royal bafokeng holdings

# integrated review 2024

# INVESTING TODAY, CULTIVATING A LEGACY FOR TOMORROW

# Welcome to the Royal Bafokeng Holdings (RBH) 2024 integrated review. This report is our primary communication to stakeholders and offers a comprehensive view of RBH's business model, governance processes and performance.

It defines our mandate as the investment holding company for the Royal Bafokeng Nation (RBN, the Nation or Morafe) and presents a balanced, transparent and integrated perspective on our efforts to preserve and create value during the year under review. Additionally, it highlights our commitment to safeguarding and growing the Nation's wealth over the medium to long term.

### Navigating this report

This report is an interactive PDF. It is best viewed in Adobe Acrobat for desktop, mobile or tablet.

Icons to navigate in this report can be found on each page and within the report.

PG NO. Refers readers to a **page** where more information can be found in this report.

## Our theme

### Investing today, cultivating a legacy for tomorrow

The theme of this year's integrated review reflects RBH's commitment to making thoughtful investments that deliver sustainable returns while building a legacy for future generations of the RBN. While we remain deeply rooted in our home market and firmly believe in the potential of South Africa and the broader African continent, we are broadening our horizons to explore global opportunities. This balanced approach ensures that we are responsive to present challenges, are able to leverage the benefits of further diversification and position the business for long-term resilience and growth.

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# ABOUT THIS REPORT

## Our mandate

RBH exists to create a legacy of wealth and opportunity for the Royal Bafokeng Nation (RBN). We are committed to building a sustainable and resilient portfolio that enables the Royal Bafokeng Nation Development Trust (RBNDT) to drive transformative social and infrastructural development for the Nation's benefit.

The size and composition of our portfolio are a testament to our disciplined investment strategy and our ability to adapt to a dynamic economic landscape. Since our establishment in 2006, we have grown steadily, with our portfolio reaching R56 billion as at 31 December 2024. This growth is underpinned by the value of our diverse underlying assets, as well as the strategic acquisitions and disposals we undertake to nurture long-term value creation.

Our strategy remains focused, with no material changes to our structure or priorities compared to what was published in the 2023 report. Refer to page **28** for our strategy and page **52** for our detailed portfolio review.

## Our approach to value creation

Our approach to preserving and creating value is guided by our mandate and forms the foundation of our strategy. We prioritise agility in our execution, as reflected in the evolution of our investment portfolio, the strategic trade-offs we navigate and our holistic financial and non-financial performance. We aim to protect and grow our capital base, ensuring sustainable yields that empower the RBNDT to achieve its mission.

## Key performance metrics

As an investment holding company, our key performance metrics include indicators that reflect both our financial resilience and our commitment to fulfilling the Nation's needs. These metrics provide a comprehensive view of how we preserve and grow value, support the RBN's long-term financial independence and enable the RBNDT to deliver on its social and infrastructural objectives.

| METRIC | DEFINITION |
|---|---|
| Net asset value | The total value of RBH's assets minus liabilities, reflecting the underlying worth of the portfolio and indicating growth or stability in capital preservation. |
| Dividend yield | The income generated as dividends from underlying investments relative to RBH's total portfolio value, measuring RBH's ability to provide sustained income for the shareholder. |
| Portfolio diversification | The proportion of assets held across different sectors or asset classes, indicating RBH's approach to managing risk and long-term value creation. |
| Return on investment | The percentage return on RBH's total investment portfolio, capturing the effectiveness of investment strategies in growing the capital base. |
| Operational expense ratio | Operating expenses as a percentage of total net asset value, measuring efficiency in managing costs to optimise returns. |
| Social performance | The impact of RBH's financial and non-financial contributions to social development, including direct investments and partnerships with stakeholders to drive meaningful change. |
| ESG performance | A measure of RBH's environmental, social and governance (ESG) impact, assessing how well its investment and operational practices align with sustainability and ethical standards. |

## Integrated thinking

Integrated thinking lies at the heart of our approach to identifying and prioritising material matters – the key issues, opportunities and risks that critically affect our capacity to create, protect and preserve value for our stakeholders. Shaped by a collaborative process that incorporates stakeholder insights and a comprehensive evaluation of risks and opportunities within our operating environment, the material matters guide the evolution of our strategy. They inform targets across short- (one year), medium- (two to three years) and long-term (five years and beyond) horizons.

Our approach to integrated thinking ensures material matters are not only identified, but are also deeply embedded within our strategic decision-making processes. This strengthens our ability to deliver sustained value and adapt effectively in a dynamic environment.

## Materiality

This report provides a clear understanding of the matters that could materially impact RBH's ability to create value, in line with the concept of double materiality. In determining material matters, we focus specifically on RBH's operations and our assessment does not extend to investee companies.
Our approach considers:

### Financial materiality

The risks and opportunities that sustainability issues pose to RBH's financial performance, including how ESG factors could impact RBH's financial health.

### Impact materiality

The broader impact of RBH's activities on the environment and society, considering the effects that go beyond financial outcomes.

This information was developed by considering regulatory requirements, stakeholder expectations and the external environment, alongside a materiality determination process involving the executive management team and RBH's board. Matters deemed material are those with a high likelihood of significantly affecting the company's ability to create value over short-, medium- and long-term horizons.

30 For further details on our process of determining **material matters** and a deeper exploration of these issues, please refer to page 30 of this report.

29 We are committed to responsible investment, which includes integrating ESG factors into our investment decisions and promoting responsible business practices among our investee companies. However, as we do not exert direct control over our investee companies, their ESG considerations are not included in this report's materiality assessment. For more information on our **responsible investment approach**, please refer to page 29 of this report.

## Our integrated reporting process

The RBH integrated review is developed through a rigorous process to enhance accuracy and completeness. The initial phase focuses on identifying and prioritising material matters through benchmarking, stakeholder engagements and risk reviews, with active input from the executive management team. Content is gathered from business units, board submissions and executive interviews, incorporating insights from both internal and trusted external sources.

To uphold our commitment to integrated thinking, the integrated review and Annual Financial Statements (AFS) are prepared simultaneously, ensuring data alignment and consistency. KPMG has conducted an independent audit of our financial statements, while mPowerRatings has independently verified information related to Broad-Based Black Economic Empowerment (B-BBEE) and social performance.

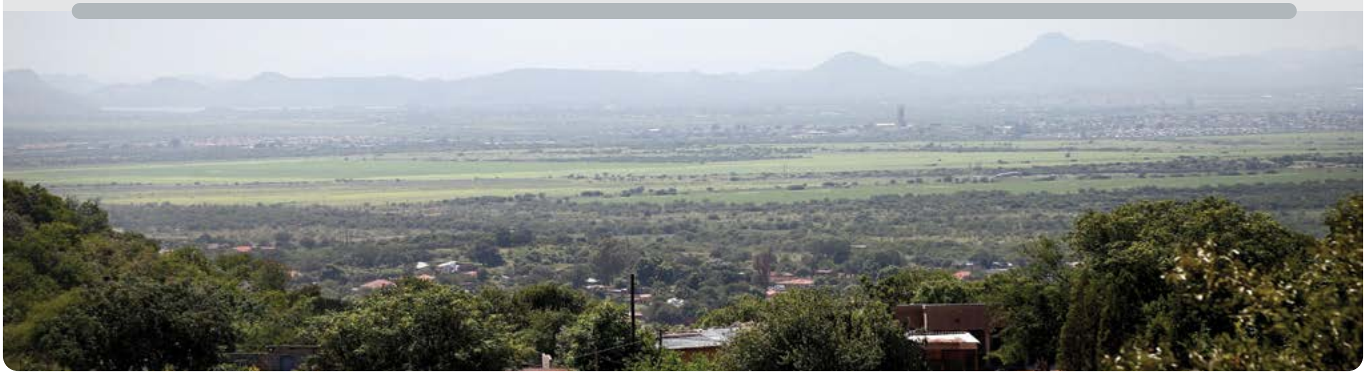
### Adherence to reporting frameworks

The integrated review aligns with the International Integrated Reporting (IR) Framework of the IFRS Foundation, the King IV Report on Corporate Governance for South Africa 2016* (King IV Code) and the Companies Act, No. 71 of 2008 as amended. Our AFS are prepared in accordance with International Financial Reporting Standards (IFRS) and undergo external assurance by KPMG.

### Assurance

We have established a comprehensive set of internal policies, procedures and controls to ensure the accuracy of the data presented in this report. Oversight is provided by the Social and Ethics Committee. Limited external assurance is obtained on selected performance data. In addition to the above, we derived the information reported from internal records and publicly available information.





# Our 2024 integrated review

## Reporting period

Our integrated review is produced and published annually, covering the period from 1 January to 31 December 2024. Events deemed material that occurred after this period, up to the board approval date of 17 April 2025, have been included.

## Target audience

The integrated review is prepared for stakeholders interested in RBH's performance and prospects. These stakeholders include our shareholder, the RBNDT, the Supreme Council, Morafe (the RBN community), our employees, investee companies, providers of capital, as well as government and regulatory authorities.

## Scope and boundary

This report offers material insight into our strategy across the short, medium and long term, as well as our business model, operating context, stakeholder interests, principal risks and opportunities, performance, prospects and governance approach.

Throughout this report, we reference the RBNDT (our shareholder), the RBN and our investee companies in relation to our strategic value drivers and mandate. However, metrics related to our activities as an investment holding company exclude these entities. Additionally, information on ESG matters for subsidiaries and associates where RBH does not have operational control is excluded from this review.

## Forward-looking statements

The report includes forward-looking statements regarding RBH's plans, objectives, goals, operations and performance. These statements are not guarantees or predictions of future outcomes. As forward-looking statements are inherently subject to risk and uncertainty, they are based on future events and circumstances that may be beyond RBH's control, potentially resulting in actual outcomes differing materially from those expressed or implied. Factors contributing to such variations may include changes in the operating environment or regulatory developments. Forward-looking statements have not been reviewed by external assurance providers.

## Board responsibility statement

The board of directors acknowledges its responsibility for ensuring the integrity of this integrated review. It has approved the matters material to RBH, which have guided the selection of the information included in this report. The executive management team has prepared and verified the content, ensuring it provides an accurate, balanced and comprehensive overview of the business. The report was subsequently reviewed by the Social and Ethics Committee and recommended it to the RBH board for approval.

## Board approval

The board is satisfied the integrated review has been prepared in accordance with all relevant frameworks and standards, covers all material matters and offers a fair and balanced account of RBH's performance during the period under review. The board of directors approved the 2024 RBH integrated review on 17 April 2025.

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# PRESERVING THE WEALTH OF THE NATION

# About RBH

## Our origins and mandate

Established in 2006 through the strategic merger of Royal Bafokeng Finance and Royal Bafokeng Resources, RBH was created with a clear mandate: to preserve and grow the wealth of the RBN. Our journey is deeply rooted in the resilience and vision of Bafokeng, whose communal ethos forms the foundation of our governance approach and sustainability-driven culture.

## Our mission


To protect and grow the RBN's financial assets to provide predictable income and capital growth for the inter-generational benefit of Morafe.

## Our value drivers

- We operate ethically and execute with integrity
- We embrace and drive positive change
- Trust (tshepo) and Respect (tlhompo) are central to our relationships

## Our values

Our values are informed by our commitment to the welfare and wellbeing of the RBN. They shape our organisational culture and approach to stakeholder engagement.

### Honesty

Be open, truthful and ethical in all our actions and interactions and act with integrity.

### Accountability

Accept responsibility, follow through to the end, remain answerable at all times and stand by our word.

### Responsiveness

Engage with all stakeholders in a timely and effective manner.

### Transparency

Be open with information, where possible and be clear with our intentions.

### Respect

Respect for self, RBH and others in our engagements and remain open to diverse perspectives. Recognise our individual and collective humaneness by embracing the principles of 'Botho': I am because we are; we treat each other in an equitable manner without favouritism or discrimination.

### Commitment

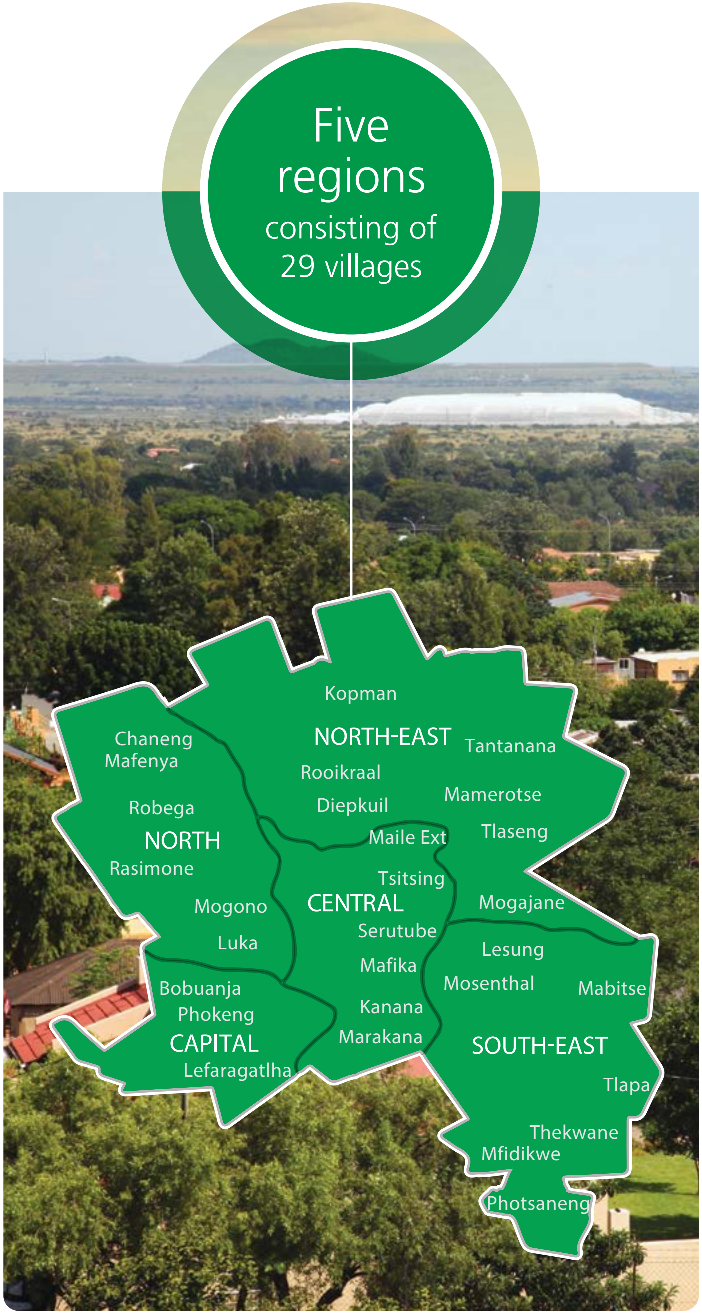
Committed to the RBH purpose and vision: be mindful that we serve a greater purpose and exercise stewardship to the unique mandate with which we have been entrusted: the upliftment and sustainability of the Royal Bafokeng Nation is the cornerstone of what we do.

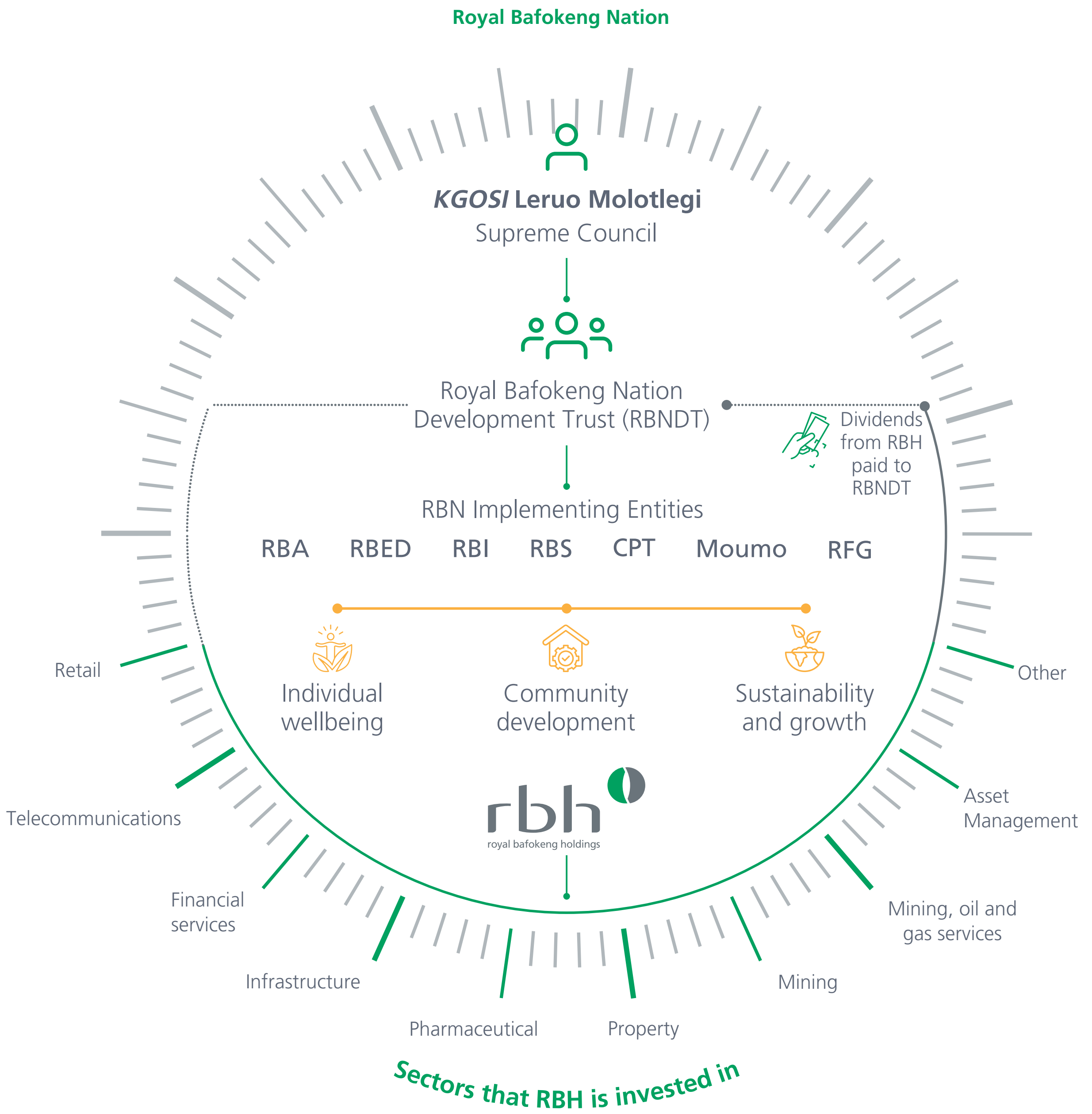
# Our place in the RBN

The Nation is a traditionally governed, Setswana-speaking community, home to approximately 128 000 residents across 29 villages in the Rustenburg Valley. Twice a year, the community gathers for Kgotha-Kgothe, the highest decision-making assembly, fostering open communication between leaders and community members. This participatory governance model contributes to collective decision-making on key matters.

The Supreme Council, the second-highest governing body, is responsible for policy development and oversight. To implement the community's vision, various governance structures and entities have been established, including the Royal Bafokeng Administration (RBA), Royal Bafokeng Enterprise Development (RBED), Royal Bafokeng Institute (RBI), Royal Bafokeng Sport (RBS), Cross Point Trading (CPT), Moumo and Royal Futures Group (RFG). The RBNDT, founded in 2004, oversees the Nation's commercial and socio-economic interests.

RBH works in close collaboration with these entities, ensuring a synergised approach to sustainable development. While our core mandate remains preserving wealth and generating long-term value for our shareholder, we recognise success is deeply linked to the collective prosperity of the RBN. Through a collaborative and forward-thinking approach, we continuously align our strategies with the Nation's evolving needs, fostering a dynamic and mutually beneficial partnership.




Royal Bafokeng Nation
KGOSI Leruo Molotlegi
Supreme Council
Royal Bafokeng Nation Development Trust (RBNDT)
Dividends from RBH paid to RBNDT
RBN Implementing Entities
RBA
RBED
RBI
RBS
CPT
Moumo
RFG
Individual wellbeing
Community development
Sustainability and growth
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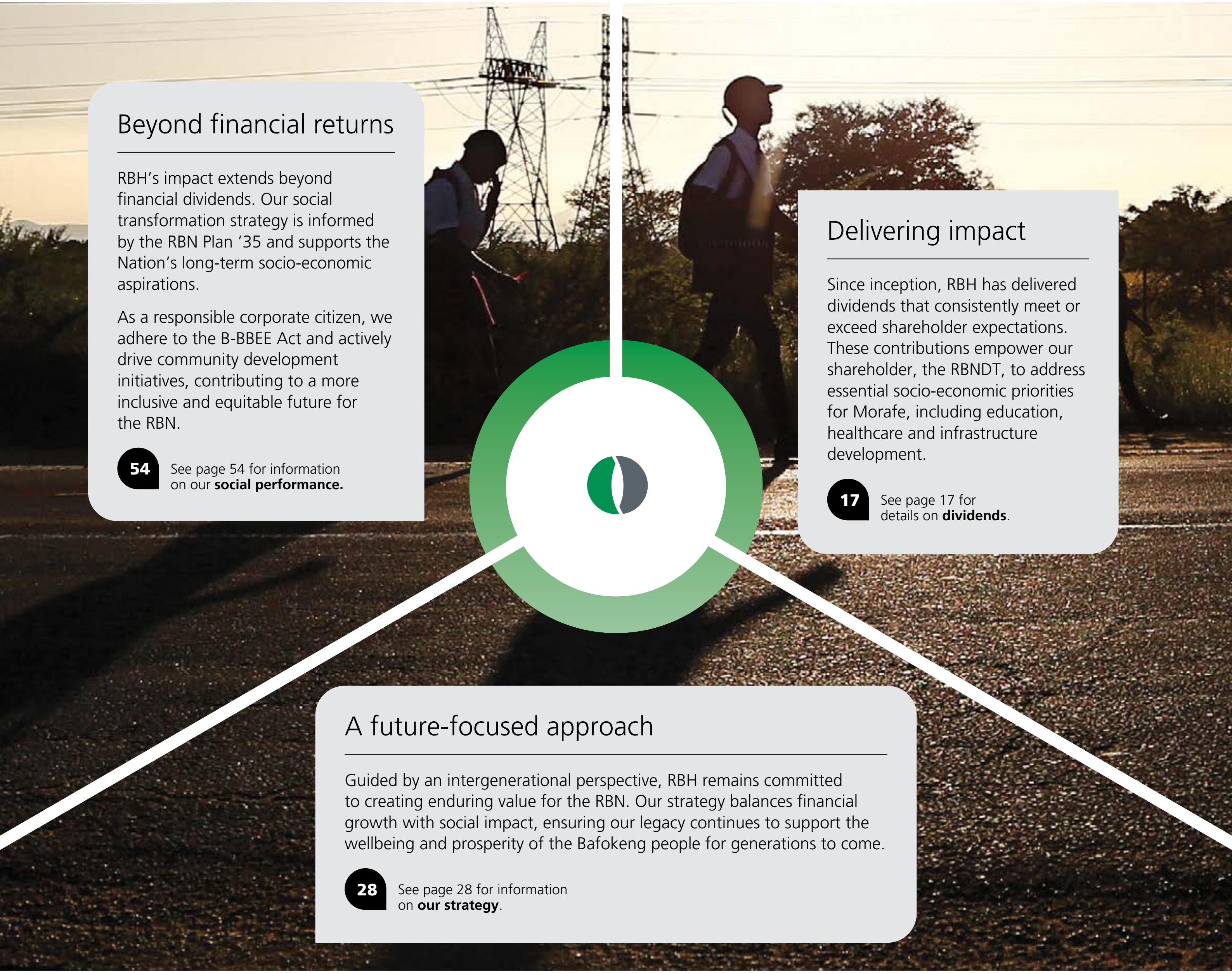
Retail
Telecommunications
Financial services
Infrastructure
Pharmaceutical
Property
Mining
Mining, oil and gas services
Asset Management
Other
Sectors that RBH is invested in



## Beyond financial returns

RBH's impact extends beyond financial dividends. Our social transformation strategy is informed by the RBN Plan '35 and supports the Nation's long-term socio-economic aspirations.

