policy, oversight and accountability. The Board Charter encapsulates the Board's overall business philosophy, formalised duties and responsibilities.

In addition, it highlights the characteristics of the Board and individual Board members, and sets out the policies, procedures and steps to be followed by the Board pertaining to the discharge of its duties and the conduct of its activities in order to ensure overall good corporate governance. The Board Charter was reviewed and adopted during the year.

BOARD COMPOSITION

The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence to discharge its governance role and responsibilities objectively and effectively. The diversity in its membership together with its various attributes creates value by promoting better decision-making and effective governance.

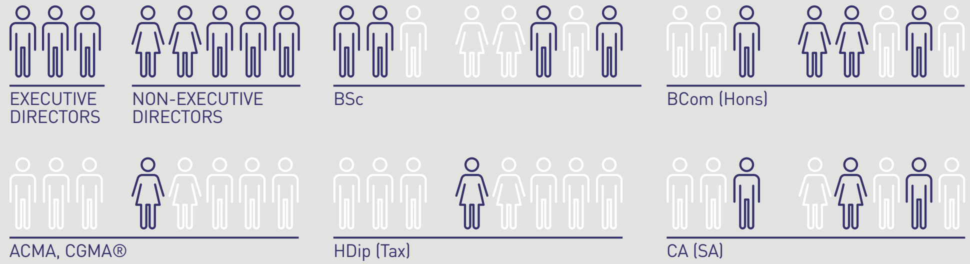
STATEMENT OF COMPLIANCE

The Board complies fully with applicable laws and regulations in the jurisdictions under which it operates. The group has embraced King IV™ as recommended and through its King IV™ register, which can be viewed on the group's website (www.wbho.co.za) seeks to provide a narrative-based report in which it references each of the King IV™ principles to how the group application of the principle.

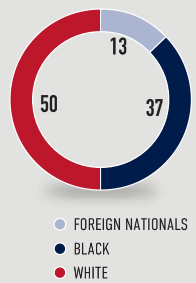
The Board has delegated responsibility for compliance with applicable laws and regulations to Exco and senior management. The compliance function is monitored through the Compliance Officer who reports on compliance matters at the various subcommittees and the Board.

During the 2023 financial year, WBHO was compliant in all material respects with the requirements of the Companies Act 71 of 2008 (Companies Act), the Companies Act regulations and the JSE Listings Requirements (JSELR).

QUALIFICATIONS



DEMOGRAPHICS (%)



37% OF THE BOARD MEMBERS ARE BLACK

75% OF THE BOARD MEMBERS ARE MALE

25% OF THE BOARD MEMBERS ARE FEMALE

BOARD ATTENDANCE

Directors	Board attendance
Independent non-executive directors	
Ross Gardiner	5/5
Cobus Bester	5/5
Karen Forbay	5/5
Savannah Maziya*	1/1
Hatla Ntene	5/5
Nosipho Sonqushu^	3/3

** Resigned 23 November 2022*
^ Appointed 5 December 2022

Directors	Board attendance
Executive directors	
Louwtjie Nel (Chairman)	5/5
Wolfgang Nef (CEO)	5/5
Charles Henwood (CFO)	5/5

CORPORATE GOVERNANCE REPORT continued

BOARD APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Board, supported by the Nomination Committee, is responsible for the nomination, selection and appointment of directors to the Board in line with the principles and procedures set out in the Appointment of Main Board Directors Policy.

Apart from a candidate's skill, experience, availability and likely fit, the Board considers the candidate's demonstrated integrity, proven leadership as well as other directorships and commitments to ensure that they will have sufficient time to properly discharge their duties.

The rotation of non-executive directors is governed in terms of the Company's MOI. The MOI requires one third of non-executive directors to retire from office at each AGM, with the longest serving retiring first. All non-executive directors serving more than nine years retire annually and if eligible and meeting the independence assessment criteria, are recommended for re-election. Any re-election of a director is informed by the results of the independence assessment carried out annually.

When recommending directors for appointment or re-election, performance, diversity requirements, Board continuity and independence are considered. The appropriate diversity balance includes, but is not limited to skills, industry experience, race and gender.

Karen Forbay and Cobus Bester will retire, and being eligible, will be available for re-election at the 2023 AGM.

The retirement age for non-executive directors is 70 years, and 60 years for executive directors. The conditions of employment of executive directors may be extended, dependent on the continued value offered by the executive director in question. During the period, after 16 years of service, Savannah Maziya retired on 23 November 2022.

Nosipho Sonqushu, a chartered accountant, with experience across a variety of boards was appointed on 5 December 2022. The Board thanks Savannah for her valuable contribution and welcomes Nosipho to the Board.

BOARD EVALUATION

An external evaluation process was undertaken during financial year 2023 to assess the performance and effectiveness of WBHO's Board, Board Committees, the independent non-executive directors, the chairperson of the board, the Chief Executive Office, the Chief Financial Officer and the Company Secretary. The evaluation process included reviewing previous board evaluation findings, relevant WBHO policies, the terms of reference of the respective Board Committees, an online questionnaire which was sent to all the board members, peer evaluation and one-on-one interviews with a random selection of board members.

The overall average score achieved for the board evaluation was 3.73 out of 4, indicating that the Board is confident in its overall performance and contributions to the Company. The confidence that the Board has in the contributions of key individuals, being the Chairperson, the CEO, the CFO and the Company Secretary was evidenced in the highest score obtained across the various sections of 3.93 out of 4. The lowest score obtained was 3.51 out of 4 which was impacted by the lack of a formal induction programme for newly appointed members and concerns in regard to the lack of relevant regular training or updates for the non-executive directors. The concerns raised will be addressed via the development and implementation of a formal induction programme and a policy to deal specifically with non-executive director training.

BOARD REFRESHMENT

Board refreshment is vital for its effective functioning. Upon the retirement of non-executive directors and having taken into account WBHO's strategy and future needs, candidates with requisite attributes, skills and experience are identified to ensure that the Board's competence and balance are maintained and enhanced. Rotation of Board members is staggered to ensure that the introduction of members with new expertise and perspectives is accomplished while enabling the retention of valuable knowledge, skills and experience and maintaining continuity.

The average tenure of current-serving non-executive directors is 7,5 years, with three members, or 60% of non-executive directors, serving for six years. The following changes occurred during the year:

- Savannah Maziya, previously the chairperson of the Remuneration Committee retired in November 2022 and Nosipho Sonqushu was appointed in December 2022.

Savannah's resignation prompted changes to the board subcommittees with:

- Hatla Ntene, previously the chairperson of the Social and Ethics Committee, becoming the Remuneration Committee Chairperson;
- Karen Forbay becoming the Social and Ethics Committee Chair;
- Cobus Bester joined the Remuneration Committee as a member; and
- Nosipho Sonqushu joined as a member of the Audit Committee and the Risk Committee.