As a responsible corporate citizen, we adhere to the B-BBEE Act and actively drive community development initiatives, contributing to a more inclusive and equitable future for the RBN.

54 See page 54 for information on our **social performance.**

## Delivering impact

Since inception, RBH has delivered dividends that consistently meet or exceed shareholder expectations. These contributions empower our shareholder, the RBNDT, to address essential socio-economic priorities for Morafe, including education, healthcare and infrastructure development.

17 See page 17 for details on **dividends**.

## A future-focused approach

Guided by an intergenerational perspective, RBH remains committed to creating enduring value for the RBN. Our strategy balances financial growth with social impact, ensuring our legacy continues to support the wellbeing and prosperity of the Bafokeng people for generations to come.

28 See page 28 for information on **our strategy**.

# RBH timeline

Other · Pharmaceutical · Property · Mining services · Industrials · Infrastructure · Telecoms · Financial services · Mining · Asset Management · A Acquired · D Disposed of

## 2005

- A **First acquisition of a non-mining asset in Astrapak**
- A **Acquisition** of **10.1%** in **Zurich Financial Services** (ZICSA)

## 2006

- **RBH formed** through merger of Royal Bafokeng Resources and Royal Bafokeng Finance
- *KGOSI* **Leruo Molotlegi** appointed as **founding Chairperson**
- A **Acquired 100%** of **Fraser Alexander**, **26%** of joint venture **Metuba Engineering and Construction**, a **51%** equity interest in Hard Rock Mining and a **25.1% stake** in **Pasco Risk Management**
- Structured **corporate social investment** (CSI) and **transformation strategies** introduced
- **First annual report/annual review produced**

## 2007

- A **Acquired 12.5%** stake in **Metair Investments**
- A **Acquired 25.1%** stake in **M-Tech**
- A **Acquired Mining, Oil and Gas Services Proprietary Limited** (MOGS)
- A **Acquired 30%** holding in **Praxima Payroll System**
- A **Acquired 26%** stake in **MB Technologies**
- A **B-BBEE transaction** with Implats completed – RBH becomes largest shareholder in Implats (**13.4%**)
- A **Acquired 65%** interest in **South African Coal Mining Holdings** (SACMH)
- A **Acquired 30%** stake in **Zaptronix**
- A **Acquired 25.01%** stake in **DHL**

## 2008

- A **Acquired** a **1.97%** stake in **Vodacom SA**, the first investment in the telecommunications sector
- A **Increased** its shareholding in the **BRPM** joint venture to **67%**
- A **Acquired 15%** interest in **Eris** (formerly Rand Merchant Bank Properties)

## 2009

- A **Increased shareholding** in **ZICSA** to **25.1%**
- A **Increased equity** in **MOGS** from **50.1%** to **100%**
- A The **transfer** of **economic** and **management** control of the **BRPM** from **Anglo Platinum** to **RBH**

## 2010

- A **RBPlat is formed**, takes over **management of Bafokeng Rasimone Platinum** Mine (BRPM) **joint venture** (JV) and **lists on the Johannesburg Stock Exchange (JSE)** (RBH's interest in the listed entity is 52.8%)
- A Acquired **10.5% shareholding** in **Atterbury Investment Holdings**
- A **RBH internship** 'class of programme' is **formed**

## 2011

- A **Acquired** initial **5%** stake in **RMB Holdings** (RMH) and **RMB Insurance** (RMIH) followed by an additional 10%, increasing its investment in RMH and RMIH to 15%, respectively
- D **Disposed** of **Senwes** and **SACMH**

## 2012

- **Appointed an independent board chairperson**
- **Appointed the first black female CEO**
- D **Disposed** of **Eris Properties** and **ZICSA**
- D **Mining exposure reduced to** approximately **half** the portfolio **due to outperformance of non-mining assets**, especially the financial services assets

## 2013

- A **Increased** its stake **in Attacq Limited** to **15%**
- **Attacq listed** on the **JSE**
- A **Increased** its shareholding in **M-Tech** to **50.1%**
- D **Disposed** of **MB Technologies Astrapak** and **Pasco Risk Holdings Investments**

**2014– 2020**

Other · Pharmaceutical · Property · Mining services · Industrials · Infrastructure · Telecoms · Financial services · Mining · Asset Management · (A) Acquired · (D) Disposed of

**2005 – 2013**

## 2014

- (A) **Acquired 16.7%** interest in **STANLIB infrastructure Fund** created to focus on renewable energy projects
- (A) **Acquired 27.71%** interest in **Dipalopalo,** which entered into a public private partnership (PPP) agreement to provide the Department of Statistics South Africa with head office accommodation
- (D) **Disposed a portion** of **Metair** shares

## 2015

- (A) **Acquired** an investment of **R500 million** in **NEPI**
- (A) **Acquired 30%** interest in **JC Decaux SSA**
- (A) Entered into a **joint venture** with **Zenprop** UK
- (A) **Acquired infrastructure** and **energy assets** – **Adams and Electra** (30% interest in each)
- (D) Completed the **disposal** of our **shareholding** in **Merafe Resources** and **reduced shareholding** in **Attacq**
- (D) **Implats'** corporate action **dilutes RBH's stake** to **11.3%**

## 2016

- (D) Reduced stake in Implats to 6.3%
- Made **significant progress** in the **reduction** of our **debt**
- (A) **Acquired** a **1.87% stake** in **Big Yellow Group Plc**
- (A) **Fraser Alexander** and **M-Tech** transferred to **MOGS** as part of internal reorganisation
- (A) **Acquired 50%** interest in **Royal Investment Managers**
- (A) **Increased** its investment in **NEPI**
- (A) **RBH** and **Liquid Telecom acquired 30% stake** in **Neotel**
- (D) **Reduced shareholding** in **MOGS** to 51% and concluded strategic partnership with Public Investment Corporation (PIC), which now owns 49% shareholding in MOGS

## 2017

- (A) Transferred **30% Neotel stake** to **10.3% stake** in **Liquid Telecom**
- (A) **Acquired 25.1% interest** in **infrastructure** and **energy assets**, **Sishen** and **Gouda**, respectively
- **MOGS** launched **Sunrise Energy**

## 2018

- (D) **Disposal** of **Implats shares** started and the stake was **reduced** to **5%** by end of 2018
- (D) **Reduced exposure** in financial assets
- (A) **Flipped Vodacom SA stake** to **Vodacom Group** via **YeboYethu**
- Launched **Chartered Accountancy training programme**
- Launched **Itirele Mosha learnership programme**

## 2019

- (D) **Exited** remaining shareholding in **Implats** and used the proceeds to **reduce debt by 30%**

## 2020

- (A) **Liquid Telecom** restructured its business for its **Africa Data Centre** strategy
- (A) **Acquired stake** in **Transaction Capital Limited**
- (A) **Acquired 30%** stake in **Hall Core Water**
- **RMH unbundled FirstRand** resulting in RBH holding a 4% direct stake in FirstRand Group
- **Established** the **COVID-19 Relief Fund**

**2021– 2024**

**2014 – 2020**

## 2021

- A Completed **acquisition** of stake in **Transaction Capital**
- D **Disposed** of its **majority stake** in **RBPlat** to **Northam Platinum**
- A **Acquired 6.63%** stake in **Dis-Chem**
- D **Disposed** of its full stake in Attacq
- A **Acquired** stake in **Growthpoint purpose-built student accommodation**
- A **Acquired stake** in **Distributed Power Africa** (DPA)
- A **Acquired stake** in a **global infrastructure fund** (I Squared Capital)
- D Partial **disposal** of investments in **FirstRand** and **RMI**
- Unlocked shareholder value in mining assets through the transaction with Northam Platinum, which included commitments to address significant socio-economic development needs in the RBN
- Special dividend of R175 million declared to fund RBN water infrastructure solution
- Partial **disposal** of **FirstRand** as part of the diversification strategy resulting in a 2.6% shareholding

## 2022

- A **RMI unbundled Discovery** and **Momentum** resulting in RBH holding a 3.8% and 3.5% direct stake, respectively
- A **$35 million** allocation towards **global equity funds**
- A **R150 million** investment into **local market neutral fund**
- A **Increased** stake in **Transaction Capital**
- A **Acquired** stake in **EnviroServ**
- A **Acquired stake** in **KEG** (Kenyan LPG Terminal)
- **Commenced RBN social projects**
  - Planning for a renewable energy and battery storage project for the RBN
  - Established an enterprise and supplier development fund for the RBN SMMEs
  - Establishing an artisan training programme and trade school to reduce youth unemployment in the RBN
  - Special dividend of R175 million declared to fund RBN water infrastructure solution

## 2023

- D **Full disposal** of remaining stake in **Momentum**
- D **Disposal** of remaining stake in **RBPlat,** which contributed to the significant reduction of debt
- A **$31 million** allocation towards **global equity funds**
- A **$25 million** allocation towards **Visio Fixed Income fund**
- Continued implementation of the RBN social projects committed to following the 2021 platinum transaction

## 2024

- **Fully repaid** portfolio recourse debt
- **Global asset allocation reached 6%**
- Continued implementation of the **RBN social projects**:
  - **864 jobs** created through the Kgolo enterprise and supplier development programme
  - Launched second intake for the artisan training programme
  - Ongoing implementation of the RBN integrated water project
- D **Disposal** of remaining **shareholding in RMH**
- The unbundling of Transaction Capital, resulting in **3% shareholding in WeBuyCars**
- Approval of **acquisition of Swiftnet (Telkom Towers business)**
- A Increased property allocation through additional **R500 million investment in NEPI**
- D **Partial disposal** of **Dischem** shareholding to 5% to unlock shareholder value
- A Allocation to local fixed income band portfolio
- A **Acquisition of a shareholding in Boxer Limited upon its JSE listing**

Key achievements in 2024 include:
- **NAV increased by 15%, reaching approximately R56 billion**, driven largely by the strong performance of our insurance assets
- **Shareholder dividends increased by 8%**, maintaining above-inflation returns
- **The unbundling of WeBuyCars generated positive returns** despite sector challenges

Our participation in **the Boxer listing reinforced our belief in strong local opportunities**

rbh
royal bafokeng holdings

# Our investment portfolio

RBH is a long-term investor with a disciplined focus on acquiring significant stakes in high-growth, defensive sectors and leading companies. Our active management approach promotes prudent oversight, driving consistent capital appreciation and reliable dividend income for our shareholder.
As at 31 December 2024, our investment portfolio was valued at R56 billion.

**MINING**
- Northam Platinum Holdings Limited

**MINING, OIL AND GAS SERVICES**
- mogs oil and gas services
- KEG Holdings

**TELECOMMUNICATIONS**
- Yeboyethu
- Liquid Intelligent Technologies

**FINANCIAL SERVICES**
- FirstRand
- Discovery
- OUTsurance
- Royal Investment Managers
- nutun*
- Ethos Mid Market

**INFRASTRUCTURE**
- I Squared Capital
- Dipalopalo
- Northam Solar PV
- Hallcore Water
- EnviroServ Waste Management
- Sishen Solar Facility
- Electra Capital (RF) Pty Ltd
- Gouda Wind Energy Facility
- Stanlib
- dpa Distributed Power Africa
- Adams Solar PV Project Two (Pty) Ltd

**PROPERTY**
- NEPI Rockcastle
- zenprop
- Growthpoint Properties
- The Big Yellow Self Storage Company
- Lango

**PHARMACEUTICAL**
- Dis-Chem Pharmacies

**OTHER**
- JCDecaux
- ELDO
- InfraSalience

**RETAIL**
- We Buy Cars
- Boxer

**ASSET MANAGEMENT**
- All Weather – Global Equity Fund
- Visio – Local Fixed Income Bonds

* *Previously Transaction Capital*


**53.92%**

**FINANCIAL SERVICES**

- FirstRand
- OUTsurance
- Discovery
- RMI Investment Managers Affiliate 2B
- Royal Investment Managers
- Nutun*
- Ethos Mid Market

**7.63%**

**OTHER**

- JC Decaux Sub-Saharan Africa
- Cash
- Infrasalience
- Eldo

**6.28%**

**MINING**

- Northam Platinum

**4.96%**

**MINING, OIL AND GAS SERVICES**

- MOGS
- KEG (Kenyan LPG Terminal)

**1.59%**

**RETAIL**

- WeBuyCars
- Boxer

**3.82%**

**TELECOMMUNICATIONS**

- YeboYethu
- Liquid Intelligent Technologies

**4.25%**

**INFRASTRUCTURE**

- ISQ Global Infrastructure Fund III
- Distributed Power Africa
- STANLIB Infrastructure Fund
- Adams Solar PV Project Two
- Northam Solar PV
- Electra Capital
- Gouda Wind Energy Facility
- Sishen Solar Facility
- Hall Core Water
- Dipalopalo
- EnviroServ

**4.49%**

**PROPERTY**

- Growthpoint GSAH
- Zenprop UK
- NEPI Rockcastle
- Big Yellow
- Lango Real Estate

**9.40%**

**ASSET MANAGEMENT**

- Visio Fixed Income Fund
- All Weather
- Global equity funds
- Ninety One Segregated Triple Alpha Bond Portfolio

**3.66%**

**PHARMACEUTICAL**

- Dis-Chem

** Previously Transaction Capital*

# 2024 value creation highlights

## Financial performance

Net asset value

**R56 billion**

2023: R49 billion

Dividend paid to shareholder

**R786 million**

2023: R728 million

Total dividend paid to shareholder since 2006

**R9.3 billion**

2023: R8.5 billion

**Global equity allocation**

**6%**

in line with our diversification strategy and growth ambitions

## Social performance

### Enterprise and supplier development

- Sustained **864 full-time and part-time jobs** by **supporting 70 SMMEs** across Phases 1 and 2 of the Kgolo enterprise and supplier development programme.
- The programme received an **average satisfaction score of 4.5 out of 5** from participating SMMEs, indicating high satisfaction with the support and resources provided.
- The programme has facilitated an **average revenue growth of 43%.**

### Employment equity performance

- **87%** Black employees
- **57%** Female board members
- **83%** Black female Exco members
- **61%** Female employees

### Skills development

- Supported several training and development initiatives, including:
  - **15** external bursaries
  - **6** internal employee bursaries
  - **55** learnerships
  - **4** internships

### Artisan training programme

- **50 learners** were recruited into the programme in 2023, **48 learners** completed the first year of the programme. A further **50 learners** were recruited into the programme in December 2024 and **began their training in January 2025.**
- **5 engineering trades**: electrical, fitting, diesel mechanic, boiler maker and instrument mechanic.

**MAINTAINED A**

Level 1

**B-BBEE RATING**

**Obakeng Phetwe** – CEO of the Royal Bafokeng Nation Development Trust

## Another year of strong financial performance

**RBH increased its net asset value by 15% to**

**R56 billion**

proving the success of its strategic growth approach.

## Consistent and reliable dividend

**RBH preserved a healthy cash balance and earned**

**R1.7 billion**

in dividends, of which R786 million was delivered to the shareholder.

## Social impact

**Following the success of the 2021 platinum transaction, RBH allocated**

**R500 million**

towards various initiatives that support Plan '35.

We are pleased with the progress made on these initiatives in 2024.

# Message from the shareholder

RBH achieved yet another year of strong financial performance, increasing net asset value (NAV) by 15% to R56 billion, earning R1.7 billion in dividends (3% yield) of which R786 million was delivered to the shareholder in line with the agreed dividend policy. A strong cash position enabled the business to pursue new investment opportunities while remaining resilient in a challenging political and economic landscape.

The social initiatives funded through the 2021 platinum transaction are making a meaningful impact on the RBN and we are pleased with the progress achieved in 2024. These results reflect the strength of RBH's leadership, the dedication of its board and the success of its strategic growth approach, reinforcing its commitment to creating long-term value for the shareholder.

> A strong cash position enabled the business to pursue new investment opportunities while remaining resilient in a challenging political and economic landscape."

## Operating context and strategic direction

2024 was a year characterised by macroeconomic heightened risks and uncertainties, from climate change-induced natural disasters to political instability and regional conflicts. These challenges created a complex backdrop for RBH. However, relatively peaceful elections worldwide and declining global inflation helped ease some pressures. In South Africa, improved electricity availability contributed towards a relatively stronger productive capacity of the country, positively impacting RBH's investment portfolio.

In response to this dynamic landscape, RBH has charted a clear course for the future. As reported in 2023, we reviewed our shareholder compact and strategic asset allocation to enhance their continued relevance, positioning RBH for greater geographic diversification. The goal is to achieve a 40% global asset allocation over the next decade; a transition already underway, with an initial R4 billion allocation deployed across select international investments. This evolving strategy is informed by RBH's mandate to safeguard the Nation's wealth.

The trust placed in RBH by Morafe, the Supreme Council and the RBNDT is well earned, reflected in the company's consistent performance and prudent management of the wealth of the Nation during 2024. While engagement with a global pool of stakeholders will be essential going forward, RBH retains full oversight and control over its investments, prioritising responsible investment, accountability and good governance. The board is confident in this approach.

## Governance rooted in tradition and collaboration

RBH upholds the highest standards of governance. This approach is grounded in the legacy and traditions of Bafokeng, where respect, accountability and collective decision-making are central values. In 2024, this tradition was reinforced with the successful integration of Rre Moses Kgosana and Mme Fatima Abrahams into the board. Their expertise, combined with the insight of long-standing directors, has strengthened RBH's ability to navigate various macroeconomic challenges and drive long-term success. The diversity of perspectives and experience on the board has enriched decision-making, ensuring a well-balanced approach to RBH's future. The RBNDT is confident in the board's calibre and its ability to steer RBH towards sustained growth.

This values-driven approach extends to RBH's broader network of relationships. In 2024, RBH continued to collaborate with its sister entities within the RBN, including the Royal Bafokeng Administration (RBA), Royal Bafokeng Enterprise Development (RBED), Royal Bafokeng Institute (RBI) and Royal Bafokeng Sport (RBS). These partnerships, along with engagement with investee companies and private sector entities, enabled RBH to remain focused on preserving and growing the Nation's wealth while driving impactful social initiatives.

## Social initiatives

Following the success of the 2021 platinum transaction, RBH reaffirmed its commitment to the prosperity of the Nation by providing support to various social initiatives aligned with Plan '35. In 2024, the Artisan Training Programme trained 48 RBN youth, equipping them with essential skills to improve employability and entrepreneurship. A further 50 young people were recruited in December 2024 for training commencing in January 2025. Additionally, 15 small businesses received approximately R15 million through the Kgolo Enterprise and Supplier Development programme.

In parallel, the energy project has progressed steadily towards energy security, cost reduction and sector decarbonisation. Among these efforts, the 100 MW solar photovoltaic (PV) wheeling project, aimed at addressing community energy needs and the opportunity to develop a large-scale PV hub of up to 500 MW on RBN land, positions RBH as a serious contributor to renewable energy development.

Water is a fundamental necessity, yet it remains a challenge for the RBN and other communities as South Africa is a water-scarce country. Recognising this critical need, RBH funded a water project through a special dividend paid over two years as part of its broader efforts to address infrastructure challenges and enhance long-term water security.

By December 2024, borehole drilling and testing were completed in most RBN areas and adjudication for the subsequent phases of the underground water solution was underway. While some delays were experienced in 2024, a major breakthrough was the successful diversion of underground water in Raffreddy, which was redirected to Phokeng villages that previously had no access to water. This innovative solution, developed in partnership with an RBH investee company HallCore Water, demonstrates the foresight and impact of RBH's investment approach.

The project's impact has been significant; 640 households now receive water where previously there was none. An additional 220 households were connected in December 2024, bringing the total to 880, improving livelihoods and ensuring a more reliable water supply. By the end of 2025, further progress is expected, with borehole connections on track and the next phases advancing.

## Outlook

While 2024 delivered an unprecedented performance, there is no room for complacency. The high net asset value (NAV) should not lead to overconfidence, as market conditions can unexpectedly shift. This calls for disciplined capital allocation, both economic and social, prudent cost management and continued focus on growth and sustainability.

In the year ahead, RBH will continue to build on its success, with strategic priorities focused on advancing global asset allocation, de-risking the portfolio and driving sustainable value creation. The emphasis remains on sustainable growth, diversification and consistently delivering value to stakeholders and the Nation, in line with our commitments.

## Acknowledgements

I extend my heartfelt gratitude to *KGOSI* for his steadfast leadership, guidance and support throughout the year. I also wish to express my sincere thanks to the Supreme Council, the RBNDT board of trustees, the RBH board, Mme Albertinah Kekana and her dedicated team at RBH, RBN colleagues and all our strategic partners. Your collective commitment and collaboration have been the foundation of RBH's resilience and success. I look forward to our continued partnership.

**Obakeng Phetwe**
CEO – Royal Bafokeng Nation Development Trust

Moses Kgosana – Chairperson

### Resilience and unity in a shifting landscape

**RBH's approach to navigating change is guided by the traditions of Bafokeng** where resilience, unity and responsible governance have long been pillars of sustainable leadership.

### Trusted stewards of the wealth of the Nation

**RBH's good governance, capable leadership and strong performance** have enabled it to remain a trusted steward of the wealth of the RBN.

### Disciplined and deliberate strategic execution

RBH's disciplined investment approach and clear vision enabled it to **create value despite a complex external environment.**

# Message from the chairperson

## Navigating complexity in a transforming landscape

The past year saw considerable changes in South Africa's political and economic landscape. The formation of a coalition Government of National Unity (GNU), following the ANC's loss of its majority, brought both opportunities and challenges. The coalition government has had to balance diverse political agendas while addressing the country's pressing needs, creating a new operating context for businesses. Amid these shifts, it was encouraging to witness South Africa's seventh democratic election, which, like those before it, ran smoothly and was deemed free and fair, with none of the results formally contested. This stability has been positive for South Africa and serves as a model for other democracies across the continent and beyond.

These developments resonate with RBH's organisational culture and the traditions of Bafokeng, which emphasise resilience, unity and responsible governance. We remain committed to upholding these values as we navigate an evolving and challenging landscape.

> Through prudent investment today, RBH is safeguarding the intergenerational wealth of the RBN and laying the foundation for a lasting legacy."

## Investing today, cultivating a legacy for tomorrow

The theme for the RBH 2024 integrated review – Investing today, cultivating a legacy for tomorrow – encapsulates the long-term vision of the business. It reflects a continued dedication to preserving and growing the intergenerational wealth of the RBN. This commitment is evident in the performance of RBH during the year under review.

In 2024, the board oversaw the implementation of our strategic asset allocation, which has been a key driver of our performance. Under this strategy, our Africa equity assets – comprising 75% of the portfolio – grew by 15% to reach R56 billion. The business earned R1.7 billion in dividends, of which R786 million was paid to the shareholder. Our strategic focus has positioned us for long-term stability and demonstrates our commitment to building a legacy for future generations of the Nation.

24 For a more detailed performance review, please refer to the **CEO's review** on page 24.

## Board focus and strategic oversight

In 2024, the RBH board provided active oversight, convening 14 times. A key focus was refining the global asset allocation strategy and approving a comprehensive offshore investment structure to support diversification and long-term resilience.

The board also oversaw the successful deployment of capital into strategically aligned assets, the full redemption of portfolio recourse debt and the securing of an undrawn facility to enhance financial flexibility. Additionally, the board prioritised talent management by approving a framework to attract and retain top talent while fostering a culture of honesty, accountability and respect.

The board's strategic oversight has strengthened RBH's financial resilience, ensuring the portfolio remains adaptive to evolving market dynamics while upholding its mandate to preserve and grow the Nation's wealth.

## Stakeholder engagement and collaboration

RBH's relationship with its shareholder, the RBNDT, remains a cornerstone of its success. Through structured board-to-board engagements and continuous dialogue, the board aligns RBH's strategic priorities with the Nation's long-term vision, contributing meaningfully to the social and infrastructural needs of Morafe.