SUCCESSION PLANNING

Succession planning for senior positions in the internal and external organisation involves identifying suitable candidates internally, wherever possible, and providing them with support, shadowing opportunities and internal and external mentorship. Identified candidates also receive further professional development via enrolment with reputable global business schools. Key positions for which a succession plan is required have been identified and processes are in place to implement the relevant succession plans.

On 9 October 2023, Charles Henwood announced his retirement as CFO of the Group, effective from 23 November 2023. In keeping with WBHO's culture of management continuity, Andrew Logan, the current Group financial director and a qualified chartered accountant who has been with the Group for over 20 years will be appointed as the incoming CFO.

DIRECTOR INDEPENDENCE AND CONFLICTS

The Company Secretary oversees the assessment process for directors' independence. This process is determined in terms of the criteria and recommendations set out in King IV™ as well as the Companies Act of South Africa and the Board Charter. The performance and independence of individual directors is assessed annually.

During the year under review, the Board assessed the independence of all the non-executive directors, by considering factors that may impair independence, including the period served on the board, directors' interests and conduct. The Board is satisfied that all non-executive directors remain independent and are able to execute their duties in the manner required.

In terms of the Companies Act of South Africa, directors are required to disclose their outside business interests. Directors do not participate in, and recuse themselves from, all meetings where the Board considers any matters in which they may be conflicted. Conflicts are noted on a case-by-case basis when they arise and are recorded in a register of directors' interests that is maintained by the Company Secretary.

The Board is aware of other commitments of its directors and is satisfied that all directors allocate sufficient time to enable them to discharge their responsibilities effectively. The Board is encouraged to seek independent legal advice, at WBHO's cost, during the execution of its fiduciary duties and responsibilities, if so needed. During the financial year, no legal advice was sought by the Board. The Board has direct access to WBHO's external auditors, internal auditors, the Company Secretary, and all members of the executive management team.

Directors and managers with access to material price-sensitive information are prohibited from dealing in shares in periods immediately prior to the announcement of WBHO's interim and year-end financial results and at any other time deemed necessary by the Board or as required in terms of the JSELR. Directors and prescribed officers need to obtain written clearance from the Chairman prior to trading in shares.

CORPORATE GOVERNANCE REPORT continued

The Chairman consults with the executive directors before granting clearance to ensure that there is no material price-sensitive information that has not been disclosed to the market. Clearance is provided on receipt of a written request from the director or prescribed officer and once the necessary signatures of the designated directors have been obtained.

DIRECTORS' TRAINING

As a result of new developments and changing operating, economic and legislative environments, various subscriptions to a variety of organisations, in addition to continuous professional development, are used to identify and share relevant changes to regulation and legislation. Links to available courses are also sent where provided.

During the financial year directors were encouraged to indicate their training requirements and to the extent that the training related to the performance of their role as non-executive director of the group, the group paid for the training. The group contributed to the following courses/seminars during the year:

- Chartered Director (CD(SA))
- Effective Audit Committee Seminar
- Effective Remuneration Committee Seminar

Further in-house and specialist training will be made available to directors as and when required to supplement knowledge and improve the Board's effectiveness.

BOARD EFFECTIVENESS

Through the Board, WBHO endorses and is committed to the recommendations of King IV™, the dictates of the Companies Act of South Africa, and the JSELR. To view our latest King IV™ application register, please visit our website at www.wbho.co.za.

WBHO recognises that being a "good corporate citizen" requires the organisation to deliberate and act fairly, responsibly, transparently and accountability.

The table below summarises the key activities undertaken by the Board in the year as well as planned focus areas for FY2024:

	Desired outcomes	Activities in the year	Specific planned focus areas for FY2024
Strategy performance and reporting	• A well-considered strategy, taking into account the operating environment, risks and opportunities, with the intent to deliver sustained long-term value. • Appropriate alignment and monitoring of key performance measures and targets for assessing the achievement of the strategic objectives. • Providing reliable external reports that enable stakeholders to make an informed assessment of the Group's performance.	• Monitored the performance and implementation of the approved strategy and interrogated changes to the strategy at the strategy meeting. • Approved key performance metrics and targets for FY2023. • Reviewed detailed divisional business reports at the interim reporting period to highlight any emerging issues and risks. • Approved the FY2023 budget. • Approved the FY2023 Integrated Report, annual financial statements and published results announcements. • Reviewed solvency, liquidity and going-concern status. • Visited WBHO UK as part of the process of monitoring the execution of the projects for the UK operations. • Reviewed and interrogated the Akani 2 B-BBEE Scheme that was implemented in June 2023.	• Review and interrogate the strategic direction and objectives in relation to risks, opportunities, resources and relationships at the annual Board strategy session. • Closely monitor high-risk projects and areas in which the business operates. • Continuously assess how the business maintains its competitive advantage by monitoring the businesses solvency and liquidity position. • Monitor relationships with clients, in particular on high-risk projects.
Risk, oversight and compliance	• Strengthened diversity in thought, experience and independence of the Board and its committees. • Continuous improvement in the performance and effectiveness of the Board. • Compliance with WBHO policies and country specific laws and regulations throughout WBHO in each country of operation. • Substantial compliance with the spirit and principles of King IV™.	• One new independent non-executive director was appointed in the year and one non-executive director resigned. • Monitored progress made in terms of gender and role diversity. • Through the Audit Committee, reviewed internal audit reports covering compliance with country and Group-specific policies and procedures. • Identified and assessed potential risk of non-compliance throughout the Group on a regular basis	• Continuously assess the current mix of the Board to determine if it adequately addresses the needs of the business and represents the demographics of the nation. • An annual assessment of the independence of the Board is performed. • Ensure compliance with the Diversity Policy of the Group.

CORPORATE GOVERNANCE REPORT continued

	Desired outcomes	Activities in the year	Specific planned focus areas for FY2024
Remuneration	• Fair, responsible and transparent remuneration practices. • Alignment of executive director and stakeholder interests.	• Reviewed the Remuneration policy and implementation plan against WBHO's strategic objectives. • Following the voting patterns at the AGM, reviewed the Remuneration Policy to ascertain whether it was still relevant and appropriate. • Performed an analysis of executive management CTC against industry peers. • Approved the value of the short-term incentive pool.	• Ongoing review of remuneration structures against industry norms and performance of the Group. • Review medium- to long-term methods to retain key skills and/or employees within the Group.
Stakeholder relations	• Stakeholder-inclusive approach in the execution of governance roles and responsibilities. • Reasonable needs, interests and expectations of stakeholders, balanced with the best interests of the Group over time.	• Identified material stakeholders and oversaw the extent of stakeholder engagement. • Oversaw facilitation by management of regular and pertinent communication with shareholders. • Engaged with shareholders who expressed an interest in engaging with the Board in regard to the Remuneration Implementation Report.	• Ongoing monitoring of stakeholder engagement. • Perform an assessment of the sufficiency and effectiveness of WBHO's engagement with stakeholders.
Corporate governance	• Appropriate governance structures and procedures to ensure effective control over the Company.	• Considered the independent assessment of long tenure, non-executive directors. • Reviewed and monitored ongoing remedial actions to align the IT Governance Framework with international best practice following the IT governance assessment conducted in previous years.	• Review of the corporate governance framework and the delegation of authority policy by the Board. • Review and update the Board of Directors Charter. • Annual assessment of the independence of long tenure directors and their reappointment in terms of King IV™.

BOARD COMMITTEES

While overall accountability for the Group is retained by the Board, five standing committees have been established through which it executes some of its duties:

- ✔ Audit Committee
- ✔ Risk Committee
- ✔ Social and Ethics Committee
- ✔ Remuneration Committee
- ✔ Nomination Committee

Each committee has adopted appropriate formal terms of reference and each committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year. During the year under review, there Board spent a considerable amount of time engaging shareholders, and stakeholders more broadly, on its decision to exit Australia.

CORPORATE GOVERNANCE REPORT continued

AUDIT COMMITTEE

The Audit Committee's primary purpose is to provide financial oversight on behalf of the Board in compliance with the statutory duties and responsibilities in terms of the Companies Act, JSELR and the King IV™ Code. The committee has adopted appropriate formal terms of reference and is responsible for:

- ✔ Performing its statutory duties as prescribed by the Companies Act, with specific reference to audit quality, auditor independence and financial policies and reporting concerns.
- ✔ Considering the financial performance, financial position, cash flow and treasury status of the Group on a quarterly basis.
- ✔ Overseeing, assessing and approving the internal and external audit functions with respect to appointment, work plans, quality of work executed, matters arising from the work performed and independence.
- ✔ Reviewing the expertise, resources and experience of the finance function and evaluating the suitability of the expertise and experience of the Chief Financial Officer.
- ✔ In conjunction with the Social and ethics and Risk Committees: considering the risk management framework and policy insofar as they relate to assessing internal financial reporting risks as well as the adequacy of the financial risk management process, financial controls, fraud and non-compliance risks and IT risks.
- ✔ Overseeing the quality of, and reporting by, assurance services within the Group and assurance providers in order to ensure the integrity of information for internal and stakeholder decision making as well as the adequacy and effectiveness of internal controls.
- ✔ Recommending to the Board for approval the interim and annual financial statements, including the solvency and liquidity of the Group and the Integrated Report.

The committee confirms that it has discharged its responsibilities as mandated by the Board, its statutory duties in compliance with the Companies Act and the JSELR, and best practice in corporate governance as set by King IV™.

The Audit Committee specifically addressed the following matters in FY2023:

Focus area	Activities and explanation
Monitoring the progress of the Group's exit from Australia	The committee monitored the ongoing developments surrounding the decision to exit Australia which included: ✔ Monitoring the progress of the administration proceedings and specifically fulfilment of the conditions precedent to the Deed of Creditors Arrangement (DOCA) ✔ Reviewing the terms of the deed agreed with the client of WRU and reasons for the increase in the settlement amount ✔ Obtaining regular updates from management on the remaining exposure to the Australian guarantee providers and the status of called, uncalled and recovered guarantees ✔ Confirming with management the full release of all obligations in respect of the parent company guarantees provided to the Australian guarantee providers and the client of WRU ✔ Obtaining regular updates from management in respect of drawdown of external funding and repayment thereof during the course of the year ✔ Evaluating the 12-month forward-looking cash forecasts of the Group
Going concern assessment	The loss from discontinued operations and the loss of control of subsidiaries in Australia resulted in the net asset value of the Group decreasing by approximately R3 billion at 30 June 2022. During the current reporting period the Group sent a further R782 million in cash to Australia and recognised a further R100 million loss from discontinued operations. Due to the materiality of these amounts, the committee gave increased attention to the directors' going concern assessment of the Group. Pleasingly, the performance of the continuing operations resulted in a recapitalisation of R1 billion and cash balances increased by 11%.
Dividend	The committee assessed the impact of exiting Australia on the financial position and cash flows of the Group as well as potential future working capital requirements to service the order book growth. The committee concluded that it agreed with management's recommendation that no dividend be declared for the year ended 30 June 2023.
Taxation	The committee reviewed the tax policy of the Group. The committee obtained and considered a quarterly tax report from management providing details of the prevailing tax risks and tax matters being attended to and monitored the outcome of tax audits conducted by revenue authorities and noted that no dispute would have a material negative outcome. The committee considered the tax accrual review undertaken by BDO and noted that no significant matters of concern were reported. The committee also reviewed the recoverability of current and deferred tax assets.
Appointment of new auditors for the year ending 30 June 2024	The Independent Regulatory Board for Auditors has prescribed that external auditors of Public Interest Entities must comply with mandatory audit firm rotation for year-ends commencing on or after 1 April 2023. During the year the committee considered the proposals of three auditing firms recommended by management. PricewaterhouseCoopers South Africa Incorporated was ultimately recommended to the Board and, subject to shareholder approval at the next AGM, will be appointed as the Group's auditors for the 2024 financial year. Although the mandatory rotation was set aside by the Supreme Court of Appeal, the Group had already completed its appointment process.

CORPORATE GOVERNANCE REPORT continued

Focus area	Activities and explanation
IT governance	In FY2021, the Group obtained external verification that governance over the IT control landscape, enterprise architecture and the quality of operations and IT support was suitable for an organisation of WBHO's size and nature. In FY2023, the internal audit function conducted an external maturity assessment of the Group's IT Governance controls, the outcome of which was found to be satisfactory. The overall objective of the project was to perform a maturity assessment of IT Governance, which specifically included the following control process areas: ✔ IT Management Framework; ✔ IT Risk Management; ✔ IT Change Management; and ✔ IT Security Services. As part of assessing the control design elements, Internal Audit assessed the adequacy of the IT governance related controls in terms of CoBIT 2019 and specifically assessed whether the controls were adequately designed and implemented. The evaluation concluded that 39% of the control activities tested were deemed to be above the desired maturity, 43% at desired maturity and 18% below desired maturity. Management subsequently implemented additional measures in respect of those controls to achieve the desired maturity. External confirmations were also obtained with regard to the security of internal and external systems and threats identified were resolved.
Corporate governance	In order to meet its obligations when approving the consolidated annual financial statements for the Group in terms of section 3.84(g) of the JSE Listings Requirements, the committee assessed the internal control processes over the consolidation of the subsidiaries of the Group including the preparation of subsidiary packs, compiled in accordance with IFRS and signed off by the relevant external auditors prior to consolidation. The committee reviewed a reconciliation prepared by management of revenue and operating profit from the Management Accounting Reports to the Financial Statements and obtained confirmation from the auditors of the Group that the audits of the financial statements of all material subsidiaries had been completed. The committee also confirmed that the necessary processes were in place for the CEO and CFO to sign the Responsibility Statement in terms of section 3.84(k) of the JSE Listings Requirements.
Risk Governance	This year, the Group conducted an external maturity assessment of its risk governance practices. The risk maturity assessment performed concluded that there has been an upward trajectory in WBHO's risk management capabilities, with a considerable number of improvements made over a period of time to enhance the governance of risk and improving risk processes. There is a good level of commitment from Executive management and the Board with respect to the further enhancement of risk maturity across the organisation.