At the heart of this vision is the leadership of *KGOSI*. Through regular engagements, the board seeks his guidance to ensure that RBH continues to be guided by his aspirations for the Nation. His wisdom and strategic direction reinforce RBH's commitment to preserving intergenerational wealth and driving sustainable socio-economic development.

In 2024, the board deepened these engagements, maintaining an active dialogue with *KGOSI* and the RBNDT to strengthen alignment on key priorities. This continued collaboration enabled RBH to navigate a complex operating environment while remaining steadfast in its mandate to create lasting value for Morafe.

# Looking ahead

As we move into 2025, we are mindful of the continued political and economic complexities, both locally and globally. The coalition government in South Africa will require us to remain agile and vigilant, while geopolitical developments, including the impact of the Trump administration, present potential risks and opportunities.

RBH's strategic priorities for 2025 will focus on advancing our strategic asset allocation, further de-risking the portfolio and driving sustainable value creation. As the board, we remain committed to supporting the RBNDT in fulfilling its mandate and ensuring that RBH remains a trusted steward of intergenerational wealth for the RBN.

## Acknowledgements

I extend my gratitude to *KGOSI* for his guidance and vision. My appreciation also goes to the RBNDT trustees for their support and counsel and to the RBH board members for their dedication and invaluable contributions. Lastly, I wish to acknowledge our executive team, led by Mme Albertinah Kekana, whose leadership and expertise have been instrumental in RBH's success. Their collective efforts ensure the continued preservation and growth of RBN's assets.

On behalf of the board, we thank all RBH employees for their contributions to another year of strong performance in a challenging market context. I am confident that RBH remains well positioned to deliver on its mandate: to preserve and grow the wealth of the RBN.

**Moses Kgosana**
Chairperson

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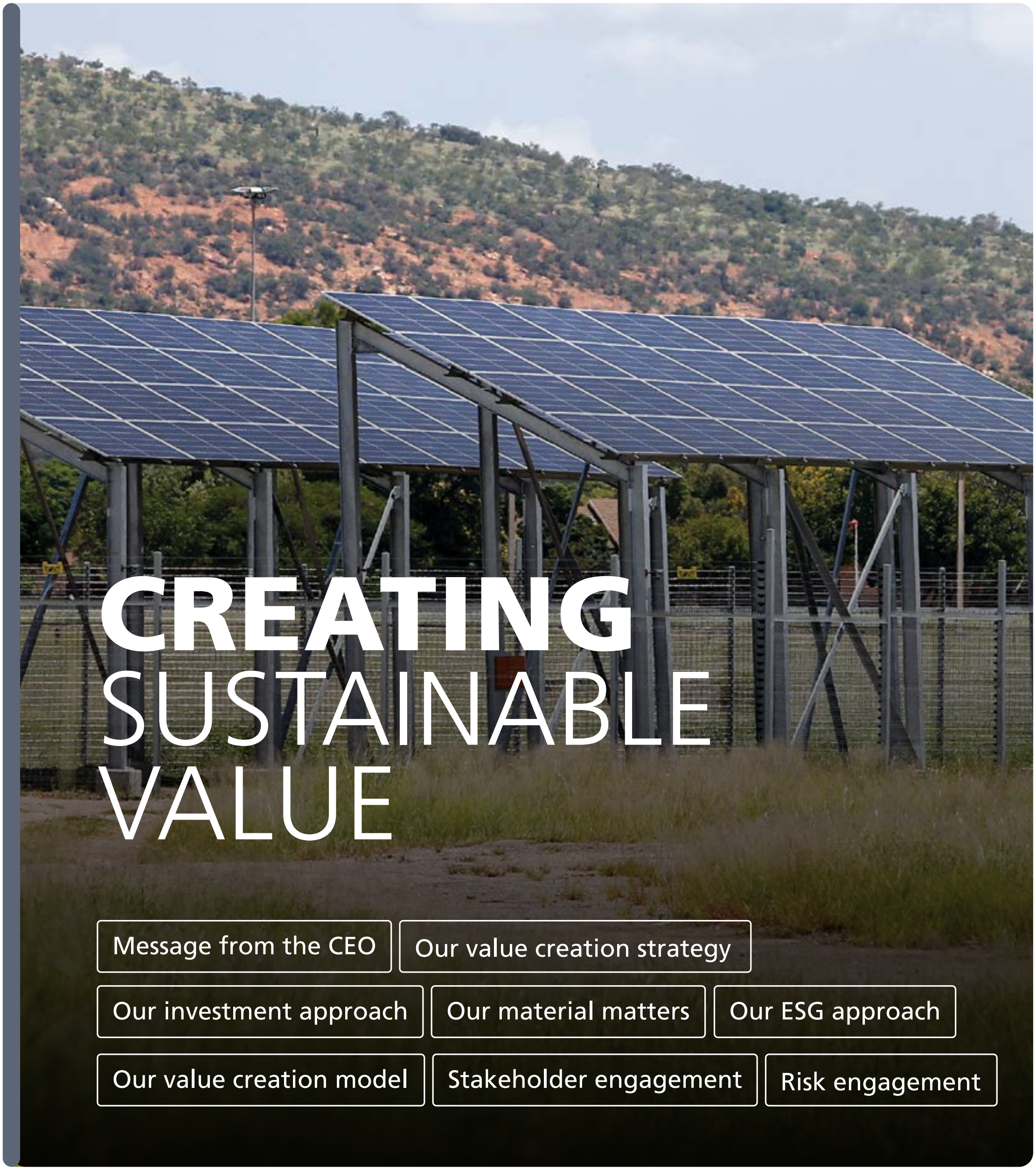


# CREATING SUSTAINABLE VALUE



Solar panels installed as part of the RBN renewable energy project

**Albertinah Kekana** – CEO

### Disciplined capital management

RBH maintained a strong cash position, **ensuring consistent dividend payments while capitalising on new investment opportunities.**

### Safeguarding intergenerational wealth

RBH continues to safeguard the wealth of the Nation by **de-risking from resource-based assets and diversifying the portfolio.**

### Resilience through good governance and partnerships

Good governance and strong shareholder relationships have **enabled RBH to navigate a challenging operating landscape while maintaining alignment with the Nation's priorities.**

# Message from the CEO

RBH delivered commendable results in 2024, demonstrating the strength of our diversified portfolio and disciplined execution of the strategy approved by the board in 2023. This success highlights our strategic foresight, the resilience of our portfolio and the dedication of our board and management team, who have worked tirelessly to position RBH for long-term value creation.

Throughout the year, we operated in an environment of economic and political uncertainty. Inflationary pressures, interest rate volatility and shifting market conditions tested many businesses. Yet, RBH remained steadfast, seizing opportunities while effectively managing risk. Our ability to thrive amid disruption underscores the strength of our governance, the effectiveness of our diversification strategy and the resilience embedded in our investment philosophy.

## A strong performance underpinned by portfolio resilience

RBH increased its net asset value by 15% to R56 billion and delivered R1.7 billion in dividends affirming the success of our strategic growth approach. Our disciplined approach to capital allocation preserved a strong cash position, enabling uninterrupted dividend payments to the shareholder and capitalising on new investment opportunities. A landmark achievement this year was operating a debt-free portfolio for the first time in over a decade. This milestone reflects our commitment to financial prudence and long-term value creation. The full redemption of recourse debt has left us with an undrawn facility, enhancing financial agility for the future.

In addition, we made significant strides in geographic diversification, expanding our offshore allocation while remaining deeply rooted in South Africa. We also reduced concentration risk, ensuring no single asset exceeded 20% of our portfolio. This balanced approach allows us to explore global opportunities and reinforce our commitment to the local economy, as exemplified by our participation in the successful listing of Boxer and the acquisition of Telkom towers.

Thethe Secondary School learners in Luka, RBN during the RBH Maths and Science Programme

## Investing in people

We operate in a changing world, one filled with challenges and immense possibilities. To navigate this dynamic landscape and thrive, we must continuously learn, adapt and evolve both as individuals and as an organisation. We hold ourselves to the highest standards, knowing the responsible stewardship of the wealth of the RBN requires foresight, accountability and a commitment to excellence.

In 2024, we reshaped our approach to talent management to align with our growth aspirations. We transitioned from traditional pipeline management to a dynamic, portfolio-based succession strategy. A comprehensive skills audit allowed us to assess our current capabilities and identify key development needs for 2025 and beyond.

Our commitment to skills development is reflected in our investment in training and development. We invested in 15 external bursaries, six internal employee bursaries, and opportunities for training were extended to all 38 employees, together with 55 learnerships and four internships, creating 118 skills development opportunities. These initiatives not only strengthen our internal capabilities, but also ensure we continue to deliver sustainable value to the RBN.

## Using our success to do good

While RBH's primary mandate is investment growth, we remain committed to driving meaningful change as a responsible corporate citizen. Our social investment efforts are designed to create lasting value, reinforcing our role as a catalyst for transformation. We are proud to have maintained our Level 1 B-BBEE status, reaffirming our commitment to inclusive economic development.

Following the success of the 2021 platinum transaction, RBH allocated funding to four key initiatives: artisan skills development, enterprise development, water infrastructure and renewable energy. I am pleased with the progress made on these initiatives in 2024.

The Kgolo enterprise and supplier development programme has created 864 jobs to date and provided approximately R15 million in funding to RBN SMMEs. In 2024, the programme achieved a 94% loan repayment rate, demonstrating the financial sustainability and resilience of participating businesses.

Similarly, the renewable energy project continued to advance energy security, economic development and sustainability. Progress has been made, with further investment in solar PV and battery storage developments, regulatory approvals and partnership agreements. However, challenges like regulatory constraints, land use restrictions and evolving stakeholder requirements have required adjustments to the initial plans. Despite these hurdles, the insight gained has strengthened RBNDT's approach. The focus now is on refining strategies, securing viable sites and leveraging partnerships to unlock large-scale renewable energy solutions. Looking ahead, RBNDT sees potential in developing a utility-scale solar PV hub to provide up to 500 MW of power on RBN land.

In 2024, we also continued investing in critical water infrastructure to improve water security. Despite initial delays, meaningful progress has been made with borehole drilling and testing completed in most areas and early successes already benefiting the RBN.

These efforts reflect our broader commitment to sustainable development, ensuring our investments deliver lasting impact beyond financial returns.

54 Please see page 54 for further information on our **social performance.**


Mpho Magano, CEO/Founder of Rambait Waste, a Kgolo ESD Programme beneficiary

## Strengthening stakeholder relationships

Although we are not a listed entity, we operate with the rigour of a listed company. RBH's established market presence and strong governance frameworks have been key to sustaining our growth. In 2024, we entered a new chapter under a refreshed board, following the appointment of two non-executive directors. Their addition has brought fresh perspectives, strengthened our governance structures and reinforced our commitment to excellence.

Our relationship with our shareholder remains central to our success. We have maintained strategic alignment, ensuring our objectives continue to reflect the vision of the RBN. At the same time, we have deepened engagement with our investee companies, ensuring alignment with our long-term aspirations and driving collective progress.

## Outlook to 2025 and beyond

As we look ahead to 2025 and beyond, we do so with a clear strategy and a firm awareness of the volatility shaping global and local markets. While RBH is well positioned for growth, we recognise that uncertainty remains and we cannot afford to be complacent. Our long-term mandate demands vigilance, adaptability and a disciplined approach to risk. Strengthening our resilience through a diversified portfolio will enable us to remain agile in an evolving landscape while advancing our offshore expansion with precision. I am confident the foundation laid in the first year of our refreshed strategy provides a strong platform to act decisively, navigate challenges, seize opportunities and create lasting value.

Solar panels installed as part of the RBN renewable energy project

## Appreciation

I would like to express my gratitude to *KGOSI* for his visionary leadership and to the Supreme Council and the RBNDT board of trustees for their wisdom and guidance. To the RBH board, executive management team and employees – your dedication and resilience drove our success in 2024. I am confident our collective efforts will continue to contribute to the prosperity of the RBN for generations to come.

**Albertinah Kekana**
CEO

# Our value creation strategy

Our strategic intent is guided by our commitment to intergenerational wealth creation. We aim to meet the objectives and aspirations of our shareholder and deliver sustained value to the broader stakeholder community. Through an integrated approach, we focus on four strategic levers to drive value creation across the short, medium and long term.

We are increasing our offshore investments to diversify geographic exposure and access into high-growth opportunities across global markets. This approach strengthens portfolio resilience, mitigates localised risks and aligns with our mandate for sustainable value creation while contributing to broader diversification objectives.

## 1 Yield

**OBJECTIVE: SUSTAINABLE ANNUAL DIVIDEND PAYMENTS TO RBNDT**

**Actions:**

- Adequate cash generation
- Maintain reinvestable liquidity over time

## 2 Capital preservation

**OBJECTIVE: PROTECT AGAINST PERMANENT LOSS OF CAPITAL**

**Actions:**

- Limit exposure to single assets or sectors
- Maintain a diversified investment portfolio
- Preserve capital

## 3 Capital growth

**OBJECTIVE: ATTAIN ABOVE-INFLATION RETURNS**

**Actions:**

- Maintain a strong balance sheet
- Invest in cash-generative assets
- Leverage a skilled and experienced team

## 4 Diversification

**OBJECTIVE: ENHANCE GEOGRAPHIC AND ASSET DIVERSIFICATION**

**Actions:**

- Align diversification strategy with long-term sustainable value creation
- Strengthen portfolio resilience and mitigate localised risks
- Expand offshore investments to diversify geographic exposure and tap into high-growth global opportunities
- Prioritise investments in infrastructure

Network towers providing connectivity in Phokeng, RBN

# Our investment approach

Our well-defined and value-creation investment strategy presents a compelling value proposition. In the 18 years since our establishment, we have built a resilient and diversified investment portfolio and have delivered a consistent and predictable dividend to our shareholder.

## Our investment philosophy is anchored in **four pillars**

### 1 Protecting and growing the wealth of the RBN

We strategically invest in assets with significant potential for capital growth and reliable cash flows, ensuring sustainable value creation.

### 2 A diversified portfolio as risk mitigation

We invest in diverse sectors and geographies. Our prudent risk management is reflected in a portfolio that spans various sectors and geographies. We also adhere to a responsible investment ethos, excluding "sin industries" from our portfolio.

### 3 Driving value

We make significant equity investments that allow us to be influential in our investee companies.

### 4 Realising value

We maximise our returns by exploring optimum exit strategies.

# Our material matters

Our material matters reflect the factors most likely to influence stakeholder decisions regarding RBH's ability to create and preserve sustainable value over time. This integrated review centres on the factors we can control within the context of a dynamic operating environment, encompassing opportunities and challenges that materially affect our six capitals and our capacity to consistently deliver and protect value for our shareholder and stakeholders.

Materiality determination is a collaborative, company-wide effort requiring input from all business units. It involves assessing risks and opportunities in our operating environment, alongside a careful evaluation of stakeholder needs and priorities. The material matters we have identified, detailed on page **31** of this review, shape our business model, influence our long-term strategy and inform our short-, medium- and long-term targets.

## Materiality determination process

| Inputs | | Process |
|---|---|---|
| Identify relevant matters for inclusion in the integrated review based on industry and market trends, internal documentation and external stakeholder engagement. | Identify | We take an integrated approach to identify material matters that could affect our ability to preserve or create value in the short, medium and long term. This entails an analysis of our operating environment and business context, including feedback from our stakeholders and benchmarking against industry peers. |
| Evaluate the internal and external impacts of RBH's actions. | Assess | Each material theme is assessed across a range of factors, including its impact on our ability to create value (inward-focused) and its impact on society, communities and the environment (outward-focused). |
| Prioritise material matters based on their importance. | Prioritise | Senior management prioritises material matters based on their importance. This is then reviewed by the board. |
| Remain consistent with strategic objectives, the six capitals and key performance indicators (KPIs). | Apply and validate | Material matters are integrated into our strategy by contextualising them into strategic priorities that guide our integrated approach to strategic decision-making. |

## RBH's 2024 material matters

### Sustainable growth and wealth preservation

RBH focuses on sustainable growth and the preservation of wealth by optimising capital allocation, maintaining a balanced liquidity and debt-equity structure and ensuring growth in NAV. A consistent and predictable dividend, together with investments in cash-generative assets, underpins financial stability.

The portfolio's resilience is strengthened through diversification, enhancing stakeholder confidence and aligning with long-term investment horizons. Innovation, operational flexibility and strategic agility are key enablers of adaptability, while collaboration with partners drives sustained value creation.

#### How this is managed

- Strategic capital allocation to high-growth, cash-generative assets
- Optimising liquidity and debt-equity structure
- Focusing on long-term investment horizons with a diversified, resilient portfolio

#### 2024 achievements

- **Paid R786 million annual dividend** to the shareholder
- Strengthened stakeholder confidence through our financial performance. Our **NAV grew by 15% to R56 billion** at the end of December 2024
- **Portfolio resilience** via geographic and sectoral diversification
- **Continued integration of ESG principles** into investment strategies

### Responsible investment

RBH integrates responsible investment principles across its portfolio, ensuring financial returns are balanced with positive environmental and social outcomes. This approach aligns with global best practices and reinforces RBH's long-term sustainability goals.

#### How this is managed

- Ongoing application of ESG criteria in all investment decisions
- Strategic oversight of investments through the Shareholder Compact and strategic asset allocation (SAA)
- Continuous evaluation of investment risks and opportunities

#### 2024 achievements

- Strengthened ESG integration in portfolio management
- Exceeded financial targets for 2024 and maintained responsible investment practices

**RBH'S 2024 MATERIAL MATTERS** CONTINUED

## Strategic focus and execution

Disciplined strategic execution ensures RBH's objectives align with its financial goals. Knowledge and information management, alongside robust knowledge sharing and collaboration practices, foster continuous improvement.

Talent and leadership development are prioritised to improve operational efficiency, supported by research and development, and market insight that inform decision-making. Comprehensive risk management frameworks safeguard business continuity, with a strong link to talent management to support organisational resilience.

### How this is managed

- Strong focus on disciplined strategic execution and risk management
- Integration of market insight into decision-making
- Leadership development and talent management to drive innovation and adaptability

### 2024 achievements

- Improved operational efficiency through enhanced processes
- Strengthened business continuity plans with a focus on talent management
- Leveraged data for informed decision-making, increasing strategic agility

## Cultivating good stakeholder relations

RBH strengthens relationships with its shareholder, Morafe and other key stakeholders through transparent communication and responsiveness.

Opportunities for synergies are actively pursued, while a sustained level 1 B-BBEE rating demonstrates the company's commitment to transformation. Meeting and exceeding stakeholder expectations is central to RBH's reputation management strategy, fostering trust and long-term partnerships.

### How this is managed

- Regular engagement with stakeholders to advance clear, responsive communication
- Identifying opportunities for synergies and collaboration
- Commitment to maintaining Level 1 B-BBEE rating

### 2024 achievements

- Successfully strengthened relationships with key stakeholders through targeted engagement
- Enhanced reputation management efforts to meet and exceed stakeholder expectations
- Supported stakeholder-driven initiatives aligned with our values and goals

**RBH'S 2024 MATERIAL MATTERS** CONTINUED

## Enabling an engaged team

RBH prioritises talent management, employment equity and transformation to cultivate an inclusive workplace. Learning and skills development initiatives support employee growth, while wellness programmes promote holistic wellbeing. A strong organisational culture, fair remuneration practices and performance management systems contribute to an engaged and motivated team that ensures responsible stewardship of resources.

### How this is managed

- Focused talent management strategies for attracting and retaining top talent
- Commitment to employment equity and transformation
- Implementation of wellness and development programmes to support employee engagement

### 2024 achievements

- Launched new leadership development initiatives
- Enhanced performance management systems
- Rolled out wellness initiatives, contributing to higher employee satisfaction

## Ethical leadership and good governance

Ethical leadership and strategic oversight are fundamental to RBH's governance framework. We are committed to regulatory compliance and risk management oversight, embedding ESG considerations into decision-making processes. Accountability at all levels of the organisation reinforces a culture of integrity and responsible leadership.

### How this is managed

- Strong governance framework ensuring accountability and ethical decision-making
- Embedding ESG considerations in all operations
- Oversight of risk management practices to promote sustainable outcomes

### 2024 achievements

- Completed comprehensive internal governance reviews
- Enhanced regulatory compliance through continuous engagement with regulators
- Strengthened ESG integration across all levels of decision-making

RBH'S 2024 MATERIAL MATTERS CONTINUED

# Contribution to society

RBH's strategic CSI initiatives focus on creating shared value and contributing to socio-economic development, particularly within the Nation, as outlined in Plan '35. RBH measures and reports on social impact, demonstrating its commitment to being a responsible corporate citizen.

## How this is managed

- Strategic CSI initiatives aligned with Plan '35
- Measuring and reporting on social impact to embed accountability
- Partnering with RBN entities to support local development

## 2024 achievements

- Continued implementing multi-year community investment projects
- Increased focus on socio-economic development through targeted partnerships
- Demonstrated measurable impact through improved social outcomes

Learners from Molotlegi Secondary School in Luka, RBN

# Our ESG approach

As a business committed to intergenerational wealth creation, RBH promotes sustainable development for key stakeholders and the broader South African society. Our ESG approach is shaped by the business model, strategy and international benchmarks, ensuring alignment with industry best practices and transparent disclosures that meet stakeholder expectations.

In 2024, we enhanced our ESG strategy by strengthening investment screening, risk assessment and governance frameworks. These improvements enable effective monitoring and evaluation, ensuring ESG objectives translate into meaningful, sustainable business practices.

## Ethical investing

RBH evaluates investment opportunities using key ESG criteria to embed responsible capital allocation.

### Evidence of:

- Effective risk identification and system implementation.
- Proper assessment of impact and mitigation strategies.
- Compliance with RBH's Exclusion List, which prohibits investments in harmful industries.

### Acceptable levels of:

- Legal and regulatory compliance.
- ESG awareness within the organisation.
- Integration of ESG principles into business strategy and decision-making.

### Compliance with:

- Anti-corruption laws.
- Employment equity requirements.
- King IV governance and responsible investing principles.

## RBH Exclusion List

RBH maintains a structured Exclusion List that prevents investment in activities misaligned with its ESG commitments. **Exclusions cover environmental concerns and social risks. Governance considerations are however prioritised.**

**1 Environmental concerns**

Wildlife trade, asbestos use, harmful child labour and ozone-depleting substances.

**2 Social risks**

Weapons manufacturing, gambling and violations of Indigenous land rights.

**3 Governance considerations**

Adherence to international conventions and ethical business standards.

## RBH screening checklist

To strengthen ESG integration, we apply a screening checklist in our investment process.
**This framework includes:**

**General ESG questionnaire**

Assesses risks across potential investments.

**SASB materiality considerations**

Identifies industry-specific sustainability challenges.

### Understanding SASB materiality

The Sustainability Accounting Standards Board (SASB) Materiality Map is a globally recognised framework that highlights the most relevant ESG factors for different industries. It identifies 26 key sustainability issues across 77 industries, covering:

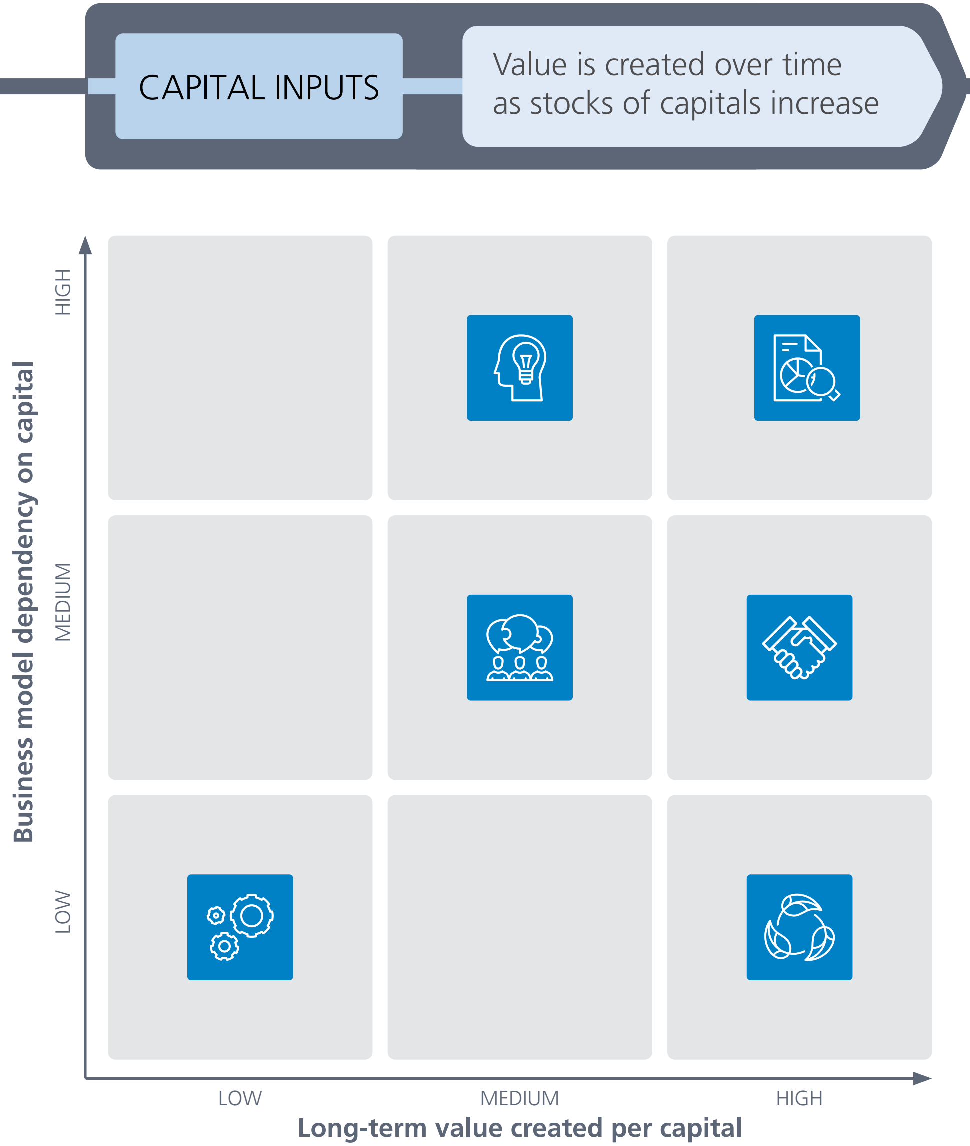
**Environmental**
Climate risk, resource use, pollution and biodiversity.

**Social**
Labour practices, product safety, human rights, and community relations.

**Governance**
Business ethics, risk management and board oversight.

# Our value creation model

- Financial capital
- Social and relationship capital
- Human capital
- Intellectual capital
- Natural capital
- Manufactured capital



| OUR CAPITALS | INPUTS |
| --- | --- |
| **Financial capital**<br>Financial capital refers to the economic resources at our disposal, including our portfolio's NAV, debt and retained earnings. This capital forms the foundation for our strategic investments, driving growth and diversification, enabling us to meet our financial commitments. | • Portfolio NAV<br>• Optimal portfolio debt levels |
| **Social and relationship capital**<br>Social and relationship capital represents the value derived from our ongoing relationships with stakeholders, including the Shareholder Compact, SAA policy and Plan '35. This capital drives our sustainable practices, and promotes transparency and our reputation as a trusted steward of the wealth of the RBN. Through active engagement, we align our actions with the Nation's social and financial priorities. | • Shareholder compact<br>• Strategic asset allocation<br>• Plan '35<br>• Active shareholder engagement<br>• Engagement with investee companies, regulators and shareholder community<br>• B-BBEE Level 1 contributor<br>• Social impact spend<br>• Contributions by our shareholder and investee companies<br>• Investment policy<br>• ESG framework |
| **Human capital**<br>Our people are at the heart of our ability to innovate, adapt and create long-term value. Our human capital comprises the skills, knowledge and diversity of our workforce, alongside our focus on training, development initiatives and competitive remuneration strategies. We have embedded a forward-thinking, values-driven culture that is aligned with the RBN's objectives. | • Number of employees<br>• Training and development initiatives<br>• Remuneration strategies<br>• Integrated talent management initiatives<br>• Human capital policies |

| OUR CAPITALS | INPUTS |
| --- | --- |
| **Intellectual capital**<br>Our intellectual capital, built on the expertise, sector knowledge and analytical capabilities of our team, provides us with a competitive edge. It drives informed decision-making, effective risk management and sustained productivity. | • ICT systems and equipment<br>• Skills, sector expertise, analysis, research and innovation |
| **Natural capital**<br>Natural capital includes the resources derived from the environment, such as the platinum deposits, mineral rights on RBN and other natural resources managed by our investee companies. While our direct environmental impact is limited, we actively engage with stakeholders to ensure responsible and sustainable resource management practices that benefit both the environment and future generations. | • Platinum deposits and mineral rights on RBN land<br>• Natural resources managed by investee companies |
| **Manufactured capital**<br>Manufactured capital refers to the physical infrastructure and tangible assets within our control. This includes property, information and communications technology (ICT) systems and equipment. We recognise the importance of safeguarding these assets, particularly our information systems, to guarantee business continuity, agility and resilience in a fast-evolving landscape. | • Tangible assets, including infrastructure and property, ICT systems and equipment |

The development and implementation of robust governance systems ensures sustainable value creation.

RBH's structured CSI programmes support specific priorities in line with our social transformation strategy and the imperatives of Plan '35. Key areas of focus include education, youth empowerment and community development.

Our engagement with RBNDT, investee companies, regulators, government and various stakeholders improves our ability to identify opportunities timeously, mitigates the risk of negative outcomes and supports value creation.

Our core operational targets align with the RBNDT's budgetary requirements and the strategic objectives of the business.

## Business-enablement activities

INPUTS

- Financial capital
- Social and relationship capital
- Human capital
- Intellectual capital
- Natural capital
- Manufactured capital

### Core strategic business activities

We manage a portfolio of diversified long-term investments to produce a sustainable dividend for the benefit of our shareholder and Morafe.

OUTPUTS

- Financial capital
- Social and relationship capital
- Human capital
- Intellectual capital
- Natural capital
- Manufactured capital

## Strategic levers

**YIELD**
Sustainable annual dividend payments to RBNDT

**CAPITAL PRESERVATION**
Protect against permanent loss of capital

**CAPITAL GROWTH**
Attain above-inflation returns

**DIVERSIFICATION**
Enhance geographic and asset diversification

| OUR CAPITALS | OUTPUTS | OUTCOMES | STAKEHOLDERS AFFECTED |
|---|---|---|---|
| Financial capital | • RBH's portfolio continues to improve in quality because of diversification<br>• The portfolio has grown 74% over the last 10 years and grew 15% in 2024<br>• Debt was reduced to zero during 2024<br>• RBH's investment portfolio has a current NAV of R56 billion (2023: R49 billion)<br>• R786 million dividend paid, in line with dividend policy (2023: R728 million) | • Long-term financial stability and growth<br>• Increased diversification of investment portfolio<br>• Consistent dividend generation for shareholder benefit<br>• Lower debt levels improving financial health | Supreme Council and Morafe; Employees; Investee companies; Providers of capital |
| Social and relationship capital | • RBH has built a sound reputation as one of the largest community-based investment companies in the world, based on the NAV of our portfolio<br>• 864 full-time and part-time jobs sustained through support provided to 70 SMMEs in RBN<br>• Maintained rating as a Level 1 B-BBEE contributor | • Strengthened relationships with key stakeholders<br>• Enhanced social impact aligned with Plan '35<br>• Increased reputational strength and trust | Supreme Council and Morafe; Investee companies; Government and regulatory authorities; Providers of capital |
| Human capital | • A motivated and engaged team of 38 employees (2023: 37) that delivers effectively against our mandate<br>• In 2024, RBH provided 15 external bursaries, six internal employee bursaries, 38 employee training sessions, 55 learnerships and four internships<br>• Increase in female employees to 61% (2023: 57%)<br>• New employees: two (2023: six)<br>• Skills development spend<br>• Low employee turnover | • Efficiency and effectiveness in decision-making<br>• A culture of excellence which translates to long-term productivity<br>• Increased employee satisfaction and retention.<br>• Enhanced skills and capabilities of the workforce | Employees; Investee companies; Providers of capital |

Supreme Council and Morafe | Employees | Investee companies | Government and regulatory authorities | RBNDT | Providers of capital

| OUR CAPITALS | OUTPUTS | OUTCOMES | STAKEHOLDERS AFFECTED |
|---|---|---|---|
| Intellectual capital | • RBH has built and maintains a robust information and security network<br>• Our intellectual capital infrastructure is fit for purpose | • Our core operational targets remain aligned with the RBNDT's budgetary requirements and the strategic objectives of the business<br>• Long-term financial stability and growth<br>• Business continuity and resilience | |
| Natural capital | • RBH maintains a low environmental footprint due to the nature of our business operations | • Sustainable resource management<br>• Minimal environmental impact | |
| Manufactured capital | • Our systems, technology, office equipment and infrastructure are optimised to enhance outcomes for RBH and our stakeholders<br>• Increased operational efficiency | • Business continuity and resilience | |

Supreme Council and Morafe | Employees | Investee companies | Government and regulatory authorities | RBNDT | Providers of capital

# Stakeholder engagement

The quality of our relationships with stakeholders is central to fulfilling our purpose. We believe creating sustainable value for the company contributes to our ability to create value for others.

**Our approach to stakeholder engagement is guided by four key principles: transparency, inclusivity, responsiveness and a consensus-driven approach.** We aim to share information in a clear and appropriate manner, create meaningful value, address stakeholder needs timeously and prioritise mutually beneficial outcomes. To measure and strengthen these relationships, we assess engagement across four categories, from developing relationships to strong, integrated collaborations. Aligning our goals with stakeholder expectations ensures the value we create supports the ambitions of the RBN.

**1 Transparency**

RBH shares information openly and appropriately, ensuring clarity of intentions and objectives.

**2 Inclusivity**

Our approach focuses on creating meaningful shared value that aligns with stakeholder interests.

**3 Responsiveness**

We address stakeholder needs promptly and effectively to build trust and reliability.

**4 Consensus-driven**

RBH prioritises mutually beneficial outcomes, favouring alternative dispute resolution for conflicts.

## How we measure the quality of our relationships

Our stakeholders' expectations and priorities influence our strategic risks and opportunities. The quality of these relationships determines our ability to meet our mandate effectively. **To track and strengthen these connections, we measure the quality of stakeholder relationships across four defined categories.**

### Developing relationships

Two-way communication is established, creating the foundation for deeper interaction and mutual understanding.

### Connected relationships

Engagement is nurtured through collaborative efforts, focusing on mutual benefit and the achievement of shared objectives.

### Good relationships

Constructive communication channels are sustained, enabling independent decision-making while fostering trust and respect.

### Strong relationships

Stakeholders are seamlessly integrated into governance, strategy and operations, reflecting robust and meaningful collaboration.

# The value we create for each stakeholder

Our commitment to value creation is guided by clear stakeholder goals, ensuring the benefits we deliver are informed by their expectations and our shared objectives.

## Employees

We create an enriching and inclusive workplace, offering opportunities for professional development and personal growth.

## RBNDT

We deliver consistent and predictable annual dividends, driving long-term financial growth and sustainable development.

## Investee companies

We partner with investee companies through strategic financial investments, ensure sustainable value creation and deliver predictable returns.

## Supreme Council and Morafe

We preserve and grow the RBN's intergenerational legacy by supporting community wellbeing and aligning with cultural heritage and developmental goals.

## Providers of capital

We build strategic financial partnerships, uphold ethical practices and make responsible investments to drive portfolio growth and resilience.

## Government and regulatory authorities

We ensure compliance with regulations, contribute tax revenue, create jobs and actively drive social transformation.

## RBNDT

RBNDT is our sole shareholder and contributes to value creation through our strategic financial partnership, guidance and support.

### How we engage

Engaged through board-to-board meetings, AGMs periodic reporting and perception surveys.

**QUALITY OF RELATIONSHIP** ✓ ✓ ✓

### Needs and expectations

- Growth in NAV
- Portfolio diversification
- Sustainable growth strategy and portfolio resilience
- Debt reduction while maintaining appropriate levels of gearing
- Strong and experienced leadership team
- Ethical culture underpinned by transparency and accountability
- Legal and regulatory compliance
- Support for the RBN's Plan '35

### Our response

- Paid an annual dividend in line with agreed targets
- Maintained good governance, driving a culture of ethical leadership
- Advanced portfolio diversification to drive sustainable growth.
- Ensured operational transparency through regular, timely reporting
- Delivered on socio-economic development projects in alignment with Plan '35
- Consistently focused on long-term growth and strategic alignment with shareholder expectations

## Supreme Council and Morafe

This stakeholder group supports our value creation through the preservation of RBN's legacy, traditions and contributions to governance, social cohesion and inclusive development.

### How we engage

Engaged through quarterly reports and presentations, which are consolidated by the RBNDT and presented to the Supreme Council, which in turn, engages with Morafe.

**QUALITY OF RELATIONSHIP** ✓ ✓ ✓

### Needs and expectations

- Preservation of the wealth of the RBN
- Growth and diversification of the portfolio
- Trust and accountability
- Contribution to socio-economic development

### Our response

- Provided clear, transparent quarterly updates on the RBH's strategy and progress
- Nurtured a collaborative relationship, focused on wealth preservation and cultural legacy
- Strengthened governance practices to ensure alignment with RBN's values
- Actively addressed feedback to enhance trust and maintain accountability

✓ ✓ ✓ Strong relationship ✓ ✓ Connected relationship ✓ Good relationship

## Employees

Employees are central to our operations and contribute skills, experience, diversity and productivity.

### How we engage

Conducted employee engagement initiatives, including wellness and team-building activities.

71 Further information is provided in the **Human Capital** section on page 71 of this review.

**QUALITY OF RELATIONSHIP** ✓✓✓

### Needs and expectations

- Competitive remuneration and benefits
- Safe, inclusive and harmonious working environment
- Recognition and career development opportunities
- Ongoing personal development and growth

### Our response

- Provided competitive remuneration and comprehensive benefits, reviewed annually
- Enhanced health and safety measures in line with industry best practices
- Implemented career development programmes to support growth
- Conducted an annual employee engagement survey to address concerns promptly
- Implemented various initaitives to celebrate achievements and reinforce a positive work culture

## Investee companies

Investee companies support our strategic objectives through capital preservation and asset growth.

### How we engage

Engaged through one-on-one meetings with investee companies, with RBH representatives serving on boards. Also engaged via annual reports, press releases and transparent disclosures.

**QUALITY OF RELATIONSHIP** ✓✓

### Needs and expectations

- Strategic financial partnerships
- Sustainable value creation
- Predictable yields and stable revenues
- Ethical business practices

### Our response

- Actively involved as a shareholder, with regular board participation and providing management support
- Integrated ESG factors into portfolio management to align with global sustainability trends
- Offered assistance on annual B-BBEE audits to ensure compliance and enhance reputation
- Maintained open communication, fostering collaboration on strategic initiatives

✓✓✓ Strong relationship ✓✓ Connected relationship ✓ Good relationship

## Providers of capital

Providers of capital contribute through strategic financial partnerships and industry knowledge.

### How we engage

Published annual and periodic reports and engaged with providers of capital on a one-on-one basis.

**QUALITY OF RELATIONSHIP** ✓

### Needs and expectations

- Financial value creation
- Predictable yields and stable revenues
- Portfolio growth and resilience
- Ethical practice and responsible investments

### Our response

- Executed strategic initiatives focused on portfolio growth and diversification
- Prioritised risk management, ensuring resilience in asset allocation and investment decisions
- Engaged in transparent discussions about investment strategies, returns and risks
- Reduced recourse debt while maintaining access to lines of credit

## Government and regulatory authorities

Provide the regulatory and policy framework required for value creation.

### How we engage

Legal and regulatory compliance facilitated by regular direct on strategic matters.

**QUALITY OF RELATIONSHIP** ✓✓

### Needs and expectations

- Legal and regulatory compliance
- Transparent reporting and disclosures
- Active participation in and contribution to policy development
- Contribution to tax base
- Contribution to the wellbeing of the RBN and broader South African society

### Our response

- Published an integrated review to ensure transparency and accountability
- Maintained regulatory compliance and fostered proactive engagement with authorities
- Contributed to the tax base and promoted job creation through socio-economic initiatives
- Maintained a B-BBEE Level 1 rating

✓✓✓ Strong relationship ✓✓ Connected relationship ✓ Good relationship

## Shareholder survey

In 2024, RBH conducted a shareholder survey to gather feedback on various aspects of the company's performance and strategic direction. The response was positive, indicating a high level of satisfaction with our governance practices, financial performance and long-term growth strategy. The shareholder expressed confidence in the leadership and vision of RBH, with particular focus on the company's commitment to sustainability, transparency and ethical business practices.

# Risk management

RBH has embedded a proactive risk culture that integrates both top-down and bottom-up approaches. Strategic decisions incorporate risk considerations at every level, while operational risk management remains aligned with day-to-day business activities.

Our integrated risk management framework ensures a structured and consistent approach to identifying and mitigating uncertainties across our strategy, internal operations and external environment. Regular assessments of both existing and emerging risks allow us to maintain a comprehensive risk perspective.

Together with the six capitals, our risk culture is shaped by governance frameworks, including the SAA and other policies. These documents guide decision-making while balancing stakeholder priorities and long-term sustainability. Risks are assessed within board-approved risk appetite and tolerance levels, which are reviewed periodically.

**RBH's enterprise risk management (ERM) approach follows industry best practices, incorporating the following frameworks:**

- Integrated ERM Framework of 2004 – Committee of Sponsoring Organisations
- ISO 31000 of 2009 – International Organisation for Standardisation
- ISO 37000 of 2021 – International Organisation for Standardisation
- King IV Code
- IR Framework

## Risk management framework

The Chief Financial Officer is responsible for risk management reporting and reports directly to the Audit and Risk Committee (ARC). Risks are continuously identified, analysed and rated, with the risk register being prepared periodically. Every quarter, existing and emerging risks are presented to the ARC for inclusion in the risk register. The ARC then recommends the risk register to the board, which makes final decisions on risk appetite.

## Risk governance

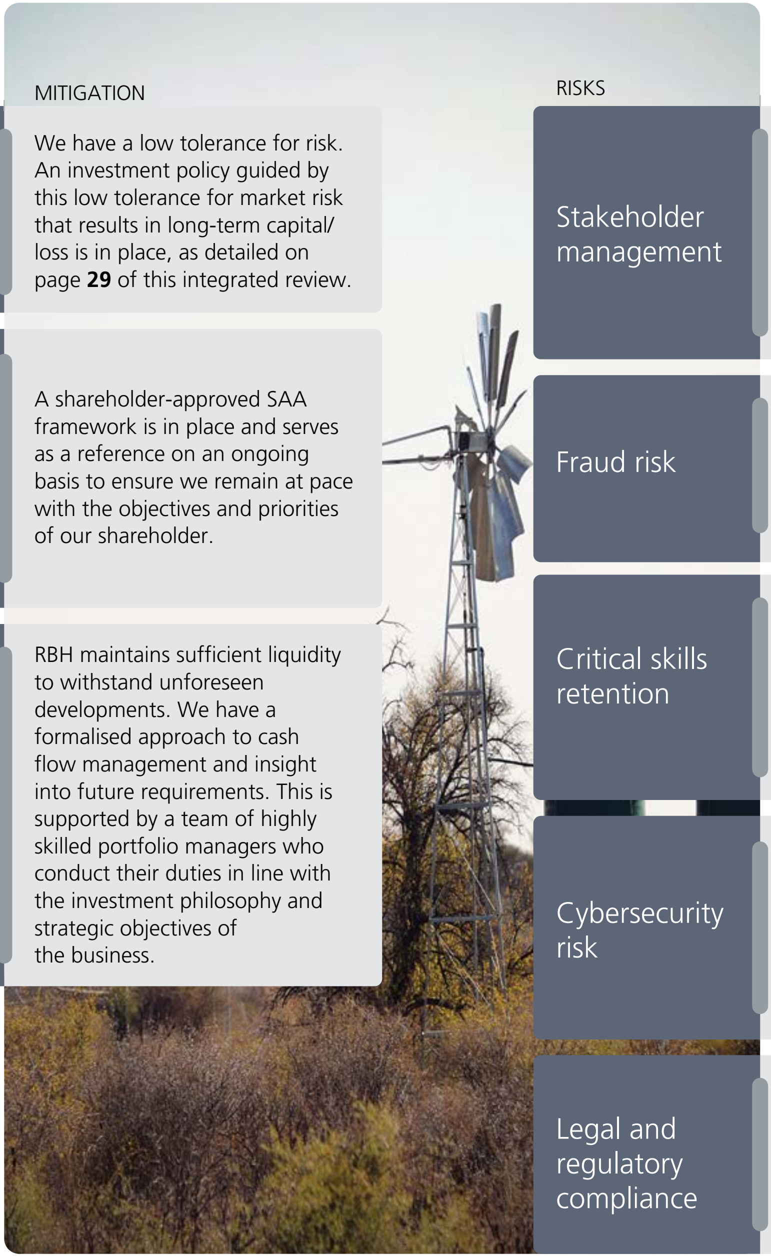
The board retains overall responsibility for RBH's risk framework and policies, with the ARC providing oversight on material risks. The ARC ensures comprehensive risk reporting enables the board to make informed decisions. This governance structure reinforces the effectiveness of RBH's risk management approach.

## Risk appetite

RBH maintains a low tolerance for risks that could erode capital, damage reputation or have material societal impact. We enforce a zero-tolerance policy for unethical behaviour, including fraud and corruption and adhere to the highest standards of governance and ethical practice. Our internal controls align with the nature and scale of business processes and we have a robust Code of Conduct and whistleblowing policy in place to facilitate disclosures related to ethical breaches, fraud and corruption. The Code of Conduct undergoes regular reviews and updates to safeguard its continued effectiveness.

## Portfolio risks

| RISKS | MITIGATION |
|---|---|
| Market risk | We have a low tolerance for risk. An investment policy guided by this low tolerance for market risk that results in long-term capital/loss is in place, as detailed on page **29** of this integrated review. |
| Concentration risk | A shareholder-approved SAA framework is in place and serves as a reference on an ongoing basis to ensure we remain at pace with the objectives and priorities of our shareholder. |
| Income, liquidity, foreign and exchange default risk | RBH maintains sufficient liquidity to withstand unforeseen developments. We have a formalised approach to cash flow management and insight into future requirements. This is supported by a team of highly skilled portfolio managers who conduct their duties in line with the investment philosophy and strategic objectives of the business. |



## Operational risks

| RISKS | MITIGATION |
|---|---|
| Stakeholder management | A robust stakeholder engagement strategy and matrix are in place. These are reviewed on an ongoing basis. Key methods of engagement include board representation and one-on-one engagements as detailed on page **43** of this review. |
| Fraud risk | RBH has robust internal controls to identify and detect any risks of fraud. |
| Critical skills retention | We seek to develop innovative people practices and drive engagement and productivity through competitive remuneration and benefits as detailed in the Human Capital section of this integrated review on page **71**. |
| Cybersecurity risk | IT is a key enabler for RBH. Greater emphasis has been placed on IT governance with a focus on data security and privacy. |
| Legal and regulatory compliance | Comprehensive legislative compliance processes and internal controls are in place. We maintain ongoing engagement with regulators directly and through industry associations. |

## Our performance in 2024

In 2024, we maintained a prudent investment approach by reducing portfolio concentration, paying off debt and ensuring sufficient liquidity, all of which strengthened our risk position. We also updated our risk framework to align with strategic objectives and priorities, including a board review of risk appetite and tolerance levels.