The committee will continue to operate within its mandate and address all regular matters reserved for its consideration in FY2024 as well as giving specific focus to the following areas:

✔ Monitoring the actions and steps necessary to finalise the exit from Australia, specifically focusing on obtaining outstanding guarantees
✔ Monitoring the performance of the continuing operations of the Group in light of the substantial increase in order book levels and the volume of work to be executed
✔ Continue to monitor and assess the liquidity, working capital and going concern position of the Group

Composition and attendance at meetings

During the year under review the committee members comprised independent non-executive directors. All members have the requisite business, financial and leadership skills for the position.

Composition	Appointed	Meeting attendance	Other regular attendees
Cobus Bester (Chairman)	1 November 2017	4/4	• Chief Executive Officer • Chief Financial Officer • Group Reporting representative • Information Technology representative • Internal auditors • External auditors
Karen Forbay	1 November 2017	4/4	
Ross Gardiner	28 April 2014	4/4	
Savannah Maziya	Resigned 22 November 2022	2/2	
Nosipho Sonqushu	5 December 2022	2/2	

Refer to page 70 of the Integrated Report for detailed qualifications and experience of committee members. Designated advisors may from time to time be invited to meetings.

The Chairman met separately with management, the Chief Audit Executive and the external and internal auditors prior to each meeting. Audit Committee members had closed sessions after each committee meeting.

CORPORATE GOVERNANCE REPORT continued

RISK COMMITTEE

The Risk Committee oversees the governance of risks faced by the Group on behalf of the Board. Its primary objectives during the year, which are outlined in the Risk Management Charter, included:

- ✔ Evaluation of the risk universe within which the Group operates.
- ✔ Ensuring that a thorough business risk assessment is undertaken and a risk profile is compiled by management.
- ✔ Oversight of the risk management processes of the Group.
- ✔ Satisfying corporate governance reporting requirements.

During the year under review, all members of the Risk Committee were independent non-executive directors.

Composition	Appointed	Meeting attendance	Other regular attendees
Ross Gardiner (Chairman)	28 April 2014	2/2	• Chief Executive Officer • Chief Financial Officer • Finance representative • Risk representative
Cobus Bester	1 November 2017	2/2	
Karen Forbay	1 November 2017	2/2	
Savannah Maziya	Resigned 22 November 2022	1/1	
Nosipho Sonqushu	5 December 2022	1/1	

For more on the key risk processes, top risks and mitigation plans, please see our separately published 2023 Integrated Report. In FY2023, the Risk Committee focused on:

- ✔ Assessed the operational and procurement risks faced by the Group with a specific focus on order book growth across the African operations procurement levels in the UK, the sovereign risk of new geographies, skills retention and project execution.
- ✔ Assessed and evaluated the risks presented by the procurement legislation in South Africa and the construction mafia.
- ✔ Oversaw improvements in the identification and communication of project risks.
- ✔ Monitored the risk management processes implemented in the UK.

The committee's focus areas for FY2024 will be to:

- ✔ Continue to monitor the operational and procurement risks faced by the group.
- ✔ Understand and provide solutions to mitigate where possible, the risks relating to skills retentions and project execution across the different geographies in which the group operates
- ✔ Assess and understand the impact of various laws and regulations in South Africa which affect the manner in which the South African operations execute their projects
- ✔ Evaluated the strategic risks of the Group rating any material shifts.
- ✔ Re-assessed the risk appetite and maximum risk tolerance following the Group's exit from Australia.

SOCIAL AND ETHICS COMMITTEE

The Social and Ethics Committee comprises three independent non-executive directors, the Company Secretary and two senior members of management.

The Social and Ethics Committee is constituted in terms of section 72(4) of the Companies Act of South Africa and its accompanying regulations to implement the mandate prescribed by regulation 43(5). The committee performs an oversight role from a compliance perspective and its primary functions, which are outlined in the Social and Ethics Committee Charter, include:

- ✔ Ensuring that WBHO conforms to all appropriate legislation and standards of best practice.
- ✔ Ensuring that the UNGC and ILO principles, in terms of human rights, labour and corruption, are upheld.
- ✔ Obtaining confirmation of adherence to environmental and health and safety laws.
- ✔ Advancing the empowerment and transformation objectives of WBHO, which include preferential procurement, social economic development and emerging contractor development.

Composition	Appointed	Meeting attendance	Other regular attendees
Hatla Ntene Chairman to 5 December 2022	1 November 2017	2/2	Representation from: • Environmental • Health and Safety • Human Resources • Quality • Transformation • Governance
Karen Forbay Chairperson from 5 December 2022	1 November 2017	2/2	
Ross Gardiner	1 November 2017	2/2	
Samuel Gumede	24 January 2018	2/2	
Andrew Logan	13 September 2013	2/2	
Donna Msiska	1 April 2021	2/2	

In FY2023, the Social and Ethics Committee focused on:

- ✔ Training conducted in FY2023 and training plans for FY2024 as part of WBHO's anti-bribery and corruption prevention and detection programme
- ✔ Reviewing and assessing reports from management in respect of safety, environmental, human capital training and empowerment and investment in social economic development
- ✔ Continue to assess avoidable staff turnover rates for professional staff and the trends behind resignations
- ✔ Progress on the Commission for Conciliation, Mediation and Arbitration (CCMA) in South Africa and Labour Court matters and consideration of how these could impact future employee relations practices
- ✔ Assessing and understanding the impact of the new Employment Equity Bill on South African operations

The committee's focus areas for FY2024 will be on:

- ✔ Updating and preparing the regulatory risk matrix for the Group
- ✔ Enhanced reporting of ESG matters in line with international guidelines and standards
- ✔ A committee evaluation to assess performance and identify potential areas for improvement

CORPORATE GOVERNANCE REPORT continued

REMUNERATION COMMITTEE

The Remuneration Committee ensures that WBHO's remuneration policy is fair and reasonable, while remaining compliant with regulatory and governance requirements, and that remuneration practices deliver shareholder value. It also ensures the establishment of an appropriate remuneration framework and adoption of remuneration policies that aim to attract and retain top talent, support the Group's long-term strategy and drive sustainable performance.