# Outlook

Looking ahead, RBH will continue to maintain a vigilant approach to risk within a strong control environment. Risk oversight will remain a priority, setting the direction for risk management in a stakeholder-inclusive manner. We will also enhance assurance coverage through a combined assurance model, while continuously assessing emerging risks, particularly within information security, regulatory compliance, global diversification and responsible investing.

3


SUSTAINING
VALUE
CREATION
Portfolio review
Social impact
Human capital

# Portfolio review

RBH is building a resilient, future-focused portfolio to navigate a complex global and local investment landscape. Our investment strategy aims to strengthen portfolio resilience, balance capital preservation with growth and diversify across asset classes. The goal is clear: position RBH for sustainable long-term value creation.

## Navigating market dynamics and external uncertainties

2024 presented significant macroeconomic and political shifts. Uncertainty before South Africa's general elections led to cautious investor sentiment. However, post-election stability under the GNU increased market confidence, positively impacting our portfolio. Currency volatility required a measured approach to offshore expansion. We carefully managed capital deployment to mitigate risks while capitalising on attractive global opportunities.

## Building a resilient, future-focused portfolio

Over the past decade, we have reduced reliance on the platinum sector while maintaining exposure to key South African industries. In 2024, diversification accelerated beyond equities. Our focus was on increasing offshore investments and expanding infrastructure and enhancing fixed-income allocations to balance risk and return.

A fundamental shift in our investment approach was broadening exposure beyond equities:

- Offshore investments now comprise 6% of the portfolio, up from less than 1%, demonstrating strategic intent in achieving balanced diversification.
- Infrastructure investments have become a core pillar of this strategy. The acquisition of Telkom Towers signals our entry into digital infrastructure, complementing our existing investments in renewable energy.
- Fixed income exposure has also grown, ensuring a steady dividend flow to meet shareholder needs while allowing for growth-focused investments.

As our investment approach evolves, so must our internal operations. The increased focus on global equity required an expansion of skill sets, from managing direct assets to conducting due diligence on external managers and their investment processes. We leveraged external expertise to accelerate the expansion of the required operational processes.

## Performance highlights and key achievements

RBH's 2024 portfolio strategy reflects a disciplined evolution, diversifying beyond equities, strengthening operational capabilities and positioning for long-term success. Our focus remains on delivering sustainable growth, financial resilience and lasting value for our shareholder and South African society.

### Key achievements in 2024 include:

**NAV increased by 15%, reaching approximately R56 billion,** driven largely by the strong performance of our insurance assets.

**Shareholder dividends increased by 8%,** maintaining above-inflation returns.

**The unbundling of WeBuyCars generated positive returns** despite sector challenges.

Our participation in **the Boxer listing reinforced our belief in strong local opportunities**.

## Managing risk in an evolving investment landscape

RBH continues to refine its risk management approach as the portfolio expands globally. Regulatory risk has become more complex, requiring adherence to multiple jurisdictions. Currency risk remains a key focus, with timing of international investments crucial to mitigating foreign exchange value erosion. RBH is carefully managing sector concentration risk, which prevented the platinum sector downturn from significantly affecting overall portfolio performance. While mining remains a key sector, reduced exposure has minimised volatility.

## Evolving our ESG approach and impact investment framework

RBH has moved from ESG policy development to implementation. In 2024, we formalised an ESG framework, embedding it into investment decisions and testing it with new transactions. A key milestone to achieve this was the approval of the RBH Impact Fund framework, designed to direct capital towards high-impact investments in renewable energy, digital connectivity and water security, sectors aligned with South Africa's socio-economic priorities and RBN's Plan '35.

# Priorities for 2025

Looking ahead, RBH remains committed to scaling impact investments, diversifying investments across asset classes and strengthening operational capacity to ensure sustainable growth and financial resilience.

**Key priorities for 2025 include:**

- Continuing asset class diversification, expanding exposure to infrastructure, fixed income and global investments and seeking suitable investment opportunities in the property sector.
- Strengthening operational capacity through upskilling teams and leveraging global expertise.
- Ensuring continued alignment between the board, management and shareholder through robust governance and shareholder engagement.

**RBH INVESTMENT PORTFOLIO SUMMARY**

| PER SAA ASSET CLASS | 2023 DECEMBER CLASSIFICATION % | 2024 DECEMBER CLASSIFICATION % |
|---|---|---|
| Africa equity | 73.6 | **74.4** |
| Global equity | 2.9 | **6.4** |
| Real assets: | 8.5 | **8.7** |
| Property | 4.4 | **4.5** |
| Infrastructure | 4.1 | **4.3** |
| Absolute return | 0.3 | **0.3** |
| Credit | 0.9 | **2.7** |
| Cash | 13.8 | **7.5** |

# Social impact

Since our establishment in 2006, RBH has contributed R9.3 billion to the RBNDT through dividends, enabling support for various social initiatives within the RBN. This demonstrates the strength of our social and relationship capital, which enables us to build meaningful connections, collaborate with key stakeholders and leverage our mandate to contribute to the social wellbeing of the RBN.

Learners from Thethe Secondary School in Luka, RBN

## What is social and relationship capital?

Social and relationship capital refers to the networks and relationships an organisation maintains, both internally and externally. For RBH, this includes relationships with stakeholders such as our shareholder, the Supreme Council, Morafe and the media.

## What social and relationship capital means for RBH?

We have built strong, transparent relationships with our stakeholders. These relationships enable us to identify opportunities for collaboration, mitigate risks and align our operations with our values and mandate.

## Our approach

Our mandate is to safeguard and grow the wealth of the RBN. However, as a responsible corporate citizen with a deep understanding of the needs and priorities of the Bafokeng, we also prioritise social performance. We cultivate mutually beneficial relationships with all our key stakeholders (see page **58**) and RBN social entities. These relationships help us identify opportunities for collaboration, manage risks and align our day-to-day activities with our core mandate. Through initiatives like CSI, driving transformation, paying dividends and taxes, and sourcing goods and services locally, we create lasting positive impacts that contribute to the socio-economic development of the RBN and broader South African society.

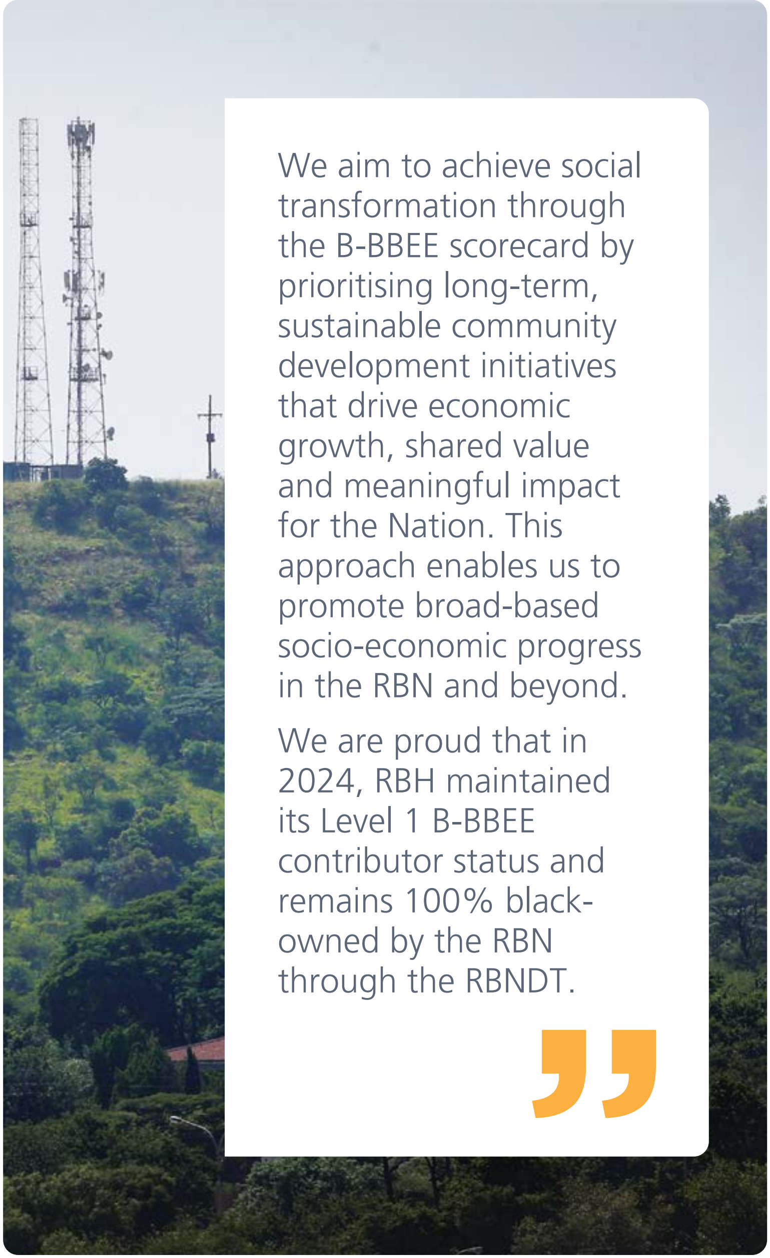
We direct our social spend strategically to support the priorities outlined in Plan '35, the RBN's strategic blueprint for socio-economic development, as detailed on page **58**.

While our social performance is guided by the B-BBEE scorecard, our contribution to socio-economic development goes beyond the minimum requirements of the B-BBEE Codes. This demonstrates our deliberate and intentional approach to achieving social transformation by prioritising long-term, sustainable community development initiatives that drive economic growth, and create shared value and meaningful impact in the RBN and beyond.

We support the goals the United Nations (UN) Sustainable Development Goals (SDG) as part of our contribution to achieve a more sustainable future within our area of operation and beyond.

Engaging in socio-economic development that prioritises the collective good for Morafe is deeply rooted in our history. We aim to achieve social transformation as guided by the B-BBEE scorecard to prioritise long-term, sustainable community development initiatives that drive economic growth, shared value and meaningful impact in the RBN and beyond.

In 2024, RBH maintained its Level 1 B-BBEE contributor status and remains 100% black-owned by the RBN through the RBNDT.



> We aim to achieve social transformation through the B-BBEE scorecard by prioritising long-term, sustainable community development initiatives that drive economic growth, shared value and meaningful impact for the Nation. This approach enables us to promote broad-based socio-economic progress in the RBN and beyond.
>
> We are proud that in 2024, RBH maintained its Level 1 B-BBEE contributor status and remains 100% black-owned by the RBN through the RBNDT.

## 2024 highlights

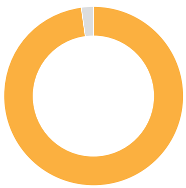
**RBH maintained its**

**Level 1**

B-BBEE contributor status,

reaffirming our commitment to transformation and inclusive economic development

### Shareholder survey



**Our shareholder survey indicated a**

**90%**

**satisfaction rate,** highlighting RBH's effective engagement with our shareholder

### Strategic partnerships

RBH continued to strengthen strategic partnerships with RBN entities, investee companies and private sector partners, **expanding the reach and impact of our initiatives**

### Corporate social investment contribution

RBH invested in CSI initiatives, focusing on **education, enterprise development and community wellbeing**.

**Youth empowerment through Artisan Development programme**

The Artisan Development programme equipped

**48** young people

**with technical skills**, contributing to skills development within the RBN

A further

**50** participants

**were enrolled in the programme in December 2024**

**15** SMMEs

**received funding** amounting to approximately

**R15** million

**94%** loan repayment rate

**in the Kgolo enterprise and supplier developmemt (ESD) programme**

## UN SDGs

While our primary focus is on the socio-economic development of the RBN, we recognise the success of the RBN is interconnected with global progress. We understand the importance of being in tune with broader society and how local actions can contribute to addressing global challenges. Aligning our local actions with these broader efforts ensures we contribute meaningfully to addressing the world's most pressing challenges while promoting sustainable development within the RBN.

In 2024, six SDGs formed the cornerstone of our sustainability initiatives. These goals were identified based on their relevance to our operations, the Nation's priorities and the areas where we can make the most significant impact.

| SDG | OUR FOCUS AREA AND IMPACT |
| --- | --- |
| 1 NO POVERTY | RBH pays a consistent and reliable dividend to our shareholder, the RBNDT. This revenue supports critical community investments, including schools, roads, health facilities and essential social services, benefiting the RBN, those who live on our land and broader South African society. |
| 4 QUALITY EDUCATION | Education is a key pillar of our CSI strategy and RBH makes contributions to education both directly and through various community development programmes. In 2024, we invested in employee training and bursaries, as well as learnerships and internships to support skills development. 16 Please see page 16 for more information. |
| 5 GENDER EQUALITY | RBH promotes equality of opportunity, inclusion and a healthy workplace through our human capital policies and practices. As at 31 December 2024, 61% of our workforce were women, reflecting our commitment to gender diversity. |
| 6 CLEAN WATER AND SANITATION | Our community investments contribute to Plan '35, the RBN's long-term development framework, which prioritises access to essential services. Following the historic platinum transaction in 2021, we made a one-off contribution of R350 million to support our shareholder in ensuring the provision of a reliable and high-quality water supply. |
| 8 DECENT WORK AND ECONOMIC GROWTH | RBH contributes to economic empowerment through skills development and SMME support, providing individuals with the tools and opportunities to participate meaningfully in the economy. These initiatives aim to promote sustainable livelihoods and increase employability. 63 Please see page 63 for more information. |
| 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | Following the historic platinum transaction in 2021, we made a one-off contribution of R350 million to support our shareholder in enhancing energy and water security within the RBN. We also contribute to infrastructure development through an annual dividend to our shareholder. |

# RBN PLAN '35

## THE RBN'S STRATEGIC BLUEPRINT FOR SOCIO-ECONOMIC DEVELOPMENT

Plan '35 is the RBN developmental road map and strategic framework that guides the implementation of the RBN's vision to be a relevant and innovative traditional African community in a changing world. RBH aligns its corporate social investments with Plan '35, collaborating with the RBNDT, social entities within the RBN, investee companies, civil society and the private sector.

## The goals and aspirations of Plan '35 are structured around three pillars:

### Individual development

Enhancing quality of life and social wellbeing

### Community development

Building an inclusive, resilient and proud traditional community

### Sustainability and growth

Promoting responsible stewardship of resources, inclusive economic growth and long-term employment opportunities

**Plan '35** envisions a Nation of **educated and healthy individuals**, living with **dignity**, embracing their **identity and heritage** and ensuring the **sustainable management of shared resources**. It serves as a blueprint for social and economic investments that empower individuals and contribute to broad-based participation in economic development.

## RBH's CSI pillars

### Education

RBH is committed to enhancing educational opportunities within the RBN. We focus on strengthening the foundation of education, particularly in key areas such as mathematics, science and accounting. Through our support for educational programmes and initiatives, we aim to build a pipeline of skilled students ready to contribute to the development of the RBN and the broader economy.

### Youth empowerment

RBH is committed to empowering the youth of the RBN through initiatives that promote skill development, leadership and personal growth. We support programmes that equip young people with the tools and opportunities needed to realise their potential and participate meaningfully in the economy, helping them transition into successful careers and leadership roles within the community.

### Community development

RBH is committed to contributing to sustainable development within the RBN. We address critical social and economic needs by supporting initiatives, in areas such as infrastructure development, healthcare and education. In addition, we contribute to the growth and empowerment of SMMEs, promoting economic resilience within the RBN. This is achieved in collaboration with our sister entities in the RBN and other strategic partners. Our efforts are aligned with Plan '35, ensuring our investments create lasting value for Morafe.

## CSI focus areas

RBH's CSI initiatives are guided by our commitment to the B-BBEE codes and our role as a responsible corporate citizen. Our CSI efforts go beyond compliance, reflecting our dedication to contributing to sustainable development. These initiatives complement our strategic support for Plan '35, ensuring our investments create a meaningful, long-term impact in the RBN and beyond.

## Partnerships and collaboration

We collaborate with a range of stakeholders, including investee companies, non-governmental organisations (NGO), regional mining companies and government entities. We also work together with sister entities within the RBN. This collaborative effort includes both financial and direct support for projects aimed at supporting sustainable development within the RBN.

Our collaboration extends to our investee companies, particularly in CSI and enterprise development initiatives, based on RBH's ownership interest or agreements. Funding arrangements are reviewed annually to assess their impact and ensure these meet our strategic objectives, in line with established agreements. The delegation of authority terms governs all approved applications, maintaining transparency in our governance processes. To promote accountability, we implement rigorous monitoring and evaluation, which includes regular monitoring visits and reports and independent evaluations where necessary.

## RBN social entities

### Royal Bafokeng Administration (RBA)

The RBA is responsible for governance and administration within the RBN, managing public services and implementing policies to support community development.

### Royal Bafokeng Enterprise Development (RBED)

RBED contributes to local economic growth by supporting small businesses, entrepreneurs and local enterprises through training and mentorship, and by facilitating access to markets.

### Royal Bafokeng Institute (RBI)

RBI drives education and skills development initiatives within the RBN aiming to improve educational outcomes and increase lifelong learning opportunities.

### Royal Bafokeng Sport (RBS)

RBS promotes sports development and wellness in the community, managing sports facilities, programmes and events to nurture talent and encourage active lifestyles.

### Moumo

Moumo is primarily responsible for implementing the RBN Master Plan* and the RBN Integrated Development Strategy through planning, financing and partnership development.

* The RBN Master Plan is designed to transform the goals of Plan '35 into action. It focuses on unlocking the potential of the RBN's land, building a competitive economy, improving residents' quality of life and preserving cultural heritage through targeted projects that are at pace with the needs and priorities of Morafe.

## Our performance in 2024

The value generated from the 2021 platinum transaction continues to enable RBH to invest in social initiatives that address critical needs and priorities of the RBN.

These initiatives focus on supporting the the growth of SMMEs through the Kgolo ESD programme and addressing youth unemployment through the Artisan Skills Training programme. Additionally, RBH has contributed to ensuring a reliable and safe water supply and providing secure, affordable energy.

# Kgolo ESD programme

The Kgolo ESD programme is designed to stimulate local economic growth by supporting SMMEs with access to essential resources such as business development skills, finance and market opportunities. The programme aids businesses in becoming scalable, sustainable and able to thrive in the long term. Additionally, the aim of the programme is to encourage diversification and reduce dependence on the mining sector. **The programme offering is as follows:**

### Mentorship

One-on-one guidance from experienced advisors to support business development.

### Intensive bootcamps

Tailored training in business fundamentals, advanced skills and strategic growth initiatives.

### Market access

Facilitating connections with potential customers, suppliers and partners.

### Funding

Providing short- and medium-term growth funding to support programme SMMEs.

### Specialist projects

Targeted support to address unique SMME needs.

**IMPLEMENTING PARTNERS**
RBNDT, RBED, EDGE GROWTH

## Governance of the Kgolo ESD programme

The Kgolo ESD programme operates within a structured framework to support effective oversight, strategic alignment and impact assessment, which are essential for achieving the programme's objectives and maintaining accountability. Monthly operational committee meetings review programme progress, resolve operational issues and make critical decisions, while the quarterly steering committee provides strategic direction, tracks progress against targets and evaluates the programme's impact. A dedicated investment committee reviews and approves funding applications. In addition, the RBN Social Alignment Steering Committee meets fortnightly to offer strategic guidance, oversee key performance indicators and align the programme with the broader goals and priorities of stakeholders. This robust governance structure contributes to transparency, informed decision-making and effective management, crucial for achieving long-term success and sustainability.

| | PROGRAMME INTERVENTIONS | IMPACT |
|---|---|---|
| **Access to skills**<br>Deliver customised business support appropriate for life stage of the business. | • **21 Bootcamps**<br>• **51 Entrepreneur councils**<br>• **4 126 Mentorship hours**<br>• **63 Specialist projects completed** | • Key areas of skills developed in **pricing, financial management/ budgeting and sales/ business development** |
| **Access to markets**<br>Finding more customers or selling to larger companies by accessing corporate supply chain opportunities. | • **56% secured new work opportunities**<br>• **80% identified new opportunities**, some registering on new databases | • **56% secured new work opportunities** that has contributed to **43% revenue growth** |
| **Access to funding**<br>Provide short- and medium- to long-term interest free funding to SMMEs that would struggle to access funding elsewhere. | • **15 SMMEs** awarded funding | • **R15.7 million in funding committed** to RBN SMMEs<br>• **94% repayment rate** |

## Jobs and key metrics

- **392 permanent** and **472 temporary jobs** sustained
- **Growth in revenue and profit** that is a step-change versus past growth
- Programme **rated 4.5/5** by programme participants
- **58 RBN SMMEs graduated** to Phase 2 of the programme
- **New cohort of 12 SMMEs** commenced in June 2024

## Lessons learnt

- Customised BDS solution informed by deep dive diagnostic and tailored growth plan for all cohorts signed off by advisory panel and reviewed quarterly
- Shorter and streamlined demand-led pitch for funding process scheduled monthly to cater for short-, medium- and long-term funding requests
- Specific focus on financial literacy and entrepreneur days
- Appoint dedicated mentors to focus on finance and access to markets to enhance financial management understanding and unlock market opportunities

Of the 84 RBN SMMEs from Phase 1, 58 SMMEs continued into Phase 2 and a further 12 RBN SMMEs joined the programme in 2024, collectively representing **70** SMME across **20** industries.

## Impact highlights

**864**
Jobs sustained to-date

- **472** Temporary
- **392** Permanent

**43%**
Revenue growth

**94%**
Repayment rate

**12**
Market linkages facilitated by mentors

**81%** Development activities completed

**89%** Bootcamp attendance rate YTD

**90%** Specialist projects completed

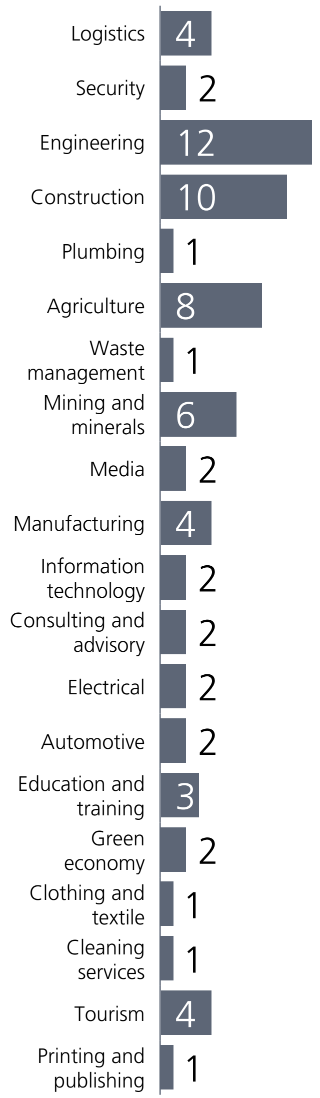
**44%** female

**56%** male

**56%** Black women-owned businesses

**4 126**
Actual mentorship hours

## Number of SMMEs by sector



**Kgolo ESD programme** case study

# Beyond the Eyes Network

## Redefining African filmmaking

Olefile Samuel (Sammy) Rabolele is an entrepreneur whose career is rooted in his deep connection to African storytelling and innovation. His family is from Lesung, a village in the RBN. It is here that he first absorbed the rich cultural heritage of his community, which fuelled his passion for film and media.

Johannesburg group screening of *He's Not Ready* at Ster-Kinekor, attended by the cast and RBH employees

After completing secondary school in Phokeng, Sammy pursued a degree in finance and investments at the University of Pretoria. While studying, he worked part-time at a video store in Hatfield, where he developed a deep appreciation for movies. Inspired by African narratives and determined to create opportunities for his community, he and a friend founded Beyond the Eyes Network in 2015. Their original vision was to establish an African storytelling platform to rival global giants like Netflix. When this proved too ambitious, they pivoted to building a sustainable production company by securing corporate clients and generating revenue through event videography, such as wedding shoots.

Committed to growth, they reinvested 40% of retained earnings into upgrading their film equipment. This strategic decision helped them scale their production capabilities. When they joined the Kgolo ESD programme, interest-free funding enabled them to expand, leading to the production of their second film, *He's Not Ready*. This film followed their debut project, *Love By Design*, which was produced during the COVID-19 era. *He's Not Ready* explores the challenges of long-term relationships, reflecting a distinct African storytelling voice.

Now part of the Magnify cohort within the Kgolo ESD programme, Sammy's business has reached a mature growth phase. His team has expanded to six full-time employees and on film sets, he collaborates with up to 100 people (freelancers and contractors), creating jobs and fostering skills development within his community. Looking ahead, he plans to establish a full-scale film production hub in Phokeng that not only produces high-quality films, but also contributes to socio-economic development in the region. His vision includes upskilling locals in roles ranging from set construction and carpentry to catering and logistics, ensuring the creative industry benefits a wide range of people.

**Kgolo programme**
case study

# Onkgonisitse Laundry

## Turning challenges into business success

Amanda Kwapeng's determination and resilience have shaped her into a thriving entrepreneur. She refused to let setbacks define her future, instead building a business that not only supports her, but also creates opportunities for others.

Amanda Kwapeng, Onkgonisitse Laundry

What started as washing clothes for taxi drivers has grown into a business with multiple washing machines and efficient transport between Luka and Phokeng, thanks to her investment in a Nissan NP200 bakkie. Today, Amanda runs a growing laundry service, employing five people and working towards expanding into industrial laundry, focused on serving the mining sector. She also launched an ice cube business, using a water filtration system to provide clean water, to diversify her income.

Her journey was not without challenges. After her scholar transport business became unsustainable owing to the COVID-19 pandemic, she had to start over. But through hard work and adaptability, she turned a simple idea into a thriving enterprise. Finding a permanent location for her business was one of her biggest hurdles. Without a dedicated commercial space, she operated from home, which limits her ability to scale. While this allowed her to keep overheads low, it presented logistical challenges as demand increased. Despite these constraints, she remained committed to growth.

The Kgolo ESD programme played an important role in her success, providing mentorship in financial management, business formalisation and record-keeping. It also helped her secure funding, which she reinvested strategically to expand her business.

Her efforts were recognised when she won the SEDA/Absa Provincial competition in 2024, earning a R17 000 cash prize and R8 000 in branding support. This success took her to the national stage, where she was named a runner-up in the prestigious Presidential Award, further cementing her place as an outstanding entrepreneur.

Amanda's story proves that with determination, adaptability and the right support, success is possible. She remains committed to the Kgolo programme and is excited for the next step of her journey, knowing it will help her achieve even greater success.

# Artisan Training programme

The Artisan Training programme aims to address youth unemployment and increase the employability of RBN youth through artisan skills development. Focused on engineering trades, the programme offers participants a comprehensive three-year learnership and is implemented in collaboration with Impala Platinum. The first cohort of 50* learners began training in October 2023. These learners have since completed their first phase of structured theoretical training and all learners have been placed and rotated for work-integrated learning. Overall, the programme has seen good attendance, performance and learner behaviour, reflecting its positive impact. The second cohort of 50 learners commenced their training in January 2025.

**IMPLEMENTING PARTNERS:**
RBNDT, RBI, IMPALA PLATINUM

## Total learners recruited in 2024

**50***
2023: 50

## Learner breakdown*

Total female
**29**
2023: 26

Total male
**21**
2023: 24

## Artisan trades*

| Trade | 2024 | 2023 |
|---|---|---|
| **Electrical** | 15 | 15 |
| **Fitting** | 16 | 16 |
| **Diesel mechanic:** | 8 | 9 |
| **Boilermaker** | 5 | 6 |
| **Instrument mechanician** | 4 | 4 |

## Geographic location

| | |
|---|---|
| **Chaneng:** | 7 |
| **Mfidikwe:** | 1 |
| **Diepkuil:** | 1 |
| **Mabitse:** | 1 |
| **Maile Ext:** | 1 |
| **Rasimone:** | 1 |
| **Mogwase:** | 1 |
| **Serutube:** | 1 |
| **Luka:** | 8 |
| **Kanana:** | 3 |
| **Phokeng:** | 13 |
| **Lefaragatlha:** | 7 |
| **Thekwane:** | 1 |
| **Photsaneng:** | 1 |


5 regions

* Two learners left the programme as a result of personal circumstances and securing permanent employment opportunities elsewhere.

**Artisan Training programme**
case study

# Empowering the next generation through skills development

The RBN artisan training programme, powered by RBH, has equipped Bafokeng youth with in-demand technical skills and hands-on experience, helping to bridge the gap between education and employment. Through structured learning and practical exposure, participants gain the expertise needed to build sustainable careers and contribute to their communities.

The first cohort of 50 participants began their journey in December 2023, with 48* actively engaged and progressing well through the programme. A key factor in the programme's success has been its ability to effectively reach and attract its target group – youth from the RBN who are eager to develop their skills.

## Application and recruitment process

The programme was widely advertised on social media, the RBH website and community networks. This approach helped maximise outreach and attract applicants from across the RBN. Candidates were required to submit basic documents, such as certified copies of their qualifications and identification, making the process straightforward and efficient. The timeline from application to acceptance was approximately two months.

Following submission, candidates were shortlisted for interviews conducted by both RBH and RBI. From a pool of approximately 150 applicants, successful candidates underwent medical evaluations before officially joining the programme in October 2023. This structured recruitment process allowed the programme to select dedicated participants who are motivated to develop their skills and pursue technical careers.

* Two participants exited the programme as a result of personal circumstances and securing employment opportunities elsewhere.


Bafokeng youth in the Artisan Training programme

## Artisan Training Programme
case study

### Participant journeys

PHOKENG

#### Tshegofatso Van Wyk (32)

With a background as a qualified plumber, Tshegofatso saw the programme as an opportunity to expand her skill set into fitting and turning. Her long-term goal is to integrate plumbing and fitting skills to start a business providing essential services within her community. Mentorship opportunities and access to learning resources have helped her refine her business plans and enhance her technical abilities.

PHOKENG

#### Gopolang Legoale (30)

After studying fitting and machining from N1 to N6, Gopolang joined the RBH programme to complement her academic background with practical experience. Her goal is to complete N6, apply for a junior engineering programme and ultimately obtain a National Diploma in Engineering. The learnership is proving to be a crucial step in building a solid foundation for her career. In the future, Gopolang would like to establish a locally owned business that addresses gaps in service provision in the RBN.

KANANA

#### Israel Mafora (25)

From a young age, Israel has been fascinated with machines and how they worked. This passion led him to pursue mechanical studies, where he completed N1 to N4 in diesel mechanics before joining the RBH learnership. He is determined to carve out a future in mechanical engineering, using his skills to drive innovation in industries such as mining and construction. The programme has not only strengthened his technical expertise, but has also given him the confidence to pursue leadership opportunities in his field.

# Outlook

The Artisan Training programme creates opportunities for Bafokeng youth to increase their technical abilities and pursue careers in various sectors. With the success of the first cohort, the programme is on track to make a lasting impact on the professional journeys of young artisans.

# Integrated Water project

The Integrated Water project aims to secure affordable, high-quality water for the RBN on a sustainable and uninterrupted basis, with a priority focus on villages facing significant supply constraints. The initiative is supported by a budget of R350 million allocated through an RBH special dividend. The project has experienced several challenges and delays, resulting in a revised timeline. Its completion is now set for a phased approach between 2025 and 2026.

Despite these challenges, progress has been made. Borehole drilling and testing were completed across most areas of the RBN in 2023. By December 2024, R149 million had been committed to the project, including R21 million spent on drilling and testing. Eight of the committed project packages were completed by the end of 2024. The contracting process for the remaining packages in Phokeng and the North East was ongoing, with finalisation expected by December 2024. In addition, plans for anthropogenic aquifers were also implemented and key projects like Phokeng North were prioritised to address urgent water supply needs.

Despite the challenges, RBNDT and its stakeholders remain confident that the project will meet its objectives and ensure the RBN's water needs are met.

**IMPLEMENTING PARTNERS:**
RBA, RBNDT

# Renewable Energy project

The Renewable Energy project aims to secure a stable energy supply and reduce energy costs for the RBN. During the 2024 review period, the project reached its final design stages. The implementation plan now includes core engineering components and a skills access programme to ensure local benefits. The project is on track to reach financial close, with all necessary agreements and conditions having been finalised in 2024. It is now set to proceed to commercial operations, marking a major step towards enhancing energy security, lowering costs and contributing to regional and sector decarbonisation.

Commercial operations are expected to begin in April 2026. As part of the project, further developments in solar energy are under evaluation, with ongoing negotiations for its implementation on RBN land. Additionally, the project is advancing a programme linked to key infrastructure on RBN land. The preferred bidder announcements for this phase were made at the end of 2024. A stakeholder-inclusive approach remains critical in developing a regional solution, with the RBN positioned as a key beneficiary.

**IMPLEMENTING PARTNERS:**
RBA, RBNDT, RBH

## Strengthening the employee value proposition through the RBH Force for Good programme

The RBH Force For Good programme was launched in August 2024 to enhance employee engagement and strengthen the employee value proposition. The programme connects employees with meaningful social causes, embedding a sense of purpose, community and responsibility. It is in line with RBH's broader human capital strategy, promoting personal growth and supporting the organisation's long-term objectives.

The programme has shown strong results, in its first year, with 39 verified employee registrations and 70 successful connections between employees and causes. The programme's participation rate of 75% significantly exceeds the industry average of 15%, highlighting its positive impact and potential for continued success.

In the year ahead, the RBH Force For Good programme will focus on increasing participation, expanding available causes and aligning it with RBH's broader social responsibility and human capital strategies. Continued success will be measured by employee engagement, the quality of connections made and its impact on organisational culture. Over time, the programme will enhance employee satisfaction and retention while supporting RBH's commitment to sustainable community impact.

RBH employees at the launch of the RBH Force for Good programme

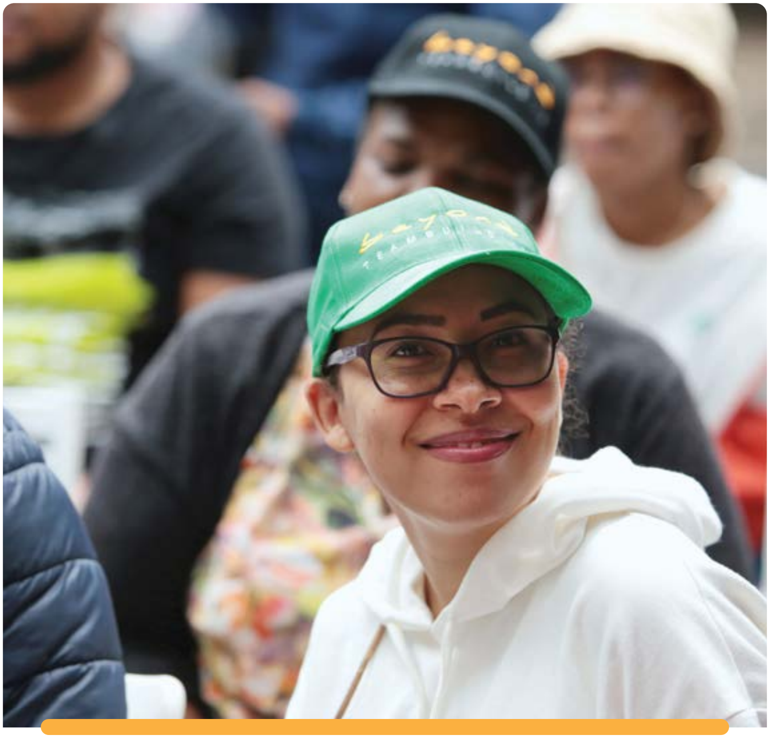
# Outlook

In 2025, RBH will continue to drive social transformation by leveraging B-BBEE spend to create positive impact. Key priorities include expanding ESD through the Kgolo ESD programme, advancing socio-economic development through targeted community initiatives and investing in critical skills to increase employability through the Artisan Training programme. Additionally, RBH will focus on leveraging engagements with investee companies to create meaningful social impact and more effectively showcase our impact story, strengthening the communication of our value proposition and the tangible difference we are making within the RBN and beyond.

# Human capital

Our mandate to preserve and grow the wealth of the RBN guides everything we do at RBH. As a small, dedicated team, we rely on the passion, skills and commitment of our employees to meet the varied needs and priorities of our stakeholders. They are ambassadors of RBH, shaping our reputation, supporting the achievement of our mandate and upholding our role as a responsible corporate citizen.

We value our people as the cornerstone of our success, fostering a culture of collaboration, distributed leadership and continuous learning. Our inclusive and empathetic working environment promotes diversity, equity and growth, empowering our team to align their personal development with our strategic goals and driving our ambition to consistently outperform in an ever-changing world.



RBH team building 2022

## What is human and intellectual capital?

Human capital encompasses the skills, capabilities and experience of an organisation's workforce, while intellectual capital refers to the knowledge, expertise and intellectual property the organisation owns. Both are critical for achieving organisational goals, driving innovation and ensuring long-term sustainability.

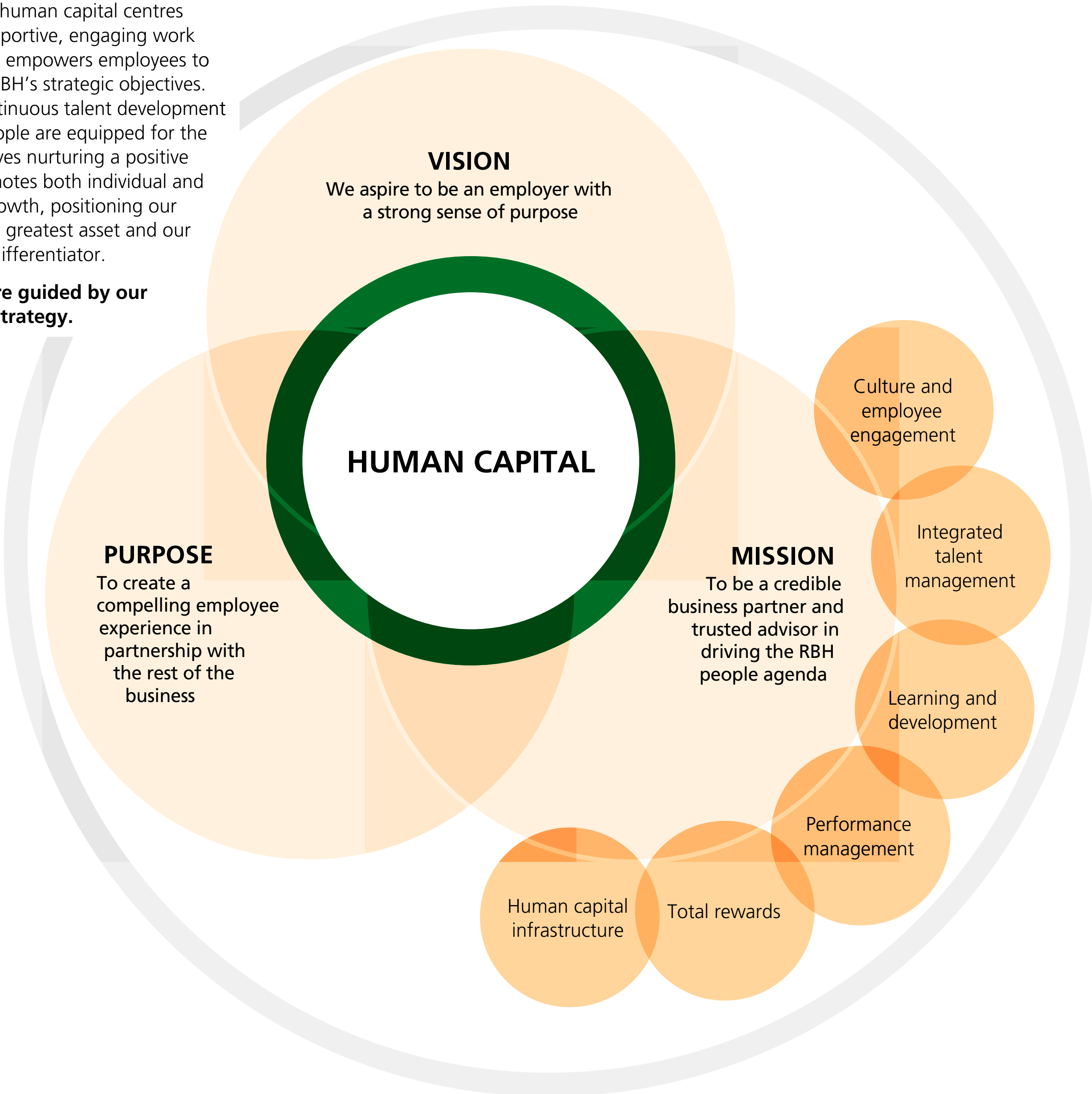
## What human and intellectual capital mean for RBH

Human and intellectual capital are core drivers of value at RBH. We invest in the development and wellbeing of our employees and create a culture of innovation and continuous learning. Drawing on the expertise and insight of our leadership, team and partners, we create opportunities for employee talent development.

## Our approach

Our approach to human capital centres on creating a supportive, engaging work environment that empowers employees to grow alongside RBH's strategic objectives. We prioritise continuous talent development to ensure our people are equipped for the future. This involves nurturing a positive culture that promotes both individual and organisational growth, positioning our employees as our greatest asset and our culture as a key differentiator.

**Our activities are guided by our human capital strategy.**



## 2024 highlights

RBH team building 2023

### Launched

an integrated talent management framework,

with a focus on aligning skills and roles to strategic objectives.

### Developed

talent management toolkits and guidelines

to standardise and enhance the employee experience across the organisation, ensuring the succession plan is updated and communicated.

### Invested

in training and development

with **15** external bursaries, **six** internal employee bursaries, **38** employee training sessions, **55** learnerships and **four** internships.

### Established

talent profiles and competency frameworks

to support our strategic aspirations.

## Our organisational structure

Our organisational structure supports RBH's growth ambitions. Each division is positioned to drive our evolving business goals, ensuring operational efficiency, financial sustainability and long-term value creation. Our organisational structure is integral to our success.

### OUR ORGANISATIONAL STRUCTURE

### INVESTMENTS

Identifies investment opportunities that support RBH's strategic goals. This includes refining the company's investment strategy while actively managing portfolio performance, trends and associated risks.

### FINANCE

Responsible for financial stewardship and strategic decision-making within the business. The team promotes compliance with regulatory obligations, provides financial analysis to support investments and delivers accounting and tax expertise. Additionally, the finance team coordinates external audits and ensures the accuracy and reliability of RBH's annual financial statements.

### HUMAN CAPITAL

Builds and sustains a skilled and engaged talent pool. Key priorities include investing in employee development, fostering a healthy work-life balance and collaborating with the business to drive effective talent management and retention strategies.

### CORPORATE GOVERNANCE

Drives long-term success through ethical, transparent and responsible governance practices. This includes ensuring accurate and timely reporting to the shareholder, supporting the board in delivering independent oversight and aligning governance with stakeholder expectations and priorities.

### STAKEHOLDER RELATIONS

Integrates stakeholder insights into RBH's corporate strategy and daily operations, reinforcing the company's commitment to sustainable transformation and value creation. The team also ensures effective communication, reputation management and alignment with stakeholder expectations.


RBH team building 2023

## Culture and employee engagement

We promote a culture of collaboration, accountability and innovation, ensuring employees feel valued and fully engaged. The business is continuously challenged to consider 'What good looks like', a question that drives excellence and strives for continuous improvement. Employee engagement is a key focus for the business and we conduct an annual survey to assess employee satisfaction and engagement. The results from the 2024 survey reflect a strong performance reflecting our commitment to creating a supportive and meaningful work environment.

## Integrated talent management

In 2024, RBH successfully designed and developed a talent management strategy that supports the attraction and retention of a suitably qualified workforce, while aligning talent development with the company's business strategy. This comprehensive approach focused on building the necessary competencies to ensure we have the skills required to meet both current and future business needs, ultimately contributing to our long-term growth and competitiveness.

## Learning and development

RBH is committed to continuously developing the skills, knowledge and abilities of individuals, teams and the organisation. We prioritise talent development by implementing integrated talent management strategies, so that our employees possess the necessary skills to meet strategic objectives. A core focus is an adequate supply and pipeline of appropriately qualified employees, achieved through sourcing the right talent and building the future supply of the necessary skills to meet the organisation's evolving needs. Continuous improvement of work processes remains a key component, ensuring relevance and resilience in a fast-evolving market. Through these efforts, RBH is not only equipping employees to succeed in their current roles, but also preparing them for future challenges, guaranteeing the long-term sustainability of the organisation.

2024 RBN tour

## 2024 skills development performance

In 2024, RBH continued to invest in the future through various programmes that develop young talent and provide career pathways. These initiatives create a pipeline of skilled professionals ready to contribute to our evolving business needs.

| | |
|---|---|
| Class Of programme (graduate) | In 2024, the programme hosted a diverse cohort of interns across key fields, including IT, finance, communications and investments. Designed to cultivate young talent, it provides a strong foundation for their future careers while contributing to broader workforce development objectives. The majority of these interns were a continuation from the 2023 intake, further enhancing their expertise through hands-on experience that equipped them with practical skills. |
| Call Centre learnership programme | The Call Centre learnership programme, launched in 2023, offers targeted opportunities for learners, including those with disabilities and from diverse racial backgrounds. 15 learners were initially recruited, with 10 continuing in 2024. The programme includes rotating placements supporting real-world experience and skill development. RBH conducted regular site visits to the training centre to provide ongoing support to both learners and training providers. The programme is expected to absorb three learners into full-time positions. |
| Retail learnership programme | The Retail learnership programme was launched in Gauteng in late 2023, placing learners at various retail stores for workplace training. The programme was successfully completed in October 2024 and 10 learners were absorbed into the retail workforce. |

Learners from Thethe Secondary School in Luka, RBN

## RBI Professional Cookery learnership programme

The RBI Professional Cookery learnership programme, hosted in Phokeng, continued to provide valuable opportunities for learners from the Bafokeng youth community. The programme saw the recruitment of 20 learners from the RBN, with 100% successfully completing the programme and receiving certification. Participants were equipped with essential skills in the professional cookery industry, increasing their employability and contributing to the broader goal of supporting workforce development in key sectors. Participants were placed at various establishments, such as lodges and hospitals, to gain practical kitchen experience. The programme received positive feedback from both trainees and training providers, with no terminations recorded in 2024.

## Chartered Accountant (CA) trainee programme

The CA trainee programme continued to support the development of future CAs, with three new trainees joining the programme in 2024. Since its inception in 2017, nine trainees have enrolled, with five completing their 36-month training contract. Of those, four have earned their qualification as CAs. As at 31 December 2024, the programme had four trainees.

## Company Secretariat learnership programme

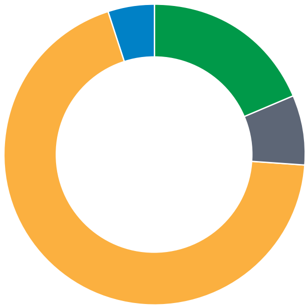
In 2024, the Company Secretariat learnership programme hosted one Mofokeng learner in Gauteng. The learner was placed with a host employer for coaching, mentoring and practical workplace training. The learner had previously registered with SACOB for the Governance Practitioner programme Level 1 (NQF 5) in Q1 2023 and successfully completed the qualification. The training contract has now been concluded.

## CA bursary programme

The CA Bursary Programme supported 14 students in 2024, all registered for Accounting 'CA stream' qualifications, with three enrolled in the Postgraduate Diploma in Accounting (PGDA/CTA). Five students have graduated from the programme since its launch in 2020.


RBH employees at the Bafokeng Civic Centre during the 2024 RBN tour

## 2024 training and development opportunities



**15**
**External bursaries**
2023: 14

**55**
**Learnerships**
2023: 54

**6**
**Internal bursaries – employees**
2023: 9

**4**
**Internships**
2023: 6

## Performance management

RBH is dedicated to driving a high-performing culture that promotes accountability, collaboration and a results-driven environment. Our performance management processes are designed to ensure expectations are clearly defined and support the organisation's strategic goals. This enables a culture of continuous improvement, where employees are empowered to reach their full potential and contribute to the overall success of the business.