The Remuneration Committee's full report as well as the Remuneration and Implementation report are included from page 79 of our Integrated Report.

The Remuneration Committee comprises three independent non-executive directors.

Composition	Appointed	Meeting attendance	Other regular attendees
Savannah Mayiza Chairman until date of resignation	Resigned 22 November 2022	2/2	• Executive Chairman • Chief Executive Officer • Chief Financial Officer, Human Resources
Hatla Ntene (Member and Chairman)	1 November 2017	3/3	
Ross Gardiner	11 March 2014	3/3	
Cobus Bester	5 December 2022	1/1	

In FY2023, the Remuneration Committee specifically focused on:

- ✔ Reviewing and approving the Remuneration policy and Remuneration and Implementation report for FY2023, having given consideration to the incentives awarded in the context of Group and divisional performance and current economic conditions.
- ✔ Assessed the appropriateness of the Remuneration Policy given that 53.23% of shareholders voted against the Implementation report at the 2022 AGM.
- ✔ Review of the performance matrices and their relative weightings in relation to long-term and short-term incentives.
- ✔ Remuneration packages and benefits for executive directors to ensure that remuneration packages are effective in driving WBHO's strategy and behaviour.
- ✔ Motivated and discussed the executive short-term incentives with a major shareholder.

In keeping with the requirements of King IV™, an external evaluation of the committee was conducted during the year and there were no significant matters of concern noted.

The committee's focus areas for FY2024 will remain on:

- ✔ Applying consistent remuneration structures and reporting across all regions.
- ✔ Reviewing current policies and procedures applicable to the Remuneration Committee and ensuring that new policies and procedures are implemented as and when the need arises to support Remuneration Committee decisions.
- ✔ Place specific attention on the methodology and application of LTIs and STIs as this area continues to evolve.

NOMINATION COMMITTEE

All independent non-executive directors and the executive chairman are members of the Nomination Committee. The committee is chaired by the LID. The Nomination Committee identifies and recommends individuals for Board appointments. Members of the committee consider specific skills, Board composition requirements and race and gender balance when nominating candidates.

The committee also assists with, succession planning, reviewing committee structures and reviewing Board and committee performance. The committee is responsible for ensuring the integrity of the nomination process.

Composition	Appointed	Meeting attendance	Other regular attendees
Ross Gardiner (Chairman)	28 April 2014	2/2	• Chief Executive Officer • Chief Financial Officer
Cobus Bester	1 November 2017	2/2	
Karen Forbay	1 November 2017	2/2	
Savannah Mayiza	Resigned 22 November 2022	0/0	
Hatla Ntene	1 November 2017	2/2	
Louwtjie Nel	20 November 2019	2/2	
Nosipho Sonqushu	5 December 2022	1/1	

Following the resignation of Savannah Maziya from the Board, Nosipho Sonqushu was appointed to the Board as an independent non-executive director.

During the year, the need to ensure succession planning is approached in an organised manner by following a staggered approach over the remaining period of a key member's tenure, was enforced. This methodology ensures that the introduction of members with new expertise and perspectives is accomplished, while enabling the retention of valuable knowledge, skills and experience and maintaining continuity.

In FY2023, succession planning pertaining to the Group's executive team continued to receive the attention of the Nomination Committee. The Chief Financial Officer role was the main focus area as the current CFO will reach retirement age during the 2024 financial year.

CORPORATE GOVERNANCE REPORT continued

COMPANY SECRETARY

The individual directors and the Board as a whole have unrestricted access to the advice and services of the Company Secretary, who provides guidance to the Board and to the directors on how their responsibilities should be discharged. The Company Secretary is exposed to the daily operations of the Company, further embedding and embracing good corporate governance with the aim to improve all areas of compliance.

The Company Secretary has oversight of the induction of newly appointed directors and the continuous training of all directors, including regular updates when changes in legislation and regulations occur that affect the Company. In consultation with the Chairman and the Chief Executive Officer, the Company Secretary ensures that the annual Board plan is set and that the Board agendas are relevant to Board decision-making.

In compliance with paragraph 3.84(j) of the JSELR, an annual evaluation of the Company Secretary was carried out by the Board. The evaluation carried out was by an external provider. The results of the evaluation confirmed that the Company Secretary demonstrated the requisite level of knowledge and experience to carry out her duties.

The Board is also comfortable that the Company Secretary maintains an arm's-length relationship with individual directors and confirms that she is not a public officer of the Company or any of its subsidiaries.

OTHER GOVERNANCE MATTERS

Integrated compliance

The Board is satisfied that the Company has complied with all relevant provisions of the Companies Act of South Africa and has operated in accordance with its MOI during the year.

WBHO is made aware of and complies with all relevant legislation and anticipates the statutory requirements of all bills and other regulations. The Social and Ethics Committee assumes oversight of the compliance function within the Group.

The compliance function of the Group includes a compliance officer assisted by the Company Secretary, internal legal counsel and other assurance providers from the support services of the Group.

Assessments of legal compliance are regularly undertaken by independent legal experts in key areas of the business in order to provide additional assurance. The compliance function provides guidance and assurance to WBHO and the Board and its relevant committees on the level of compliance within the organisation, while also promoting a corporate culture of compliance. It ensures that all business, legislative and administrative processes and procedures are implemented, monitored and adhered to thereby reducing the potential for reputational risk.

WBHO has a zero-risk appetite for regulatory non-compliance and there were no significant shortcomings requiring remedial action in the current year. The compliance function and processes are subjected to an internal audit review on a regular basis.

Please refer to the Integrated Report for further details regarding WBHO's mitigation of the risk of non-compliance to laws and regulations.

Information technology (IT) and cyber security

The Board is responsible for the governance of IT, assisted by the Audit and Risk Committees. An IT governance framework has been approved and implemented.

IT risk management forms part of IT governance and is embedded into the risk management process of the Group. The IT steering committee holds responsibility for the IT governance framework as well as the IT risk management framework. The IT steering committee holds quarterly meetings with senior operational and financial management to ensure that IT is prioritised in accordance with the Group strategy and the current business needs of the organisation. The committee is responsible for ensuring effective, appropriate IT support and governance.

IT investment and expenditure budgets are presented to the Executive Committee for approval following consultation with operational management having given due consideration of the overall business requirements. The Executive Committee is appraised of actual expenditure against the approved budget. Appropriate controls have been implemented to ensure that all organisation, employee and client information is properly protected in compliance with the Protection of Personal Information Act.