## Employee wellness

In 2024, RBH prioritised the health, safety and wellness of its employees through a range of strategic initiatives. The company maintained full compliance with the Occupational Health and Safety Act, successfully passing the annual Department of Labour audit. To strengthen internal capabilities, RBH appointed an Occupational Health and Safety expert, established a dedicated health and safety team and introduced a system to manage and track all health and safety activities. Employees also completed advanced training programmes, including firefighting courses, while regular risk assessments and emergency drills ensured readiness and continuous improvement in workplace safety.

RBH also focused on enhancing employee wellbeing and engagement. Initiatives included wellness workshops, benefits education sessions and interactive events such as Wellness Day, which achieved high participation rates. Strategic updates, such as feedback on RBH's business strategy, were communicated to our people. These efforts reflect RBH's commitment to creating a supportive, informed and healthy work environment for all employees.

## Human capital infrastructure

We aim to equip employees with the tools and skills essential for long-term success, while continuously expanding our knowledge base and embracing innovative practices to become globally competitive. In 2024, we focused on strengthening our human capital infrastructure by updating policies to address recent developments and incorporate the latest legislative changes, ensuring they remain relevant and meet current needs.

**38*** 
**Number of employees**
2023: 37*

**23** 
**Female employees**
2023: 21

**15** 
**Male employees**
2023: 16

**61%** 
**Women employees**
2023: 57%

**57%** 
**Female board members**
2023: 67%

**33** 
**1** 
**3** 
**1**

**Black employees**
2023: 32

**White employees**
2023: 1

**Indian employees**
2023: 3

**Coloured employees**
2023: 1

**83%** 
**Black female Exco members**
2023: 83

**83%** 
**Black senior managers**
2023: 83%

**80%** 
**Black middle managers**
2023: 80%

**100%** 
**Employees with access to education opportunities**
2023: 100%

**2** 
**Voluntary employee turnover**
2023: 2

* Includes interns and trainees

# Outlook

In the year ahead, RBH will continue prioritising talent management and organisational resilience. Building on the progress made in 2024, the focus will shift to implementing an integrated talent management strategy, strengthening succession planning and refining recruitment processes. Key priorities include equipping employees with future-fit skills, developing a strong leadership pipeline and enhancing retention strategies to support long-term organisational success.

## Phase 1

**Completed in September**

## Phase 2

- Delivery calendar approved and communicated
- Performance measures incorporated into balance scorecard
- Development and retention strategies for all critical talent in place
- IDP's in place that outline career aspirations and maps out retention drivers for all employees.
- Engagement results and employee feedback

**To enable RBH to develop the following strategies:**

**TALENT MANAGEMENT STRATEGY**
Presentation to the Social and Ethics Committee for approval

**LEARNING AND DEVELOPMENT**
Agree on the talent to be prioritised and align the learning and development needs with the prioritisations

**RECRUITMENT STRATEGY**
Which positions should be targeted in relation to our succession needs

**RETENTION STRATEGY**
What retention tools are necessary to retain our people

**Human capital** case study

**CA GRADUATE TRAINEE**

# Charting a path to success

## Thuto Moyo's journey with RBH

Thuto Moyo, a driven young professional from Phokeng, embodies the values of resilience and excellence. His educational journey began at Bafokeng public schools before he pursued both his undergraduate and postgraduate accounting degrees at the University of Johannesburg.

Thuto Moyo, formerly a CA trainee, now a Financial Analyst

The RBI supported Thuto's undergraduate studies and later recommended him for RBH's CA bursary programme to fund his postgraduate studies. Following their guidance, he applied and secured funding from RBH in 2021. In 2022, he joined RBH as part of a cohort of three graduate trainees.

At RBH, Thuto has rotated through the finance and investment teams, gaining hands-on experience in investment and financial analysis and reporting while deepening his understanding of both South African and international tax practices. Beyond technical expertise, the programme has strengthened his professional conduct and resilience, qualities essential for his journey towards becoming a CA.

As a proud Mofokeng, Thuto is committed to giving back. He actively participates in community initiatives, attends Kgotha-Kgothe meetings whenever possible and engages in school outreach programmes, inspiring aspiring CA within the RBN.

Looking ahead, Thuto aspires to build a career in the finance and investments industry and hopes to secure a permanent role once his fixed-term contract concludes. With the support of his mentors and community, he is confident the experiences gained through the programme will pave the way for a successful future. His journey serves as an inspiration to young professionals in the RBN, proving that with determination, opportunity and community support, resilience truly leads to excellence. In early 2025, Thuto secured a permanent job as a financial analyst at RBH.

**Human capital** case study

**IT INTERN**

# Tumelo Rathebe's journey

Tumelo Rathebe joined RBH as an IT intern in June 2023 after seeing a job posting on the company's website.

Born and raised in Phokeng, Tumelo pursued his education at various local schools before completing his N6 qualification at Orbit TVET College. During his time at RBH, he spent most of his days working with the finance department, ensuring smooth system functionality and assisting with specialised software. His ability to problem-solve and adapt made him a valuable part of the team. Although his primary role at RBH focused on IT support, his skills in graphic design allowed him to contribute beyond his department, assisting the stakeholder relations team with creative tasks.

In early 2025, Tumelo secured a new opportunity outside RBH to further his career in web development. Reflecting on his journey, he encourages young people interested in IT and design to be resourceful and open to learning new skills. His experience at RBH gave him access to a dynamic environment that strengthened his ability to navigate the evolving digital space.

Tumelo Rathebe, who contributed as an IT intern from 2023 to 2025

# ENHANCING VALUE CREATION THROUGH **GOOD GOVERNANCE**



4

> RBH is committed to the highest standards of governance, ethics and integrity, recognising them as fundamental to long-term value creation. Our approach integrates responsible investing with robust institutional governance and risk management to enhance the stability and security of our investments and operations.

# Our governance philosophy

Our governance approach combines the RBN's traditional values of respect, collective decision-making and responsible stewardship of resources with modern practices focused on integrity, transparency and ethical leadership. We adhere to the principles of King IV and go beyond mere compliance, with a proactive focus on navigating an evolving landscape that includes heightened geopolitical conflict, climate risks and technological advancements. This requires agility in adapting to change while maintaining strong governance practices that reflect the strategic needs of the RBN.

We have adopted various frameworks, standards and codes, highlighting our dedication to maintaining the highest standards of corporate governance:

- King IV Code
- The Department of Trade, Industry and Competition (dtic) B-BBEE Codes of Good Practice
- The Companies Act
- Responsible Investing Framework
- ESG Framework

## Our governance philosophy

We uphold the highest standards of governance to ensure the integrity, stability and long-term success of our operations. Our approach is built on clear strategic direction, effective controls, sustained value creation and a steadfast commitment to legitimacy and credibility.

### OUR GOVERNANCE PHILOSOPHY

### ENSURING EFFECTIVE CONTROLS

This is central to our commitment to good governance, safeguarding the integrity and stability of our operations. We achieve this through regular risk assessments, a strong culture of compliance and a comprehensive internal control environment. This approach improves our ability to navigate challenges, prioritise stakeholder interests and protect the wealth of the RBN.

### SETTING AND STEERING STRATEGIC DIRECTION

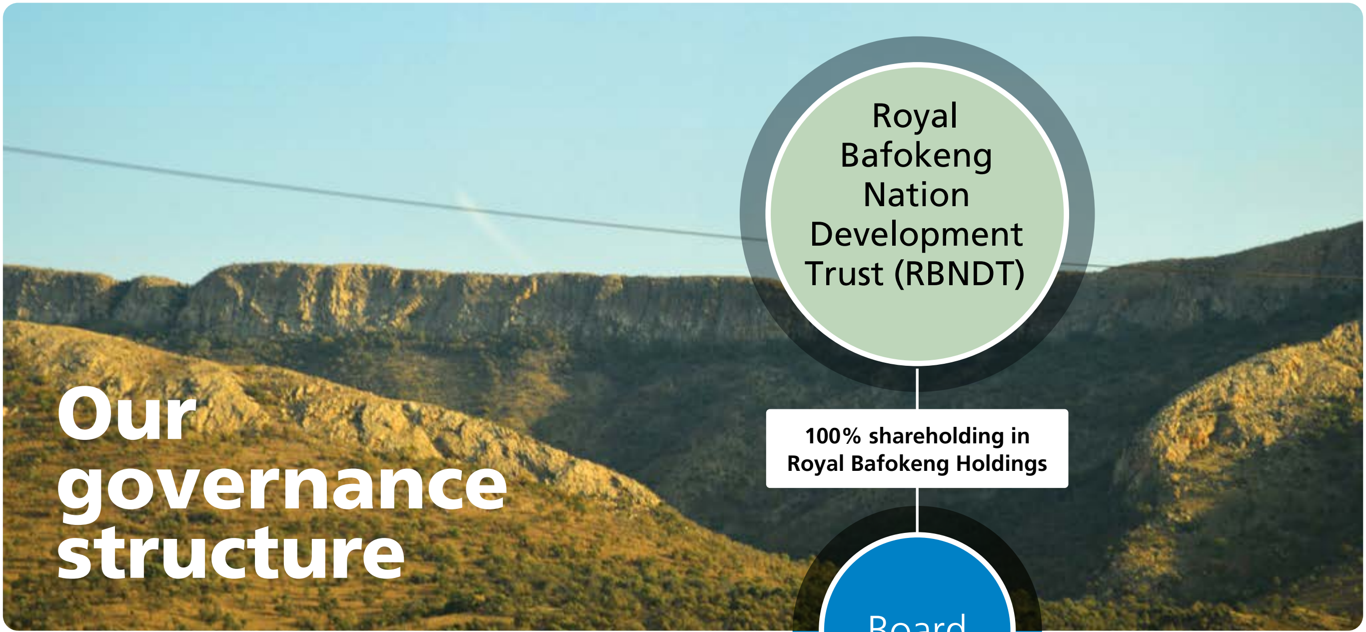
Our governance objectives are focused on setting clear strategic direction and achieving strong performance. We pursue sustained value creation by striving for excellence in all our operations, from financial management to corporate responsibility. Effective governance enables us to steer the organisation with purpose and drive long-term success.

### MAINTAINING LEGITIMACY AND CREDIBILITY

At the heart of our governance philosophy is a commitment to maintaining legitimacy and credibility as responsible stewards of the wealth of the RBN. This is demonstrated through transparent communication, ongoing stakeholder engagement and strict adherence to ethical practices.

### DELIVERING SUSTAINED VALUE CREATION

We focus on long-term performance, ensuring our actions are in line with the interests of all stakeholders. This approach strengthens our ability to adapt to changing circumstances, optimise resources and contribute to the ongoing success and prosperity of the RBN.



# Our governance structure

Royal Bafokeng Nation Development Trust (RBNDT)

100% shareholding in Royal Bafokeng Holdings

Board

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

Chief executive officer

- Finance
- Investments
- Stakeholder relations
- Company secretary
- Human capital

The RBNDT maintains a 100% shareholding in RBH. As the sole shareholder, RBNDT has a vested interest in ensuring the company operates efficiently and responsibly. Governance responsibilities are clearly defined in the Shareholder Compact, which outlines the expectations for RBH's performance, compliance and strategic direction. The shareholder also holds a key role in approving major decisions and making certain RBH's operations meet the broader objectives of the Royal Bafokeng Nation. Through its oversight and involvement in strategic decisions, the shareholder helps maintain a strong governance framework that maintains long-term value creation for the RBN.

## Delegation of authority

| | |
|---|---|
| Roles and responsibilities of the board | The board serves as the custodian of corporate governance and ethical practices at RBH, providing strategic oversight and ensuring accountability for the company's performance and affairs. It delegates operational management to the CEO, aligns business objectives with ethical conduct and oversees risk management and compliance. The board also monitors its own effectiveness, implements succession planning and addresses disciplinary matters concerning executive directors. Through these functions, the board upholds RBH's commitment to responsible leadership and sustainable growth. |
| Role and responsibilities of the chairperson | The chairperson plays a central role in steering governance and strategic leadership at RBH. Responsibilities include presiding over board meetings, setting the agenda, establishing an ethical tone and ensuring the board's effectiveness in shaping and implementing the company's strategic direction. The chairperson is accountable for delivering complete, timely and accurate information to the board. Additionally, the chairperson upholds the integrity and effectiveness of the board, sets performance expectations and offers support to the CEO. |
| Roles and responsibilities of non-executive directors | Non-executive directors contribute to RBH's strategic direction, offering independent oversight in the best interests of stakeholders. Their responsibilities include monitoring management performance against strategic goals, ensuring the effectiveness of internal controls, maintaining the integrity of financial reporting and reviewing remuneration, succession planning and talent management policies. They also play a key role in overseeing risk management, maintaining the integrity of financial controls and that company accounts and external reports reflect true and fair actions and performance. |
| Roles and responsibilities of board committees | Board committees play an important role in RBH's governance framework, each focusing on key aspects of the company's operations to support informed and effective decision-making. These committees report directly to the board, ensuring thorough oversight and a holistic approach to governance. 96 Further details on the board committees can be found on page 96 of this report. |
| Roles and responsibilities of executive directors | Executive directors lead the day-to-day operations of RBH, implementing strategies and ensuring performance delivery aligned with the board's direction. Their responsibilities include resource allocation, promoting ethical conduct and maintaining effective internal controls. Executive directors act as the primary external representatives of the company, delivering timely information to the board and collaborating with the chairperson. |

## Company secretary

Ms B Mlangeni, appointed as Company Secretary in August 2012, is responsible for making certain sound governance practices are maintained at RBH. She advises the board on statutory duties and board-related matters, providing directors with unrestricted access to her services. In this capacity, Ms Mlangeni promotes the effective implementation and adherence to established corporate governance principles. The board has assessed her competence, qualifications and experience, reaffirming her ability to fulfil her responsibilities excellently. Furthermore, the board has confirmed there are no direct or indirect relationships between Ms Mlangeni and any board members that could potentially undermine their independence.

## Governance functional areas

RBH's governance framework is informed by our place in the RBN and by our mandate. This approach promotes collaboration and ensures that governance practices align with and complement other RBN entities. This commitment to transparency, accountability and ethical leadership supports our mandate to create sustainable value for the RBN.

### GOVERNANCE FUNCTIONAL AREAS

### STRATEGIC OVERSIGHT

Strategic oversight forms a core governance functional area for RBH and promotes alignment with the RBN's vision of preserving and growing intergenerational wealth. Through responsible stewardship of resources and disciplined investment practices, RBH balances financial returns with meaningful social impact, contributing to the sustainable development of the RBN. This governance function ensures that value preservation, responsible investment and ethical decision-making are central to capital allocation and risk management processes.

### COMPLIANCE AND ETHICS

RBH is committed to a culture of compliance and ethical conduct that goes beyond meeting regulatory requirements. Guided by the Code of Conduct, the company adheres to local and international standards, including anti-money laundering, anti-bribery and anti-corruption measures. Training programmes equip employees with the knowledge to recognise and address compliance risks, while a confidential whistleblowing platform enables anonymous reporting of unethical behaviour.

### RISK MANAGEMENT

Risk management at RBH is governed through the board-approved enterprise risk management (ERM) framework, which provides clear guidelines for identifying, assessing and addressing risks. The ERM defines the company's risk appetite and tolerances, ensuring decision-making complements strategic objectives. Monitoring and reporting processes are rigorous, with oversight provided by the Audit and Risk Committee. Detailed insight into risks and opportunities, as well as their connection to material matters, are outlined on page **30** of this report.

### INFORMATION TECHNOLOGY

RBH recognises the strategic importance of information and technology in driving innovation and competitiveness. Governance in this area focuses on maintaining operational resilience, data security and effective use of digital tools to strengthen decision-making and stakeholder engagement.

### REMUNERATION AND FAIR PAY

The Remuneration and Nomination Committee makes remuneration policies support our values and strategic objectives. The framework is designed to deliver fair and responsible pay, driving accountability and sustainable value creation. Remuneration practices are benchmarked to market standards.

### ASSURANCE AND INTERNAL CONTROLS

The Audit and Risk Committee ensures the integrity of the company's financial reporting and the effectiveness of internal controls. Independent assurance on financial statements is provided by external entities. Internal control mechanisms are regularly reviewed to address any potential exposures, ensuring the organisation's financial and operational resilience.

# Our board of directors

## Independent non-executive directors

### Moses Kgosana 66

*Hons B. Compt, University of South Africa; Chartered Accountant (SA); Executive Development Programme, Gordon Institute of Business Science*

**Moses** was appointed to the board as chairperson on 1 January 2024. He is the chairperson of the Desmond Leach Trust. Moses also serves as the Audit Committee chairperson of Clinix Health group, chairperson of the Phembani Remuneration Committee and is a member of its Audit Committee. He held various positions including CEO and chairperson at KPMG and was a member of the IFRS advisory council of the IASB. Moses previously served as non-executive director at Alexander Forbes, Imperial Holdings, Massmart Holdings, Transaction Capital, AECI, MOGS and Famous Brands and has over 40 years of accounting, auditing and advisory experience within the public and private sectors.

### Tom Boardman 75

*BCom, University of the Witwatersrand; Chartered Accountant (SA)*

**Tom** was appointed to the board on 1 January 2011. He has held senior positions at Anglo American Corporation, Sam Newman Limited and BoE Limited. He was chief executive of Nedbank Group between 2003 and 2010. He has served as a non-executive director on the board of Nedbank Limited, Woolworths, Millicom International Cellular and Swedish investment holding company, Kinnevik AB. He currently serves on the board of African Rainbow Limited, African Rainbow Capital and African Rainbow Energy & Power. He is a director and the deputy chairperson of Tyme Bank. Tom is the chairperson of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.

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

## Independent non-executive directors continued

### Fran du Plessis 70

*BCom; LLB; Chartered Accountant (SA); BCom Taxation (Hons), University of Cape Town; LLM, University of Stellenbosch*

**Fran** was appointed to the board on 1 June 2012 and has practised as a chartered accountant, specialising in the fiscal laws of taxation since 1994. She has sat on the board of several companies including Naspers, Life Healthcare, Sanlam, ArcelorMittal and KWV Holdings. She lectures on an ad hoc basis at the University of Stellenbosch. Fran is a member of the Audit and Risk Committee and chairs the Remuneration and Nomination Committee.

### Prof Fatima Abrahams 63

*B Econ (Hons) Cum laude; M Comm, University of Western Cape; D. Comm, University of South Africa*

**Fatima** was appointed to the board on 17 August 2023. She is an Emeritus Professor at the University of Western Cape (UWC) and has held positions of dean and senior professor at the university. Fatima has served as chairperson of V&A Waterfront Holdings and a non-executive director of V&A Waterfront Properties, Transnet, Clicks Group, B2B Africa and Illiad Limited. She is a registered industrial psychologist and has served as a member of the Education Committee of the HPCSA. She is currently a non-executive director of The Foschini Group and Lewis Group and serves on a number of subcommittees of these companies. In addition, Fatima is a director of several non-listed companies including Kapela Investments, BPSA and Marsh. Fatima is a member of the Audit and Risk Committee, Remuneration and Nomination Committee and chairs the Social and Ethics Committee.

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

## Non-executive director

Invitee

### Obakeng Phetwe 47

*BCom, North West University; BCom (Hons) CTA, University of South Africa; Chartered Accountant (SA)*

**Obakeng** was appointed to the board on 27 March 2012 and is the chief executive officer of the RBNDT. He previously held the positions of group treasury and business manager for the RBN, finance manager for the RBA and senior audit manager at Mokua and Associates Chartered Accountants. Obakeng is a member of the Remuneration and Nomination Committee, the Social and Ethics Committee and a permanent invitee to the Audit and Risk Committee.

## Executive directors

### Albertinah Kekana 51

*BCom, University of Cape Town; Chartered Accountant (SA); Postgraduate Diploma in Accounting, University of Cape Town; Advanced Management programme, Harvard University (USA)*

**Albertinah** was appointed CEO and a member of the board with effect from 1 November 2012. She was previously the chief operating officer of the Public Investment Corporation and has extensive asset management, investment banking and business leadership experience.

### Tinyiko Sihlangu 36

*BCom Accounting (Cum Laude); BCom Accounting (Hons) and CTA; MCom Taxation, University of Pretoria; Chartered Accountant (SA); CFA Level 3 candidate; General Management programme, Harvard Business School (USA)*

**Tinyiko** was appointed Chief Financial Officer and a member of the board on 1 November 2019. She joined RBH in July 2015 and grew into her current role after serving as group finance manager. Before joining RBH, Tinyiko was a financial reporting manager at MTN Group Limited.

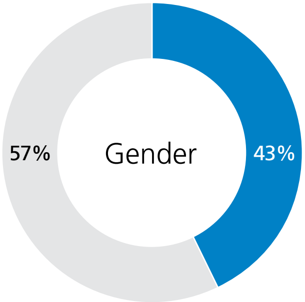
- Audit and Risk Committee
- Social and Ethics Committee
- Remuneration and Nomination Committee
- Chairperson

## Collective board skills

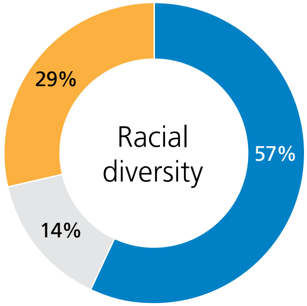
- Investment and finance
- Strategy
- Industry expertise
- Governance
- Leadership
- Human capital
- Business acumen
- Stakeholder management

# Board demographics

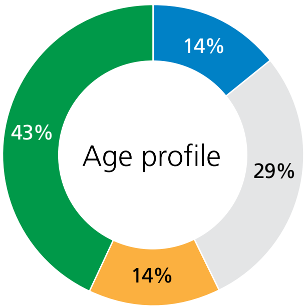
The board is committed to ensuring diversity in its composition, recognising that a diverse board brings a wide range of perspectives, skills and experiences, which can also be leveraged from an age, gender, race and tenure outlook, ultimately contributing to more effective decision-making. The following outlines the diversity across gender, race, age and board tenure, as well as the independence of board members as at 31 December 2024.



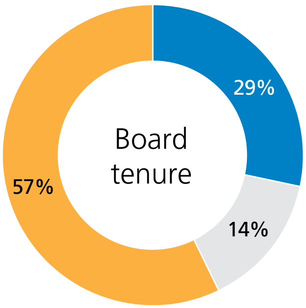

| | |
|---|---|
| Male | 3 |
| Female | 4 |



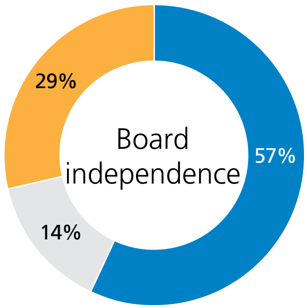

| | |
|---|---|
| African | 4 |
| Coloured | 1 |
| White | 2 |




| | |
|---|---|
| 36-45 years | 1 |
| 46 -55 years | 2 |
| 56-65 years | 1 |
| 66+ years | 3 |




| | |
|---|---|
| Up to 3 years | 2 |
| 4-10 years | 1 |
| 10 years or longer | 4 |




| | |
|---|---|
| Independent | 4 |
| Non-executive | 1 |
| Executive | 2 |

# Board report

The board is the highest governing body and the custodian of corporate governance within RBH. It holds ultimate responsibility for the company's performance, reputation and sustainable value creation. A formal charter outlines the board's collective and individual responsibilities, authority, composition and functions and is subject to annual review. This charter clearly defines the delegated powers to various board committees.

In 2024, RBH's board was composed of five non-executive directors, four of whom are independent, in line with King IV's recommendations and best practices. Additionally, two executive directors are members of the board, ensuring a balance between independence and a comprehensive understanding of the business. This mix of perspectives enables innovative thinking and agile decision-making, which is critical in navigating today's dynamic and uncertain business environment.

Each board member brings the qualifications and extensive experience required, offering diverse and independent perspectives. Details on the age, tenure, experience and skills of directors are provided on page **90** of this report.