During the year under review, a penetration test was successfully conducted by an independent agency and zero (FY2022: zero) external critical threats and four (FY2022: 4) internal threats were identified. While the internal test count is similar from last year, the internal tests yielded better results as the analyst was unable to gain administrator access to the servers.

One critical concern highlighted was in relation to the password policy which was deemed to be not strong enough. To address this concern, the IT department is planning to implement multi-factor authentication and increase the minimum required password length.

The IT department continued with projects in the current year to improve the group's exposure to cyber security threats by obtaining software that further tightens cyber security and introducing short awareness campaigns for all employees, throughout the year, in regards to cyber security threats. The IT departments main strategic focus is ensuring a secure environment within the group and is based on the COBIT framework for governance. Threats identifiers are analysed daily and addressed within the environment through firewall monitoring, end user security activity tracking, mail threat protection, security operations centre as well as other internal controls. All firewalls have advanced threat detection which regularly receives the latest patterns from threats identified globally.

Cyber threats identified within the year

- Phishing and Spear Phishing via WhatsApp and email
- Brute force attacks
- Malware
- Viruses
- Remote code execution

All threats identified were assessed and were proactively mitigated from having any impact to business operations.

Sponsor

WBHO fully understands the role and responsibilities of the sponsor as stipulated in the JSELR and has cultivated a good working relationship with its sponsor, Investec Bank Limited. The Group is satisfied that the sponsor has met the necessary independence requirements and executed its mandate with due care and diligence for the year under review.

Taxation

The Group's tax department, headed by the CFO, ensure compliance of the African operations to the relevant tax legislation. To the extent required, particularly in the Rest of Africa, reputable external tax consultants are utilised to aid the tax department. The UK businesses are responsible for compliance with the applicable UK legislation.

On a quarterly basis, the tax department submits a report to the Audit Committee highlighting the progress of tax audits and identifying areas of risk or trends by tax authorities.

The Group is fully compliant with the relevant tax legislation in all the countries in which it has a presence.

SUPPLEMENTARY INFORMATION

PERFORMANCE DATA

Every effort has been taken to ensure the accuracy of the reported data. WBHO recognises that some data may be subject to uncertainty relating, for example, to different interpretations of the internal reporting guidelines and possible human error in recording and submitting data. The continuous improvement of data quality and accuracy is receiving ongoing attention.

HUMAN CAPITAL

WORKFORCE ANALYSIS

	Monthly		Hourly		2023		2023	2022	2021	2020	2019
Employment type	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Total**	Total	Total	Total	Total
South Africa	**1 241**	**468**	**3 120**	**478**	**4 361**	**946**	**5 307**	4 088	4 278	4 781	6 886
Rest of Africa	**294**	**18**	**3 185**	**234**	**3 479**	**252**	**3 731**	2 060	2 168	2 798	2 969
United Kingdom	**231**	**67**	**172**	**7**	**403**	**74**	**477**	380	664	773	1 127
Total	**1 766**	**553**	**6 477**	**719**	**8 243**	**1 272**	**9 515**	6 528	7 110	8 352	10 982
Total 2022	1 524	433	4 092	479	5 616	912	6 528				

	African		Coloured		Indian		White		
South Africa demographics	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Total**
2023	**3 639**	**707**	**183**	**88**	**75**	**34**	**464**	**117**	**5 307**
2022	2 760	460	145	70	67	32	442	112	4 088
2021	2 746	432	312	94	67	34	480	113	4 278
2020	3 228	446	255	98	67	36	529	122	4 781
2019	4 881	710	306	80	75	38	645	150	6 885

	2023	2022	2021	2020	2019
Workforce by business unit					
Building and civil engineering	**1 645**	1 458	1 788	2 073	3 616
Roads and earthworks	**7 050**	4 353	4 288	5 097	5 963
United Kingdom	**477**	380	664	773	1 127
Other*	**343**	337	370	409	276
Total	**9 515**	6 528	7 110	8 352	10 982

** Other includes administration functions and Construction materials.*

PERFORMANCE DATA continued

HUMAN CAPITAL continued

WORKFORCE ANALYSIS continued

	2023	2022	2021	2020	2019
Staff turnover					
South Africa					
Resignations	**159**	107	167	115	121
Retrenchments	**–**	31	400	265	275
Retirements	**9**	13	45	33	25
Deaths	**4**	3	28	9	12
Total	**177**	154	640	422	433
Avoidable staff turnover (permanent employees)	**9,3%**	7,5%	11,4%	7,3%	6,3%
Rest of Africa					
Resignations	**27**	11	61	13	18
Retrenchments	**–**	1	408	183	229
Retirements	**–**	3	5	7	2
Deaths	**3**	1	10	4	2
Total	**31**	16	484	207	251
Avoidable staff turnover (permanent employees)	**8,7%**	4,4%	20,5%	3,9%	6,0%
United Kingdom					
Resignations	**63**	71	37	40	28
Retrenchments	**2**	2	46	40	14
Retirements	**3**	3	–	5	1
Deaths	**–**	1	–	–	–
Total	**67**	77	83	85	43
Avoidable staff turnover (permanent employees)	**21,1%**	25,9%	11,4%	10,8%	7,5%
Retrenchments					
Building and civil engineering	**–**	172	399	155	183
Roads and earthworks	**–**	265	369	246	321
United Kingdom	**2**	3	46	40	14
Other*	**–**	3	40	47	–
Total	**2**	443	854	488	518

** Other includes administration functions and Construction materials*

PERFORMANCE DATA continued

HUMAN CAPITAL continued
WORKFORCE ANALYSIS continued

	2023	2022	2021	2020	2019
Industrial relations					
Total person days lost					
South Africa	**19 277**	10 033	9 613	43 340	22 379
Rest of Africa	**868**	3 806	75 143	9 709	–
United Kingdom	**–**	–	–	–	–
Total	**20 145**	13 839	84 756	53 049	22 379

Training

Spend	**2023**	2022	2021	2020	2019
R'000					
South Africa and rest of Africa					
Building and civil engineering	**37 403**	36 994	45 759	42 992	40 552
Roads and earthworks	**38 256**	21 513	23 930	26 812	39 607
Other*	**12 371**	20 421	18 290	23 868	11 976
	88 030	78 928	87 979	93 672	92 135
United Kingdom	**2 688**	1 745	1 638	1 936	2 962
Total	**90 718**	80 673	89 617	95 608	95 097