The board held 14 meetings during 2024 and is satisfied with its composition and performance during the period.

## Attendance register

P Present A Absent

| | *Special* 15 FEB | *Special* 22 MAR | 4 APRIL | *Special* 15 MAY | *Special* 30 MAY | 19 JUNE | *Special* 24 JULY | *Special* 1 AUG | 27 AUG | 26 SEPT | *Special* 24 OCT | 3 DEC | 4 DEC | 21 NOV | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| RM Kgosana | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |
| TA Boardman | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |
| F du Plessis | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |
| F Abrahams | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |
| O Phetwe | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |
| A Kekana | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |
| T Sihlangu | P | P | P | P | P | P | P | P | P | P | P | P | P | P | **14** |

## Key focus areas

### Strategic alignment and global equity strategy

In 2024, the RBH board continued its focus on strategic execution, with a key priority being the implementation of the global equity strategy. The board also worked closely with management to maintain a balance between risk, regulatory compliance and strategic objectives.

### Director training

In 2024, ongoing director training increased the board's awareness of emerging trends and supported the development of skills necessary to provide valuable counsel and effective oversight as RBH pursued its strategic objectives. Directors received regular updates on applicable laws, regulatory changes, legislation, standards and codes, as well as developments that could impact RBH's operations. Training sessions were scheduled in advance and integrated into the board's annual calendar.

### Debt reduction and cash flow for strategic execution

A significant achievement was RBH's debt repayment, a key financial milestone. While the board aimed for a healthy level of debt, the primary objective was to release cash flow to reinvest in its global strategy. This will allow RBH to maintain flexibility, and support broader growth objectives. Safeguarding adequate cash flow for strategic execution was vital, as it helped maintain the resources needed to execute the company's long-term goals and navigate the external economic environment.

### Governance and compliance across committees

Across its committees, the board maintained a strong focus on governance and compliance, with each addressing key aspects of RBH's global strategy. The Audit and Risk Committee provided oversight on compliance and internal controls. The Remuneration and Nomination Committee oversaw the human capital strategy, making certain RBH has the skills needed to execute its strategy. The Social and Ethics Committee concentrated on ethical practices and social performance. All committees support the broader goal of securing RBH's future, highlighting the board's comprehensive and forward-thinking approach.

### Talent management and succession planning

Talent management was a central theme for the board during 2024. A skills audit was conducted across departments to identify the required talent and ensure the right structures are in place to implement the company's global strategy. The aim is to make sure RBH remains equipped to meet the challenges of a rapidly evolving global marketplace.

### Board evaluation

In 2024, a formal evaluation of the board's performance was not undertaken, as several new directors were still in the process of settling into their roles. However, ongoing informal assessments took place, with regular discussions and feedback sessions to gauge the board's effectiveness. These informal evaluations focused on the integration of new directors, alignment with the company's strategic priorities and the board's ability to respond to emerging challenges. The process also involved assessing how well the board collaborated with management and addressed key governance issues. A more formal evaluation is expected in the coming year once all directors are fully integrated. The board is satisfied with its composition and performance in 2024.

## Outlook

Looking ahead, the RBH board remains committed to executing its strategy and ensuring the necessary governance structures are in place. The company will maintain a focus on talent management and strategic investments all while maintaining compliance with evolving regulations. As the global landscape continues to change, the board will focus on agility and ensuring RBH remains well positioned to capitalise on new opportunities and address emerging risks.

Board

# Board committee reports

Audit and Risk Committee

Social and Ethics Committee

Remuneration and Nomination Committee

# Audit and Risk Committee

## Mandate

The Audit and Risk Committee (ARC) is responsible for upholding the integrity of internal controls, financial reporting and audit processes. It advances compliance with all relevant legal and regulatory requirements, safeguarding company assets and monitoring processes and controls that contribute to the sustainability of the company. The committee also holds the responsibility for overseeing IT governance arrangements.

### Members

- **TA Boardman** (chairperson)
- F du Plessis
- F Abrahams

### Invitees

- O Phetwe
- A Kekana
- T Sihlangu

## Meeting attendance

P Present A Absent

**AUDIT AND RISK MANAGEMENT COMMITTEE MEETINGS 2024**

| | 13 MARCH | *Special* 19 APRIL | 2 MAY | 5 JUNE | 12 SEPT | 21 NOV | |
|---|---|---|---|---|---|---|---|
| TA Boardman | P | P | P | P | P | P | 6 |
| F du Plessis | P | P | P | P | P | P | 6 |
| F Abrahams | P | P | P | P | P | P | 6 |
| O Phetwe | P | P | P | P | P | P | 6 |
| T Sihlangu | P | P | P | P | P | P | 6 |
| A Kekana | P | P | P | P | P | P | 6 |

## Performance in 2024

### Oversight of financial reporting and internal controls

In 2024, ARC ensured the integrity of the company's financial statements. The committee reviewed the accuracy and completeness of financial reporting, paying particular attention to regulatory compliance. The committee also oversaw the internal control framework to make certain it remains robust and efficient. The committee supported management in identifying and addressing weaknesses in internal controls in a timely manner.

### External audit and auditor independence

The ARC nominated the external auditor for approval by the board and shareholder, in line with the Companies Act. The committee regularly reviewed the performance and independence of the external auditor, which was critical for a smooth transition to a new audit firm in the reporting period. The committee ensured the audit process remained objective and transparent, addressing any potential conflicts of interest. The committee also reviewed the auditor's findings, recommendations and the appropriateness of the audit scope.

## Risk management and oversight

The committee was responsible for overseeing the company's risk management processes. It oversaw that key risks, including portfolio, operational and reputational risks, were identified and managed. The committee regularly engaged with management to ensure risk mitigation plans were adequately implemented.

# Performance evaluation

The committee reviewed its terms of reference in 2024 to ensure it remained aligned with best practices and applicable regulations. The committee recommended the updated terms of reference to the board for approval and is satisfied with its performance during 2024.

# Social and Ethics Committee

## Mandate

The Social and Ethics Committee (SEC) assumes the responsibility of overseeing and providing strategic direction on sustainability, social and ethical matters and stakeholder relations. This encompasses vigilant monitoring of the business activities to promote responsible corporate citizenship and the preservation of its social license to operate. The SEC actively oversees stakeholder engagement, ensuring RBH maintains mutually beneficial relationships with all stakeholders, guided by the vision, mandate, values and strategic imperatives of the business.

## Members

- **F Abrahams** (chairperson)
- O Phetwe
- RM Kgosana

## Invitees

- A Kekana
- T Sihlangu

## Meeting attendance

P Present A Absent

**SOCIAL AND ETHICS COMMITTEE MEETINGS 2024**

| | 12 MARCH | *Special* 2 MAY | 9 SEPT | *Special* 27 NOV | |
|---|---|---|---|---|---|
| F Abrahams | P | P | P | P | 4 |
| RM Kgosana | P | P | P | P | 4 |
| O Phetwe | P | P | P | A | 3 |
| A Kekana | P | P | P | P | 4 |
| T Sihlangu | P | P | P | P | 4 |

## Performance in 2024

The SEC played a central role in ensuring RBH's governance and ethical standards remained strong in 2024. Through rigorous oversight and regular assessments, the committee ensured the company adhered to legal and regulatory frameworks while promoting a culture of transparency, accountability and ethical conduct.

### Governance, ethics and stakeholder engagement

In 2024, the SEC prioritised governance and ethical oversight, ensuring compliance with the Companies Act (Regulation 43(5)) and the King IV Code. The committee reviewed donations and charitable giving in line with RBH's social transformation strategy and considered legislative developments and their practical application in social and ethics management. Regular oversight activities included reviewing the annual declaration of interests and reports on actual or suspected acts of corruption, as needed.

The committee also monitored the extent to which issues related to socio-economic transformation are advanced as well as how the prevention, detection and response to fraud and corruption contribute to organisational resilience. This included measures taken to advance broad-based empowerment as guided by B-BBEE and Employment Equity regulations in terms of ensuring the submission of the Employment Equity report. The committee also provided oversight on RBH's compliance with B-BBEE regulations, including the completion and review of a B-BBEE verification process. Furthermore, procurement practices were reviewed to promote alignment with the RBH Procurement policy and measures were enforced to detect corruption.

## Good corporate citizenship and social performance

The committee monitored social performance, the promotion of an ethical culture and how RBH conducts itself as a responsible corporate citizen. This included a review of donations, sponsorships and charitable contributions made. The adequacy and effectiveness of the organisation's engagement with stakeholders were also reviewed, including an assessment of the Group Crisis Communication Plan and progress on commitments made as part of the 2021 platinum transaction. Quarterly ESG oversight reports for investee companies were reviewed and legislative and regulatory developments were considered to support their practical application in social and ethics management. The committee also reviewed and recommended the RBH ESG Framework for adoption to provide a structured approach for RBH to integrate sustainable practices into its investment activities and identify and manage risks and opportunities related to environmental impact, social responsibility and governance practices within RBH operations and its investee companies.

## Environment, health and safety compliance

The SEC maintained focus on environmental, health and safety (EHS) matters, monitoring compliance with relevant legislation such as the Occupational Health and Safety Act, the Compensation for Occupational Injuries and Diseases Act (COIDA) and the National Environmental Management Act (NEMA). The committee reviewed the extent to which RBH guarantees the safety and health of its employees and adheres to environmental governance principles as outlined in NEMA.

# Performance evaluation

The committee reviewed its terms of reference in 2024 to remain aligned with best practice and applicable regulations. The committee recommended the updated terms of reference to the board for approval and is satisfied with its performance during 2024.

# Remuneration and Nomination Committee

## Mandate

The Remuneration and Nomination Committee is responsible for RBH's organisational culture and excellence by assisting the board in developing and sustaining a remuneration policy aligned with strategic goals. This encompasses the implementation of competitive reward structures and initiatives promoting employee engagement, wellness and professional development. The committee evaluates board performance annually and oversees succession planning arrangements. The committee furthermore ensures the board has the appropriate composition and that directors are appointed through a formal and transparent process. It makes certain RBH's remuneration and nomination practices adhere to the principles outlined in the King IV Code and reflects best practices in the industry.

## Members

- **F du Plessis** (chairperson)
- O Phetwe
- TA Boardman
- F Abrahams
- RM Kgosana

## Invitees

- A Kekana
- T Sihlangu

## Meeting attendance

P Present A Absent

**REMUNERATION AND NOMINATION COMMITTEE MEETINGS 2024**

| | 27 MARCH | 5 JUNE | 9 SEPT | 21 NOV | |
|---|---|---|---|---|---|
| F du Plessis | P | P | P | P | 4 |
| F Abrahams | P | P | P | P | 4 |
| TA Boardman | P | P | P | P | 4 |
| O Phetwe | P | P | P | P | 4 |
| RM Kgosana | P | P | P | P | 4 |
| A Kekana | P | P | P | P | 4 |
| T Sihlangu | P | P | P | P | 4 |

## Performance in 2024

### Policy and governance

In 2024, the Remuneration and Nomination Committee approved the 2024 company scorecard and reviewed the remuneration of independent and non-executive directors for the upcoming financial year. Additionally, the CEO's job profile was reviewed and succession planning for the CEO and executive team roles was considered to ensure the board received adequate assurances for leadership continuity.

### Remuneration and pay review

The Remuneration and Nomination Committee focused on both executive and employee remuneration throughout 2024. The committee recommended the CEO's balanced scorecard for the following year and reviewed long-term incentive (LTI) allocations. Proposals for the remuneration of executive committee members were considered in line with business objectives. In addition, the committee reviewed the short-term incentive (STI) for the previous year, projected STI levels for the current year and set the total LTI pools and financial targets for the next financial year. The committee also reviewed and updated its LTI and STI rules. The committee oversaw the annual pay review for all employees to make sure salary increases and bonuses were aligned with market trends and company performance.

## Orientation and training

The committee facilitated the induction for new directors in February 2024. The aim of the exercise was to ensure new directors have a comprehensive understanding of their roles and the company's strategic objectives and governance structures. Ongoing training was provided to support their integration into the board and their respective committees.

# Performance evaluation

The committee reviewed its terms of reference in 2024, ensuring it remained aligned with the evolving needs of the board and the company. The committee recommended the updated terms of reference to the board for approval and is satisfied with its performance during 2024.

## Conflict of interest

The board continued to uphold strict policies regarding conflicts of interest, ensuring all members adhere to high ethical standards and transparency. Each director was required to declare any potential conflicts of interest and these declarations were regularly reviewed. The board has established clear procedures for managing any conflicts that may arise, ensuring decisions are made in the best interests of the company and its stakeholders. These procedures include recusal from discussions and votes where conflicts may be present. The board remains committed to maintaining the integrity of its decision-making process and addressing any conflicts promptly and appropriately.


## Whistleblowing

A comprehensive Code of Conduct and whistleblowing policy are in place to facilitate disclosures related to ethical breaches, fraud and corruption. Employees and stakeholders are encouraged to report any concerns without fear of retaliation. The confidential reporting system ensures that whistleblowers can raise issues safely and securely. The Code of Conduct undergoes regular reviews and updates to remain relevant and effective. This system reinforces RBH's commitment to maintaining a culture of integrity, accountability and trust within the organisation. No material incidents were reported in 2024 and no material issues arose during the year.

## Remuneration report

RBH does not publish a remuneration report as part of its annual integrated review. Instead, remuneration information is reported directly to our shareholder in line with our governance approach and the traditional practices of the RBN. This approach ensures our shareholder is fully informed of the remuneration structures, policies and outcomes, while maintaining alignment with RBH's values of ethical practice and accountability.

# Executive committee

The day-to-day management decisions and operations of RBH are the responsibility of the Executive Committee.

## Albertinah Kekana
### Chief executive officer

*See board of directors for CV*

## Tinyiko Sihlangu
### Chief financial officer

*See board of directors for CV*

## Udo Lucht
### Chief investment officer

*BCom (Hons), University of Natal; Chartered Accountant (SA); CFA*

## Buyi Mlangeni
### Group company secretary

*BTech, Durban University of Technology; National Diploma, (Natal Tech); Executive Development programme, Wits Business School; Postgraduate Diploma in Business Management, Henley Business School*

## Lesego Lebuso
### Group manager: Stakeholder Relations

*BA (Industrial Psychology), UNISA; BA (Hons), University of Johannesburg; Masters in Business Leadership, UNISA Graduate School of Business Leadership; MPhil, University of Johannesburg*

## Ditiro Chesalokile
### Human capital manager

*BCom (Hons) Human Resource Management, University of Johannesburg; Management Advancement programme, Wits Business School; Masters in People Management, University of Cape Town*

## Value-adding executive skills:

| | | | |
|---|---|---|---|
| Governance | Investments | Stakeholder relations | Finance |
| Strategy | Tax | Legal | People management |

# King IV register

| | PRINCIPLE | STATUS | APPLICATION |
|---|---|---|---|
| 1 | The governing body should lead ethically and effectively. | ✓ | RBH is governed by a diverse and independent board of directors who embody ethical leadership and stakeholder inclusivity. The board is responsible for embedding an ethical organisational culture and ensuring integrity in decision-making. Board appointments prioritise the expertise, diversity and skills required to meet business needs effectively. Directors undergo regular ethics training, and compliance with ethical standards is monitored by the SEC. |
| 2 | The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture. | ✓ | RBH adheres to a Code of Conduct that applies to all employees and board members. This code emphasises accountability, transparency and ethical conduct in all interactions. The SEC oversees ethical governance, ensuring corporate citizenship responsibilities are met. Ethics risk assessments are conducted periodically, with a whistleblowing mechanism in place for reporting ethical breaches. |
| 3 | The governing body should ensure the organisation is and is seen to be a responsible corporate citizen. | ✓ | The board, guided by the SEC, provides strategic direction for RBH's corporate citizenship efforts. Economic, social and environmental impacts are integrated into decision-making processes. Annual strategy sessions ensure RBH's goals support its mandate. Social spend is allocated to CSI initiatives focusing on community development, education and economic inclusion, particularly within the RBN. |
| 4 | The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process. | ✓ | The board ensures RBH's strategy supports sustainable value creation, balancing performance with long-term sustainability objectives. Risk assessments are embedded in business planning and scenario analyses are used to guide decision-making. The ARC and SEC assist in overseeing financial reporting, sustainability performance and stakeholder engagement. RBH adopts an integrated approach to governance, ensuring ESG factors are embedded in operations. |

| | PRINCIPLE | STATUS | APPLICATION |
|---|---|---|---|
| 5 | The governing body should ensure reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short-, medium- and long-term prospects. | ✓ | The board ensures RBH follows a stakeholder-inclusive reporting framework, balancing the needs of investors, communities and regulators. The SEC oversees stakeholder engagement, while the ARC reviews financial reports for accuracy and transparency. The integrated review is publicly available and stakeholder feedback is considered in future reporting cycles. |
| 6 | The governing body should serve as the focal point and custodian of corporate governance in the organisation. | ✓ | The board is the highest governing authority at RBH, upholding the principles of accountability, fairness and transparency. It ensures effective governance structures, supported by board committees such as the ARC, SEC and Remuneration and Nomination Committee. Governance policies are periodically reviewed to align with best practices and evolving regulatory requirements. |
| 7 | The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. | ✓ | The Remuneration and Nomination Committee reviews the board's composition annually, ensuring an optimal mix of expertise, industry experience and independence. Succession planning is a key focus, with mechanisms in place to refresh board leadership and enhance governance effectiveness. Transparent nomination, election and appointment processes are followed to maintain board integrity. |
| 8 | The governing body should ensure its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties. | ✓ | RBH's governance structure ensures an effective balance of power, with independent directors chairing key committees. The board delegates responsibilities to committees with clearly defined mandates. Committee reports are reviewed regularly to ensure robust oversight and accountability. |
| 9 | The governing body should ensure the appointment of and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities. | ✓ | The board operates under a clear delegation of authority framework, which outlines the responsibilities of management and the board. This framework promotes efficient decision-making while maintaining accountability. The CEO and executive team are entrusted with operational responsibilities, with performance reviews conducted periodically to assess leadership effectiveness. |

| | PRINCIPLE | STATUS | APPLICATION |
|---|---|---|---|
| 10 | The governing body should ensure the evaluation of its own performance and that of its committees, its chair and its individual members, supporting continued improvement in its performance and effectiveness. | ✓ | Annual board and committee evaluations are conducted to assess effectiveness, governance quality and strategic oversight. External evaluators are engaged periodically to provide independent assessments. Feedback from evaluations informs governance improvements and director development plans. |
| 11 | The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives. | ✓ | The board has overall responsibility for risk governance, with the ARC overseeing the risk management framework. Risks are assessed across financial, operational and strategic dimensions, with mitigation strategies integrated into business planning. The risk register is reviewed periodically and emerging risks are proactively addressed. |
| 12 | The governing body should govern technology and information in a way that supports the organisation in setting and achieving its strategic objectives. | ✓ | The board recognises the strategic role of technology and information governance. The ARC oversees IT risk management, cybersecurity and data privacy compliance. Investments in digital transformation initiatives are aligned with RBH's business objectives to increase operational efficiency and competitiveness. |
| 13 | The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen. | ✓ | RBH complies with all relevant legislation, regulations and voluntary codes of good governance. The company secretary provides guidance on regulatory obligations, while compliance audits ensure adherence to legal and ethical standards. Non-compliance risks are regularly reviewed and mitigated. |
| 14 | The governing body should ensure the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. | ✓ | The Remuneration and Nomination Committee oversees executive compensation policies to ensure alignment with performance and stakeholder expectations. RBH's remuneration structure is designed to attract and retain top talent while upholding principles of fairness and transparency. Annual remuneration disclosures provide insight into pay practices. |

| | PRINCIPLE | STATUS | APPLICATION |
|---|---|---|---|
| 15 | The governing body should ensure assurance services and functions enable an effective control environment, supporting the integrity of information for internal decision-making and the organisation's external reports. | ✓ | RBH implements a combined assurance framework designed to optimise coverage from various assurance sources. The ARC oversees this framework to ensure an effective control environment, while also ensuring the integrity of information used for internal decision-making and external reporting. The board is confident the combined assurance model supports a robust control environment and the reliability of information for both internal and external purposes. |
| 16 | The governing body should adopt a stakeholder-inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interest of the organisation over time. | ✓ | RBH has identified its key stakeholder groups, including those who may be impacted by its activities and those whose actions can influence the organisation's ability to achieve its strategic goals. We actively strive to balance the legitimate and reasonable needs, interests and expectations of our stakeholders. The board has delegated governance of stakeholder relationships to the SEC, which has established a formal and inclusive stakeholder engagement framework, approved by the board. |

# GLOSSARY

| | |
|---|---|
| **AFS** | Annual Financial Statements |
| **AGM** | Annual general meeting |
| **ARC** | Audit and Risk Committee |
| **B-BBEE** | Broad-based Black Economic Empowerment |
| **BMI** | Business maturity improvement |
| **BRPM** | Bafokeng Rasimone Platinum Mine |
| **CA** | Chartered accountant |
| **CEO** | Chief Executive Officer |
| **COIDA** | Compensation for Occupational Injuries and Diseases Act |
| **Companies Act** | Companies Act, No. 71 of 2008 |
| **CPT** | Cross point trading |
| **CSI** | Corporate social investment |
| **CTA** | Certificate in the Theory of Accounting |
| **DPA** | Distributed Power Africa |
| **dtic** | Department of Trade, Industry and Competition |
| **EHS** | Environmental, health and safety |
| **ERM** | Enterprise risk management |
| **ESD** | Enterprise and supplier development |
| **ESG** | Environmental, social and governance |
| **GNU** | Government of National Unity |
| **HC** | Human capital |
| **IASB** | International Accounting Standards Board |
| **ICT** | Information and communications technology |
| **IFRS** | International Financial Reporting Standards |
| **IR** | Integrated Reporting |
| **ISO** | International Organization for Standardization |
| **JSE** | Johannesburg Stock Exchange |
| **King IV Code** | Report on Corporate Governance for South Africa 2016 |
| **KPI** | Key performance indicator |
| **KPMG** | KPMG Incorporated |
| **LPG** | Liquefied petroleum gas |
| **LTI** | Long-term incentive |
| **MOGS** | Mining, Oil and Gas Services |
| **Morafe** | RBN community |
| **MW** | Megawatt |
| **NAV** | Net asset value |
| **NAY** | Net asset yield |
| **NEMA** | National Environmental Management Act |
| **NGO** | Non-governmental organisations |
| **NQF** | National Qualifications Framework |

## GLOSSARY CONTINUED

| | |
|---|---|
| **PGDA** | Postgraduate Diploma in Accounting |
| **PIC** | Public Investment Corporation |
| **Plan '35** | RBN strategic blueprint for socio-economic development |
| **Plc** | Public-listed company |
| **PPP** | Public private partnership |
| **PV** | Photovoltaic |
| **RBA** | Royal Bafokeng Administration |
| **RBED** | Royal Bafokeng Enterprise Development |
| **RBH** | Royal Bafokeng Holdings |
| **RBI** | Royal Bafokeng Institute |
| **RBN or the Nation or Morafe** | Royal Bafokeng Nation |
| **RBNDT** | Royal Bafokeng Nation Development Trust |
| **RBPlat** | Royal Bafokeng Platinum |
| **RBS** | Royal Bafokeng Sport |
| **RFG** | Royal Futures Group |
| **RMH** | Rand Merchant Holdings |
| **RMIH** | RMB Insurance |
| **SA** | South Africa |
| **SAA** | Strategic asset allocation |
| **SABS** | South African Bureau of Standards |
| **SACMH** | South African Coal Mining Holdings |
| **SASB** | Sustainability Accounting Standards Board |
| **SDG** | Sustainable Development Goals |
| **SEC** | Social and Ethics Committee |
| **SMME** | Small, medium and micro enterprises |
| **STI** | Short-term incentive |
| **TVET** | Technical and Vocational Education and Training |
| **UCT** | University of Cape Town |
| **UN** | United Nations |
| **UWC** | University of Western Cape |
| **ZICSA** | Zurich Financial Services |

rbh
royal bafokeng holdings

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