* *Other includes administration functions and Construction materials.*

Learnerships

	2023	2022	2021	2020	2019
Number of learners					
Apprenticeships	**41**	7	12	12	14
Adult Basic Education and Training	**2**	–	–	–	10
NQF 1/NVQ1 National (manufacturing engineering)	**–**	–	–	–	3
NQF 2/NVQ2 (construction and roadworks)	**17**	9	11	11	15
NQF 3/NVQ3 (business administration, general management)	**19**	4	3	6	10
NQF 3/NVQ3 (health and safety and roadworks)	**–**	–	–	–	–
NQF 4/NVQ4 (business administration, surveying and supervision of construction)	**19**	24	24	43	59
NQF 5/NVQ5 and 6 (construction management)	**18**	–	–	1	2
Total	**116**	44	50	73	113

* *NQF relates to Africa while NVQ relates to the UK. 2019 to 2022 does not include the UK operations.*

PERFORMANCE DATA continued

HEALTH AND SAFETY

	Measurement	2023	2022	2021	2020	2019
Lost-time injury frequency rate (LTIFR)						
South Africa and the rest of Africa	Rate	**0.22**	0.29	0.36	0.41	0.41
United Kingdom	Rate	**1.00**	0.32	0.75	3.01	3.94
Group	Rate	**0.27**	0.30	0.39	0.52	0.68
Recordable case rate (RCR)						
South Africa and the rest of Africa	Rate	**0.15**	0.24	0.26	0.27	0.28
United Kingdom	Rate	**0.65**	0.70	0.75	1.72	2.06
Group	Rate	**0.18**	0.27	0.31	0.39	0.42
All Injury Frequency Rate (AIFR)						
South Africa and the rest of Africa	Rate	**0.31**	0.45	0.58	0.77	0.39
United Kingdom	Rate	**2.44**	2.91	3.35	4.39	2.17
Group	Rate	**0.45**	0.63	0.79	1.11	0.53
Work-related fatalities						
South Africa and the rest of Africa	Number	**1**	1	2	3	3
United Kingdom	Number	**–**	–	–	–	–
Group	Number	**1**	1	2	3	3
Employees trained in health and safety						
South Africa and the rest of Africa	Number	**1 356**	1 099	1 080	896	1 378
United Kingdom	Number	**808**	1 039	1 690	706	1 152
Group	Number	**2 972**	2 138	2 770	1 602	2 530
Safety audits conducted						
South Africa and the rest of Africa	Number	**392**	202	110	88	114
United Kingdom	Number	**86**	74	179	296	12
Group	Number	**478**	276	289	384	126
Non-compliance findings						
South Africa and the rest of Africa	Number	**19**	19	41	102	135
United Kingdom	Number	**19**	16	6	48	65
Group	Number	**38**	35	47	150	200

PERFORMANCE DATA continued

QUALITY

	Measurement	2023	2022	2021	2020	2019
QMS site coverage						
South Africa and rest of Africa	Percentage	**100**	100	100	100	100
United Kingdom	Percentage	**100**	100	100	100	100
Internal audits						
South Africa and rest of Africa	Number	**116**	157	134	144	187
United Kingdom	Number	**52**	44	40	37	35
Total	Number	**168**	201	192	186	237
Sites covered by audit (audit coverage)						
South Africa and rest of Africa	Percentage	**37**	54	53	58	59
United Kingdom	Percentage	**100**	100	95	93	90
Corrective action notifications (CANs)						
South Africa and rest of Africa	Number	**102**	263	391	473	528
United Kingdom	Number	**61**	40	30	43	66
Total	Number	**163**	303	487	561	653
Non-conformance reports (NCR)						
South Africa and rest of Africa	Number	**1 155**	781	1 477	1 946	1 470
United Kingdom	Number	**302**	237	223	342	322
Total	Number	**1 759**	1 018	1 700	2 288	1 792
Supplier audits						
South Africa and rest of Africa	Number	**39**	49	38	40	58
United Kingdom	Number	**300**	126	40	19	–
Total	Number	**639**	175	78	59	58
Supplier inspections						
South Africa and rest of Africa	Number	**80**	67	106	32	106
United Kingdom	Number	**9**	9	5	6	–
Total	Number	**98**	76	111	38	106
Employees trained in QMS						
South Africa and rest of Africa	Number	**333**	6	69	152	192
United Kingdom	Number	**311**	328	86	203	215
Total	Number	**955**	334	155	355	407

PERFORMANCE DATA continued

ENVIRONMENTAL

	Measurement	2023	2022	2021	2020	2019
Greenhouse Gases (GHG)						
Direct carbon dioxide (CO_2) Scope 1	Tonnes	**49 028**	28 558	33 590	44 132	43 959
Indirect carbon dioxide (CO_2) Scope 2	Tonnes	**9 270**	7 332	5 762	4 933	4 298
Indirect carbon dioxide (CO_2) Scope 3	Tonnes	**36 957**	56 056	52 490	32 389	43 285
Total GHG (CO_2 equivalent)	Tonnes	**95 255**	91 946	91 842	81 454	91 542
Water						
Total water use	Gigalitres	**1,852**	1,9	3,4	3,6	2,4
Waste						
Total waste generated	Tonnes	**68 770**	89 668	74 680	80 925	79 923
Recycled	Tonnes	**32 639**	27 756	47 401	70 043	62 215
EMS site coverage						
South Africa	Percentage	**100**	100	98	98	98
United Kingdom	Percentage	**100**	100	100	100	–
Internal audits						
South Africa	Number	**103**	92	51	81	95
United Kingdom	Number	**86**	74	179	296	174
Total	Number	**275**	166	230	377	269
Sites covered by audit (audit coverage)						
South Africa	Percentage	**100**	100	80	83	90
United Kingdom	Percentage	**100**	100	100	100	100
Non-compliance findings						
South Africa	Number	**3**	8	28	34	18
United Kingdom	Number	**15**	1	6	7	25
Total	Number	**33**	9	34	41	43

GRI CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option.

ESG: See the corresponding pages in this report
IR: See the corresponding pages in the 2023 Integrated Report
AFS: See the corresponding pages in 2023 Annual Financial Statements

GENERAL DISCLOSURE

Disclosure number	Disclosure title	Document reference	Page reference
102-1	Name of the organisation	IR	5
102-2	Activities, brands, products, and services	IR	5, 9 – 13
102-3	Location of headquarters	IR	90
102-4	Location of operations	IR	5,9
102-5	Ownership and legal form	IR	5
102-6	Markets served	IR	5, 9 – 13
102-7	Scale of the organisation	IR	9 – 13
102-8	Information on employees and other workers	ESG	16 – 24
102-9	Supply chain	IR & ESG	13; 37 – 42
102-10	Significant changes to the organisation and its supply chain	IR	6 – 8
102-11	Precautionary Principle or approach	ESG	13 – 14
102-12	External initiatives	ESG	10; 46 – 48
102-13	Membership of associations	ESG	13
102-14	Statement from senior decision-maker	ESG	6 – 7
102-15	Key impacts, risks, and opportunities	IR	15 – 24, 38 – 42
102-16	Values, principles, standards, and norms of behaviour	IR	10
102-18	Governance structure	ESG	61 – 63
102-40	List of stakeholder groups	IR	4, 26
102-41	Collective bargaining agreements	ESG	19
102-42	Identifying and selecting stakeholders	IR	25
102-43	Approach to stakeholder engagement	IR	25 – 26
102-44	Key topics and concerns raised	IR	27 – 29
102-45	Entities included in the consolidated financial statements	AFS	75 – 76
102-46	Defining report content and topic boundaries	IR & ESG	5
102-47	List of material topics	IR	2

GRI CONTENT INDEX continued

Disclosure number	Disclosure title	Document reference	Page reference
102-48	Restatements of information	IR	5
102-49	Changes in reporting	IR	5
102-50	Reporting period	IR	5
102-51	Date of most recent report	IR	5
102-52	Reporting cycle	IR	5
102-53	Contact point for questions regarding the report	IR	5
102-54	Claims of reporting in accordance with the GRI Standards	ESG	5, 79 – 82
102-55	GRI content index	ESG	79 - 82
102-56	External assurance	ESG	5
103-1	Explanation of the material topic and its boundary	ESG	5
103-2	The management approach and its components	ESG	11 – 13
103-3	Evaluation of the management approach	ESG	16 – 78

TOPIC-SPECIFIC DISCLOSURES

Disclosure number	Disclosure title	Document reference	Page reference	Material sustainability issue addressed
201-1	Direct economic value generated and distributed	IR	30	Communities
201-2	Financial implications and other risks and opportunities due to climate change	ESG	48 – 58	Responsible environmental business practices
201-3	Defined benefit plan obligations and other retirement plans		65 – 68	Communities
201-4	Financial assistance received from government	AFS	78	Communities
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	IR	20	Communities
202-2	Proportion of senior management hired from the local community	ESG	17 – 18	Communities
203-1	Infrastructure investments and services supported	IR	48 – 60	Communities
203-2	Significant indirect economic impacts	ESG	12 – 14	Communities
204-1	Proportion of spending on local suppliers	ESG	46	Communities
205-1	Operations assessed for risks related to corruption	ESG	13 - 14	Governance
205-2	Communication and training about anti-corruption policies and procedures	ESG	13	Governance
207-1	Approach to tax	IR	65	Communities
301-1	Materials used by weight or volume	ESG	49 – 57, 78	Responsible environmental business practices
301-2	Recycled input materials used	ESG	51 – 52	Responsible environmental business practices
301-3	Reclaimed products and their packaging materials	ESG	54 – 55	Responsible environmental business practices
302-1	Energy consumption within the organisation	ESG	54	Responsible environmental business practices

GRI CONTENT INDEX continued

Disclosure number	Disclosure title	Document reference	Page reference	Material sustainability issue addressed
302-3	Energy intensity	ESG	54	Responsible environmental business practices
303-1	Interactions with water as a shared resource	ESG	55	Responsible environmental business practices
303-2	Management of water discharge-related impacts	ESG	53	Responsible environmental business practices
303-3	Water withdrawal	ESG	55	Responsible environmental business practices
303-5	Water consumption	ESG	55	Responsible environmental business practices
305-1	Direct (Scope 1) GHG emissions	ESG	53	Responsible environmental business practices
305-2	Energy indirect (Scope 2) GHG emissions	ESG	53	Responsible environmental business practices
305-3	Other indirect (Scope 3) GHG emissions	ESG	53	Responsible environmental business practices
306-2	Waste by type and disposal method	ESG	54	Responsible environmental business practices
306-3	Significant spills	ESG	54	
306-4	Transport of hazardous waste	ESG	54	Responsible environmental business practices
306-5	Water bodies affected by water discharges and/or runoff	ESG	55	Responsible environmental business practices
307-1	Non-compliance with environmental laws and regulations	ESG	50	Responsible environmental business practices
308-2	Negative environmental impacts in the supply chain and actions taken	ESG	49, 51 – 58	Responsible environmental business practices
401-1	New employee hires and employee turnover	ESG	16 – 17	Communities
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG	19	Communities
402-1	Minimum notice periods regarding operational changes	ESG	19	Communities
403-1	Occupational health and safety management system	ESG	25 - 36	Health and safety
403-2	Hazard identification, risk assessment, and incident investigation	ESG	28 – 30	Health and safety
403-3	Occupational health services	ESG	20	Health and safety
403-4	"Worker participation, consultation, and communication on occupational health and safety"	ESG	20	Health and safety
403-5	Worker training on occupational health and safety	ESG	25 – 36	Health and safety
403-6	Promotion of worker health	ESG	20	Communities
403-7	"Prevention and mitigation of occupational health and safety impacts directly linked by business relationships"	ESG	20	Communities
403-8	"Workers covered by an occupational health and safety management system"	ESG	20	Health and safety
403-9	Work-related injuries	ESG	27	Health and safety
403-10	Work-related ill health	ESG	27	Health and safety
404-1	Average hours of training per year per employee	ESG	21	Communities
404-2	Programs for upgrading employee skills and transition assistance programs	ESG	21 – 23	Communities
404-3	Percentage of employees receiving regular performance and career development reviews	ESG	21 – 23	Communities

GRI CONTENT INDEX continued

Disclosure number	Disclosure title	Document reference	Page reference	Material sustainability issue addressed
405-1	Diversity of governance bodies and employees	ESG	63	Communities
406-1	Incidents of discrimination and corrective actions taken	ESG	13	Communities
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	ESG	19	Communities
408-1	Operations and suppliers at significant risk for incidents of child labor	ESG	13 – 14	Communities
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESG	13 – 14	Communities
410-1	Security personnel trained in human rights policies or procedures	ESG	13 – 14	Communities
411-1	Incidents of violations involving rights of indigenous peoples	ESG	13 – 14	Communities
412-1	Operations that have been subject to human rights reviews or impact assessments	ESG	13 – 14	Communities
412-2	Employee training on human rights policies or procedures	ESG	13 – 14	Communities
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	ESG	13 – 14	Communities
413-1	Operations with local community engagement, impact assessments, and development programs	IR	25 – 29	Communities
414-1	New suppliers that were screened using social criteria	ESG	41	Communities
414-2	Negative social impacts in the supply chain and actions taken	ESG	13, 39 – 40, 73	Communities
415-1	Political contributions	ESG	13	Governance
416-1	Assessment of the health and safety impacts of product and service categories	ESG	26 – 36	Health and safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	ESG	34	Health and safety
419-1	Non-compliance with laws and regulations in the social and economic area	ESG	7	Governance

STATUTORY INFORMATION

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